

INTEGRATED NATIONAL ELECTRIFICATION PROGRAMME

**INEP PLANNING PROCESS
PRESENTATION by: EM MZALISI (DMRE-
WC)
09 SEPTEMBER 2022 (AMEU GOODHOPE
BRANCH-BLOMHOF-CAPE TOWN)**



**mineral resources
& energy**

Department:
Mineral Resources and Energy
REPUBLIC OF SOUTH AFRICA

COVID-19

Online Resource & News Portal
SAcoronavirus.co.za

**STAY
SAFE**

PROTECT SOUTH AFRICA

TOGETHER WE CAN BEAT THE CORONAVIRUS

1



INTRODUCTION

- INEP Chief Directorate is responsible for planning, allocating and transferring funds to implementing agents, to monitor the implementation of electrification projects and reporting thereof.
- INEP Business Planning Unit is a section within the Department of Minerals Resources and Energy that comprises of three Directorates namely: IGR, Capital Programme and Technical Planning.



mineral resources
& energy

Department:
Mineral Resources and Energy
REPUBLIC OF SOUTH AFRICA

COVID-19

Online Resource & News Portal
SAcoronavirus.co.za

STAY
SAFE

PROTECT SOUTH AFRICA

TOGETHER WE CAN BEAT THE CORONAVIRUS



INTRODUCTION

- The purpose of INEP Grant is to electrify households for all the disadvantaged communities in order to eradicate the electrification backlog in the country and reach universal access by 2025.
- Most of Western Cape municipalities that have been allocated INEP Grant and are performing as required.
- Few that underspends pushes National Treasury to institute internal stopping and reallocation process in line with section 19 of the Division of Revenue Act based on consolidated monthly report from municipalities to the DMRE and section 71 reports submitted to Provincial Treasury.



mineral resources
& energy

Department:
Mineral Resources and Energy
REPUBLIC OF SOUTH AFRICA

COVID-19

Online Resource & News Portal
SAcoronavirus.co.za

STAY
SAFE

PROTECT SOUTH AFRICA

TOGETHER WE CAN BEAT THE CORONAVIRUS



INEP IGR STRUCTURES

- ENERGY FORUMs
- RELEVANT GOV. DEPARTMENTS
- AMEU
- NERSA
- SALGA
- MISA
- ESKOM



mineral resources
& energy

Department:
Mineral Resources and Energy
REPUBLIC OF SOUTH AFRICA

COVID-19

Online Resource & News Portal
SAcoronavirus.co.za

SECRET

STAY
SAFE

PROTECT SOUTH AFRICA

TOGETHER WE CAN BEAT THE CORONAVIRUS

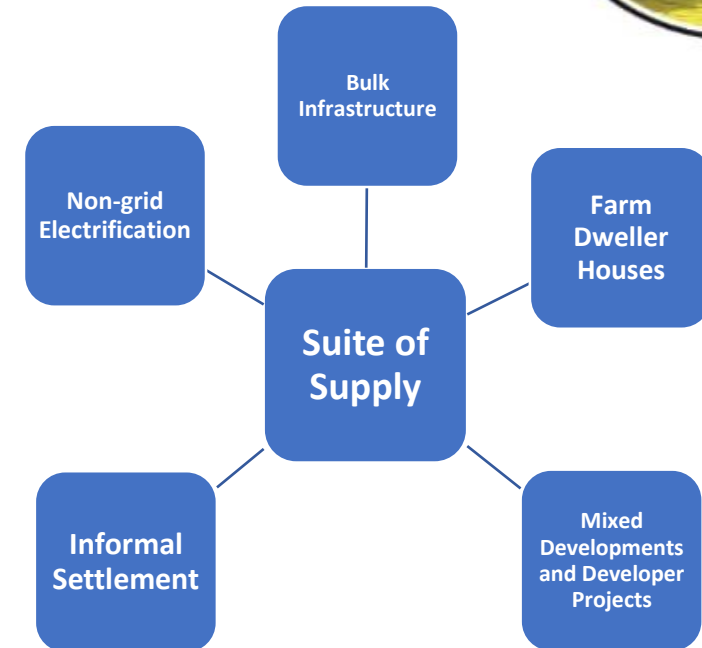


4

IMPLEMENTATION GUIDELINES

Implementation of INEP is guided by several implementation guidelines to ensure that funded projects eventually fulfill the mandate of the Department.

- **SUITE OF SUPPLY (POLICY GUIDELINES)** covers all project categories and is the fundamental guideline that highlights minimum technical aspects to be adhered to.
1. **Bulk Infrastructure guideline** deals with requirements for funding of substations and distribution supply lines.
 2. **Informal Settlement guideline** deals with steps to follow in sourcing funding for the electrification of informal settlement.
 3. **Farm Dweller Houses guideline** highlights criteria for funding of electrification of farm dweller houses.
 4. **Non-grid Electrification guideline** provides guidelines for electrification of houses that are far from electricity infrastructure.
 5. **Mixed Developments and Developer Projects guideline** outline the process and requirements for funding the electrification of mixed housing developments and the minimum level of service.



mineral resources
& energy

Department:
Mineral Resources and Energy
REPUBLIC OF SOUTH AFRICA

5

COVID-19

Online Resource & News Portal
SAcoronavirus.co.za

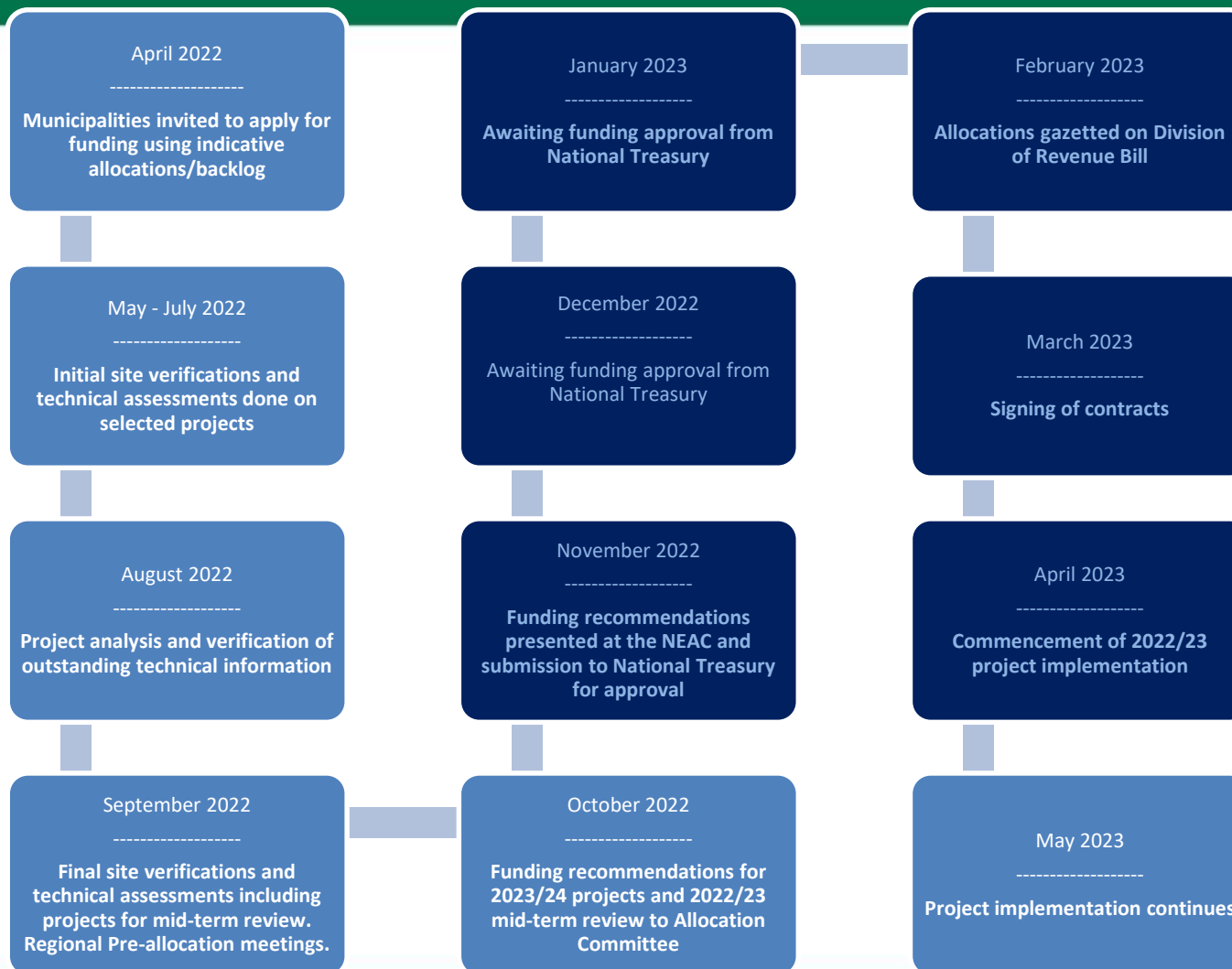
STAY
SAFE

PROTECT SOUTH AFRICA

TOGETHER WE CAN BEAT THE CORONAVIRUS



INEP PLANNING CYCLE



mineral resources
& energy

Department:
Mineral Resources and Energy
REPUBLIC OF SOUTH AFRICA

COVID-19

Online Resource & News Portal
SAcoronavirus.co.za

STAY
SAFE

PROTECT SOUTH AFRICA

TOGETHER WE CAN BEAT THE CORONAVIRUS



2022/23 FINANCIAL YEAR ALLOCATIONS

MUNICIPALITY NAME	ORIGINAL ALLOCATION (R'000)
Cederberg	24, 000 000
Bitou	8 718 000
Mossel Bay	13 061 000
Beaufort West	11 000 000
George	38 036 000
Stellenbosch	28 350 000
Drakenstein	10 000 000



mineral resources
& energy

Department:
Mineral Resources and Energy
REPUBLIC OF SOUTH AFRICA

COVID-19

Online Resource & News Portal
SAcoronavirus.co.za

STAY
SAFE

PROTECT SOUTH AFRICA

TOGETHER WE CAN BEAT THE CORONAVIRUS



2022/23 FINANCIAL YEAR ALLOCATIONS

MUNICIPALITY NAME	ORIGINAL ALLOCATION (R'000)
Knysna	10 730 000
Hessequa	2 893 000
Swartlands	17 600 000
Overstrand	21 331 000
Breede Valley	15 000 000
Cape Agulhas	4 348 000
TOTAL	205 067 000



mineral resources
& energy

Department:
Mineral Resources and Energy
REPUBLIC OF SOUTH AFRICA

COVID-19

Online Resource & News Portal
SAcoronavirus.co.za

STAY
SAFE

PROTECT SOUTH AFRICA

TOGETHER WE CAN BEAT THE CORONAVIRUS



IMPORTANT DATES

30th of every month (Due date for Reports, Annexure C)

- Monthly progress reports (Annexure C) should be submitted to the Regional Office with supporting documents (proof payment) for the expenditure reported;
- Monthly reports should be signed off by the Municipal Manager / delegated official.

15th of June, Sept and Dec (Due date for cash flow requests)

- Cash Flow Requests / Annexure D's should be submitted to DMRE Regional office;

15th of July, Oct, and Feb

- The transfers are effected by Finance to municipalities.

Due dates for quarterly performance reports

- 12 Nov 2022 (1st Quarter), 12 Feb 2023 (2nd Quarter), 12 May 2023 (3rd Quarter) 2023 and 12 Aug 2023 (4th Quarter).

31st of August 2023 (Due date for DoRA evaluation reports)



mineral resources
& energy

Department:
Mineral Resources and Energy
REPUBLIC OF SOUTH AFRICA

COVID-19

Online Resource & News Portal
SAcoronavirus.co.za

STAY
SAFE

PROTECT SOUTH AFRICA

TOGETHER WE CAN BEAT THE CORONAVIRUS



CHALLENGES

- Funding available lesser than demand
- Non submission or late submission of monthly and quarterly reports.
- Reporting of non-contracted projects (project change control required).
- Expenditure reported without supporting documents.
- Reports not signed by the Municipal Manager.
- Cash flow not requested according to the approved payment schedule.
- Projects applied for rollovers not in line with what has been reported to the Department.
- Late appointment of consultants and contractors which delays the implementation of projects (supply chain delays). This leads to under expenditure, which leads to the stopping of allocation and rollovers, if not approved leads to recoupments by NT.
- Demanding of stake from INEP project funds by dev. Forums and local labour



mineral resources
& energy

Department:
Mineral Resources and Energy
REPUBLIC OF SOUTH AFRICA

COVID-19

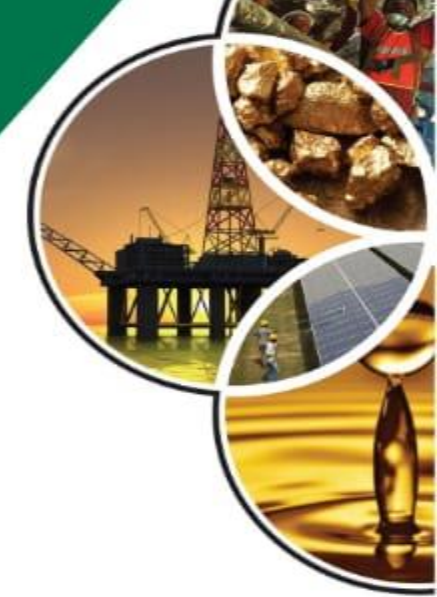
Online Resource & News Portal
SAcoronavirus.co.za

STAY
SAFE

PROTECT SOUTH AFRICA

TOGETHER WE CAN BEAT THE CORONAVIRUS





THANK YOU...



mineral resources
& energy

Department:
Mineral Resources and Energy
REPUBLIC OF SOUTH AFRICA

COVID-19

Online Resource & News Portal
SAcoronavirus.co.za

