BUDGETARY REVIEW AND RECOMMENDATIONS REPORT OF THE PORTFOLIO COMMITTEES ON MINERAL AND PETROLEUM RESOURCES, AND ELECTRICITY AND ENERGY DATED 28 OCTOBER 2025

Following the general elections held on 29 May 2024, the Department of Mineral Resources and Energy (DMRE) was reconfigured into two separate departments, namely the Department of Mineral and Petroleum Resources (DMPR) and the Department of Electricity and Energy (DEE). In line with this restructuring, two corresponding Portfolio Committees were established — the Portfolio Committee on Mineral and Petroleum Resources and the Portfolio Committee on Electricity and Energy — with their respective Chairpersons elected on 9 and 10 July 2024.

The 2024/25 financial year, which ended on 31 March 2025, covers a period during which the Department had not yet been split. Accordingly, the Annual Reports for this period reflect performance and expenditure under the former DMRE, as both the budget and human resources remained aligned to Budget Vote 34 for the 2024/25 financial year.

The official split of the Departments took effect in the 2025/26 financial year, resulting in separate budget votes — Vote 10 for the DEE and Vote 34 for the DMPR. Consequently, this meeting marks the final joint engagement of the two Committees on budget-related matters. Nonetheless, the Committees will continue to collaborate on cross-cutting issues of mutual interest, such as the energy transition, oil and gas, and other areas requiring coordinated oversight.

The Portfolio Committees on Mineral and Petroleum Resources, and on Electricity and Energy, having considered the performance of the Department of Mineral Resources and Energy (DMRE) and its entities for the 2024/25 financial year, report as follows:

1. INTRODUCTION

This report outlines the process undertaken by the Portfolio Committees on Mineral and Petroleum Resources, and on Electricity and Energy, in considering the 2024/25 Annual Reports for Budget Vote 34, which covers the Department of Mineral Resources and Energy (DMRE) and its entities.

The Annual Reports were tabled in Parliament by the Minister of Mineral Resources and Energy on 30 September 2025, and subsequently presented during briefing sessions with the Committees, as reflected in Table 1 below.

It is important to note that references made in this document to “the Committee” pertain to the former Portfolio Committee on Mineral Resources and Energy of the Sixth Administration, within which the relevant activities and engagements were originally reported.

This report has been compiled in accordance with the Money Bills and Related Matters Amendment Act, 2009 (Act No. 9 of 2009). The Act mandates the National Assembly to conduct an annual assessment of the performance of each national department, with particular emphasis on the medium-term estimates of expenditure.

In terms of Section 5 of the Act, a specific procedure is outlined for the assessment of departmental performance by the National Assembly. Furthermore, the Act requires that, in October of each year, the committees of the National Assembly prepare Budgetary Review and Recommendation Reports (BRRRs) for the departments falling within their respective mandates.

1.1 Purpose of the Budgetary Review and Recommendation Report

In line with the provisions of the Money Bills and Related Matters Amendment Act, 2009 (Act No. 9 of 2009), as outlined above, the Budgetary Review and Recommendation Report (BRRR) for each department under the oversight of a National Assembly Committee — in this case, the Department of Mineral Resources and Energy (DMRE) — must:

I. provide an assessment of the Department’s service delivery performance given the available financial resources

II. provide an assessment of the effectiveness and efficiency of the Department's use and forward allocation of resources; and
III. may include recommendations on the forward use of resources.

Furthermore, the BRRR serves as a source document for the Standing and Select Committees on Appropriations and Finance, assisting them in formulating recommendations to the Houses of Parliament on the Medium-Term Budget Policy Statement (MTBPS).

1.2 Preparing for the Budgetary Review and Recommendations Report

In preparation for the BRR Report and in compliance with its mandate as set out in Section 5(1) of the Money Bills Amendment Procedure and Related Matters Act, 2009 (Act No. 9 of 2009), the Committee/s undertook the following activities in 2024/25 financial year:

- Briefings by the Department on quarterly performance and expenditure reports of the Department for the 2024/25 financial year.
- Undertook oversight visits as follows: Portfolio Committee on Mineral and Petroleum Resources Oversight Visit to North West and Gauteng Province 07-11 October 2025. The visit focused on Mine Health and Safety. Portfolio Committee on Mineral and Petroleum Resources Oversight Visit to Mpumalanga and Free State Provinces, 24-28 February 2025. Oversight focus was on petroleum and compliance issues with legislation in the mines. Portfolio Committee on Mineral and Petroleum Resources Oversight visit to Western Cape Province, 25-26 March 2025. Oversight focus was on petroleum industry. Committee on electricity and energy oversight on the Koeberg Nuclear Power Plant, 10 October 2024. Purpose of the visit was for the Committee Members to familiarise themselves with nuclear power. Portfolio Committee on Electricity and Energy's Oversight, 24 – 28 March 2025. The visit focus was on Eskom Power Stations, Komati and Kusile, South African National Energy Development Institute (SANEDI) and the DEE.
- Committee on Mineral and Petroleum Resources held the Stakeholders' Engagement on 29 October 2024.
- Held briefings and considered the medium-term Strategic Plan, the Annual Performance Plan and the Budget of the Department for the 2024/25 financial year, including those of its entities, as listed in Table 1.
- Received briefing on the 2024/25 Annual Reports of the Department and its entities' audit outcomes from the Auditor-General of South Africa.
- The BRR Report also draws from other briefings and inputs that the Committee received throughout the 2024/25 financial year.

Table 1: BRRR Briefings

Committee Activity	Date
Auditor General of South Africa	14 October 2025
Department of Mineral Resources and Energy	14 October 2025
Mine Health and Safety Council	14 October 2025
South African Diamond and Precious Metals Regulator	14 October 2025
State Diamond Trader	14 October 2025
Council for Geoscience	14 October 2025
Mintek	14 October 2025
South African National Energy Development Institute	15 October 2025
National Radioactive Waste Disposal Institute	15 October 2025
National Energy Regulator of South Africa	15 October 2025
National Nuclear Regulator	15 October 2025
South African Nuclear Energy Corporation	15 October 2025

1.3 Mandate of the DMRE and its entities

The overarching purpose of the DMRE is to ensure that diverse resources are available in sustainable quantities and at affordable prices for the growth of the South African economy. In line with the

National Development Plan (NDP), the Department contributes to the fight against poverty, unemployment, and inequality while considering environmental concerns and obligations. The Department's vision is to be a leader in the transformation of South Africa through economic growth and sustainable development in the mining and energy sectors. Its mission is to regulate, transform and promote the minerals and energy sectors, providing sustainable and affordable energy for growth and development, and ensuring that all South Africans derive sustainable benefit from the country's mineral wealth.

The Department executes its mandate through the following entities, as shown in Table 2 below.

Table 2. Entities of the DMRE

Mineral and Petroleum Resources entities	
Name of Entity	**Role of Entity**
Council for Geoscience	Council for Geoscience (CGS) which was established in terms of the Geoscience Act, No 100 of 1993 as amended, its role is to be a national custodian of geoscientific information and knowledge.
Council for Mineral Technology of South Africa (Mintek)	Council for Mineral Technology of South Africa (MINTEK), which was established in terms of Mineral Technology Act No 30 of 1989, its mandate is to conduct research and development in mineral technologies and promote expansion of mineral related industries.
South African Diamond and Precious Metal Regulator (SADPMR)	South African Diamond and Precious Metal Regulator (SADPMR), the legislative mandate for the SADPMR is derived from section 3 of the Diamond Act No 56 of 1986, the regulator is also responsible for enforcing the provisions Diamond and Precious Metals Act No 37 of 2005 as well as the Diamond Export Levy Act No 15 of 2007.
State Diamond Trader (SDT)	State Diamond Trader (SDT), established in terms of section 14 of the Diamonds Act No 56 of 1986 as amended, its role is to grow local diamond beneficiation, while ensuring transformation in the diamond industry.
Mine Health and Safety Council	Mine Health and Safety Council (MHSC) whose legislative mandate is found in the Mine Health and Safety Act, No. 29 of 1996, its role is to advise and conduct research on health and safety issues as they pertain to the mining industry.
Central Energy Fund (CEF) Group	The mandate of the CEF Group is derived from the Central Energy Fund Act, 1977 (Act No 38 of 1977) and the ministerial directives issued thereafter. Its role is to finance and promote the acquisition of research into and exploitation of oil, gas and renewable/clean energy-related products and technology.
Alexkor	The core business of Alexkor is the mining of diamonds on land, along rivers, on beaches and in the sea along the north-west coast of South Africa.

NB: Alexkor did not table its annual report, and it reported to the Department of Public Enterprise (DPE) during the period under review. Thus, this report does not cover Alexkor. Including it on the list of entities as during the current administration it falls under the Mineral and Petroleum Resources Portfolio**.**

Electricity and Energy Entities	
Name of Entity	**Role of Entity**
National Nuclear Regulator (NNR)	The NNR is established in terms of the National Nuclear Regulator Act, 1999 (Act No. 47 of 1999). The Act establishes the Regulator as a competent authority for nuclear regulation in South Africa. Its role is essentially to provide for the protection of persons, property and the

Electricity and Energy Entities	
Name of Entity	**Role of Entity**
	environment against nuclear damage through the establishment of safety standards and regulatory practices.
National Energy Regulator of South Africa (NERSA)	NERSA is a regulatory authority established as a juristic person in terms of Section 3 of the National Energy Regulator Act, 2004 (Act No. 40 of 2004). NERSA's role is to regulate the electricity, piped gas and petroleum pipeline industries in terms of the Electricity Regulation Act, 2006 (Act No. 4 of 2006), Municipal Finance Management Act, 2003 (Act No. 56 of 2003), the Gas Act, 2001 (Act No. 48 of 2001) and the Petroleum Pipelines Act, 2003 (Act No. 60 of 2003).
National Radioactive Waste Disposal Institute (NRWDI)	The NRWDI is a Nuclear Waste Disposal Institute established in terms of Section 3 of the National Radioactive Waste Disposal Institute Act, 2008 (Act No. 53 of 2008). Its role is to provide for the establishment of an NRWDI to manage radioactive waste disposal on a national basis and to provide for its functions and for how it is to be managed.
South African National Development Institute (SANEDI)	SANEDI is an applied energy research institute established in terms of Section 7(1) of the National Energy Act, 2008 (Act No. 34 of 2008). Its role is to direct, monitor and conduct energy research and development, promote energy research and technology innovation, as well as undertake measures to promote energy efficiency throughout the economy.
South African Nuclear Energy Corporation (NECSA)	NECSA is established in terms of Section 3(1) of the Nuclear Energy Act, 1999 (Act No. 46 of 1999), and its role is to provides for the commercialisation of nuclear and related products and services, and delegates specific responsibilities to the corporation, including the implementation and execution of national safeguards and other international obligations. The Nuclear Energy Policy of 2008 reinforced NECSA's mandate relating to research and development, and nuclear fuel cycle responsibilities.
Eskom	Eskom's mandate is to lower the cost of doing business, Enable economic growth, Provide a stable electricity supply, and Provide electricity in an efficient and sustainable manner. Eskom's purpose is to improve the quality of life of people in South Africa and the region by providing sustainable electricity solutions

NB: Eskom reported to the Department of Public Enterprise (DPE) during the period under review. Thus, this report does not cover Eskom. Including it on the list of entities as during the current administration it falls under the Electricity and Energy portfolio.

2. OVERVIEW OF THE PERFORMANCE OF THE DMRE, 2024/25

This section analyses the overall performance of the Department for the 2024/25 financial year.

2.1 Overall financial performance of the department

For the 2024/25 financial year, the Department had a final appropriation of R8.881 billion which is a 15.65 percent decrease from the R10.2 billion allocated in the 2023/24 financial year. This means the Department had a spending reduction of R1.054 billion or 11.94 percent. Consequently, by the end of the year under review, the Department had spent R8.826 billion or 99.4 percent of the budget which is an improvement from the 96.2 percent spend of the total allocated budget of 2023/24. The slight underspend for 2024/25 is 0.6 percent or R54.8 million.

Programme 5 on Mineral and Energy Resources Programme and Projects is the largest of the department's budget with R5.051 billion which is 56.88 percent of the department's total final appropriation. Programme 3 on Mining, Minerals and Energy Policy Development is R1.18 billion representing 13.3 percent, Programme 6 on Nuclear Energy Regulation and Management is R1.08 billion which is 12.2 percent. Programme 1 on Administration is allocated R791 million representing

8.9 percent, Programme 2 on Minerals and Petroleum Regulation was allocated R527 million which is 5.9 percent and finally, Programme 4 on Mine Health and Safety Inspectorate was allocated R245 million with 2.8 percent of the department's budget for 2024/25 financial year.

Table 2 below depicts the budget allocated and the actual expenditure of the DMRE or Vote 34 for the 2024/25 financial year:

Table 2: Overall budget of the Department for 2024/25 financial year

Economic classification	Final appropriation	Actual expenditure	Variance	Expenditure as a % of final appropriation
Rand thousand	**R'000**	**R'000**	**R'000**	**R'000**
Administration	791 617	762 009	29 608	96,3%
Minerals and Petroleum Regulation	527 067	521 021	6 046	98,9%
Mining, Minerals and Energy Policy Development	1 181 385	1 176 590	4 795	99,6%
Mine Health and Safety Inspectorate	245 248	243 956	1 292	99,5%
Mineral and Energy Resources Programmes and Projects	5 051 377	5 041 292	10 085	99,8%
Nuclear Energy Regulation and Management	1 084 768	1 081 722	3 046	99,7%
Total economic classification	**8 881 462**	**8 826 590**	**54 872**	**99,4**

Source: Department of Mineral Resources and Energy Vote 34, (2024/25)

As shown in Table 2 above, in terms of budget performance, the department's final appropriation for the year under review (2024/25) was R8.88 billion, a decrease of 15.65 percent from the R10.2 billion allocated in the 2023/24 financial year. The department underspent its budget by R54.8 million or 0.6 percent, however expenditure is at 99.4 percent or R8.82 billion. This is an improvement from the 96.2 percent spend in the previous financial year.

The Department requested R54 million in rollovers from National Treasury, mostly for electrification projects (R42m) and ICT and safety equipment (R12m). These requests reflect timing delays rather than underperformance, as the projects were committed but unspent at year-end. National Treasury approval was pending at the time of reporting, as per the financial statements notes.

Below are the 2024/25 expenditure and explanation of the material variances and/or underspend per programme.

2.1.1 Programme 1: Administration

The Programme spent R762.01 million from the projected spending of R791.6 million resulting in a net budget underspend of R29.61 million or 3.7 percent. The DMRE provides the following reasons for the underspending under this programme:

Compensation of employees' line item was underspent by R13.88 million due to unfilled vacancies in the new Ministry of Electricity and Energy following the receipt of additional funding for these vacancies through the Adjustment Budget process and from the frozen vacancies following the implementation of cost containment measures by DPSA and Treasury. By 31 March 2025 the Department's PERSAL establishment report reflected 78 frozen vacancies under this programme.

Goods and Services was underspent by R14.85 million due to underspending on operating leases (R4.50 million) and computer services (R8,61 million) mainly due to unspent funds for the backup system and mining licensing system or cadastral system.
Capital assets payments of R963 thousand due to delayed delivery of procured computer equipment.

2.1.2. Programme 2: Minerals and Petroleum Regulation

The Programme spent R521.02 million from a projected expenditure of R527. 07 million resulting in a net budget underspending of R6.02 million or 1.1 percent. The underspending (R4.64 million) was due to implementation of cost containment measures by National Treasury which led to the freezing of vacancies.

2.1.3. Programme 3: Mining, Minerals and Energy Policy Development
The Programme closed the planned expenditure with 0.41 percent underspending, or R1.176 billion actual spend against a projected spend of R1.181 billion. The reason for the underspend is mainly due to timing for example payments for events such as G20 were processed by the travel agent and charged after year end. Put differently, the programme expenditure matched commitments but some invoices fell into 2025/26.

2.1.4. Programme 4: Mine Health and Safety Inspectorate
The Programme actual spend for the period under review is R243.9 million against a projected expenditure of R245.2 million which is an underspend of 0.53 percent. Minor underspending across goods and services and operating items. Like Programme 3, the minor variance is due to timing, and minor procurement delays rather than cancelled programmes or unfulfilled performance targets.

2.1.5. Programme 5: Mineral and Energy Resources Programmes and Projects
The Programme spent R5.041 billion against a projected spending of R5.051 billion which is an underspending of R10.08 million or 0.2 percent. The Department stated the below were reasons for the underspending:

- R3.82 million underspending due to planned workshops and engagements not taking place.
- INEP Non-Grid Service Providers had an underspending of R575 thousand due to two invoices which were received late.
- Lower than anticipated costs charged by the appointed service provider for the monitoring of non-grid connections under INEP. Put differently, there was a R648 thousand saving.

The DMRE also stated that the underspending in this programme was as a result of a lack of applications for pumping subsidies from mining companies therefore the R2.46 million underspend of transfer payments.

2.1.6 Programme 6: Nuclear Energy Regulation and Management
The Programme spent R1.081 billion against a projected spending of R1.084 billion resulting in an underspend of which represents 0.28 percent. The reason provided for the underspend is that the planned funding for the New Nuclear Build project financial model study was not used because no suitable service provider was identified. The study was deferred pending a new procurement or strategy under the new Department of Electricity and Energy.

2.2 Non-financial performance
As indicated in the preceding section, the Department has six programme areas. Each programme has sub- programmes within it. In this section of the paper, the focus is on an analysis of the performance or non- financial targets. The main objective of this section is to assess whether the Department achieved the planned targets and fulfilled their service delivery mandate. It is important to note that the Department revised its performance targets throughout the financial year, therefore the analysis below is focused on the performance targets in the revised 2024/25 Annual Performance Plan tabled in Parliament.

Table 3: Overall Performance of the Department for 2024/25 Financial year Programme

Programme	Total Targets	Achieved Targets	Not Achieved Targets
Programme1: Administration	9	7 (77.7%)	2
Programme 2: Minerals & Petroleum Regulation	12	11 (91.6%)	1
Programme 3: Mining, Mineral & Energy Policy	14	6 (42.8%)	8

Development			
Programme 4: Mine Health & Safety Inspectorate	9	9 (100%)	0
Programme 5: Programme & Projects Management	16	11 (68.8%)	5
Programme 6: Nuclear Energy	9	8 (88%)	1
Total	**69**	**52 (75 %)**	**17 (25%)**

As can be seen in Table 3 above, the Department had set itself 69 performance targets for the 2024/25 financial year. The Department achieved 52 or 75 percent and fell short by 17 targets or 25.7 percent. It is important to note that the Department spent 99 percent of its allocated budget whilst it achieved 75 percent of its performance targets for the year under review. Ideally there should be a correlation between the budget spent and the targets achieved. Moreover, the rate of 75 percent achievement of performance targets is below the National Treasury benchmark of 80 percent for the National Departments.

When compared to the previous financial year, there is an increase in the performance of the Department. In the 2023/24 financial year the Department set itself 117 performance targets and achieved 77 or 65.8 percent of its performance targets whilst spending the 96 percent of the total allocated budget.

As depicted in the table above, only one programme achieved 100 percent of its target, namely Programme 4: Mine Health and Safety Inspectorate. Programme 3: Mining, Mineral & Energy Policy Development achieved below 50 percent in their target performance with 42.8 percent. Programme 2: Minerals and Petroleum Regulation is the second-best performing programme, followed by Programme 6: Nuclear Energy.

Below is a summary of the key targets missed, achieved and exceeded by the Department, illustrated per programme.

Programme 1: Administration Programme achieved 77.7 percent of its planned targets, which is a regression from 100 percent achieved in 2023/24 financial year. The fruitless and wasteful expenditure and irregular expenditure performance target was not achieved. The DMRE indicates that an amount of R18 697.71 was paid in interest due to late payment of invoice to Telkom and late payment of arbitration award. Regarding the irregular expenditure service was rendered without prior approval from the relevant authority.

Programme 2: Minerals and Petroleum Regulation Programme achieved 91.6 percent of its targets which is slight regression from the 92.3 percent achieved in the 2023/24 financial year. The targets not achieved in this programme during the year under review is the fuel sample tests. The Department planned 1 080 but only managed to test 566 due to delayed appointment of service provider. Notably the DMRE exceeded its planned job creation target of 8 000 by enabling 12 709 jobs through issuing of mining rights. Further the planned target of 600 jobs enabled through issuing of petroleum retail licenses, the actual achieved target is 708 jobs enabled. For the planned 132 Social and Labour Plans (SLP's) projects completed, the DMRE achieved 134 SLP's. Further, the Department surpassed its planned 212 SLP inspections by achieving 249 SLP's inspections for 2024/25.

Importantly, the Department planned to approve 200 permits to HDSA controlled entities and individuals and prospecting permit and right applications and exceeded this target by awarding 2 517 applications during the period under review.

Programme 3: Mining, Mineral and Energy Policy Development Programme achieved 42.8 percent of its performance targets which is a slight increase from the 40.6 percent in 2023/24 financial year. The eight (8) targets not achieved are as follows:

- The Department had planned however did not table the following legislation:
    - ✓ Radioactive Waste Management Fund Bill,
    - ✓ Radioactive Waste Management Disposal Institute Act Regulations
    - ✓ Gas Amendment Bill
- The Department planned to submit the Mineral Resources Development Bill (MRDB) to Cabinet for approval to gazette for public comments and did not achieve this target during the period under review.
- The Department planned to implement Inga Hydropower Scheme project and did not achieve this target.
- The Department planned to produce a production and consumption data report as part of the integrated energy plan and did not achieve this target.
- The Department planned to submit the Integrated Resource Plan 2023 to Cabinet however did not achieve this target.
- The Critical Minerals Strategy for South Africa was not approved by Cabinet within this period of review therefore the Department did not achieve the target.

Programme 4: Mine Health and Safety Inspectorate Programme achieved 100 percent of all its planned performance targets, illustrating a year-on-year increase for the last 3 financial years, an increase from 50 percent in 2022/23, to 83 percent in 2023/24 respectively. This following performance targets were surpassed.

- The Department had planned for 8 000 inspections and achieved 9 489 inspections
- Planned 40 Occupational Health and Safety Regional Tripartite Workshops and achieved 72.
- 86 appeals received and 97 were completed illustrating that the Department exceeded the 80 percent planned target of adherence to prescribed timeframes for medical appeals received during the financial year.

Programme 5: Mineral and Energy Resources Programme and Projects achieved 68.8 of the planned performance targets which is an increase from the 57.1 of the planned performance targets in the previous financial year. Key targets not achieved are follows:

- The target of issuing a Request for Proposals (RFP) to procure additional capacity in line with section 34 determination.
- Number of derelict and ownerless mines. Department rehabilitated 2 out of 3
- The target for RFP for 1 000 MW of gas-to-power issued to the market
- Target of additional capacity brought online specifically the 2 257 MW from 21 projects
- Framework development on Approach to Distribution Asset Management (ADAM) programme rollout.
- The Department planned to draft a Mining Sector Women Empowerment and Gender Equality Strategy and Implementation Plan, quarterly reports on implementation of energy sector empowerment and gender equality strategy and gender frameworks. These did not take place as planned and the Department indicates that consultation will take place in the new financial year.
- Including the mining sector youth empowerment strategy target which was also not achieved.

Programme 6: Nuclear Energy Programme achieved 88 percent of its planned targets which is an increase from the 66.7 percent of the planned targets in the previous financial year. The one (1) target not achieved is as follows:

- The Department had planned to have 4 quarterly monitoring progress reports for the 2 500 MW New Nuclear Build Programme (NNBP) roadmap implementation produced which was not completed during the period under review.

2.3 Auditor General's Report on the DMRE

During the year under review, the Department obtained an Unqualified Audit Opinion with findings from the AGSA. In the previous financial year, the Department obtained the same opinion from the AGSA. Key findings of the AGSA on the Department were as follows:

- Inability to collect revenue: A total of R218.9 million accrued to the DMRE however the Department failed to collect the outstanding amount owed from holders of rights and/or license fees. The non- collection and non-compliance with section 38(1)(c)(i) of the PFMA as the Department did not take effective steps to recover money due to the state.
- Internal Control Deficiencies: AGSA noted weaknesses in performance reporting as the targets were not specific or measurable and performance reports were not accurate or complete. The material misstatements were in the performance information for Programme 3 and Programme 5. The AGSA states that the Department did not correct all of the misstatements therefore this is reported as material findings.
- Unresolved Material Irregularities: the Solar Water Heater Project storage fees resulted in fruitless and wasteful expenditure of R315.7 million as of June 2022. The inefficient use of funds since 2016 as the DMRE paid for storage fees for solar water heaters because beneficiaries were not identified. This was considered non-compliance with PFMA section 38 (1)(b).

It is important to note that all of the above AGSA findings are a repeat of the previous financial year. The AGSA has put the following recommendations as it was concluded that appropriate actions were not being taken.

- On the inability to collect revenue, the AGSA recommendation is that the Department must launch an investigation into causes of non-collection, quantification and recovery of outstanding fees and an implementation of action plan with defined timelines. The deadline for full implementation is 22 February 2026 with progress reporting due 31 October 2025.
- The AGSA noted that actions were partially implemented and ongoing as of July 2025 regarding the storage fees and the AGSA is still assessing progress.

3. AN OVERVIEW OF THE PERFORMANCE OF THE DEPARTMENT'S ENTITIES

As stated above, eleven (11) State-Owned Entities (SOEs) contribute to and implement the objectives of the Department. This section provides a summary of the DMRE entities.

As explained above, Eskom and Alexkor were added to the portfolio as new entities under the Portfolio Committees on Electricity and Energy and Mineral and Petroleum Resources, respectively. However, during the period under review, these two entities did not form part of Budget Vote 34. In addition, Alexkor did not table its Annual Report for the 2024/25 financial year. In contrast, Eskom tabled its annual report, which was subsequently deliberated on by the Portfolio Committee on Electricity and Energy. The discussions arising from the consideration of Eskom's annual report are presented in Sections 4 and 5 of this report.

3.1 Mintek

Mintek received obtained a clean audit from the Auditor General of South Africa (AGSA), meaning that the entity is free from material misstatements and there are no material findings on reporting or performance objectives.

The total staff at Mintek at the end of March 2025 was 597, with 272 staff members in science, engineering and technology (SET) roles representing 46 percent of the workforce. The gender split is 46 percent female and 54 percent male. During the period under review Mintek hired 53 new SET staff, 77 SET employees supported through further studies such as bursaries and there is an overall reduction on staff turnover which during the period of review is 7.6 percent. Mintek invested R12.5 million in staff development which is important considering Mintek indicates strong competition for skills from private sector and academia for specialised talent.

In order to achieve its mandate, Mintek has indicated six (6) programmes with specific sub-programmes, namely:

- Applied Research and Technical Innovation
- Industry Establishment and Expansion
- Commercialise Intellectual Property

- Capable Workforce
- Research and Development Infrastructure
- Financial Sustainability

Below is the overall performance of Mintentek for 2024/25 financial year

Table 4: Overall Performance of Mintek for 2024/25 Financial Year

Programme	Total Targets	Achieved Targets	Not Achieved Targets
Applied Research and Technological Innovation	3	3 (100%)	0
Industry Establishment and Expansion	4	4 (100%)	0
Commercialise Intellectual Property	5	4 (80%)	1
Capable Workforce	6	5 (83%)	1
Research and Development Infrastructure	5	5 (100%)	0
Financial Sustainability	5	4 (80)	1
Total	**28**	**25 (89%)**	**3**

Source: Mintek Annual Report 2024/25

As can be seen in the table 4 above, Mintek had set itself 28 performance targets for 2024/25 financial year. Mintek achieved 25 or 89 percent of the targets and fell short by 3 targets. The achieved targets are above 80 percent which is above the National Treasury benchmark for National Departments therefore Mintek performance is satisfactory.

Three (3) of the total six (6) programmes, Mintek achieved 100 percent of the performance targets and the remaining three (3), Mintek manged to achieve more than 80 percent for each programme.

In terms of financial performance, by the end of the 2024/25 financial year, Mintek total income was R898.3 million exceeding the 2024/25 annual target of R686 million by 31 percent. The total expenses of R892.1 million which consists of compensation of employees of R365.6 million and operating expenditure of R484 million. The revenue from products, services, royalties and licenses amounts to R527.1 million, this is an increase from the previous financial year of R389.7 million.

The total funds received from government was R263 million which is a significant decrease from the previous financial year which was R502 million and R453 million in 2023. The itemised funds received by 31 March 2024 are listed in table 3 below:
Focusing on the core mandate of Mintek, the investment in research and development amounts to R263.0 million which is a decrease from the investment of the previous financial year which was R278.9 million.

Table 5: Itemised Government Funds Received by Mintek by 31 March 2025

Government Funds to Mintek by 31 March 2024	Allocation/ Name of Grant/Funds	Amount (R)
Department of Mineral Resources and Energy	State Grant	R302 million
Department of Mineral Resources and Energy	Medium Term Expenditure Framework (MTEF)	R0
Department of Mineral Resources and Energy	Asbestos	R312 million
Department of Mineral Resources and Energy	Other	R9,315
Department of Science and Innovation	-	R41 million
National Research Fund	-	R2.9 million
Mining Qualifications Authority	-	R7.9 million
CSIR	-	R1.1 million

Water Research Council	-	R1. 4 million
Technology Innovation Agency	-	R2.7 million
Total		**R672,2 million**

3.2 State Diamond Trader

The SDT obtained a clean audit from the Auditor General of South Africa (AGSA), meaning that the entity is free from material misstatements and there are no material findings on reporting or performance objectives.

As of 31 March 2025, the SDT had a Board-approved structure of 29 positions, with two vacancies resulting in a 7 percent vacancy rate. The workforce demographics reflect a total staff complement of 29, with strong representation of African females representing 58 percent of the workforce particularly in semi-skilled and unskilled levels. Equally, African females represent half of top management of SDT. African males follow with 24 percent represented across all occupation levels but for the unskilled level. Two (2) coloured males in top management and specialist levels of the workforce representing 6 percent. Lastly is one Indian female representing 3.4 percent of the workforce in skilled technical level. During the period under review, no changes occurred within Executive Management.

During the 2024/25 financial year, SDT had a total of 16 planned targets, 11 targets planned under strategic output 1 on organisational sustainability, and 5 planned targets under strategic output 2 on growing and

transforming the South African beneficiation industry. SDT achieved 11 planned targets and five (5) of the planned targets were not achieved. Out of the five (5) targets not achieved, two (2) of the targets are as a result of diamond market conditions. The SDT performance for the financial year is therefore 69 percent. The achieved targets are below the 80 percent of the National Treasury benchmark for national departments therefore SDT performance is not satisfactory.

In terms of financial performance, during the 2024/25 financial year, the SDT purchased rough diamonds worth R322 million and generated sales of R334 million. While operations continued, sales to Historically Disadvantaged South Africans (HDSAs) fell from R119 million to R57 million, which SDT indicates is due to difficult market conditions. However, 55 percent of all purchasing clients were HDSAs, showing continued participation despite the lower sales value.

SDT had a net loss of R17 million which SDT has indicated is as a result of the depressed diamond market. Revenue dropped by 47 percent, from R631.5 million to R334.5 million. Despite lower revenue, the gross profit increased by 18 percent to R11.8 million, with the profit margin improving from 2 percent to 4 percent. Operating expenditure rose by 35 percent to R39 million, but this remained 13 percent below the budget, which SDT has indicated is as a result of several projects were deferred due to market challenges.

3.3 Mine Health and Safety Council

The MHSC obtained a clean audit for 2024/25 meaning that the entity is free from material misstatements and there are no material findings on reporting or performance objectives.

The MHSC approved 64 post and by March 2025 the headcount was 57 with 7 vacancies therefore a vacancy of 11 percent which is an improvement from 13 percent of the previous financial year. During 2024/25, seven (7) appointments including the Chief Financial Officer was made, and six (6) terminations. Of the 6 terminations, one (1) was in senior management, two (2) was in the professional qualified level, two (2) in semi-skilled and one (1) in the skilled level. All terminations were resignations for various reasons such as better working conditions, opportunities and relocations closer to home.

MHSC had eleven (11) planned output indicators, ten (10) or 91 percent was achieved whilst one (1) or 9 percent was not achieved. The MHSC has also overachieved the targets for nine (9) or 81 percent of the planned output indicators. The target not achieved is under programme 5 focused on financial sustainability to which MHSC spent 6 percent on capital projects against a planned target of 95 percent spend.

Regarding financial performance, the MHSC revenue was R133 million, and expenditure was R96.8 million therefore a net surplus of R36 million for 2024/25. Part of the revenue is the levies collected by MHSC.

During 2024/25 the entity collected R123 984 against an estimated R124 521, which is an under collection by R537. This is a small under collection, and overall, the MHSC has an 89 percent collection rate for levies billed for the year against a target of 85 percent.

3.5 South Africa Diamond and Precious Metals Regulator
The SADMPR obtained an unqualified audit opinion with two material findings for 2024/25, which is a regression for the entity from clean audit from the previous financial year (2023/24). The unqualified opinion represents sound financial reporting, and the AGSA made two material findings, namely:

- Non-compliance with supply chain management prescripts. Specifically, that during 2024/25 the SADMPR procurement processes did not fully comply with the preferential procurement prescripts in particular the allocation and application of preferential points. The AGSA made this finding as regulatory non-compliance not financial mismanagement therefore the financial opinion remained unqualified.
- Issues of incomplete evidence of reported performance data under administration and regulatory compliance programmes. Specifically, the achievement on training, bursaries and inspection counts were reported without complete documentary evidence at the time of audit verification.

For 2024/25, SADPMR had a total of 64 targets and achieved 59 targets, and did not achieve 5 targets, therefore the entity's overall performance is 92 percent.

In terms of financial performance, the SADMPR total revenue generated for 2024/25 is R115,2 million and the total expenditure is R133,5 million resulting in a deficit of R18,4 million. In the previous financial year, the total revenue was R116,4 million, and the total expenditure was R130,5 million resulting in a net deficit of R14 million. Out of the total revenue in 2024/25, R71,8 million or 62 percent of the revenue of SADMPR is from government, and the remaining 38 percent or R43,3 million is from SADMPR services rendered, collected licenses and permit fees, interest received and other revenue.

3.6 Council for Geoscience
The Council for Geoscience (CGS) concluded the 2020–2025 planning cycle with a strong performance record, maintaining unqualified audit opinions throughout the period and achieving clean audits in 2021/22, 2022/23, and 2024/25. The organisation attained an overall performance rate of 83%, reflecting improved implementation of its strategic objectives.

Through its Integrated Multidisciplinary Geoscience Mapping Programme (IMMP), the CGS advanced national geoscientific coverage and knowledge generation. By the end of 2024/25, cumulative onshore mapping reached 18%, while offshore coverage expanded to 0.47% of South Africa's Exclusive Economic Zones. The programme continues to underpin the country's mineral and energy resource development agenda. The CGS played a key role in implementing the National Exploration Strategy through technical support to the Junior Mining Exploration Fund (JMEF), which attracted over 114 applications targeting critical minerals such as lithium, copper, and rare earth elements. It also contributed to national climate change mitigation initiatives by identifying a potential carbon storage capacity of up to 34 gigatonnes in the Govan Mbeki Municipality.

Further achievements included seismic risk assessments for Johannesburg, support to the SANDF's Thaba Tshwane lease reduction programme (saving approximately R1 billion annually), and contributions to the renewal of Koeberg Nuclear Power Station's operating licence through seismic hazard assessments. The organisation also advanced mine water mitigation, mine closure research, and groundwater protection efforts.

In promoting geoscience diplomacy, the CGS launched the National Data Centre to host real-time seismic data and continued to serve as the secretariat of the Organisation of African Geological Surveys (OAGS). Partnerships with the China Geological Survey and participation in the International Continental Drilling Program further enhanced international collaboration.

Human capital development remained central, with 57% of staff holding postgraduate qualifications and increasing representation of women in management. Financially, the CGS recorded total revenue of R791 million in 2024/25 and a net surplus, supported by cost controls, reduced liabilities, and strengthened liquidity. Accumulated surpluses rose to R460 million, and the current ratio improved to 1.6:1.

Going forward, the CGS argues that it will continue to implement the IMMP as the main instrument for delivering its scientific and developmental mandate. Emphasis will be placed on diversifying revenue streams, deepening collaboration with strategic partners, and leveraging geoscience data to support national economic growth, energy security, and the just transition.

The 2024/25 reporting period reaffirms the CGS's role in advancing South Africa's developmental objectives and its vision of "a prosperous and transformed society enabled by geoscience solutions."

3.7 National Energy Regulator of South Africa

The entity received an unqualified opinion with findings for the 2024/25 financial year, a similar outcome as reported in the previous year, and a step back from the clean audit opinion received in the 2022/23 financial year. The entity also continued to report a net loss for the year of R62.5 million, which is an increase from the loss of R43.3 million in the previous financial year. However, the entity's performance against the Shareholder's Compact is 92.0 per cent, with 69 of the 75 performance indicators achieved. This is a step back from the 97 per cent achieved in the previous year, where only 59 of the 65 KPI's or 97 per cent were achieved. However, given the findings on its performance management, this achievement is questionable.

3.8 National Nuclear Regulator of South Africa

The entity received a clean audit (an unqualified opinion without any findings) for the 2024/25 financial year, maintaining its audit finding from the previous financial year, 2023/24. The entity also continued to report a surplus for the year of R33.7 million, which is a decrease from the surplus of R44.5 million in the previous financial year. However, the entity's performance against the Annual Performance Plan declined a bit as 15 of the 19 targets were fully achieved, with 4 targets mostly achieved. In the previous financial year, 20 of the 22 key performance indicators (KPI's) or 90.9 per cent were achieved, not using the weighted score the NRR uses.

As of the 31 March 2025, the entity employed 169 employees, with 8 vacancies, or a 4.9 per cent vacancy rate. Of these, 82 are male, and 73 are female, with 6 disabled employees. The employee costs for the year amounted to R211 million, while training accounted for 1.1 per cent at R2.3 million for the 2024/25 financial year.

The entity generates most of its revenue from authorisation and application fees, which account for 67.7 per cent of the entity's revenue. The entity also receives a government grant amounting to R45.6 million for the 2024/25 financial year, a decrease of R2.4 million on the R46.9 million in the previous year, due to fiscal cuts. Other sources of interest are received from application fees, interest received and other income. Total income for the year amounted to R349.6 million, an increase of 1.5 per cent on the R344.5 million was generated in the previous financial year.

Total expenditure amounted to R315.9 million, an increase of 7.3 per cent on the R300.0 million was spent in the previous financial year. The cost driver for the entity is compensation of employees, which amounted to R211.0 million, an increase of 2.4 per cent, on the R206.1 million spent in the previous financial year. Goods and services also account for 24.0 per cent of expenditure, amounting to R75.8 million for the year, an increase of 8.4 per cent year-on-year. Goods and services expenditure is for the day-to-day running of the entity. The largest cost driver within goods and services is consulting and professional fees at R11.5 million for the 2024/25 financial year, a decrease from the R12.2 million spent in the previous financial year. Additional expenses are on software expenses at R10.6 million, and IT expenses at R8.7 million. The entity reported a surplus for the financial year of R33.7 million, a decrease of R10.8 million, on the R44.5 million surplus reported in the 2023/24 financial year.

The entity has total assets of R347.6 million, which includes property, plant and equipment of R135.0 million and cash and cash equivalents amounting to R205.7 million. Property, plant and equipment include buildings of R104.8 million. Cash and cash equivalents include short-term deposits of R204.5 million. Current liabilities amount to R41.1 million, which includes provisions of R32.9 million for the 2024/25 financial year. These provisions are for annual leave and performance bonuses for staff.

3.9 National Radioactive Waste Disposal Institute

The National Radioactive Waste Disposal Institute (NRWDI) achieved a 79% performance rate in 2024/25, a 3% improvement from the previous year, and received its eighth consecutive clean audit, confirming strong governance and financial management. Total revenue amounted to R51.2 million against expenditure of R50 million, with savings mainly due to vacancies. A key milestone was the transfer of the Vaalputs nuclear waste disposal licence to NRWDI in July 2025, enabling full operational control and compliance with safety and environmental standards. The Institute continues implementing its strategic repositioning plan and progressing towards establishing the Central Interim Storage Facility (CISF) by 2030 to support South Africa’s long-term nuclear waste management strategy, promote socio-economic benefits, and uphold the constitutional right to a safe and sustainable environment.

3.10 South African National Energy Development Institute

The South African National Energy Development Institute (SANEDI) achieved 100% of its performance targets in 2024/25, maintaining a clean audit for the fourth consecutive year. The entity advanced key priorities of the Department of Electricity and Energy (DEE), including technical support for the Integrated Resource Plan (IRP), hydrogen and clean coal technologies, smart metering, and municipal energy sustainability. SANEDI contributed to national energy security, just transition objectives, and climate change mitigation, achieving energy savings of 1.35 million MWh and reducing 1.26 Mt of greenhouse gas emissions through initiatives such as the 12L Tax Incentive and Cool Roof projects.

Financially, SANEDI recorded total revenue of R144 million, up 20.9% from the previous year, with a manageable deficit of R9 million, funded from accumulated surpluses. The organisation’s total assets increased to R344 million, supported by prudent cost controls and efficient project execution. SANEDI continues to align its research, innovation, and energy efficiency programmes with South Africa’s energy policy objectives, strengthening its role in advancing sustainable and inclusive energy development.

4. OBSERVATIONS AND DELIBERATIONS

The following concerns were raised in relation to the performance of the DMRE and its entities during the Committee’s deliberations.

4.1. AGSA

Irregular Expenditure: (AGSA) raised several instances of irregular expenditure across entities reporting to the Department, which were also flagged by the Committees as areas of concern. The details are as follows:

PetroSA: R955 million, a R365 million SARS penalty arising from going concern and liquidity challenges, and a R590 million deviation that was not appropriately approved or communicated. Central Energy Fund (CEF): R48 000 related to a payment made on an expired contract. Strategic Fuel Fund (SFF): R574.9 million, including R564 million for diesel supply to Eskom that did not comply with the Preferential Procurement Policy Framework Act (PPPFA), and R10.9 million identified during the audit due to non- compliance with the PPPFA. African Exploration Mining and Finance Corporation (AEMFC): R113.7 million in deviations deemed unjustifiable.

The Minister of Mineral Resources and Energy, Hon. Gwede Mantashe, acknowledged the Auditor-General's findings and committed to strengthening governance, internal controls, and compliance across the portfolio of entities. The AGSA commended the portfolio for not incurring unauthorised expenditure in both the current and prior financial years and further noted a decline in fruitless and wasteful expenditure, which was reported to be insignificant in the current year.

Revenue management – AGSA reported that revenue collection remains a persistent challenge for the Department. Members of the Committee specifically raised concerns regarding billing for prospecting rights. In response, the Department explained that the revenue shortfall is primarily due to companies that have failed to pay for prospecting licences, particularly those that applied for rights over certain areas but did not ultimately utilise them.

NERSA R54 billion error and the role of AGSA: The Auditor-General noted that this matter fell outside the scope of their audit. The AGSA explained that the miscalculations were primarily due to errors in applying accounting standards, which reflect ongoing resourcing constraints within the entity.

IEP and IRP Delays: Section 6 of the National Energy Act, 2008 requires the Minister responsible for energy to develop, publish, and annually review the Integrated Energy Plan (IEP). Although this section came into effect on 1 April 2024, the IEP has not been formally adopted or updated since its initial draft, resulting in non-compliance with the Act. The IEP is intended to serve as the long-term strategic framework for meeting the country's energy needs across all sectors.

Similarly, the AGSA expressed concern regarding the prolonged delays in finalising the IRP. The AGSA noted that these delays continue to negatively affect strategic energy planning, as the IRP is a critical instrument for determining the national energy mix and providing a roadmap for aligning electricity supply with projected demand.

The Committee shared the AGSA's concern and questioned the financial implications of the continued delays in finalising these key policy instruments. The AGSA further cautioned that, in the absence of an approved long-term plan, the Department will be compelled to rely on short-term emergency interventions, which are often financially unsustainable and inefficient. It is important to note that, following the annual report briefings by the AGSA and the Department, Cabinet has since approved the long-awaited updated IRP. This development is a significant step towards restoring policy certainty and enabling coherent energy planning.

National Solar Water Heater (NSWH) Programme – Loss Recovery and Accountability: The Auditor- General and the Committee noted that losses incurred under the NSWH programme have not yet been recovered. The Committee emphasised that the matter must be fully addressed, with those responsible held accountable. It was further stressed that individuals implicated in the misappropriation of funds cannot be shielded from consequences.

AGSA further stated that Department of Mineral Resources and Energy (DMRE or now DEE) is currently assessing and providing responses regarding the MI raised by the AGSA. The Committee noted that subsequent steps, including the implementation of consequence management measures, will be determined based on the adequacy and completeness of the Department's responses.

ADAM (Approach to Distribution Asset Management) – The Department had set a target to develop a framework for implementing the ADAM programme, aimed at improving electricity distribution infrastructure. The programme was intended to address energy infrastructure challenges at the local government level and to support NERSA in enforcing licensing compliance. However, this target was not achieved. The Auditor-General of South Africa (AGSA) highlighted this non-achievement as a key issue requiring urgent attention from the Department. AGSA specifically noted that "the absence of a finalised and implemented ADAM framework continues to hinder the Department's ability to effectively support municipalities in planning, financing, and maintaining distribution infrastructure, and to support NERSA in ensuring that there is a framework to enable enforcement of licence conditions.".

4.2 DMRE

Performance versus Budget Expenditure: The Committee expressed dissatisfaction that the Department spent 99 percent of its allocated budget while achieving only 75 percent of its annual performance targets. Ideally, there should be a clear correlation between expenditure and performance outcomes. Furthermore, the 75 percent achievement rate falls below the National Treasury's benchmark of 80 percent for national departments.
Locus Standi of the Independent Power Producers (IPP) Office: Members raised concerns regarding the locus standi of the IPP Office, noting that the AGSA has repeatedly identified findings on the legal standing of the office in successive audits. The AGSA had noted that the unique nature of the IPP Office makes it challenging for the AGSA to conduct audits effectively. In response, Minister Ramakgopa explained that the Department engaged with the AGSA to address the recurring findings. The AGSA indicated that the IPP Office team must develop a strategy to institutionalise the office.
Legislative update: The Department stated that the two draft Bills, Mineral Resources Development Bill and South African Petroleum Company Bill, are finalised and ready for submission. The Department further indicated its intention to present the Bills to the relevant Committee soon.

Implementation of the Cadastral System: The Department reported that the roll-out of the Cadastral system has commenced, with phase one being implemented in the Western Cape, specifically focusing on existing mining rights holders. The Department further indicated that it would return to the Committee to provide a full report on the progress and implementation of the Cadastral system.

Women in Mining: Members commended the Department on the continued progress regarding the inclusion of women in the mining sector. It was noted that, since their formal inclusion in 1987, there are currently 78 000 women employed in the sector. The Department highlighted that these figures represent significant progress, considering the historical exclusion of women from mining activities.

PetroSA and AEMFC – department focusing on addressing issues in these entities. For AEMFC department is reportedly processing new board to strengthen performance and governance. It was added that, at Alexktor, executives had been appointed to strengthen performance and governance of the entity.

Exploration Fund: Minister Mantashe highlighted the rapid growth and increasing interest in the Exploration Fund. He stated that Department has received pledges from several companies, which underscores the need for a revised governance structure to ensure proper management, accountability, and oversight of the funds.

Fuel Testing delays: The Department acknowledged delays in the Fuel Testing Programme, noting that, while the programme could have achieved 100% of its target, progress was hindered by the extended time required to obtain a legal opinion from the Department's legal advisor. The Department confirmed that the upheld regulations remain reliable and that the programme will continue in line with established compliance requirements.

4.3 Entities of the Department

4.3.1 Council for Geoscience

- During the Committee's engagement, CGS expressed appreciation for Members' interventions and guidance, acknowledging their role in improving the entities operations. On community engagement, CGS noted that while it cannot be present everywhere, it actively engages communities in major projects and provides bursaries and training opportunities to students from disadvantaged areas. This approach builds local capacity and ensures that beneficiaries contribute to their home regions, helping to address historical inequalities.
- Addressing the Council's reliance on government funding, CGS explained that it is pursuing revenue diversification through monetising its intellectual property, participation in exploration projects, and forming public–private partnerships. Legislative amendments now allow CGS to undertake exploration independently or jointly with state or private entities, up to the exploration phase, embedding PPPs while preventing conflicts of interest. These measures

aim to strengthen the national mining value chain, support state-owned entities such as African Exploration Mining and Finance Corporation, and enhance fiscal self-sufficiency.

- On energy-related research, CGS has made progress in carbon capture, utilisation, and storage (CCUS), including geological characterisation, containment safety assessment, and pilot testing with CO_2 injection and real-time seismic monitoring. Geothermal research is ongoing, highlighting South Africa's potential for long- term sustainable energy, though results are expected over a 10–15-year horizon. The Council maintains extensive seismic monitoring with 28 national stations, ensuring public safety and transparency, and addresses misconceptions regarding the environmental impact of seismic surveys.
- Regarding scientific output, CGS emphasised the importance of context-sensitive research that addresses national priorities. CGS is establishing the African Council for Geoscience Journal (ACJS Journal) to promote African-led research and enhance the relevance of published work. It was clarified that South Africa contributes approximately 2–2.5% to global exploration, noting that private-sector underreporting limits data accuracy. Minister Mantashe highlighted South Africa's need for pragmatic, balanced energy strategies. He contrasted global responses to energy development, pointing to instances where other nations pursue coal and renewable energy without criticism, while similar South African efforts face litigation and social resistance. He stressed that exploration must be primarily state-driven, complemented by private-sector participation, to ensure national development and energy independence.
- Members raised concerns regarding carbon capture's strategic implications. Members cautioned that while scientifically valid, CCS could divert resources from renewable energy development and fossil fuel transition. He also emphasised the importance of journal impact factors for scientific credibility and accurate reporting of South Africa's contribution to global exploration.
- It was reinforced that South Africa's mineral and geological potential remain largely untapped and emphasised the importance of scientific research and exploration in securing a prosperous and self-sufficient future, positioning South Africa to realise substantial domestic ownership in the mining sector.

4.3.2 Mintek

- It was confirmed that Mintek has explored phytomining technologies—using plants to extract metals from soil—in collaboration with the University of Cape Town (UCT). Although preliminary, the research remains a key area of interest in Mintek's future innovation strategy.
- It was also explained that Mintek's partnership with the Mining Qualifications Authority (MQA) extends beyond jewellery-making and artisanal mining to include internship and graduate programmes for science and engineering students. Mintek hosts approximately 30 to 40 interns annually, strengthening technical capacity and building a pipeline of skilled professionals for the minerals sector.
- On beneficiation, Dr Motuku highlighted Mintek's active involvement in developing critical minerals for the battery and clean energy value chains, including projects producing manganese, nickel, and copper sulphates—essential components for electric vehicle batteries. Through its Centre of Competence in Catalysis, Mintek also continues to lead globally in developing platinum-based catalysts and fuel cell membranes, maintaining over 15 years of international excellence.
- Government budget cuts, including a R45 million reduction following the withdrawal of a major Department of Science and Innovation (DSI) contract, have constrained research and forced several programme suspensions. The timing of these cuts, late in the financial year, further limited the organisation's ability to reallocate resources effectively.
- Addressing research capacity, it was noted that universities face supervision bottlenecks due to overextended academics. To respond, Mintek is working with the Department of Higher Education and Training (DHET), National Research Foundation (NRF), and DSI to establish a Presidential Scholarship Programme and an Extractive Metallurgy Research Hub, enabling Mintek to directly supervise master's and PhD students in areas of critical material processing and governance.
- On transformation and gender representation, 46% of Mintek's workforce are women, the majority of whom are black. At technical and research levels, 76% of employees are black,

with over 30% being black women— reflecting steady progress in equity and professional development.

- Regarding mine rehabilitation, Mintek has successfully rehabilitated 284 derelict and ownerless mines, though expansion is constrained by funding. Rehabilitation costs range between R30 million and R40 million per site, particularly for asbestos and gold mines, and are often compounded by community unrest and security challenges. These disruptions, especially during election periods, increase project costs and delay completion.
- The loss of IT staff to the private sector due to more competitive salaries is a challenge that affects operational stability. Dr Motuku reaffirmed Mintek's commitment to partnerships with government, industry, and communities to promote responsible resource use, safety, and beneficiation, while addressing graduate unemployment and expanding opportunities for young scientists.
- The need for increased government funding to sustain Mintek's research capacity and innovation mandate was emphasised.

4.3.3 Mine Health Safety Council

- The Committee commended the Department and its partners for the notable decline in mining fatalities and injuries, reflecting sustained progress toward the Zero Harm target.
- Members acknowledged that the improvement is a result of collaborative efforts between government, labour, and industry, supported by the Mine Health and Safety Act and the biennial Mine Health and Safety Summits.
- The Committee noted the Department's shift from short-term accident prevention to addressing long- latency occupational diseases such as TB and respiratory illnesses and welcomed the development of new compliance guidelines and health surveillance measures.
- It was observed that the Culture Transformation Framework plays a vital role in driving behavioural change and embedding safety accountability across all levels of the mining sector.
- The Committee noted the introduction of new safety innovations, such as the Missing Person Locator (MPL) system, which aims to improve underground emergency response and worker protection.
- Concern was raised regarding capital project under-expenditure due to procurement challenges, with Members urging improved project planning and technical oversight.
- The Committee acknowledged ongoing funding constraints and emphasised the need for sustainable financing to support health and safety initiatives, research, and regulatory enforcement.
- The Committee further welcomed the Department's renewed focus on beneficiation and value-chain participation, noting the alignment with the national critical minerals strategy and the partnership with Mintek and the DTI.

4.3.4 State Diamond Trader

- The Committee noted the declining diamond production in South Africa and the resulting need for the State Diamond Trader (SDT) to review its business model and explore regional marketing partnerships with neighbouring diamond-producing countries.
- Members welcomed the SDT's efforts to expand trade opportunities into new markets, including the Middle East, and to balance its strategy between promoting natural diamonds and responding to the growing interest in lab-grown stones.
- The Committee commended the SDT's Enterprise Development Programme for supporting emerging and women-owned diamond businesses, providing access to rough diamonds, trade exhibitions, and mentorship. However, Members expressed concern over the lack of access to finance, noting that no commercial banks currently fund diamond enterprises.
- The Committee supported the proposal to establish a dedicated funding mechanism to assist historically disadvantaged entrepreneurs in entering and growing within the diamond value chain.
- It was observed that overlapping mineral rights applications continue to pose challenges in the sector, creating administrative inefficiencies and potential disputes.
- The Committee welcomed the Department's benchmarking studies and ongoing policy reforms under the MPRDA to clarify and strengthen licensing processes.

- The Committee agreed with the Deputy Minister on the need for stronger investment in the marketing of natural diamonds, including through trade shows and public education campaigns that highlight their social and economic benefits.
- Members welcomed the Department's regional cooperation efforts with countries such as Botswana and Zimbabwe to build a unified African diamond trade network and enhance the continent's competitive position in the global market.

4.3.5 National Radioactive Waste Disposal Institute (NRWDI)

- Members were pleased to note that NRWDI received a clean audit for the 2024/2025 financial year, marking the eighth consecutive year of unqualified audit outcomes.
- NRWDI obtained its licence to operate the Vaalputs facility in July 2025 and is prepared to operate in full compliance with safety and environmental standards. The Institute is currently implementing a comprehensive transition plan to transfer all assets, systems, and personnel from NECSA.
- The establishment of a Central Interim Storage Facility (CISF) by 2030 is NRWDI's key strategic project, supporting South Africa's long-term nuclear objectives. This project is also expected to generate socio-economic benefits, including poverty alleviation, economic transformation, job creation, and skills development.
- Members raised concerns regarding the appointment of women at executive levels. NRWDI acknowledged the challenge, noting that the nuclear industry is male dominated, particularly in technical fields, but indicated ongoing efforts to improve gender representation. NRWDI also noted that executive salaries are currently not competitive, though there has been improvement in the current financial year.
- Members welcomed the appointment of a Community Liaison Officer at the Vaalputs facility to strengthen engagement with surrounding communities. Previously, community engagements were largely managed by NECSA, but NRWDI will take responsibility for these activities starting in the next financial year.
- Members expressed concern regarding the delay in developing NRWDI's Ethics Framework, attributed to high attrition in the responsible functional area.
- Members noted with concern the NRWDI's current vacancy rate which stands at approximately 17%.
- Regarding the capital budget, NRWDI is currently funded through an operational grant from National Treasury, which is intended to be financed from the Radioactive Waste Management Fund, which is not yet enacted. The CISF has an estimated pre-construction cost of R100 million and projected construction costs of around R1.8 billion.

4.3.6 South African Nuclear Energy Corporation (NECSA)

- Members commended NECSA for achieving a clean audit during the period under review, marking the first clean audit since 2020/21.
- The entity intends to focus on improving liquidity ratios and exploring market options for financing.
- NECSA's high-level project budget estimates are approximately R60 billion, which will be implemented in phases.
- Regarding regulatory approvals, NECSA primarily requires engagement with the National Nuclear Regulator (NNR) and the Department of Forestry, Fisheries and the Environment (DFFE). For the Modular Pebble Reactor (MPR) projects, relating to Environmental Impact Assessment (EIA) approvals, NECSA is at an advanced stage. For the Small Modular Reactors (SMRs), the process has not yet started; however, NECSA has shared its strategic intent with both regulators.

4.3.7 South African National Energy Development Institute (SANEDI)

- Members commended SANEDI for achieving a clean audit during the period under review.
- SANEDI confirmed that its primary focus is on addressing national energy challenges, while also pursuing long-term initiatives such as green hydrogen and electric vehicles.
- The entity reported that there is no political influence over its work, particularly in the development and review of the Integrated Resource Plan (IRP) and Integrated Energy Plan

(IEP). Continuous information and data sharing with industry stakeholders is considered crucial in this regard.
- Regarding SANEDI's participation in the Beyers Naude Municipality project in the Eastern Cape, the entity indicated that the project is technically viable and can be scaled nationwide.
- Members highlighted concerns over insufficient budget allocations, with SANEDI currently reliant on surplus funding, which is not sustainable. The entity has begun generating additional revenue through consulting work and is exploring donor funding, noting its limitations.
- SANEDI acknowledged challenges in Supply Chain Management (SCM) and has appointed an SCM Manager to address these issues.
- Members welcomed SANEDI's implementation of cost-cutting measures, including limiting international travel.
- On electric vehicles, SANEDI is collaborating with the University of Stellenbosch to retrofit a taxi and a bus; retrofits are complete, and data collection on their performance is ongoing.
- The entity is setting minimum standards for energy efficiency, establishing a baseline and future energy-saving targets.
- SANEDI has implemented a management fee for consultancy services and intends to continue sourcing funding via grants, such as for the G20 project.
- The entity is supporting the smart meter rollout, with seven municipalities already covered and twelve more planned for the current year.

4.3.8 National Energy Regulator of South Africa (NERSA)
- NERSA received an unqualified audit opinion, although material findings were identified.
- Members sought clarity regarding the withdrawal of the Compliance Enforcement Plan. NERSA explained that the previous plan faced legal challenges and did not fully reflect requirements introduced by the Electricity Regulation Amendment Act (ERAA), such as the establishment of the Tribunal. The revised plan has now been aligned with the ERAA.
- Members raised concerns about the R54 billion agreement with Eskom, highlighting capacity constraints within NERSA. Legal proceedings have been initiated by a stakeholder to challenge the agreement.
- Regarding disciplinary action for the R54 billion issue, the NERSA Board has requested that the Regulator report within three months with recommendations.
- Members questioned the absence of public participation on the R54 billion agreement; NERSA explained that judicial review processes do not require public consultation.
- Professional fees consumed over sixteen percent of NERSA's budget, largely due to legal costs stemming from court challenges to NERSA decisions.
- Members noted that legal costs are expected given the provisions in the ERAA and the National Energy Regulator Act, which allow aggrieved parties to approach the courts.
- Implementing the ERAA requires specialized skills, some of which are still being developed domestically; NERSA assured the Committee that skills development is ongoing as ERAA implementation progresses.

4.3.9 National Nuclear Regulator (NNR)
- Members commended the NNR for achieving a clean audit for the fourth consecutive year.
- Members expressed concern regarding vacancies on the NNR Board, specifically the community and labour representative positions. The NNR indicated that nominations have been gazetted and advertisements were placed in August/September 2025, and they are hopeful that these positions will be filled urgently.
- The NNR Act empowers the NNR to conduct public hearings on the Koeberg Long Term Operation (LTO) where appropriate. Despite the Board vacancies, the NNR conducted public hearings in both the Northern Cape and Western Cape to obtain public input.
- The NNR is in the process of developing general nuclear safety regulations, including those for small modular reactors (SMRs).
- Members raised concerns regarding a R10 million debt write-off for nuclear licence holders. The NNR clarified that this related to historic debts, and processes have now been implemented to ensure licence fees are current.

- Regarding Koeberg Unit 1 LTO, the Board confirmed compliance with the Constitution and the NNR Act. Documentation and submissions for Koeberg Unit 2 LTO are currently under review.
- No safety breaches have been reported at the Koeberg Power Plant. The NNR confirmed that it maintains regulatory standards and authorisation limits for compliance.
- The NNR indicated that it possesses the necessary skills to regulate the sector, and where specialised expertise is required, it engages technical support organisations.

4.3.10 Eskom

- The AGSA issued a qualified audit opinion on Eskom for the ninth consecutive year, primarily due to the incomplete and inaccurate disclosure of irregular expenditure and losses resulting from criminal conduct.
- Some Members expressed concern that there is a culture of impunity within Eskom, characterised by non-compliance with legislation, policies, and procedures, and a lack of effective consequence management. They noted that investigations and forensic recommendations have not been adequately implemented. Other Members, however, acknowledged an improvement in Eskom's overall performance.
- Members raised concern that Eskom has not implemented AGSA's previous recommendations, contributing to recurring audit qualifications.
- Members noted with concern that the AGSA was unable to quantify the full extent of irregular expenditure and criminal losses, highlighting weaknesses in Eskom's internal control and data systems.
- Members questioned whether any managers responsible for non-compliance were identified and whether consequence management processes were pursued against them.
- Members observed that losses due to criminal conduct increased from R6.7 billion in 2023/24 to R7.2 billion in 2024/25, reflecting persistent control failures.
- Some Members sought clarity on whether the R54 billion NERSA settlement had been included in Eskom's financial statements.
- The AGSA confirmed that Eskom's reported profit before tax (R23.8 billion) and profit after tax (R16 billion) were credible and fairly presented, noting that the results included a once-off SARS diesel- rebate settlement which would not recur. Improved generation performance, reduced load-shedding, and lower open-cycle gas turbine (OCGT) costs contributed positively to these results.
- Regarding the NERSA settlement, the AGSA explained that the amount was not recognised in Eskom's 2024/25 financial results but considered in assessing asset impairment and going-concern assumptions over the next five years.
- The AGSA identified municipal debt as a critical variable in evaluating Eskom's going-concern status. Although Eskom is currently considered a going concern, this position depends on resolving rising municipal arrears and ensuring sustainable cost recovery.
- The AGSA explained that losses from criminal conduct largely arise from illicit prepaid tokens, illegal connections, and meter tampering, as no revenue is recognised for electricity delivered without payment. The full extent of these losses cannot yet be quantified due to insufficient data logs and digital traceability within Eskom's systems.
- The AGSA noted that Eskom's planned smart-meter rollout programme will enable centralised monitoring of token usage, improving detection and prevention of illegal vending once fully implemented.
- On governance and accountability, the AGSA reported that several of Eskom's control weaknesses were linked to acting appointments in key executive positions. The Eskom Board has initiated processes to fill these posts permanently, and early indications suggest improved governance energy and oversight.
- The AGSA further indicated that progress reports on prior audit findings are now regularly tabled at Executive Committee (EXCO) level. However, as most appointments were made late in the financial year, it is too early to assess the full impact of these interventions.
- Eskom has established internal processes to manage reportable irregularities through relevant board committees, which are responsible for overseeing corrective actions and tracking their implementation.

- Eskom reported that it achieved a net profit of R16 billion in the 2024/25 financial year—the first return to profitability in eight years—and attributed this to operational recovery and financial discipline.
- Eskom explained that the Eskom Debt Relief Act has enabled the utility to stabilise its finances by reducing interest costs. The debt-relief funds are ring-fenced for debt reduction only and cannot be used for operational expenditure.
- Members commended Eskom for its improved financial and operational performance, including its first profitable year since 2017 and a significant reduction in load-shedding frequency.
- Following the 2024 audit, Eskom launched a three-year Audit Recovery Programme in January 2025, aimed at strengthening internal controls and governance systems, similar in structure to the Generation Recovery Plan. Eskom reported that its Energy Availability Factor (EAF) had reached 70% in September 2025, marking substantial progress in generation reliability.
- The Committee noted with concern Eskom's staff complement exceeding 43 000 employees, questioning whether plans exist to manage personnel costs while maintaining efficient and affordable service delivery. Eskom indicated that its staffing levels are consistent with international benchmarks and that cost optimisation initiatives are underway.
- Members raised concern over the rise in losses due to theft and ongoing challenges in preventing criminal activity within the network.
- On generation capacity, Members observed that Eskom's outlook depends on the return to service of Medupi Unit 4 and Koeberg Unit 2, both critical for system stability.
- Members noted that Eskom failed to meet its key performance indicator on implementing forensic recommendations, achieving only 70% compliance, reinforcing concerns about weak consequence management.
- Members expressed concern that Eskom's emissions remain above legal limits, with eight power stations exceeding permissible thresholds. Eskom reported that Lethabo, Kendal, and Matimba power stations have since achieved compliance as of July 2025, following maintenance and upgrades.
- The Committee noted that municipal debt remains a major sustainability challenge, threatening Eskom's long-term viability despite operational improvements.
- Eskom reported that irregular expenditure declined from R5.6 billion to R1.5 billion year-on-year, despite the Audit Recovery Plan being operational for only three months. Stronger results are expected in the following financial year.
- Regarding losses from criminal conduct, Eskom stated that fraud involving online prepaid vending systems had delayed the 2024 audit but that new cybersecurity and control measures have since been implemented. A new vending platform is being developed for completion by 2027.
- Eskom reported entering the 2025/26 summer period with 1.4 GW of additional generation capacity compared with the previous year.
- On tariff levels and affordability, Eskom committed to maintaining single-digit tariff increases over the next few years, supported by intensified cost-optimisation and revenue-enhancement initiatives.
- Eskom emphasised that its sustainability depends on an integrated approach encompassing operational efficiency, financial discipline, debt reduction, and the resolution of municipal arrears.
- Eskom confirmed that its forensic and internal-audit functions have now been separated—with internal audit focusing on prevention and forensics on detection and investigation.
- The Eskom Board introduced a policy of proactive assurance, ensuring that all information provided to shareholders and oversight bodies is independently verified by internal audit for accuracy and reliability.

5. RECOMMENDATIONS

Informed by its deliberations with the Department and its entities, the Committees recommends that the House requests the Ministers of Mineral and Petroleum Resources, and Electricity and Energy to:

5.1 Electricity and Energy

5.1.1 Ensure that the Department and its entities aim to achieve clean audits in the next financial year.

5.1.2 Engage with National Treasury to increase the budget allocation of the Department of Electricity and Energy to enable it to implement strategic programmes aimed at ensuring energy security, as 90% of its current budget is transferred to the Integrated National Electrification Programme (INEP).

5.1.3 Ensure that the IPP Office develops and implements a formal strategy to institutionalise its operations, addressing AGSA concerns regarding legal standing and auditability.

5.1.4 Prioritise the development and rollout of the Approach to Distribution Asset Management (ADAM) framework to strengthen municipal electricity infrastructure planning, financing, and compliance enforcement.

5.1.5 Finalise the Integrated Energy Plan (IEP) to comply with Section 6 of the National Energy Act and provide a clear long-term framework for energy planning.

5.1.6 Support the NRWDI Community Liaison Officer in establishing structured programmes for ongoing stakeholder engagement at Vaalputs and surrounding areas.

5.1.7 Regarding NECSA, encourage proactive engagement with regulators to anticipate and address potential compliance challenges for current and future nuclear projects.

5.1.8 Support SANEDI in replicating the successes of the Beyers Naudé Municipality model and applying the lessons learned from the project to other municipalities in order to expand access to renewable and energy-efficient solutions.

5.1.9 Support SANEDI in building technical and research capacity to position the entity as a central player in South Africa’s green energy transition.

5.1.10 Ensure that NERSA strengthens internal controls and compliance systems to prevent recurrence of material audit findings.

5.1.11 Regarding NERSA, explore strategies to contain escalating legal costs, including enhanced pre- litigation consultation and improved stakeholder communication.

5.1.12 Table a progress report on NERSA’s internal review and disciplinary recommendations relating to the R54 billion determination, within the committed three-month timeframe.

5.1.13 Continue supporting the NNR public participation processes in all LTO and regulatory matters.

5.1.14 Ensure capacity-building initiatives are maintained at NNR to ensure that regulatory staff possess the necessary expertise for emerging nuclear technologies.

5.1.15 Ensure that the Eskom board urgently addresses all repeat findings from the AGSA and provide updates on the implementation of the audit plan to the Committee on a quarterly basis.

5.1.16 Ensure that all disciplinary cases arising from financial misconduct be concluded within fixed timeframes and reported publicly.

5.1.17 Provide a detailed breakdown of disciplinary actions taken against officials at Eskom for financial misconduct and irregular expenditure.

5.1.18 All matters with criminal elements be referred to law enforcement agencies not only internal disciplinary channels and the Minister must able quarterly progress report detailing all actions taken to recover lost funds

5.1.19 The Minister of Electricity and Energy, together with the Minister of Finance must table a phased reduction plan to end Eskom’s dependence on the fiscus within five years and provide Parliament with a quarterly fiscal dependency tracker detailing progress toward self-sustainability.

5.1.20 Develop a credible, long-term financial sustainability plan that reduces Eskom’s dependency on the fiscus. Provide this plan to the Committee during the 2nd term of the 2026/2027 financial year.

5.1.21 Prioritise and urgently finalise the Integrated Energy Plan (IEP) in compliance with Section 6 of the National Energy Act.

5.1.22 Provide a detailed breakdown of Eskom’s cost optimization savings of R16.3 billion stated in its Annual Financial Statements.

5.1.23 In collaboration with the Ministers of Finance, COGTA, explore the urgent establishment of an inter- ministerial task team to address the systemic failure of municipal revenue collection and the payment of energy-related revenue to Eskom.

5.1.24 Provide a detailed report for each power station outlining the plans to bring all Eskom coal-fired power stations into full compliance with their Atmospheric Emission Licences, including clear timelines and an action plan aligned with the 2030 timeframe.
5.1.25 Expedite the review and finalisation of the Electricity Pricing Policy.

5.2 Mineral and Petroleum Resources

5.2.1 Ensure that irregular expenditure is addressed across entities (PetroSA, CEF, SFF, AEMFC) by implementing robust internal control mechanisms, ensuring all deviations are properly approved, documented, and communicated.
5.2.2 Ensure that PetroSA provides the Committee with a detailed breakdown of its pricing structure for diesel sales to Eskom, including information on the sources of the diesel, to enable effective parliamentary oversight.
5.2.3 Expedite the submission of the Mineral Resources Development Bill and South African Petroleum Company Bill to Parliament.
5.2.4 Monitor the phased implementation of the Cadastral System, ensuring timely reporting, stakeholder engagement, and full transparency on progress across provinces.
5.2.5 The full cadastral database must be made publicly accessible, detailing all mineral rights holders and beneficial ownership structures.
5.2.6 Continue reinforcing governance and executive leadership at PetroSA, AEMFC, and Alexkor to improve operational efficiency, accountability, and financial management.
5.2.7 Ensure that Mintek's funding is strengthened to safeguard critical research and innovation programmes, particularly in beneficiation, mine rehabilitation, and clean energy technologies.
5.2.8 Engage the Minister of Defence to explore the possibility of securing maritime vessels and logistical support for offshore geological mapping and exploration for CGS.
5.2.9 Ensure that the CGS strengthens community outreach on geological risks and integrates geoscientific data into local development planning.
5.2.10 Facilitate cross-sector collaboration to leverage CGS expertise in national infrastructure, climate resilience, and resource development initiatives.
5.2.11 Strengthen community-level beneficiation initiatives to ensure local residents benefit directly from mineral development, aligned with the national critical mineral's strategy in partnership with Mintek and DTIC.
5.2.12 Table a Beneficiation Impact Report before the end of the 2026 budget cycle, detailing measurable community and HDSA participation outcomes.
5.2.13 Brief the Committee on progress made in establishing the South African National Petroleum Company and the transfer of assets. Further brief the Committee on the plans of the CEF Group to ensure that its subsidiaries implement definitive strategies to maintain their status as going concerns.
5.2.14 Enhance community engagement and training for artisanal and small-scale miners to promote safe and inclusive beneficiation.
5.2.15 Sustain and strengthen collaborative efforts across government, labour, and industry to further reduce mining fatalities and injuries.
5.2.16 Ensure the Department fully implements the AGSA's action plan to investigate and recover the R218.9 million in outstanding fees from rights and license holders. A progress report on the recovery of these funds, including quantifiable results, should be submitted to the Committee by the 2nd Quarter of 2026/27 financial year.
5.2.17 Strengthen the governance and operational efficiency of the Junior Mining Exploration Fund to accelerate the processing of applications and disbursement of funds, ensuring it effectively de-risks exploration and supports the growth of Historically Disadvantaged South African (HDSA) junior miners.
5.2.18 Implement measures to prevent recurring delays in the Fuel Testing Programme, including streamlining the process for obtaining legal opinions and ensuring the timely appointment of service providers, to guarantee consistent regulatory compliance and consumer protection.
5.2.19 Prioritise the development and implementation of a formal regulatory framework for Artisanal and Small-Scale Mining Policy as part of the legislation.
5.2.20 Ensure that the Council for Geoscience work closely with provincial and municipal planning departments to integrate geoscientific data into local economic development strategies and spatial planning frameworks.

5.2.21 Report to the Committee on plans to deal with irregular expenditure with the intention of reducing the level of irregular expenditure.

In conclusion, it is imperative that there is cooperation between the Department of Mineral and Petroleum Resources and the Department of Electricity and Energy to ensure that the country is able to mitigate the current gas cliff which is currently affecting the country to ensure that the best economic solution is found to benefit inclusive economic development.

6. APPRECIATION

The Committees would like to thank the Minister of Mineral and Petroleum Resources, Mr S.G Mantashe and the Minister of Electricity and Energy, Dr S Ramokgopa and the staff of the Department as well as the Board Members and Management of all the entities, for their cooperation and transparency during this process.

The Chairpersons wishes to thank all Members of the Committees for their active participation during the process of engagement and deliberations and their constructive recommendations reflected in this report.

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Report to be considered.