

NRWDI

NATIONAL RADIOACTIVE WASTE
DISPOSAL INSTITUTE



ANNUAL REPORT | 2023/24



NATIONAL RADIOACTIVE WASTE DISPOSAL INSTITUTE (NRWDI)

ANNUAL REPORT 2023/2024



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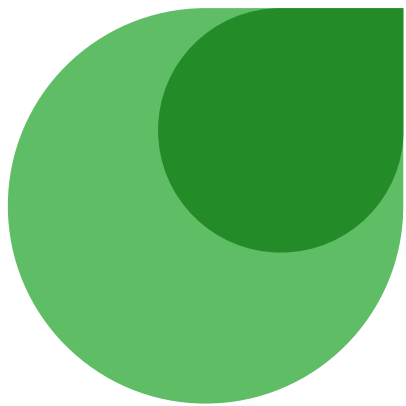
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PART A

GENERAL INFORMATION



1. GENERAL INFORMATION

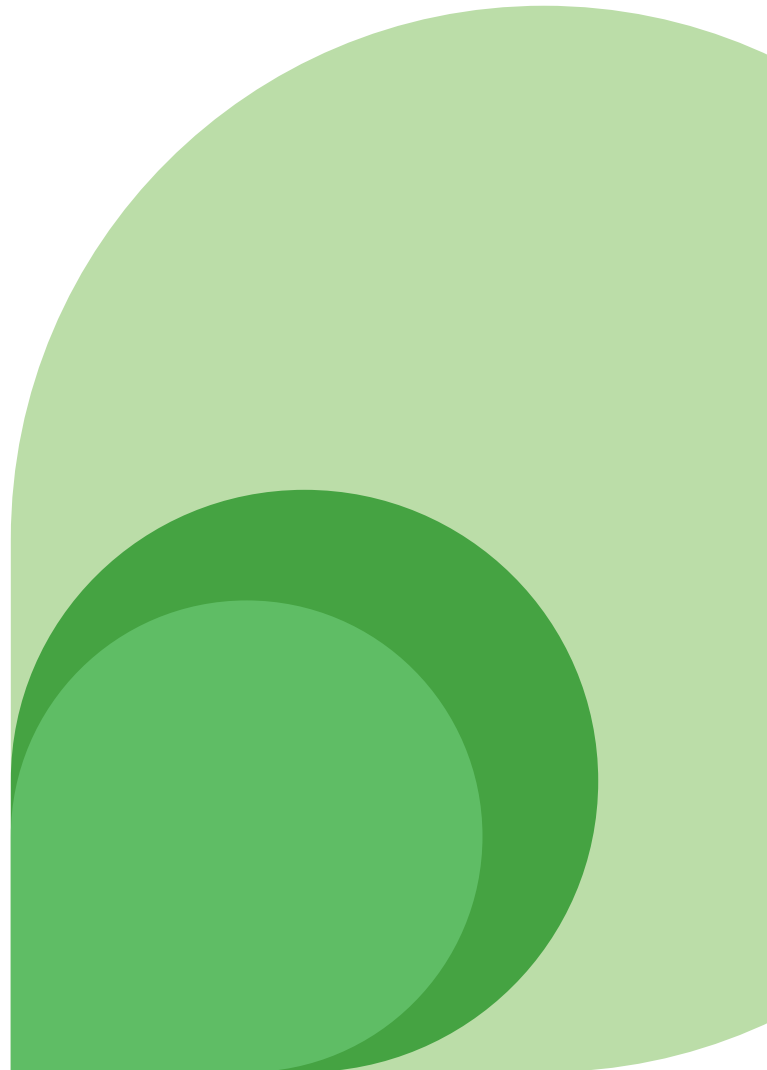
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External Auditors:	Auditor-General of SA
Bankers:	ABSA Bank
Board Secretary:	Ms Pertunia Mohlabi



2. LIST OF ABBREVIATIONS

Abbreviation	Description
AGSA	Auditor-General of South Africa
ARC	Audit and Risk Committee
BBBEE	Broad-Based Black Economic Empowerment
CEO	Chief Executive Officer
CFO	Chief Financial Officer
CISF	Central Interim Storage Facility
CRP	Coordinated Research Project
DEFF	Department of Environment, Forestry and Fisheries
DHSWS	Department of Human Settlements, Water and Sanitation
DoH	Department of Health
DMRE	Department of Mineral Resources and Energy
DSRS	Disused Sealed Radioactive Sources
EE	Employment Equity
GRAP	South African Standards of Generally Recognised Accounting Practice
HEIs	Higher Education Institutions
HLW	High-Level Waste
HR-SEC	Human Resources, Social and Ethics Committee
IAEA	International Atomic Energy Agency
ILW	Intermediate-Level Waste
IMS	Integrated Management System
ISO	International Organization for Standardization
LLW	Low-Level Waste
MTEF	Medium-Term Expenditure Framework
MTSF	Medium-Term Strategic Framework
NDP	National Development Plan
NIL	Nuclear Installation Licence
NNR	National Nuclear Regulator
NRWDIA	National Radioactive Waste Disposal Institute Act

Abbreviation	Description
NRWDI	National Radioactive Waste Disposal Institute
Necsa	South African Nuclear Energy Corporation
NT	National Treasury
OECD	Organization for Economic Cooperation and Development
PFMA	Public Finance Management Act
RWMF	Radioactive Waste Management
WAC	Waste Acceptance Criteria
WiNSA	Women in Nuclear South Africa





3. FOREWORD BY THE CHAIRPERSON

It is our pleasure to present our inaugural Annual Report and Audited Financial Statements to the Honourable Mineral Resources and Energy Minister; the Department of Mineral Resources and Energy (DMRE), and all our stakeholders. The Annual Report presents key achievements of the NRWDI aligned to set objectives; it also includes audited financial statements for the period 1 April 2023 to 31 March 2024.

The current Board was appointed in August 2023, five months into the 2023/24 financial year – and spearheaded the strategic objectives that were already put in place by the previous Board. The role of the NRWDI in the country is significant, particularly given the global emphasis on environmental sustainability as well as citizen health and well-being. The legacy we aim to create is one where our operations meet the needs of current generations while safeguarding the rights of future generations. With this perspective in mind, the NRWDI is obligated to fulfil its technical mandate by managing and disposing of nuclear waste from generators safely, securely, and in an environmentally friendly way.

The NRWDI has been functioning with a constrained budget for the past seven years, posing a risk to its long-term viability. There is optimism that the enactment of the Radioactive Waste Management Fund Bill in the forthcoming legislative session will offer the NRWDI an alternative source of income, grounded in “The Polluter Pays Principle”.

One of the primary objectives for the 2023/24 financial year was to facilitate the seamless transfer of the Vaalputs operations from Necsa to the NRWDI, alongside the successful execution of a change-management initiative. Delays have arisen in the issuance of the Nuclear Installation Licence (NIL-43) to enable the NRWDI to assume the Vaalputs operations. The NRWDI continues to work with key stakeholders and the Regulator (NNR) to ensure that all licence conditions are met and a licence is issued in the next financial year.

During the year in review, a key priority was the institutionalisation of a culture of accountability, trust, honesty, and responsibility and showcasing a steadfast commitment to good governance, sound financial management, operational excellence, and leadership. This continues to be a top priority for the current Board during our term. In its initial strategic planning session in November 2023, the Board outlined its priorities up to the end of the financial year. The Board has engaged constructively to ensure the NRWDI's leadership is unified in governance, finance, and human capital for organisational effectiveness. The Board is dedicated to maintaining a supportive work environment at the NRWDI, valuing its employees as the organisation's most critical asset. The Board's focus will persistently be on fulfilling the NRWDI's mandate.



Aligned with our 2020-2025 Strategic Plan, we aim to uphold the previous Board's dedication to position the NRWDI as a leader in radioactive waste disposal technologies. Given the enduring lifespan of radioactive materials and waste, the Institute's long-term sustainability is reliant on stakeholder relationship management and collaborations to support the delivery of its mandate.

To achieve this ambitious goal, the NRWDI is focusing on innovative research and development to enhance the efficiency of radioactive waste disposal methods. In 2023/24 a concerted effort was made to enter into collaborative partnerships with Higher Education Institutions (HEIs), where the institute engaged approximately 10 local universities. These universities were engaged based on their expertise and infrastructure conducive to research and development in nuclear science, nuclear engineering, civil engineering, and geohydrological studies, among other disciplines. The institute will also prioritise investing in state-of-the-art technologies and infrastructure to ensure safe handling and storage of radioactive materials. Furthermore, educational programmes and outreach initiatives will be expanded to raise awareness about the importance of proper radioactive waste management among the public and key stakeholders.

In the period under review the NRWDI prioritised strategic engagements with international counterparts at the forefront of innovative radioactive waste management technologies with the aim of facilitating knowledge exchange and exploring collaborative opportunities. Collaboration with international partners and organisations continues to be crucial in sharing best practices and keeping abreast of advancements in the field of nuclear energy and waste management. By fostering a culture of continuous improvement and adaptability, the NRWDI is poised to meet the challenges of the evolving landscape of radioactive waste disposal and contributing significantly to South Africa's energy security and environmental sustainability goals.

The conclusion of an IAEA Coordinated Research Project (CRP) which focuses on the Performance Assessment of Storage Systems mainly for Used Nuclear Fuel for Extended Durations is an opportunity for the contribution to research and development in South Africa, and the world. By staying true to its commitment to the ethos of excellence and innovation, the NRWDI continues to play a pivotal role in ensuring the safe and responsible management of radioactive waste, thereby safeguarding the well-being of present and future generations.

An entity does not exist in isolation. In the contemporary landscape of resource constraints, it becomes imperative for nations to forge strategic partnerships to consolidate resources towards shared objectives. The ethos of achieving more collaboratively rather than independently hinges on the application of principles of good governance within these alliances. Historically a secluded domain, the nuclear sector now seeks to engage stakeholders, ensuring transparency, education, and active involvement in the NRWDI's planning and operations. Leveraging digital advancements, the NRWDI can establish its presence within the nuclear community, enhancing its brand visibility significantly. The enhancement of the NRWDI's brand visibility has been a focal point in the preceding period and continues to be a priority moving forwards.

On behalf of the Board, I extend gratitude to the NRWDI Team for their resilience and ingenuity in navigating the array of challenges. We also acknowledge and appreciate the steadfast support, counsel, and direction provided by our shareholder – the Department of Mineral Resources and Energy – during the reviewed year. Lastly, I extend my thanks to the Board for their strategic leadership and unwavering guidance.

MS DORAH MODISE

Chairperson: NRWDI

Date: 31 July 2024





4. CHIEF EXECUTIVE'S OVERVIEW

I am proud to present the 2023/24 Annual Report, highlighting our commitment to excellence and accountability in the management and disposal of radioactive waste for the betterment of public health, our environment, and future generations.

OVERVIEW OF THE ORGANISATIONAL PERFORMANCE OF THE PUBLIC ENTITY

In the year under review, the NRWDI achieved 76% of its planned annual targets. In addition to meeting our annual performance objectives, the NRWDI received an unqualified audit for the year under review. For the sixth consecutive year during the 2023-24 fiscal year, the NRWDI obtained an unqualified audit, which bears testimony to the fact that an institutionalised culture of accountability, trust, honesty, and responsibility prevails in the NRWDI. The NRWDI is resiliently committed to good governance, prudent financial management, operational excellence, and leadership based on the highest ethical and moral standards.

Public acceptance is paramount to our mission, and we have prioritised public education, participation, and communication to ensure that radioactive waste management remains a focal point of discussion. We have enhanced our public outreach programmes, offering clearer and more transparent

communication and educational initiatives to help the public understand the science and safety behind what we do. We believe that an informed public is an empowered public.

By maintaining a positive presence in the nuclear sector and forging strong partnerships with government entities, research agencies, institutions of higher learning, international counterparts and other stakeholders, we continue to position the NRWDI as a highly respected and trusted waste disposal organisation committed to environmental stewardship and innovation.

The NRWDI has made significant progress in the past year under the guidance of the newly appointed Board of Directors. While there have been successes in this reporting period, challenges have also been encountered. The NRWDI has made satisfactory progress in obtaining the Nuclear Installation Licence (NIL) for the disposal of low-level waste at Vaalputs, which is a top priority. Obtaining the NIL remains a crucial step in line with our five-year Strategic Plan 2020-2025. This goal lies at the heart of executing our legislative mandate and profoundly contributes to the NRWDI's financial sustainability.

I am confident that with our collective efforts and unwavering dedication, the NRWDI will strive to achieve the goals outlined



in its five-year Strategic Plan that lie in the NRWDI's critical path to ensuring the execution of key projects and ensuring that stakeholder expectations are adequately addressed and met.

Looking ahead, we remain steadfast in our mission to be a global leader in radioactive waste disposal, setting the benchmark for excellence in the industry. We will continue to prioritise research and development, invest in our people, and engage with stakeholders to drive positive change and promote a sustainable future.

This past year has been transformative for the NRWDI as we continue to uphold our commitment to safely manage and dispose of radioactive waste to protect our environment and future generations.

OVERVIEW: ORGANISATIONAL FINANCIAL PERFORMANCE OF THE PUBLIC ENTITY

The NRWDI currently receives its main source of funding from the fiscus through grant transfers via the DMRE. The government grant allocation in the current year was R50.486 million, an increase of 0.361% on the government grant from the previous year. The entity's revenue budget was augmented by interest income of R1.6 million, thereby bringing the total budgeted revenue to R52.086 million. In achieving a zero-deficit budget in the financial year under review, R42.874 million was allocated towards compensation of employee expenses while R9.212 million was allocated towards other expenses.

The interest received from the current and call accounts amounted to R3.947 million. An income of R1 095 was earned from commission and services rendered, and R78 259 was earned from miscellaneous income. No adjustments were made to the budget during the mid-term budget cycle. The NRWDI continued to maintain its going concern status over the financial year under review through sound financial management and prudent accounting practices.

The organisation continues to be in a healthy financial position with its cash, and cash equivalents being R31.865 million which is equivalent to a 1.71 cash turnover ratio and a liquidity ratio of 4.27 as at the end of the financial year. The net asset value for the same period is reported as R31.226 million. The previous financial year's accumulated surplus of R28.25 million calculated according to Treasury's Instruction Note No. 12 of 2020/21 was approved for rollover by the National Treasury in November 2023 to be used for the purpose of the entity's IT infrastructure costs, nuclear installation licence costs, and

Vaalputs's transitional activities cost, training and development costs, capacity, and capability development, and the CSIF's feasibility study development.

Spending trends of the public entity

The total expenditure of the NRWDI increased by 11.15 % compared to the previous financial year. Several factors contributed to the increased expenditure: goods and services spending increased by 30.87%; total staff costs increased 7.13%; and depreciation costs increased by 3.93%.

The increase in goods and services spending was mainly due to an increase in travel and subsistence allowances to attend workshops, conferences and meetings, and it was anticipated that some IAEA trips would have been sponsored. There was an increase in legal fees due to an increase in HR labour-related matters. There was also an increase in contracted-out services and licences as these line items related to IT expenses funded from the rollover funds. The increase in depreciation costs is as a result of additional IT assets acquired in line with the entity's IT architecture and plan, while cost-of-living adjustments and performance incentives contributed to an increase in compensation of employee costs.

Requests for rollover of funds

In the preceding financial year, the NRWDI applied for retention of surpluses that were realised in 2022/23. This was ringfenced to be utilised for IT infrastructure costs, nuclear installation licence costs, Vaalputs's transitional activities cost, training and development costs, capacity, and capability development, and the CSIF's feasibility study development.

The spending on the aforementioned projects commenced towards the end of the current financial year but could not be fully concluded by the end of the financial year due to the timing of the approval of the retained surplus for reasons outside the entity's control.

Subject to the approval of National Treasury, an amount of R24.96 million of the R31.87 million cash, and cash equivalent balance is to be rolled over and utilised in the 2024/25 financial year to continue and complete the commenced projects related to the IT infrastructure and research and development in respect of the feasibility study of the CISF project, as well as the last phase of the nuclear installation licence application.

Supply chain management (SCM)

No unsolicited bid proposals were concluded by the NRWDI. The entity continued to implement all supply chain





management (SCM) prescripts and policies as required. The NRWDI also ensures that it complies with all guidelines and instructions introduced by National Treasury. In addition to the above, the supply chain management function ensured establishing and training of the bid committees.

The approved SCM system and procedures take a holistic, triple-bottom-line approach to managing the inter-dependent activities of demand, acquisition, inventory, and contract administration. The NRWDI has effective measures in place to prevent and detect irregular and fruitless and wasteful expenditure; placing transparent and fair procurement practices and the ethical treatment of public funds above all else. Management – with a pivotal role played by the SCM Unit – are part of the processes of ensuring compliance with existing SCM and internal control systems and processes, and the maturation thereof.

Particular care is taken to ensure compliance with the pillars of an effective procurement system, which includes ensuring that the NRWDI realises value for money in its procurement by avoiding any unnecessary costs and delays for the entity and its suppliers; continuously improving internal procurement processes and systems; that the entity runs an open and competitive procurement process be it through the three-quote system for procurement under the R1 million threshold or applicable open tender processes.

The Board ensures oversight of the SCM through quarterly reports on financial and organisational performance. The SCM system also complies with transformation and equity requirements as dictated by both the Preferential Procurement Policy Framework Act (PPPFA), and the Broad-Based Black Economic Empowerment Act. The NRWDI is proud of meeting its obligations towards its suppliers by complying with the 30 days or less payment period.

Outlook/Plans to address financial challenges

Funding constraints as a result of the economic downturn and government's fiscal pressure has had an impact on all organs of state reliant on the national fiscus, including the NRWDI. National Treasury's approval of the surpluses retained in the previous financial year, once obtained has been prioritised to be spent prudently for strategic activities that cannot be met or funded from the operating budget. Notwithstanding the retention of surplus; without an adjustment in the NRWDI's MTEF baseline allocation, the economic viability of the NRWDI remains a concern especially in relation to its mandate.

Although the NRWDI operates as a going concern with more assets than liabilities, the ability of the organisation to develop the requisite capacity to carry out its full mandate remains constrained by its reliance only on transfers from the fiscus. In light of this, obtaining adequate funding and financing of radioactive waste disposal operations is a recognised requirement. The need to provide for the financing of radioactive waste management is in principle based on "The Polluter Pays Principle" adopted by the OECD in 1972 as an economic principle for allocating the costs of pollution control. The principle has been considered since 1990 as a general principle of international environmental law.

The Radioactive Waste Management Policy and Strategy (2005) of the Republic of South Africa states that a Radioactive Waste Management Fund (RWMF) should be established to ensure that financial resources are available for the management of radioactive waste. The implementation of the Radioactive Waste Management Fund Bill will ensure the NRWDI is self-sufficient and less dependent on the state. The resources should be available as and when required throughout the operational lifetime of the National Radioactive Waste Disposal Institute and associated facilities. The RWMF is in the process of promulgation and is expected to be fully implemented by April 2025, thus providing the enablement of adequate and sustainable funding of the NRWDI in the long term.

Economic viability

The financial stability of the NRWDI is maintained by the implementation of stringent and prudent spending measures. However, post obtaining the nuclear installation licence, the NRWDI will be concentrating its efforts to leverage on its cost-recovery from the radioactive waste generators. The proactive strategies that drive the organisational financial performance provides a level of certainty that the organisation remains a going concern for the foreseeable future.

The NRWDI awaits the receipt of the Nuclear Installation Licence which will result in the implementation of the NRWDIA. Concurrently with this process, transitional planning arrangements are under way to ensure smooth transition of the Vaalputs staff to the NRWDI.

One of the key mandates for the NRWDI as espoused in the NRWDIA is the development and implementation of programmes for safe storage and disposal of spent nuclear fuel or high-level radioactive waste and long-term intermediate-level waste on a national basis. The Centralised Interim Storage



Facility (CISF) is one such project with huge potential to be a game-changer in South Africa through job creation and skills development.

The growth and development of the NRWDI would not have been possible without its most crucial asset, the NRWDI staff. It is important to note they have remained resilient, flexible, and committed to the vision of the organisation in unprecedented times. They were able to ensure that all activities carried out would make a valuable contribution to key deliverables in the Institute's Annual Performance Plan 2023/24. My sincerest thanks and genuine appreciation to each one of you, as you have been instrumental in assisting the NRWDI in meeting its objectives, thereby fulfilling its mandate and contribution to government's social and economic imperatives.

The NRWDI does not exist in isolation, and being a member state of the International Atomic Energy Agency (IAEA) provides an excellent opportunity to grow and develop from international collaboration and engagement with member countries. It also provides the NRWDI with the opportunity to promote safe, secure, and peaceful use of nuclear technologies.

The success of the NRWDI is dependent on its engagement with its stakeholders. I wish to pay tribute to all the NRWDI's esteemed and valued stakeholders for their continued support. Our stakeholders contributed to our progress by challenging, scrutinising, and supporting our vitally important work. We always engage our stakeholders in an inclusive and responsive manner through constructive dialogue and meaningful partnerships while upholding the principles of good governance.

The WINSA chapter in the NRWDI plays an important role in the empowerment of women in the entity and as the previous president of WINSA, I intend assisting these ladies in ensuring that WINSA has a strategic vision to take women in the nuclear industry to greater heights.

Outcome of AGSA findings

The NRWDI obtained a clean audit for the 2023/24 financial year without any findings.

Events after the reporting date

Post the reporting date, there were no material adjusting and non-adjusting events, however at the end of April 2024, the contracts for two executives were terminated. In addition to the above matter, a claim in respect of legal costs was received by the entity on a labour dispute outcome. Both these matters are reflected in note 23 of the annual financial statements of this report.

Acknowledgements and appreciation

I would like to begin by extending my deep appreciation to Ms Dorah Modise, the Chairperson, and the Directors of the NRWDI Board for their exceptional leadership, patience, and unwavering support in fulfilling their fiduciary responsibilities diligently.

Furthermore, I am grateful to the Mineral Resources and Energy Ministry, and members of the Mineral Resources and Energy Portfolio Committee for their guidance and support. The NRWDI appreciates the collaborative opportunities with other public entities and strategic partners to improve our service offering.

I am immensely proud of the accomplishments we have achieved this year; and I am confident that with our collective efforts and unwavering dedication, the National Radioactive Waste Disposal Institute will continue to make a lasting impact on the world. Thank you to our team, partners, and supporters for their continued commitment and trust in our vision. Together, we will build a safer and more sustainable future for all.

MR ALAN CAROLISSEN

Acting Chief Executive Officer

Date: 31 July 2024





5. STATEMENT OF RESPONSIBILITY AND CONFIRMATION OF THE ACCURACY OF THE ANNUAL REPORT

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

All information and amounts disclosed in the Annual Report are consistent with the annual financial statements audited by AGSA.

The Annual Report is complete, accurate, and free of any omissions.

The Annual Report has been prepared in accordance with the guidelines issued by National Treasury.

The annual financial statements (Part E) have been prepared in accordance with the GRAP standards applicable to the public entity.

The accounting authority is responsible for preparation of the annual financial statements and for the judgements made in this information.

The accounting authority is responsible for establishing and implementing a system of internal control that has been designed to provide reasonable assurance as to the integrity and reliability of the performance information, the human resources information, and the annual financial statements.

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

In our opinion, the Annual Report fairly reflects the operations, performance information, human resources information, and financial affairs of the public entity for the financial year ended 31 March 2024.

Yours Faithfully



MR A CAROLISSEN

Date: 31 July 2024



6. STRATEGIC OVERVIEW

6.1. Vision

To be a world-class radioactive waste disposal organisation.

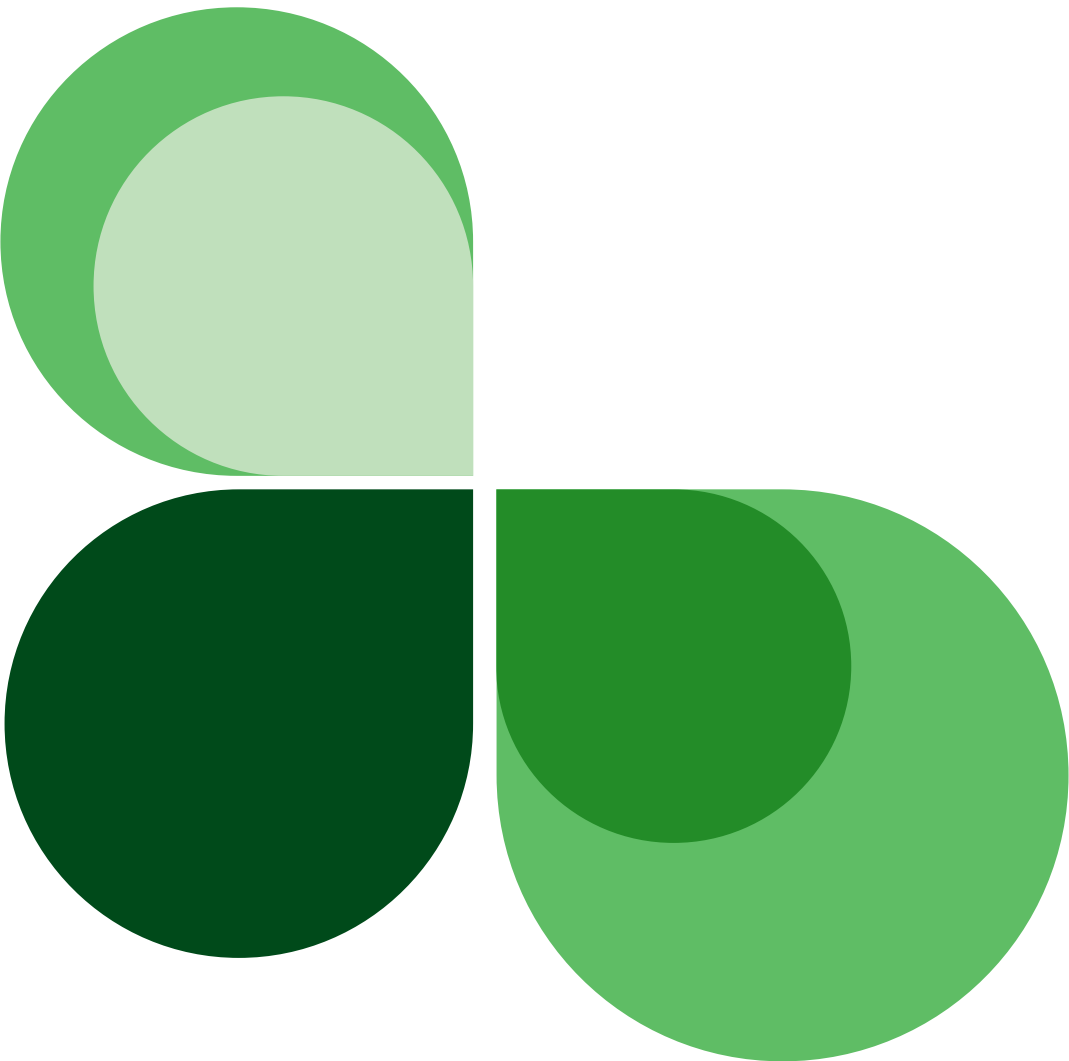
6.2. Mission

To provide environmentally safe and technologically innovative radioactive waste disposal solutions for the benefit of current and future generations.

6.3. Values

The NRWDI's values are grounded in strong ethical considerations. As a result, the NRWDI staff members are required to always maintain the highest standards of proper conduct and integrity and ensure that there is no doubt as to what is required. To this end, the NRWDI has developed a set of core values. The NRWDI's value statements are reflected in the table below:

Nurturing	We will make the well-being of people and the environment, a priority.
Respect	We will respect all and obey the laws and legislation that govern our country and regulates our industry
Work-life-balance	We are committed to the creation of a culture that supports the achievement of both life and work.
Dedication	We will demonstrate passion, commitment and care in all that we do being fully aware of the impact that our actions may have on current and future generations.
Integrity	We will conduct ourselves with openness, honesty and respect for all stakeholders





7. LEGISLATIVE AND OTHER MANDATES

7.1. THE CONSTITUTION OF THE REPUBLIC OF SOUTH AFRICA, 1996 (ACT NO. 108 OF 1996)

The National Radioactive Waste Disposal Institute (NRWDI) carries out its work with due regard for the fundamental rights as contained in the Constitution of the Republic of South Africa, and related-legislation. The following sections are extracts from the Constitution that have a direct bearing on the NRWDI in terms of delivering on its constitutional mandate.

The NRWDI mandate is underpinned by Section 24(b) of the Constitution of the Republic of South Africa, Act 108 of 1996, which states...

Everyone has the right to:

- (a) An environment that is not harmful to their health or well-being.
- (b) Have the environment protected for the benefit of present and future generations through reasonable legislative and other measures to:
 - (i) Prevent pollution and ecological degradation;
 - (ii) Promote conservation; and
 - (iii) Secure ecologically sustainable development and use of natural resources while promoting justifiable economic and social development.

The above constitutional provisions inform further pieces of legislation that impact the functioning of the NRWDI. The governance and regulation of radioactive waste management is also subject to the provisions of the Acts, as discussed below.

7.2. NATIONAL RADIOACTIVE WASTE DISPOSAL INSTITUTE ACT (NRWDIA), 2008 (ACT 53 OF 2008)

The National Radioactive Waste Disposal Institute Act (NRWDIA) (Act No. 53 of 2008) was proclaimed by the President of the Republic of South Africa in Government Gazette No. 32764; and the NRWDIA became effective on 1 December 2009. Section 3 of the NRWDIA established a juristic person known as the National Radioactive Waste Disposal Institute (NRWDI), as wholly-owned by the state. The functions of the NRWDI as per section 5 of the NRWDIA are to:

- Manage radioactive waste disposal on a national basis.
- Operate the national low-level waste repository at Vaalputs.
- Design and implement disposal solutions for all categories of radioactive waste.
- Develop criteria for accepting and disposing radioactive waste in compliance with applicable regulatory safety requirements and any other technical and operational requirements.
- Assess and inspect the acceptability of radioactive waste for disposal, and issue radioactive waste disposal certificates.
- Manage, operate, and monitor operational radioactive waste disposal facilities, including related predisposal management of radioactive waste on disposal sites.
- Investigate the need for any new radioactive waste disposal facilities and to site, design, and construct new facilities as required.
- Define and conduct research and development aimed at finding solutions for long-term radioactive waste management.
- Maintain a national radioactive waste database and publish a report on the inventory and location of all radioactive waste in the Republic at a frequency determined by the Board.
- Manage ownerless radioactive waste on behalf of government, including the development of radioactive waste management plans for such waste.
- Assist generators of small quantities of radioactive waste in all technical aspects related to the management of such waste.
- Implement institutional control over closed repositories, including radiological-monitoring and maintenance as appropriate.
- Implement any assignments or directives from the Minister regarding radioactive waste management.
- Provide information on all aspects of radioactive waste management to the public living around radioactive waste disposal facilities and to the public in general.
- Advise nationally on radioactive waste management.
- Cooperate with any person or institution in matters falling within these functions.



- Perform any other function necessary to achieve the objectives of the NRWDI.

Many of the above functions are currently performed within the scope of low-level waste (LLW) inventories. In future, the scope would need to be extended to address the national inventory of radioactive waste consisting of intermediate-level waste (ILW), high-level waste (HLW), spent/used nuclear fuel and disused sealed radioactive sources. This implies that alternative disposal concepts would have to be researched, designed, and implemented.

7.3. NUCLEAR ENERGY ACT, 1999 (ACT 46 OF 1999)

The Nuclear Energy Act is the leading legislation about the governance of radioactive waste. In terms of section 45, the authority over the management of radioactive waste and the storage of irradiated nuclear fuel is vested in the Mineral Resources and Energy Minister. The Minister, in consultation with the Environmental Affairs and Tourism Minister and the Water and Sanitation Minister may formulate regulations prescribing the manner of management, storage and discarding of radioactive waste, and irradiated nuclear fuel. The Minister must perform this function with due regard to the provisions of the National Nuclear Regulator Act, (47 of 1999).

7.4. NATIONAL NUCLEAR REGULATOR ACT, 1999 (ACT 47 OF 1999)

The responsibility of the National Nuclear Regulator is to provide for the protection of persons, property, and the environment against nuclear damage through the establishment of safety standards and regulatory practices and exercise regulatory control related to safety over the siting, design, construction, operation, and manufacture of component parts and decontamination, decommissioning and closure of nuclear installations and other actions applicable to this Act. These would include radioactive waste management facilities associated with nuclear power stations, nuclear fuel-cycle facilities and those facilities that mine and process radioactive ores and minerals.

7.5. NATIONAL ENVIRONMENTAL MANAGEMENT ACT (NEMA), 1998 (ACT 107 OF 1998)

In accordance with the requirements of the National Environmental Management Act, an environmental impact assessment must be conducted prior to the construction of a radioactive waste management facility.

7.6. HAZARDOUS SUBSTANCES ACT, 1973 (ACT 15 OF 1973)

Sealed radioactive sources, including disused sealed sources are controlled as Group IV Hazardous Substances in terms of the Hazardous Substances Act, and regulated by the Directorate Radiation Control in the Department of Health. Currently all disused sealed radioactive sources are temporarily stored at Necsa because final disposal has not yet been defined in the radioactive waste management plans. The disposal of all radioactive material is regulated by the National Nuclear Regulator. The safety, security and control of disused radioactive sources is a high priority in the context of international commitments to prevent radiation accidents that may be caused by the potential abuse and misuse of such sources for malicious purposes.

7.7. MINERAL AND PETROLEUM RESOURCES DEVELOPMENT AMENDMENT ACT, 2008 (ACT 49 OF 2008)

The objectives of this Act are to recognise the internationally accepted right of the state to exercise sovereignty over all the mineral and petroleum resources within the Republic. It also gives effect to the principle of the state's custodianship of the nation's mineral and petroleum resources, and to Section 24 of the Constitution by ensuring that the nation's mineral and petroleum resources are developed in an orderly and ecologically sustainable manner; while promoting justifiable social and economic development; and promoting equitable access to the nation's mineral and petroleum resources to all the people of South Africa.

7.8. NATIONAL WATER ACT, 1998 (ACT 36 OF 1998)

The purpose of this Act is to ensure that the nation's water resources are protected, used, developed, conserved, managed and controlled in ways that take into account, among other factors promoting equitable access to water; redressing the results of past racial and gender discrimination; promoting efficient, sustainable and beneficial use of water in the public interest; facilitating social and economic development; protecting aquatic and associated ecosystems and their biological diversity; while meeting international obligations.





7.9. PUBLIC FINANCE MANAGEMENT ACT, 1999 (ACT 1 OF 1999 AS AMENDED BY ACT 29 OF 1999)

The objective of the Act is to regulate financial management in the national and provincial tiers of government to ensure that all revenue, expenditure, assets, and liabilities are managed efficiently and effectively. The NRWDI is a Schedule 3A public entity that reports to the Executive Authority, i.e. the Mineral Resources and Energy Minister. The NRWDI's activities are funded by a budget allocated to it by the DMRE. Governance of the NRWDI is entrusted to a Board of Directors appointed by the Mineral Resources and Energy Minister in accordance with section 7(1) of the NRWDI Act.

7.10. PROMOTION OF ADMINISTRATIVE JUSTICE ACT, 2000 (ACT 3 OF 2000)

The Act gives effect to the constitutional right to just administrative action for any member of the public whose rights have been adversely affected, and to ensure efficient, effective, and legitimate administration within all spheres of government.

7.11. PREFERENTIAL PROCUREMENT POLICY FRAMEWORK ACT, 2000 (ACT 05 OF 2000)

The Act gives effect to Section 217(3) and provides a framework for the implementation of the procurement policy contemplated in Section 217(2) of the Constitution.

7.12. PROMOTION OF ACCESS TO INFORMATION ACT, 2000 (ACT 2 OF 2000)

The Act gives effect to the constitutional right of access to any information held by the state, and any information held by a private person that is required for the exercise or protection of any other right.

7.13. INTERGOVERNMENTAL RELATIONS FRAMEWORK ACT, 2005 (ACT 13 OF 2005)

The Act establishes a framework for national, provincial, and local government to promote and facilitate intergovernmental relations and provide a mechanism and procedure to facilitate the settlement of intergovernmental disputes.

7.14. SKILLS DEVELOPMENT ACT, 1998 (ACT 97 OF 1998)

The Act provides an institutional framework to devise and implement national, sector and workplace strategies to develop and improve the skills of the South African workforce.

7.15. EMPLOYMENT EQUITY ACT, 1998 (ACT 55 OF 1998)

The Act serves as a mechanism to redress the effects of discrimination and assist in the transformation of workplaces to reflect a diverse and broadly representative workforce.

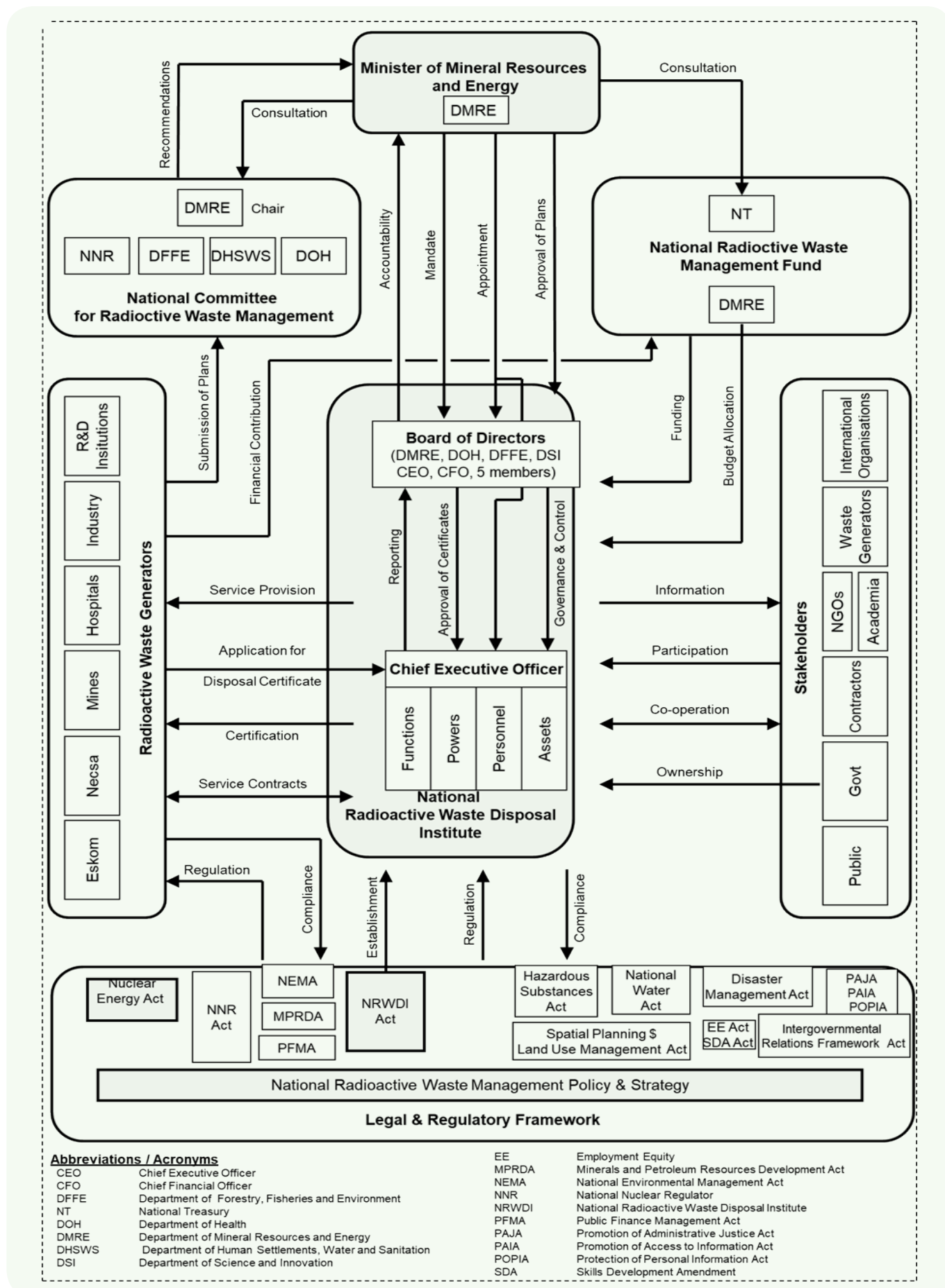
7.16. DISASTER MANAGEMENT ACT, 2002 (ACT 57 OF 2002)

The Act provides for an integrated and coordinated disaster management policy that focuses on preventing or reducing the risk of disasters, mitigating the severity of disasters, emergency preparedness, and rapid and effective responses to disaster and post-disaster recovery.

7.17. SPATIAL PLANNING AND LAND-USE MANAGEMENT ACT, 2013 (ACT 16 OF 2013)

The Act makes provision for inclusive developmental, and equitable and efficient spatial planning in the different spheres of government.

Figure 1: The legislative and regulatory environment within which the NRWDI operates.

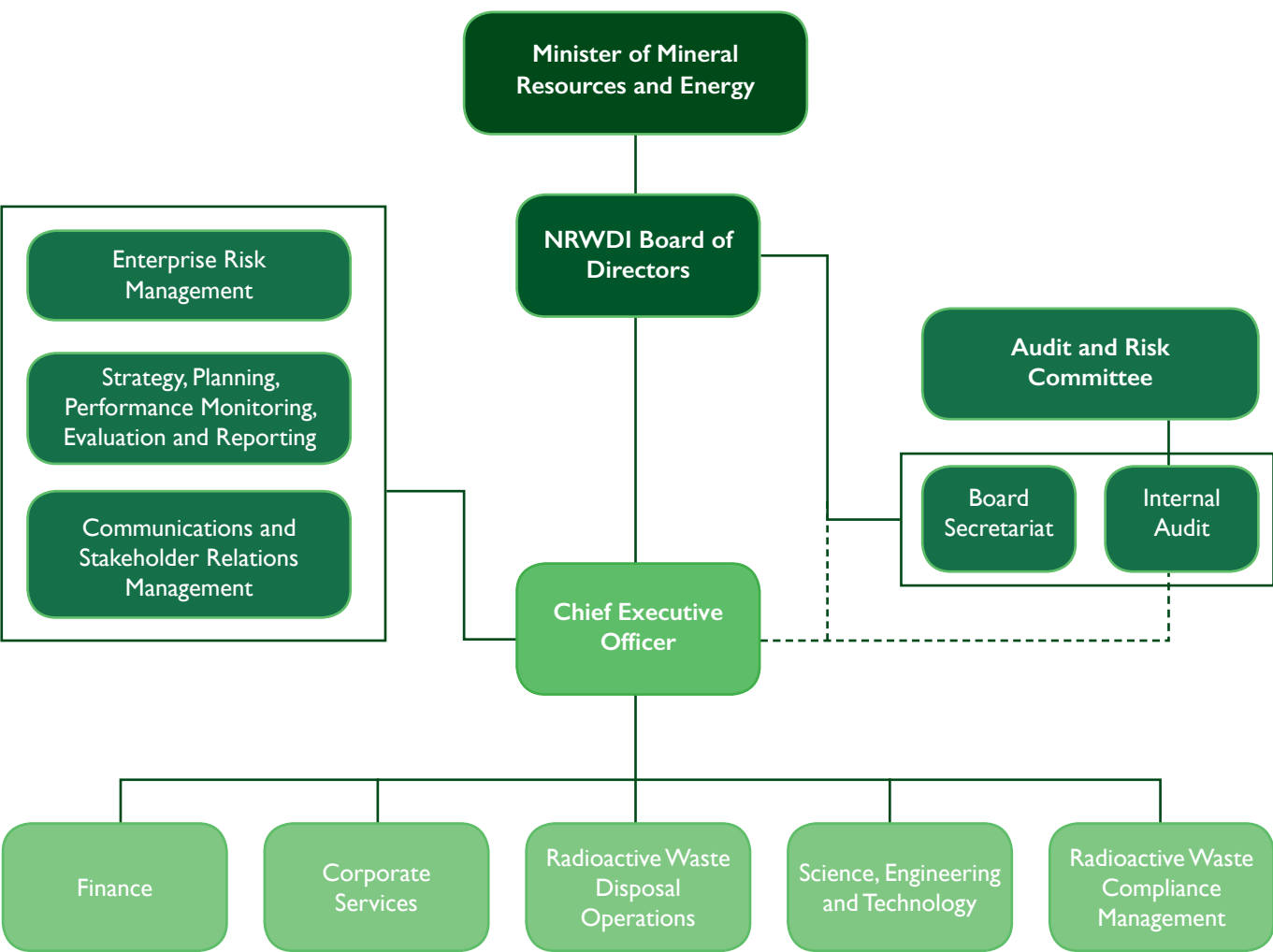




8. ORGANISATIONAL STRUCTURE

The NRWDI's macro-organisational structure reflects key operational functions to oversee the core operational component of the NRWDI, as well as key support capacity for effective delivery on the NRWDI's mandate.

Figure 2: NRWDI organisational structure





BOARD MEMBERS



Chairperson
MS DORAH MODISE
NON-EXECUTIVE DIRECTOR



Deputy Chairperson
DR WOLSEY BARNARD
NON-EXECUTIVE DIRECTOR



Board Member
DR KGAUGELO CHILOANE
NON-EXECUTIVE DIRECTOR



Board Member
ADVOCATE DERICK BLOCK
NON-EXECUTIVE DIRECTOR



Board Member
MS TOVHOWANI NYAMANDE (DWS)
NON-EXECUTIVE DIRECTOR



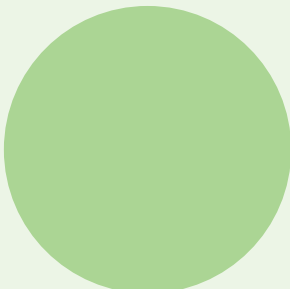
Board Member
MS MAMOGALA MUSEKENE (DFFE)
NON-EXECUTIVE DIRECTOR



Board Member
MR THABISO PIE (DMRE)
NON-EXECUTIVE DIRECTOR



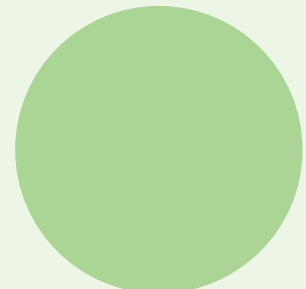
Board Member
MS ANELISWA CELE (DoH)
NON-EXECUTIVE DIRECTOR



Board Member
DR JABULANI MALULEKE (DWS ALT)
NON-EXECUTIVE DIRECTOR



Board Member
MR OBED BALOYI (DFFE ALT)
NON-EXECUTIVE DIRECTOR



Board Member
MR ZUKILE ZIBI (DMRE ALT)
NON-EXECUTIVE DIRECTOR





BOARD MEMBERS



Board Member and NRWDI ACEO
MR ALAN CAROLISSEN
EXECUTIVE DIRECTOR



Board Member and Chief Financial Officer
MR JUSTIN DANIEL
EXECUTIVE DIRECTOR



Board Secretariat
MS PERTUNIA MOHLABI
BOARD SECRETARY

EXECUTIVE COMMITTEE



MR ALAN CAROLISSEN
ACTING CHIEF EXECUTIVE
OFFICER/ CHIEF
OPERATIONS OFFICER



MR JUSTIN DANIEL
CHIEF FINANCIAL OFFICER



DR VUSI TWALA
CHIEF TECHNOLOGY
OFFICER



**DR MEHUAHELO
MELALETSA**
ACTING EXECUTIVE
MANAGER: CORPORATE
SERVICES



DR PETER MKHABELA
EXECUTIVE MANAGER:
COMPLIANCE
MANAGEMENT



MS ZISANDA JALAVU
MANAGER: INTERNAL
AUDIT DUTY DELEGATED
CHIEF AUDIT EXECUTIVE



DR MARGARET MKHOSI
CHIEF EXECUTIVE OFFICER
(TERM ENDED 26 APRIL
2024)



MR ZWELI NDZIBA
EXECUTIVE MANAGER:
CORPORATE SERVICES
(TERM ENDED 30 APRIL
2024)



PART B

PERFORMANCE-MONITORING
AGAINST PREDETERMINED
OBJECTIVES

1. AUDITOR'S REPORT: PREDETERMINED OBJECTIVES

The Auditor General South Africa (AGSA) currently performs the required audit procedures on the performance information to provide reasonable assurance in the form of an audit conclusion. The audit conclusion on the performance against predetermined objectives is included in the report to management, with material findings being reported under the

Predetermined Objectives heading in the report on the other legal and regulatory requirements section of the auditor's report.

Refer to page 90 of the Auditors Report published as Part F: Financial Information

2. SITUATIONAL ANALYSIS

2.1. Service delivery environment

The service delivery environment during the 2023/24 financial year was focused on obtaining the Nuclear Installation Licence (NIL-43) to make provision for the transfer of Vaalputs from Necsa to the NRWDI. The functional shift will ensure the NRWDI executes its function as mandated by the NRWDA.

A transitional plan which has been compiled charts the way forward in terms of planning and communicating the transfer of employees, assets, and liabilities for the transfer. The plan will ensure a seamless transition. The change-management processes are essential to the delivery of the NRWDI mandate.

2.2. Organisational environment

A new Board was appointed in August 2023. The 2nd and the 3rd quarters were characterised by information-sharing and sessions aimed at renewing the organisation. A Board induction session was held to bring Board members up to speed with the functions and operations of the NRWDI. The previous Board had strategic engagements with the new Board to take over the baton from the previous Board. A two-day strategic planning session with the new Board was held in November 2023 to chart the way forwards and highlight key priorities for the new Board so that a conducive environment in the workplace prevails, and that all efforts are geared towards obtaining the NIL-43.

2.3. Key policy developments and legislative changes

There were no legislative amendments or policies implemented during the period under review.

2.4. Progress towards achievement of institutional impacts and outcomes

The impact the NRWDI seeks to achieve – as stated in the Strategic Plan 2020-2025 – is “safe, secure, socially acceptable and environmentally sustainable solutions for radioactive waste disposal”. The NRWDI has four strategic outcomes as outlined in its Strategic Plan 2020-2025. These are as follows:

1. An effective, efficient, and responsive NRWDI.
2. Safe and secure disposal of all classes of radioactive waste.
3. Centralised storage of spent nuclear fuel.
4. Compliance with all applicable legislative and regulatory requirements.

With the appointment of the new CEO on 1st November 2021 and the imminent issue of the NIL43, it was necessary to review the outcomes at the institute that are related to its core business. The amended outcomes were included as an annexure in the Annual Performance Plan 2022/23.

2.4.1 An effective, efficient, and responsive NRWDI

Leadership and accountability play a critical role for an effective and efficient organisation. In turn, efficiency and effectiveness are critical elements of high-performance organisations. The Administration Programme plays a catalyst role in supporting the NRWDI towards achieving government's MTSF Priority 1 of a “Capable, Ethical and Developmental State”.

The measure of success in this regard is determined by the building of a high-performing organisation and to ensure the financial sustainability of the organisation. The NRWDI has obtained 6 consecutive clean audit opinions and implemented its HR strategic plan to ensure staff are suitably qualified and experienced to execute the mandate of the NRWDI. Staff



participated in various training courses to upskill themselves. We have strengthened our SCM processes to prevent and detect irregular and fruitless and wasteful expenditure. No such expenditures were incurred for the period under review.

2.4.2 Safe and secure disposal of all classes of radioactive waste

The NRWDI remains committed to fulfilling the vast expectations of South Africans to dispose of radioactive waste in a manner that meets or exceeds all applicable regulatory standards and requirements for protecting the health, safety, and security of humans and the environment, now and in the future.

The Radioactive Waste Disposal Operations Programme plays a key role in supporting two of the MTSF's priorities, namely Priority 1: "A Capable, Ethical and Developmental State;" and Priority 2: "Economic Transformation and Job Creation."

We communicated and shared information with local communities, surrounding farmers, local authorities, government bodies and any other interested and affected parties about nuclear and radiation safety matters related to the disposal of radioactive waste.

2.4.3 Centralised storage of spent nuclear fuel

There is currently no national "away from reactor site" and related disposal infrastructure available for the management of spent nuclear fuel except for "on-reactor site" storage infrastructure. The Science, Engineering and Technology Programme is to focus on the establishment of a national Centralised Interim Storage Facility (CISF) by 2030 for the safe storage of Koeberg's spent fuel and other high-level waste.

This programme plays a key role in supporting two of the MTSF's priorities, namely Priority 1: "A Capable, Ethical and Developmental State;" and Priority 2: "Economic Transformation and Job Creation."

Ministerial approval was granted to the NRWDI to commence with designing, developing, and establishing the Centralised Interim Storage Facility (CISF) for long-term, off-site, and above-ground storage of South-Africa's spent nuclear fuel. The pre-feasibility study for the CISF has been completed and the NRWDI is ready to commence with the feasibility study and establishment of a gateway review team for the project.

The NRWDI will use this critical and national infrastructure project as a catalyst and enabler to forge durable partnerships and social compacts between government, business, labour, communities and civil society, resulting in job creation, skills development, inclusive growth, and economic transformation to give impetus to the "Capable, Ethical, and Developmental State" priority.

2.4.5 Compliance with applicable legislative and regulatory requirements

Compliance with the requirements and conditions of an approved Nuclear Installation Licence is a prerequisite for any nuclear-related projects and operations. A Nuclear Installation Licence requires an Integrated Management System (IMS) to be established and implemented in accordance with the safety standards and regulatory practices for nuclear-related projects and operations.

This programme plays a key role in supporting two of the MTSF's priorities, namely Priority 1: "A Capable, Ethical and Developmental State;" and Priority 2: "Economic Transformation and Job Creation."

The NRWDI's application for the Nuclear Installation Licence to manage and operate the Vaalputs National Radioactive Waste Disposal Facility was supported by all the safety case documents including Integrated Management System documents submitted by the NRWDI for the licence application to be completed and reviewed by the National Nuclear Regulator (NNR) in December 2020.

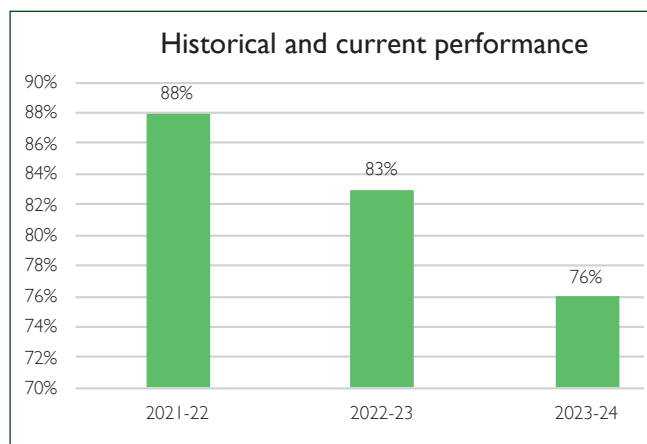
The public participation process in the NRWDI's nuclear installation licence application and associated public information document (PID) was concluded by end-March 2021 in accordance with the NNR's directive. In this regard it is noteworthy that none of the respondents in the public participation process opposed the NRWDI's nuclear installation licence application. The NRWDI is awaiting further direction from the NNR to conclude the licensing process.



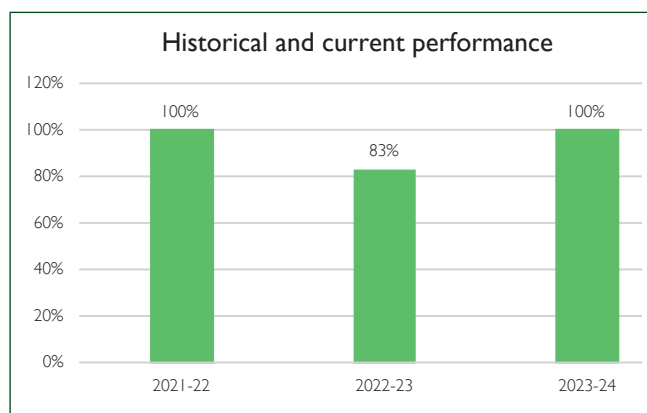
3. INSTITUTIONAL PROGRAMME PERFORMANCE INFORMATION

3.1 Institutional Performance Information

The institutional historical and current performance is depicted as follows, and the reason for the downwards spiral in the organisational performance can be largely attributed to the organisational challenges which impacted staff morale:



3.2 PROGRAMME 1: ADMINISTRATION



Purpose of programme

The purpose of the programme ensures the NRWDI is operationally efficient, cost-effective, properly managed, complying with good corporate governance principles.

Subprogrammes

The core outcome is achieved through the provision of key corporate functions under the following subprogrammes:

- (i) **Strategic planning, monitoring and evaluation and reporting** coordinates the translation of policy priorities agreed upon by the Board into actionable strategic plans with clear outcomes, outputs, indicators and resource

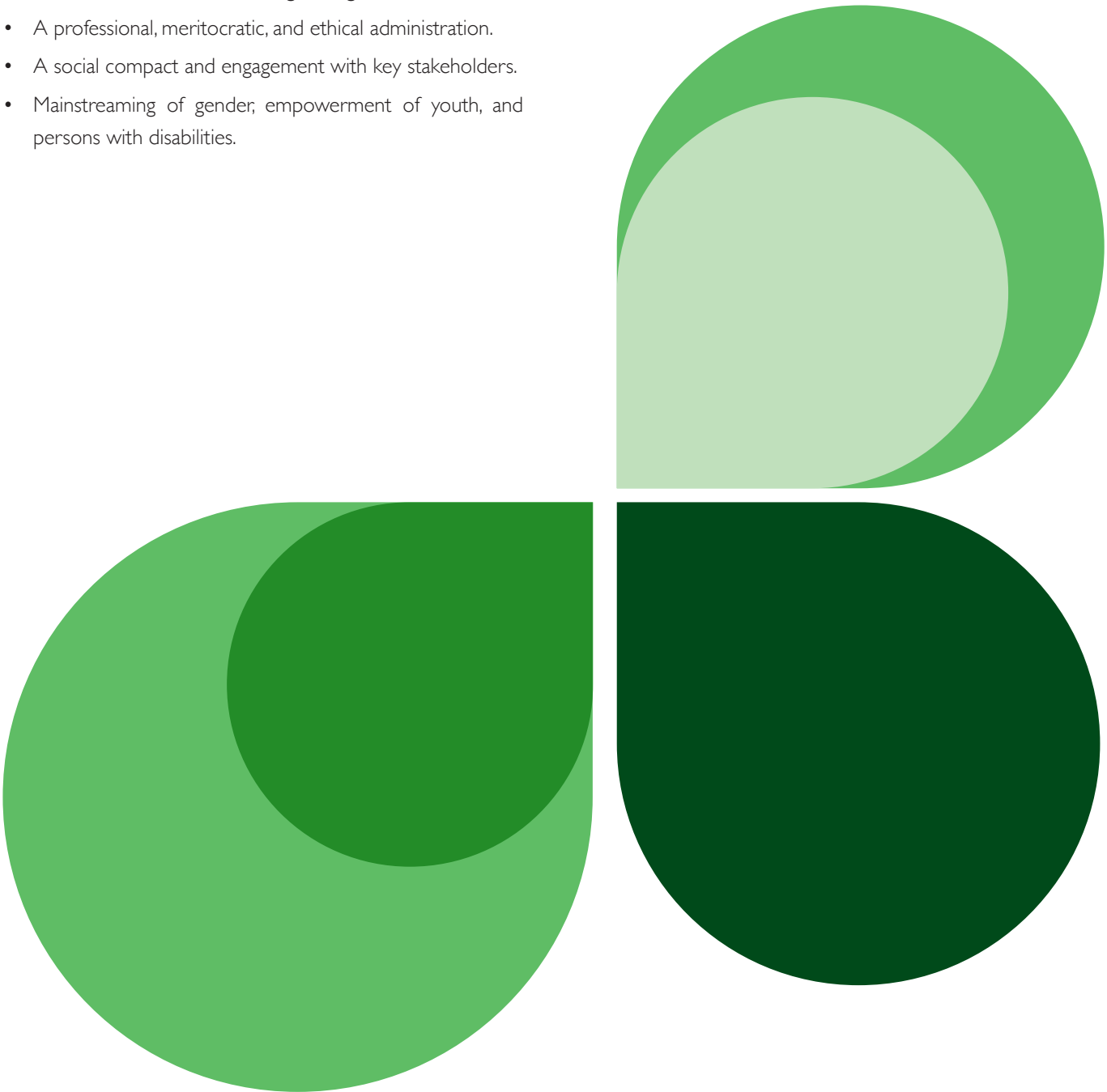
commitments. It also carries out monitoring and evaluation of the strategy as articulated in the Annual Performance Plan and Institutional Operational Plan ensuring the NRWDI delivers on its impact statement, improves and sustains its performance and reporting thereof.

- (ii) **Risk management is responsible for coordinating and supporting the overall** institutional risk management process ensuring that risks are identified and managed so they do not impact negatively on the institutional performance.
- (iii) **Internal audit** plays a pivotal role in the Combined Assurance Framework, providing independent assurance over risk management and systems of internal control.
- (iv) **Board Secretariat** plays an important role in supporting the effectiveness of the Board by monitoring that board policy and procedures are followed. The Secretariat also coordinates the timely completion and dispatch of Board agendas and all other documents tabled before the Board.
- (v) **Communications and Stakeholder relations** aim to remove existing constraints by achieving alignment through effective stakeholder engagement and value-adding partnerships that are mutually beneficial, resulting in the organisation meeting and exceeding its goals.
- (vi) **Finance and supply chain management** ensures compliance with all relevant financial statutes and regulations, the most important of which is the Public Finance Management Act (PFMA). It ensures goods and services are procured taking into consideration procurement legislation and principles of good corporate governance.
- (vii) **Corporate services** subprogramme primarily provides integrated strategic and operational business-enabling services. Legal services is responsible for providing a comprehensive legal advisory service enabling the entity to execute its mandate effectively within the rule of law. Human Resources (HR) management provides transformational HR support enabling the entity to attract, develop and retain skilled people across the organisation. Information and Communication



Technology (ICT) provide long-term planning and day-to-day support in respect of ICT needs, services, and systems. Facilities management ensures physical and information security. It also oversees accommodation and the maintenance thereof.

The programmes and subprogrammes contribute to the Strategic Plan outcome of an “Effective, Efficient and Responsive NRWDI”, and support MTSF’s Priority 1: “A Capable, Ethical and Developmental State” by contributing to the following:

- A functional, efficient, and integrated government.
 - A professional, meritocratic, and ethical administration.
 - A social compact and engagement with key stakeholders.
 - Mainstreaming of gender; empowerment of youth, and persons with disabilities.
- 



The programme performance against the 2022-2023 APP outcome targets is depicted in the table below:

Programme 1: Actual performance against predetermined objectives

Outcomes	Outputs	Output Indicators	Actual Achievement 2020/2021	Actual Achievement 2021/2022	Actual Achievement 2022/2023	Planned Target 2023/2024	Actual Achievement 2023/2024	Reason for Variance
Effective, efficient and responsive NRWDI	Financial sustainability plan	Financial sustainability plan	No target	No target	Funding model developed	Funding model developed	Target Achieved Funding model developed	N/A
	100% of valid invoices paid within 30 days after receiving the relevant documents	Percentage of valid invoices paid within 30 days after receiving the relevant documents	No target	No target	100% of valid invoices paid within 30 days after receiving the relevant documents	100% of valid invoices paid within 30 days after receiving the relevant documents	Target Achieved 100% of valid invoices paid within 30 days after receiving the relevant documents	N/A
	Develop and maintain a National Radioactive Waste Database	Functional and populated radioactive	No target	No target	Migrated Vaalputs historic and current data into the RAWIS system, conduct user Quality Assurance sign-off (handover) on the system and preparatory work for procurement completed. Installation needs to take place	Migrate Vaalputs historic and current data into the RAWIS system, conduct user Quality Assurance sign-off (handover) on the system. Implement security for the RAWIS API architecture	Target Achieved Migrated Vaalputs historic and current data into the RAWIS system, conduct user Quality Assurance sign-off (handover) on the system. Implement security for the RAWIS API architecture	N/A
	Strategic Partnerships and Collaborations Framework	Partnerships and Collaborations Framework developed and implemented	No target	No target	Board approved Partnership and Collaboration Framework partially achieved as the framework was not reviewed	Approved Partnership and Collaboration Framework	Target Achieved Approved Partnership and Collaboration Framework	N/A

Outcomes	Outputs	Output Indicators	Actual Achievement 2020/2021	Actual Achievement 2021/2022	Actual Achievement 2022/2023	Planned Target 2023/2024	Actual Achievement 2023/2024	Reason for Variance
	Public awareness of the NRWDI's mandate	Number of public awareness initiatives	No target	No target	No target	4 public awareness initiatives	Target Achieved 28 public awareness initiatives were held	N/A
	Communications and Stakeholder Engagement Plan	Percentage implementation of Communications and Stakeholder Engagement Plan	N/A	N/A	80% implementation of Communications and Stakeholder Engagement Plan	80% implementation of Communications and Stakeholder Engagement Plan	Target Achieved 80% implementation of Communications and Stakeholder Engagement Plan	N/A
	Unqualified audit report	Unqualified audit report	Unqualified audit report for 2019/2020	Unqualified audit report for 2020/2021	Unqualified audit report for 2021/2022	Unqualified audit report for 2022/2023	Target Achieved Unqualified audit report received for 2022/2023	N/A

Strategy to overcome areas of underperformance

There were no areas of underperformance in Programme I.

Changes to planned targets

There were no amendments to the original targets in Programme I.

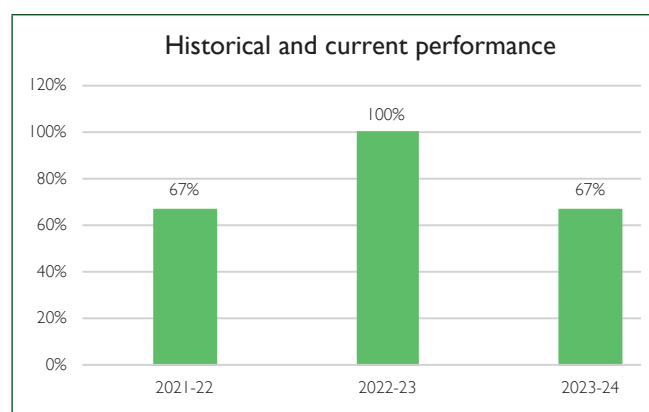
Linking performance with budgets

In assessing the achievement of the outputs in comparison to the planned targets, the public entity must consider the linkages and relation to the resources available to the public entity, particularly financial resources. Therefore, the following

financial information should be presented. The financial information must correspond with the information in the annual financial statements.

PROGRAMME I	2023/2024			2022/2023		
Programme/activity/objective	Budget	Actual expenditure	(Over)/Under-expenditure	Budget	Actual expenditure	(Over)/Under-expenditure
	R'000	R'000	R'000	R'000	R'000	R'000
Administration	35 865	37 889	(2 024)	36 037	33 662	2 375
Total	35 865	37 889	(2 024)	36 037	33 662	2 375

3.3 PROGRAMME 2: RADIOACTIVE WASTE DISPOSAL OPERATIONS



Purpose of programme

The purpose of the programme is to provide radioactive waste disposal and related services on a national basis that is safe, technically sound, socially acceptable, environmentally responsible, and economically feasible ensuring that no undue burden is placed on future generations due to past, present and future involvement in nuclear programmes.

The future of the environment is a global agenda item, and management and disposal of radioactive waste material must be carried out in such a manner that human health and the environment are protected.

The following activities are inherently part of the Radioactive Waste Operations Division:

- Manage, operate, and monitor operational radioactive waste disposal facilities including related predisposal management of radioactive waste on disposal sites.
- Manage ownerless radioactive waste on behalf of government, including the development of radioactive waste management plans for such waste.
- Provide information on all aspects of radioactive waste management to the public living around radioactive waste disposal facilities and the public in general.

The programme contributes to the Strategic Plan outcome: "Safe disposal of all classes of radioactive waste," and supports two of MTSF's priorities, namely Priority 1: "A Capable, Ethical and Developmental State," and Priority 2: "Economic Transformation and Job Creation."

The programme performance against the 2023-2024 APP outcome targets is depicted in the table below:

Programme 2: Actual performance against predetermined objectives

Outcomes	Outputs	Output Indicators	Actual Achievement 2020/2021	Actual Achievement 2021/2022	Actual Achievement 2022/2023	Planned Target 2023/2024	Actual Achievement 2023/2024	Reason for Variance
Safe and secure disposal of all classes of radioactive waste	Radioactive waste safely and securely disposed at Vaalputs	Waste acceptance criteria (WAC) met for LLW	No target	No target	100% of waste packages are WAC compliant	100% of waste packages are WAC compliant	Target Achieved 100% of waste packages are WAC compliant	N/A
	Preparation for physical security upgrades for Vaalputs to store or dispose of other radioactive waste classes	Physical security upgrade implementation plan completed	No target	No target	Established requirements for security upgrades	Assessment of the facility against stakeholder requirements	Target Achieved Assessment of the facility against stakeholder requirements completed	N/A
National Waste Inventory Report	Preparation for publication of a National Waste Inventory Report	Draft National Waste Inventory report completed	No target	No target	Developed a Framework for the National Waste Inventory Report	Implementation of Framework for the National Waste Inventory Report	Target Not Achieved Implementation of Framework for the National Waste Inventory Report incomplete	Inputs from one waste generator still outstanding. Confirmation received that it will be received at the end of June 2024. The framework will be implemented at the end of July 2024.

Strategy to overcome areas of underperformance

One of the three targets was not achieved and has been incorporated into an action plan to be monitored on a quarterly basis.

Changes to planned targets

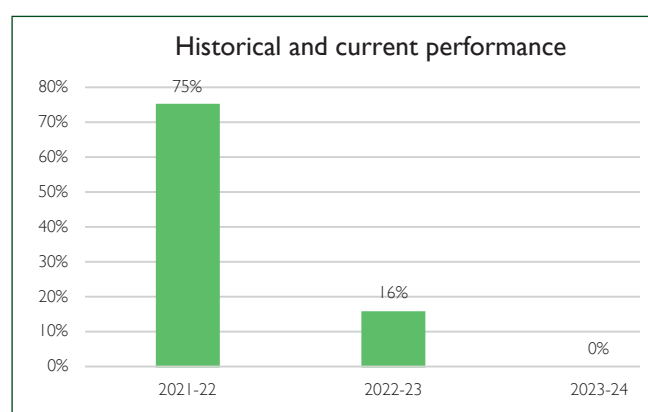
There were no changes to the planned targets.

Linking performance with budgets

In assessing the achievement of the outputs in comparison to the planned targets, the public entity must consider the linkages and relation to the resources available to the public entity, particularly financial resources. Therefore, the following financial information should be presented. The financial information must correspond with the information in the annual financial statements.

PROGRAMME 2	2023/2024			2022/2023		
Programme/activity/objective	Budget	Actual expenditure	(Over)/Under-expenditure	Budget	Actual expenditure	(Over)/Under-expenditure
	R'000	R'000	R'000	R'000	R'000	R'000
Radioactive Waste Disposal Operations	2 115	2 399	(284)	1 986	2 393	(407)
Total	2 115	2 399	(284)	1 986	2 393	(407)

3.4 PROGRAMME 3: SCIENCE, ENGINEERING AND TECHNOLOGY



Purpose of programme

The purpose of Programme 3 is to develop and implement technologies for all classes of radioactive waste that currently do not have disposal and related infrastructure for the safe storage and disposal of spent nuclear fuel.

The following activities are inherently part of the Science, Engineering and Technology Division:

- Investigate the need for any new radioactive waste disposal facilities and to site, design and construct new facilities as required.
- Define and conduct research and development aimed at finding solutions for long-term radioactive waste management.
- Maintain a national radioactive waste database and publish a report on the inventory and location of all radioactive waste in the Republic frequently, and as determined by the Board of Directors.

The programmes contribute to the Strategic Plan outcome "Centralised storage of spent nuclear fuel", and supports two of MTSF's priorities, namely Priority 1: "A Capable, Ethical and Developmental State," and Priority 2: "Economic Transformation and Job Creation."

The programme performance against the 2023-2024 APP outcome targets is depicted the table below:

Programme 3: Actual performance against predetermined objectives

Outcomes	Outputs	Output Indicators	Actual Achievement 2020/2021	Actual Achievement 2021/2022	Actual Achievement 2022/2023	Planned Target 2023/2024	Actual Achievement 2023/2024	Reason for Variance
Capability for radioactive waste disposal facilities established	CISF project development	CISF project progress reports	No target	No target	No target	Feasibility Stage Outcomes Action Plan	Target Not Achieved Feasibility Stage Outcomes Action Plan developed but still needs Gantt chart, work breakdown structure with project plan still to be reviewed	Feasibility Stage Outcomes Action Plan developed, needs additional information
Established solutions for radioactive waste management and disposal	R&D programme launched	R&D Scientific and Technical Reports	No target	No target	No target	2 Research position papers completed	Target Not Achieved Requires R&D Plan to be developed. Standard Operating Procedure and position paper to be updated	Position paper needs additional requirements for it to be considered as completed

Strategy to overcome areas of underperformance

The targets require additional work for them to be achieved. Both have been incorporated into an action plan and they are to be monitored on a quarterly basis.

Changes to planned targets

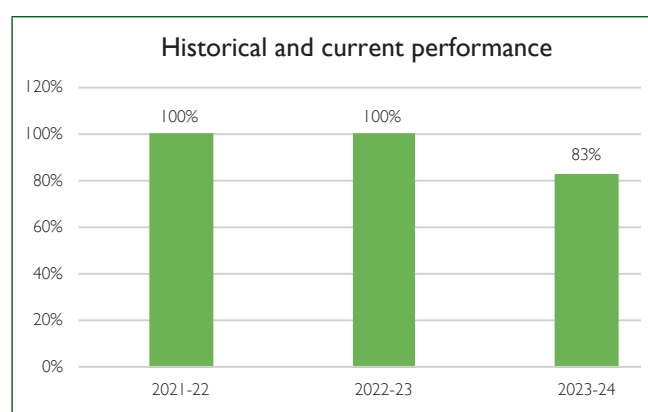
There were no changes to the targets in the reporting period.

Linking performance with budgets

In assessing the achievement of the outputs in comparison to the planned targets, the public entity must consider the linkages and relation to the resources available to the public entity, particularly financial resources. Therefore, the following financial information should be presented. The financial information must correspond with the information in the annual financial statements.

PROGRAMME 3	2023/2024			2022/2023		
Programme/activity/objective	Budget	Actual expenditure	(Over)/Under-expenditure	Budget	Actual expenditure	(Over)/Under-expenditure
	R'000	R'000	R'000	R'000	R'000	R'000
Science, Engineering & Technology	4 692	5 285	(593)	4 689	4 961	(272)
Total	4 692	5 285	(593)	4 689	4 961	(272)

3.5 PROGRAMME 4: RADIOACTIVE WASTE COMPLIANCE MANAGEMENT



Purpose of programme

The purpose of Programme 4 is to ensure the NRWDI's core mandate (disposal of radioactive waste on a national basis) is executed in compliance with quality, health, safety, environmental and nuclear licencing regulatory requirements, relevant international standards and best practices. The programme also seeks to provide management systems and resources to discharge the obligations associated with holding a nuclear authorisation. The Radioactive Waste Compliance Management Division provides a support function to the NRWDI in terms of developing and ensuring compliance with the nuclear installation licence including required safety, health, environment, and quality management systems.

The following activities are inherently part of the Radioactive Waste Compliance Management Division:

- Implementation of institutional control over closed repositories, including radiological-monitoring and maintenance as appropriate.
- Assessing and inspecting acceptability of radioactive waste disposal certificates.
- Developing criteria for accepting and disposing radioactive waste in compliance with applicable regulatory safety requirements, as well as any other technical and operational requirements.

The programme and subprogrammes contribute to the Strategic Plan outcomes, namely, "Compliance with applicable legislative and regulatory requirements"; "Safe and secure disposal of all classes of radioactive waste"; "Centralised storage of spent nuclear fuel"; and supports MTSF's Priority 1: "A Capable, Ethical and Developmental State."

The programme performance against the 2023-2024 APP outcome targets is depicted in the table below:

Programme 4: Actual performance against predetermined objectives

Outcomes	Outputs	Output Indicators	Actual Achievement 2020/2021	Actual Achievement 2021/2022	Actual Achievement 2022/2023	Planned Target 2023/2024	Actual Achievement 2023/2024	Reason for Variance
Compliance with applicable statutory requirements	Compliance assurance audit performed	Number of compliance assurance Audit reports	No target	No target	No target	2 x Audit Reports	Target Partially Achieved 2 Audits conducted. An audit of the NIL was planned but could not take place as the NRWDI is not yet the licence holder	The NRWDI has not yet obtained the licence
	Compliance assurance inspections performed	Number of inspection reports	No target	No target	No target	2 x Inspection Reports	Target Achieved 2 Inspection Reports completed	N/A
	ISO certification	External Audit close-out reports	No target	No target	No target	Obtain ISO 9001 certification	Target Achieved ISO certification obtained	N/A

Strategy to overcome areas of underperformance

There is no strategy to overcome areas of underperformance. Underperformance related to the audit of the NIL-43, which has not yet been obtained by the NRWDI. All activities should be carried out to ensure the NIL-43 is obtained by the NRWDI.

Changes to planned targets

There were no changes to the planned targets.

Linking performance with budgets

In assessing the achievement of the outputs in comparison to the planned targets, the public entity must consider the linkages and relation to the resources available to the public entity, particularly financial resources. Therefore, the following financial information should be presented. The financial information must correspond with the information in the annual financial statements.

PROGRAMME 4				2022/2023		
Programme/activity/objective	Budget	Actual expenditure	(Over)/Under-expenditure	Budget	Actual expenditure	(Over)/Under-expenditure
	R'000	R'000	R'000	R'000	R'000	R'000
Radioactive Waste Compliance Management	9 417	8 806	611	9 217	7 706	1 511
Total	9 417	8 806	611	9 217	7 706	1 511



PART C

GOVERNANCE



GOVERNANCE

Corporate governance entails processes and systems that direct, control and hold public entities to account. In addition to the requirements based on a public entity's enabling legislation and the Companies Act, corporate governance of public entities are affected through the prescripts of the Public Finance Management Act (PFMA), and runs in tandem with the principles contained in the King IV Code Report on Corporate Governance.

1. PARLIAMENTARY PORTFOLIO COMMITTEE ON MINERAL RESOURCES AND ENERGY

The 2023-2024 Annual Performance Plan was submitted to Parliament's Portfolio Committee on Mineral Resources and Energy on 28 March 2023.

2. EXECUTIVE AUTHORITY

The PFMA, Treasury Regulation 26.1 and section 8.4.1 of the Revised Framework of Strategic Plans and APPs issued by National Treasury prescribe that the accounting authority is to submit quarterly performance reports to the executive authority within 30 days after the end of each quarter, with reference to monitoring delivery against quarterly performance targets.

During the 2022/2023 financial year, the NRWDI was fully compliant with the abovementioned statutory reporting requirements. The NRWDI's quarterly Integrated Performance and Compliance Reports outline the NRWDI's performance against the 2022/2023 APP, the NRWDI's financial performance and position, as well as the state of the NRWDI's governance environment, including compliance and risk management were prepared and approved by the accounting authority and submitted to the executive authority.

3. THE ACCOUNTING AUTHORITY/BOARD

Introduction

In terms of section 7 of the NRWDI Act, the Board of Directors is the accounting authority, as contemplated in section 49(2) (a) of the PFMA.

The Board affirms its commitment to the highest standards of corporate governance. It recognises that practices and procedures can always be improved and it therefore continually reviews the NRWDI's own norms and standards.

The NRWDI remains committed to the principles of openness, integrity, and accountability. It continually reviews its processes and practices to ensure compliance with legal obligations and adherence to good corporate governance in terms of the King IV Code on Corporate Governance, and the PFMA which are integral to the NRWDI's objectives.

The primary objective of corporate governance is to ensure that the Board and those who manage the NRWDI's day-to-day operations carry out their responsibilities faithfully and effectively, while placing the interests of the organisation ahead of their own. This process is facilitated through the establishment of appropriate reporting and control structures within the NRWDI.

As the accounting authority, the Board is accountable to the executive authority and it is ultimately responsible for the implementation of sound corporate governance practices in accordance with King IV, and the agreed shareholders' compact. The Board and its subcommittees continue to scrutinise issues of governance including transparency, disclosure, financial control, and accountability.

The roles and responsibilities of the Board of Directors

In addition to the roles and responsibilities that the Board executes in accordance with the prescripts of King IV, the NRWDI Act and the PFMA, it also:

- Approves the NRWDI's Strategic Plan and its Annual Performance Plan.
- Monitors the implementation of the NRWDI's Strategic Plan and Annual Performance Plan.
- Ensures that policies and procedures that provide for effective risk management and internal controls are established and reviewed.
- Recognises the need for establishing and appointing committees to enable it to comply with the PFMA, and other legal requirements.
- Determines the composition of committees and amends, develops and implements any rules, regulations, and procedures which it may deem necessary.

Board members undertake to act in the best interests of the NRWDI. They do this by ensuring adherence to legal standards of conduct by seeking independent advice in connection with



their duties following an agreed procedure, disclosing real or perceived conflict-related matters to the Board, and by dealing with these matters accordingly.

Board Charter

The Board Charter, which is reviewed annually articulates the scope of authority, responsibility, composition and functioning of the Board. The Directors retain overall responsibility and accountability to:

- Review the NRWDI's objectives.
- Review the strategies for achieving the NRWDI's objectives.
- Approve annual financial statements, report to shareholders, and stakeholder engagements.
- Review the NRWDI's internal and external audit reports.
- Review performance and necessity for the composition of the Board, and the Board committees.
- Review remuneration policies and practices in general.
- Review risk assessment policies and controls, including compliance with legal and regulatory requirements.
- The Board Charter is closely aligned with the principles enshrined in the King IV Code on Corporate Governance.

The Board confirms that during the period under review, it satisfactorily discharged its duties and obligations as contained in the Board Charter:

Board Composition

The Mineral Resources and Energy Minister appoints the NRWDI Board of Directors in terms of section 7 of the National Radioactive Waste Disposal Act for a period of three years. The Board comprises:

- An official from the Department designated by the Minister.
- An official nominated by the Department of Environment, Forestry and Fisheries.
- An official nominated by the Department of Human Settlements and Water and Sanitation appointed by the Minister.
- An official nominated by the Department of Health and appointed by the Minister.
- Not more than five other directors.
- The CEO of the NRWDI.
- The CFO of the NRWDI.

In conducting its responsibilities, the Board makes use of committees to advise it on matters related to auditing, ethics, human resources, finance as well as technical nuclear matters related to the legislative mandate of the organisation. The Board has established several committees to assist it in executing its mandate.

Human Resources, Social and Ethics Committee (HR-SEC)

The committee meets quarterly to consider matters such as the remuneration policy, the remuneration of executive management, succession planning, directors' remuneration, incentive schemes and other human resource matters. This committee also advises the Board on social and ethical issues, health, safety and security, environmental as well as other HR and remuneration matters. It reports to the Board in line with King IV requirements.

Technical and Operations Committee (TOC)

The duties and functions of the committee inter alia include to:

- Review the framework, policies and guidelines for radioactive waste operations; technology; research and development; and compliance management as far as it is relevant to the work of the committee.
- Review and make recommendations to the Board of Directors on any other technical issue that may influence the Board's decisions on the safe management and disposal of radioactive waste.

Audit and Risk Committee (ARC)

The ARC assists the Board by exercising oversight responsibility on the integrity of the NRWDI's financial statements, the extent of compliance with legal and policy requirements, the system of internal control and risk management, the adequacy of the internal audit function and external auditors, the performance of management in terms of the strategic plans, APP, ICT and any other matters related to its mandate referred to it by the Board.

During the period under review, the Board held 15 meetings. The Board membership and the meetings attended are depicted in the table below:



BOARD COMPOSITION

Table 1: Board and Committee Members from 11 August 2020 to 10 August 2023

Name	Date Appointed	Date Appointment Expired	Qualifications	Areas of Expertise	Board Directorships	No. of Board Meetings Attended
Mr Mogwera Khoathane¹ (Chairperson)	11 Aug 2020	10 Aug 2023	BSc Hons in Physics; Management Development Programme; Post-graduate Diploma in Business Management; MBL	Nuclear Radiation Protection	Saraconsa (Pty) Ltd; Zimkile Consulting (Pty) Ltd; Lekgotla Investment Trust	6/6
Ms Lerato Makgae (DMRE rep.)	11 Aug 2020	10 Aug 2023	MSc-Applied Radiation Science and Technology	Nuclear Policy	None	5/6
Mr Thabiso Pie (DMRE Alternate rep.)	19 Oct 2021	18 Oct 2024	BSc (Physics and Computational Physics); B Med Science; Honours (Medical Physics); BSc Honours (Physics); Post-Graduate Diploma in Science: Radiation Protection; MBA	Nuclear Safety	None	4/6
Ms Mamogala Musenekwe (DFFE rep.)	19 Nov 2021	18 Nov 2024	BSc (Hons) Chemistry; BSc Chemistry & Physics; Executive Development Programme	Chemicals/ Waste Management	None	3/6
Mr Obed Baloyi (DFFE Alternate rep.)	19 Nov 2021	18 Nov 2024	BA Honours; Post-Graduate Certificate in Management; Diploma in Project Management	Chemicals/ Waste Management	None	4/6
Ms Aneliswa Cele (DOH rep.)	19 Nov 2021	18 Nov 2024	National Diploma in Environmental Health Science; Bachelor of Technology Degree in Environmental Health Science; Master's of Public Health; Master's of Philosophy; Development Policy and Practice	Environmental Health	None	4/6
Ms Tovhowani Nyamande (DWS rep.)	22 Feb 2022	21 Feb 2025	PHD (Agriculture & Environmental Sciences); MSc Integrated Water Resource Management; BSc (Honours): Botany; BSc Education	Water and Environmental Specialist	None	0/6



Name	Date Appointed	Date Appointment Expired	Qualifications	Areas of Expertise	Board Directorships	No. of Board Meetings Attended
Dr Jabulani Maluleke (DWS Alternate rep.)	22 Feb 2022	21 Feb 2025	Doctor of Business Administration (current); Master's in Management; Master's in Business Administration; Post-Graduate Diploma Business Administration; BSc Zoological Sciences	Waste-Water Infrastructure Specialist	None	6/6
Ms Leanda-Marsha Mtshali	11 Aug 2020	10 Aug 2023	LLB; Advanced Corporate Law I & II; Post-graduate Diploma in Corporate Law	Legal	CIPC Audit Committee Member; Companies Tribunal Audit & Risk Committee Member; Ports Regulator of South Africa Board Member; Tribunal Member; South African Human Rights Commission Audit & Risk Committee Member	6/6
Dr Kgaugelo Chiloane	11 Aug 2020	10 Aug 2023	Bachelor of Science in Chemistry; BSc Honours in Chemistry; MSc in Environmental Science; PhD in Environmental Science	Environmental Safety	KEC Environmental Solutions (Pty) Ltd; Adaptation Institute of Southern Africa; Advisory Panel Member of SA Centre of Nuclear Safety and Security	6/6
Mr Moerane Maimane	27 October 2022	10 August 2023	Chartered Director; Master of Business Administrations; Bachelor of Public Administration (Hons); Bachelor of Public Administration (BPA); Diploma Public Administration	General Management; Human Resources; Economic Empowerment; Procurement; Finance; Marketing	Council for Medical Schemes; Council of University of Kwazulu-Natal (KZN)	5/6
Dr Margaret Mkhosi (CEO-Ex Officio)	Linked to CEO position	Linked to CEO position .Term ended 26 April 2024	PhD in Nuclear Engineering; MSc in Nuclear Engineering; MSc Physics; BSc Honours in Physics; BSc	Nuclear Physics	None	5/6
Mr Justin Daniel (CFO-Ex Officio)	Linked to CFO position	Linked to CFO position	Financial Management; Financial Accounting; Supply Chain Management; Asset Management	Finance, Asset Management	None	5/6

Table 2: Board Members: 17 August 2023 – 16 August 2026

Name	Date Appointed	Expiry Date	Qualifications	Areas of Expertise	Board Directorships	No. of Board Meetings Attended
Ms Dorah Modise² (Chairperson)	17 Aug 2023	16 Aug 2026	Gordon Institute of Business Science (University of Pretoria) 2011 – 2012; Master's in Business Administration (MBA); University of Sussex 2001 – 2002; Master's in Environment, Development and Policy University of Geneva 2009 – 2009; Post-Graduate Diploma in Environmental Diplomacy Tshwane University of Technology 1994 – 1997; N-Dip & B-Tech Degree in Environmental Health	Environmental Specialist, Leadership	None	9/9
Dr Wolsey Barnard (Deputy Chairperson)	17 Aug 2023	16 Aug 2026	BSc (Cum Laude), University of Port Elizabeth (UPE), 1981; BSc (Hons) (Cum Laude), University of Port Elizabeth, 1982; MSc (Cum Laude), University of Port Elizabeth, 1984; PhD, University of Pretoria, 1991	Renewable Energy, Electrification, Energy Regulation & Nuclear Waste Management		8/9
Adv Derick Block	17 Aug 2023	16 Aug 2026	Advocate BJuris LLB HDip Tax Law	Legal, Governance & Compliance	Transport Appeal Tribunal, Overberg Water Council for Built Environment; National Home Builders Registration Council; Court of Marine Enquiry; Northern Cape Liquor Board Audit Committee; Northern Cape Economic Development Agency Audit Committee, South African Veterinary Council	4/9



Name	Date Appointed	Expiry Date	Qualifications	Areas of Expertise	Board Directorships	No. of Board Meetings Attended
Dr Kgaugelo Chiloane	17 Aug 2023	16 Aug 2026	BSc Chemistry; BSc Honours in Chemistry; MSc in Environmental Science; PhD in Environmental Science	Environmental Safety	KEC Environmental Solutions (Pty) Ltd, Adaptation Institute of Southern Africa; Advisory Panel Member of SA Centre of Nuclear Safety and Security	7/9
Mr Thabiso Pie (DMRE rep.)	19 Oct 2021	18 Oct 2024	BSc (Physics and Computational Physics); B Med Science; Honours (Medical Physics); BSc; Honours (Physics); Post-Graduate Diploma in Science: Radiation Protection; MBA	Nuclear Safety	None	4/9
Mr Zukile Zibi (DMRE Alternate rep.)	17 Aug 2023	16 Aug 2026	Bachelor of Science Hons (Physics and Applied Mathematics) – Completed – Nelson Mandela University, Gqeberha; Master's of Science (Nuclear Sciences) – Completed – Northwest University, Potchefstroom Cum Laude	Nuclear Reactor Specialist	None	3/9
Ms Mamogala Musenekwe (DFFE rep.)	19 Nov 2022	18 Nov 2024	BSc (Hons) Chemistry; BSc Chemistry & Physics; Executive Development Programme	Chemicals/ Waste Management	None	4/9
Mr Obed Baloyi (DFFE Alternate rep.)	19 Nov 2021	24 Nov 2024	BA Honours; Post-Graduate Certificate in Management; Diploma in Project Management	Chemicals/ Waste Management	None	3/9
Ms Aneliswa Cele (DOH rep.)	19 Nov 2021	18 Nov 2024	National Diploma in Environmental Health Science; Bachelor of Technology Degree in Environmental Health Science; Master of Public Health; Master of Philosophy: Development Policy and Practice	Environmental Health	None	2/9



Name	Date Appointed	Expiry Date	Qualifications	Areas of Expertise	Board Directorships	No. of Board Meetings Attended
Ms Tovhowani Nyamande (DWS rep.)	22 Feb 2022	21 Feb 2025	PHD (Agriculture & Environmental Sciences); MSc Integrated Water Resource Management; BSc (Honours): Botany; BSc Education	Water and Environmental Specialist	None	0/9
Dr Jabulani Maluleke (DWS Alternate rep.)	22 Feb 2022	21 Feb 2025	Doctor of Business Administration (current); Master's in Management; Master's in Business Administration; Post-Graduate Diploma Business Administration; BSc Zoological Sciences	Waste-Water Infrastructure Specialist	None	3/9
Dr Margaret Mkhosi (CEO – Ex Officio)	Linked to CEO position	Linked to CEO position. Term ended 26 April 2024	PhD in Nuclear Engineering; MSc in Nuclear Engineering; MSc Physics; BSc Honours in Physics; BSc	Nuclear Physics	None	8/9
Mr Justin Daniel (CFO – Ex Officio)	Linked to CFO position	Linked to CFO position	Financial Management; Financial Accounting; Supply Chain Management; Asset Management	Finance, Asset Management	None	9/9



Audit and Risk Committee (ARC)

The ARC assists the Board by exercising oversight responsibility on the integrity of the NRWDI's financial statements, the extent of compliance with legal and policy requirements, the system of internal control and risk management, adequacy of the internal audit function and external auditors, the

performance of management in terms of the strategic plans and APP, ICT and any other matters related to its mandate referred to it by the Board.

During the period under review, the ARC held (5) meetings. The meetings attended are depicted in the table below:

Table 3: Audit and Risk Committee: 1 April 2023 – 10 August 2023

Name	Number of Meetings Held	Number of Meetings Attended
Ms Leanda-Marsha Vilakazi (Chairperson)	3	3
Dr Kgaugelo Chiloane	3	3
Ms Aneliswa Cele	3	2
Mr Mogwera Khoathane (Standing Invitee)	3	1

Table 4: Audit and Risk Committee: 17 August 2023 – 31 March 2024

Name	Number of Meetings Held	Number of Meetings Attended
Adv Derick Block (Chairperson)	2	2
Dr Kgaugelo Chiloane	2	1
Ms Mamogala Musekene	2	1
Mr Obed Baloyi (Alternate Member)	2	1
Ms Aneliswa Cele	2	1
Ms Dorah Modise (Standing Invitee)	2	2

Human Resources, Social and Ethics Committee (HR-SEC)

The committee meets quarterly to consider matters such as the remuneration policy, the remuneration of executive management, succession planning, directors' remuneration, incentive schemes and other human resource matters. This committee also advises the Board on social and ethical issues,

health, safety and security, environmental as well as other HR and remuneration matters. It reports to the Board in line with the King IV requirements.

During the period under review, the HRSEC held (5) meetings. The meetings attended are depicted in the table below:

Table 5: Human Resources, Social & Ethics Committee: 1 April 2023 – 10 August 2023

Name	Number of Meetings Held	Number of Meetings Attended
Dr Kgaugelo Chiloane (Chairperson)	3	3
Mr Moerane Maimane	3	3
Ms Leanda-Marsha Vilakazi	3	3
Mr Mogwera Khoathane (Standing Invitee)	3	

Table 6: Human Resources, Social & Ethics Committee: 17 August 2023 – 31 March 2024

Name	Number of Meetings Held	Number of Meetings Attended
Dr Wolsey Barnard (Chairperson)	2	2
Adv Derick Block	2	2
Ms Tovhowani Nyamande	2	–
Dr Jabulani Maluleke (Alternate Member)	2	1
Ms Dorah Modise (Standing Invitee)	2	2

Technical and Operations Committee (TOC)

The duties and functions of the committee inter alia include:

- To review the framework, policies and guidelines for radioactive waste operations; technology; research and development; and compliance management as far as it is relevant to the work of the committee.
- To review and make recommendations to the Board of Directors on any other technical issue that may influence the Board's decisions on the safe management and disposal of radioactive waste.

During the period under review, the TOC held (3) meetings. The meetings attended are depicted in the table below:

Table 7: Technical Operations Committee: 1 April 2023 – 10 August 2023

Name	Number of Meetings Held	Number of Meetings Attended
Ms Lerato Makgae (Chairperson)	1	1
Mr Thabiso Pie (Alternate Member)	1	1
Ms Mamogala Musekene	1	–
Mr Obed Baloyi (Alternate Member)	1	1
Mr Mogwera Khoathane (Standing Invitee)	1	–

Table 8: Technical Operations Committee: 17 August 2023 – 31 March 2024

Name	Number of Meetings Held	Number of Meetings Attended
Mr Thabiso Pie (Chairperson)	2	2
Mr Zukile Zibi (Alternate Member)	2	–
Dr Wolsey Barnard	2	2
Dr Kgaugelo Chiloane	2	2
Ms Tovhowani Nyamande	2	–
Dr Jabulani Maluleke (Alternate Member)	2	–
Ms Dorah Modise (Standing Invitee)	2	2

4. RISK MANAGEMENT

The NRWDI is engaged in a systematic and proactive process of risk management taking into consideration risks emanating from both the internal and external environment. This is to ensure that strategic and operational risks the entity may be exposed to are identified, assessed, and mitigating strategies identified to manage the impact of the occurrence of these risks may have on the entity's business operations and resources, as well as ensuring that the NRWDI's strategic objectives and priorities are achieved.

The responsibility of ensuring that the NRWDI has a fully functional risk management system is entrusted to the Board of Directors, as per the King IV Reports on Corporate Governance and the prescripts governing risk management within government. In compliance with these prescripts, emerging risks were consistently assessed and recorded in the relevant risk registers. The implementation of identified mitigation strategies was monitored quarterly to ensure prioritised risks were effectively managed, and the residual risk-rating reduced to a tolerable-level. Risk reports were

developed quarterly and tabled to the Audit and Risk Committee and the Board of Directors respectively, for their consideration.

In its committed efforts to ensure the NRWDI moves to the next level of risk maturity, the entity has developed its Risk Management Policy, clearly articulating its philosophy towards risk management. An approved Risk Management Strategy and a Fraud-Prevention Plan are in place to ensure efficient implementation of the policy.

Enterprise risk management workshops were convened with Risk Owners and the NRWDI's employees. The purpose of these workshops was to educate employees on the risk management process, highlight the importance of risk management within the organisation, the value-add of an efficient risk management system has on the decision-making process, and making employees aware of their different roles and responsibilities in respect of risk management.

The success of these workshops culminated in a better understating of risk management within the organisation, and officials demonstrating a keen interest in becoming Risk



Champions for their respective programmes. Risk Champions have since been appointed and are to undergo training in the 2024/2025 financial year.

In ensuring the entity moves to the desired level of risk maturity – which is optimised – its efforts will be focused on establishing a duly constituted Risk Management Committee chaired by an independent external person, and the establishment of the Risk Champions Forum. The establishment of these internal committees will further assist and strengthen the Board's ability in fulfilling its oversight responsibility for risk management within the organisation.

5. INTERNAL CONTROL UNIT

Internal controls are the mechanisms, rules and procedures implemented to ensure the integrity of financial and accounting information, promoting accountability and preventing fraud. The controls are based on established policies and procedures implemented with appropriate separation of duties and responsibilities. Internal Audit assists Management by appraising the system of internal control and making recommendations on improvement thereof. The effectiveness of the NRWDI's internal controls is borne out by the unqualified audits the entity has received in the past four years.

6. COMPLIANCE WITH LAWS AND REGULATIONS

The Board, with the assistance of the ARC ensures that the NRWDI's management team has the necessary mechanisms in place to comply with the legislation and regulations governing its activities.

This responsibility entails:

- Reviewing policy documents to ensure incorporation of laws, regulations, ethics and policies; and reviewing rules that ensure compliance and addressing conflicts of interest.
- Monitoring compliance with policies and procedures.
- Noting and addressing significant cases of employee conflicts of interest, misconduct or fraud, and the resolution of such cases.
- Reviewing the internal auditor's report on the scope of compliance reviews, and the resolution of findings and follow-ups on recommendations.

- Monitoring developments and changes in legislation regarding accountability, responsibilities, and liabilities of the NRWDI's management team, and monitoring and reviewing the extent to which the NRWDI's management team meets its obligations.
- Monitoring developments and changes in legislation and regulations that relate to the NRWDI's operations.
- Monitoring and reviewing the extent to which the NRWDI complies with such legislation.

7. FRAUD AND CORRUPTION

The NRWDI has adopted a code of business ethics and business conduct policy that articulate the values and acceptable ethical standards that all persons associated with the NRWDI are required to adhere to. The NRWDI acknowledges that in today's business environment, fraud is prevalent and all business organisations are susceptible to the risk of fraud.

A Fraud-Prevention Plan was developed in response to the expressed commitment of government to fight fraud and corruption. It is also a crucial contribution to the National Anti-Corruption Strategy of the country, as well as the Public Service Anti-Corruption Strategy.

The purpose of the Fraud-Prevention Plan is to set out and reinforce the NRWDI's policy of zero COMPLIANCE MANAGEMENT tolerance towards fraud and corruption, as well as management's commitment to combating all forms of fraud in the NRWDI's operations. The plan outlines the NRWDI's framework and strategy for the prevention, deterrence, detection, reporting, investigation and handling of fraud and corporate crimes. The plan establishes a process for oversight of fraud risk by the ARC, and spells out responsibilities and ownership with respect to assisting the NRWDI to minimise its fraud risk exposure.

The NRWDI forged a partnership with the Public Service Commission to use its national anti-corruption hotline on a no-fee basis. The agreement is a win-win outcome for both parties, as the NRWDI risked incurring exorbitant costs if a private hotline had to be sourced. The Public Service Commission is mandated as the custodian of good governance in the country. Allegations of fraud, corruption and misconduct reported via the national anti-corruption hotline will be reported to the CEO in the case of an employee, and to the chairperson of the ARC should the CEO be implicated.





Whistle-blowers are protected in accordance with the Protected Disclosures Act (Act No. 26 of 2000). No cases were reported in the period under review.

8. MINIMISING CONFLICTS OF INTEREST

To minimise conflicts of interest, the following mechanisms have been implemented:

- The Board and Executive members must disclose their financial interests annually as required by the DMRE in terms of the financial disclosure frameworks.
- All staff members are required to disclose their financial interests on an annual basis.
- Consequence management will be resorted to should there be non-compliance.
- Completing a conflict-of-interest disclosure is a requirement for all meeting attendees in various management structures.

During the period under review, no conflicts of interest were identified.

9. CODE OF CONDUCT

A Code of Ethics and Business Conduct Policy for the NRWDI was approved by the Board and brought to the attention of all staff members. The Code of Ethics and Business Conduct Policy will serve as a guideline as to what is expected of staff from an ethical perspective on an individual-level, as well as in their relationships with others.

Compliance with the code of conduct is expected to enhance professionalism and contribute to confidence in the entity. Failure to comply with any provisions of the code of conduct will be interpreted as a violation of the NRWDI's values. Moreover, the employee concerned will be dealt with according to the entity's grievance and/or disciplinary process.

There was no breach of the Code of Ethics and Business Conduct Policy during the period under review.

10. HEALTH, SAFETY AND ENVIRONMENTAL ISSUES

The NRWDI recognises that it needs to embrace and institutionalise a robust health, safety, and environmental management culture in executing its mandate. It is therefore imperative that health, safety, and environmental matters are considered in the execution of operational activities and fostering a nuclear safety culture is prioritised.

The NRWDI established a SHEQ Committee in terms of section 19 of the Occupational Health and Safety Act (Act No. 85 of 1993) where safety, health, environment, quality and licensing-related matters within the NRWDI are discussed and actioned. The NRWDI further implements a behavioural-based safety (BBS) system to foster a culture of safety among all staff through continual assessment and improvement of safety in the workplace.

For the period under review, the NRWDI staff worked approximately 96 496 man-hours without any disabling injury. The Disabling Incident Injury Rate (DIIR) remained zero (0) for the past 12 months and is ongoing. The Total Injury Rate (TIR) therefore stands at 0%.

11. BOARD SECRETARY

The Board secretary ensures that legislation, Board processes, the Board Charter and all other applicable governance prescripts are observed. As the custodian of all governance structures within the organisation, the Board secretary also provides guidance to the Directors on governance, compliance and matters related to their general fiduciary responsibilities. All Directors have unlimited access to the advice and services of the Board secretary, and all Directors are entitled to seek independent professional advice related to the performance of their functions at the expense of the NRWDI, and subject to the approval of the Board Chairperson.

The Board secretary is responsible for coordinating, among others, all Board operations and activities; the Board induction programme for newly appointed Directors; the annual Board evaluation processes; the Board development programme; and the annual financial disclosure process of the Board members.

12. SOCIAL RESPONSIBILITY

The NRWDI as a conscientious corporate entity integrates corporate social responsibility (CSR) into its operational structure. Demonstrating this dedication, the NRWDI has established a Corporate Social Responsibility Framework that mirrors the principles of the Sustainable Development Goals as emphasised in King IV. These principles foster social cohesion, poverty reduction, and skills development. This framework is designed to guide future initiatives that correspond with its primary focus areas: education, environment, health and safety, and training. These initiatives underscore the Board's proactive backing of communities in sectors pertinent to the NRWDI's overarching mission.



13. AUDIT COMMITTEE REPORT

We are pleased to present our report for the financial year ended 31 March 2024.

- Reviewed the entity's compliance with legal and regulatory provisions.
- Reviewed significant adjustments resulting from the audit.

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

Internal audit

In line with the PFMA and King IV Report on Corporate Governance, an internal audit unit has been established to provide the ARC and management with assurance that the internal controls are appropriate and effective. This is achieved by means of the risk management process, as well as the identification of corrective actions, and suggested enhancements of controls and processes.

Auditor-General South Africa

The ARC has when necessary met with the Auditor-General to ensure there are no unresolved issues.

Appreciation

The ARC expresses its sincere appreciation to the Acting Chief Executive Officer, the Senior Management Team and the Auditor-General for their contributions.

ADV DERICK BLOCK

Chairperson: Audit and Risk Committee

Date: 31 July 2024



14. B-BBEE COMPLIANCE PERFORMANCE INFORMATION

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

Has the Public Entity applied any relevant Code of Good Practice (B-BBEE Certificate Levels 1 – 8) with regard to the following:		
Criteria	Response Yes/No	Discussion (Include a discussion on your response and indicate what measures have been taken to comply)
Determining qualification criteria for the issuing of licences, concessions or other authorisations in respect of economic activity in terms of any law.	N/A	
Developing and implementing preferential procurement policy. The preferential procurement policy as issued by National Treasury through its Supply Chain Management Policy and Process Manual.	Yes	The entity developed a SCM policy that takes into consideration the preferential procurement policy of National Treasury.
Determining qualification criteria for the sale of state-owned enterprises.	N/A	
Developing criteria for entering into partnerships with the private sector.	Yes	A Collaborations and Partnership Framework was developed and is to be implemented in the current financial year.
Determining criteria for the awarding of incentives, grants, and investment schemes in support of Broad-Based Black Economic Empowerment.	No	



 PART D
**HUMAN RESOURCE
MANAGEMENT**



1. INTRODUCTION

The Human Resources (HR) Management function within the National Radioactive Waste Disposal Institute has strategically focused on attracting, retaining, and developing top-tier talent. This is essential for the NRWDI, as the quality of its personnel directly influences its capacity to fulfil its mandate effectively. To this end HR initiatives have been aligned with the broader organisational objectives, ensuring that all HR processes from recruitment to professional development contribute directly to the institutional goals. This alignment is crucial in creating a motivated workforce that is consistently encouraged to enhance their performance.

The HR value chain has been instrumental in transforming HR activities into outcomes that boost organisational effectiveness. By focusing on comprehensive performance management systems, HR ensures that employees are not only aware of their roles but also equipped to excel in them. This focus on performance and continuous improvement is reflected in the progress reported this year, demonstrating HR's key role in building a capable and resilient institution. Through these efforts, the NRWDI continues to enhance its human capital, ensuring that each team member is not just a part of the institute but a vital contributor to its success and sustainability, with minimal resignations recorded from inception to date of the NRWDI.

This section of the Annual Report highlights progress on the priorities for the year under review.

2. OVERVIEW OF HR MATTERS AT THE PUBLIC ENTITY

Over the past year, the Human Resources (HR) Department at the NRWDI has been diligently working on several key initiatives designed to enhance operational efficiency and align with the organisation's strategic objectives. Understanding the constraints of limited resources, HR has strategically focused on areas that promise the greatest impact on both short-term and long-term goals.

One of the primary areas of focus has been the Human Resources Management and Administrative Services. By ensuring robust administration and management of employee information, HR has aimed to streamline processes and safeguard employee data integrity, which is crucial for

operational excellence. Additionally, the emphasis on Learning and Development has been instrumental in equipping employees with the necessary skills and knowledge, thus strengthening the organisation's capacity to fulfil its mandate effectively.

The HR Division has been proactive in the ongoing recruitment of skilled and competent personnel, essential for the diverse demands of the NRWDI's programmes. Organisational Development and Employee Relations have also been key focus areas, with initiatives designed to optimise business processes and foster a conducive labour environment. Through these focused efforts, HR has played a pivotal role in driving the NRWDI towards achieving its organisational goals and objectives.

2.1 HR PRIORITIES FOR THE YEAR

For the year under review, the National Radioactive Waste Disposal Institute has made significant strides in enhancing its human resource capabilities through a series of priorities that were set for the year:

- Recruitment and Selection.
- Job Evaluation and Remuneration.
- Learning and Development.
- The Employee Wellness Programme.
- Organisational Development Interventions.
- Employee Relations.

2.2 Future HR Plans

The National Radioactive Waste Disposal Institute is embarking on a comprehensive strategy to enhance its human resource management practices in the upcoming financial year. This initiative is designed to boost employee performance and satisfaction through a series of targeted actions, reflecting a proactive approach to organisational development interventions.

The development of the HR strategic elements is set to ensure that the human resources practices align with the NRWDI's overall objectives and the evolving needs of its workforce in comparison to its competitors. This strategic evaluation will be complemented by an organisational climate survey, which aims to gather essential feedback directly from employees about their workplace environment and conditions. This data is crucial in guiding the continuous review of HR practices and policies to ensure they remain effective and responsive.



The introduction of Culture Workshops, along with management and leadership development interventions, are set to foster a cohesive and supportive workplace culture. The implementation of a Change-Management Plan is a strategic approach to organisational change ensuring that in the event of major changes, transitions are smooth and that all employees are supported through the process. Collectively, these initiatives demonstrate the NRWDI's commitment to its employees and its pursuit of excellence in human resource management.

2.3 Key Achievements

- The National Radioactive Waste Disposal Institute actively engages in a recruitment drive to secure skilled, knowledgeable, and competent employees. This initiative is critical to ensuring that the organisation is well-equipped with the necessary human capital to meet the demands of all its programmes. By attracting top talent, the NRWDI aims to maintain its high delivery standards in the management and disposal of radioactive waste mandate.
- In the area of job evaluation and remuneration, the NRWDI conducted an extensive benchmarking exercise to analyse and revise its pay scales. This initiative compared the NRWDI's remuneration packages with those of other Schedule 3A State-Owned Entities, leading to the design and implementation of a new pay structure that is both competitive and equitable. The results of this exercise promote a significant step towards enhancing employee satisfaction and organisational competitiveness.
- Learning and Development (the NRWDI gained significant support from funded-training and development initiatives in addition to what could be implemented under a constrained budget fostering support for learning initiatives).
- The Employee Wellness Programme has been essential in supporting staff through various psychosocial challenges, particularly in addressing issues related to stress and anxiety through accessible counselling services.
- These comprehensive efforts underscore the NRWDI's commitment to creating a supportive and productive work environment ultimately contributing to the institute's overall effectiveness and success.
- The NRWDI has placed strong emphasis on organisational development. A range of development plans and initiatives were introduced and the planning phase finalised. The plans are crucial for fostering a positive organisational culture

and driving strategic leadership. These development plans are set to continue in the year 2024/25.

- The NRWDI places a high priority on fostering positive employee relations within its organisation. A dedicated specialised resource is placed to ensure dedicated management of employee relations.

3. HR CHALLENGES FACED BY THE PUBLIC ENTITY

Budget constraints have posed significant challenges during the year under review impacting various facets of HR operations. Tight financial resources have necessitated a re-evaluation of priorities, with the focus on ensuring that essential services and projects are maintained while discretionary spending minimised. This situation has required innovative approaches to resource management, including cost-saving measures, renegotiation, and the pursuit of alternative funding sources.

4. HR PLANS FOR THE FUTURE

The National Radioactive Waste Disposal Institute is embarking on a comprehensive strategy to enhance its human resource management practices in the upcoming financial year. This initiative is designed to boost employee performance and satisfaction through a series of targeted actions, reflecting a proactive approach to organisational development interventions. The development of HR's strategic elements is to ensure that the human resources practices align with the NRWDI's overall objectives and the evolving needs of its workforce in comparison to its competitors.

This strategic evaluation will be complemented by an organisational climate survey, which aims to gather essential feedback directly from employees about their workplace environment and conditions. This data will be crucial in guiding the continuous review of HR practices and policies to ensure they remain effective and responsive.

The following will be developed:

- A Knowledge Management Strategy.
- Introduction of Culture Workshops.
- Women Leadership development interventions to foster cohesive and supportive workplace culture.
- The implementation of a Change-Management Plan as a strategic approach to organisational change ensuring that in the event of major changes, transitions are smooth and that all employees are supported through this process.
- Revision of the Institute's policies.



Collectively, these initiatives demonstrate the NRWDI's commitment to its employees and its pursuit of excellence in human resource management that supports the organisation in its quest to be an excellent provider of radioactive waste management and disposal services.

HUMAN RESOURCE OVERSIGHT STATISTICS

Personnel Cost by Programme

Programme	Total Expenditure for the entity (R'000)	Personnel Expenditure (R'000)	Personnel Expenditure as a % of Total Expenditure (R'000)	No. of Employees	Average personnel cost per employee (R'000)
Administration	37 889	25 630	47%	25	1 025
Disposal Operations	2 399	2 143	4%	1	2 143
Science, Engineering & Technology	5 285	5 015	9%	4	1 254
Compliance Management	8 806	7 937	15%	6	1 323
Total	54 379	40 725	75%	36	5 745

Personnel cost by employment-level/salary band

Level	Personnel Expenditure (R'000)	% of Personnel Expenditure to Total Personnel Cost (R'000)	No. of employees	Average personnel cost per employee (R'000)
Top management	12 383	30%	6	2 064
Senior management	1 976	5%	1	1 976
Professionally qualified & experienced specialists & middle management	15 138	37%	15	1 009
Skilled technical & academically qualified workers, junior management, supervisors, foremen, and superintendents	10 834	26%	12	903
Unskilled and defined decision-making	394	1%	2	197
Total	40 725	100%	36	6 149

Training costs

Programme	Personnel Expenditure (R'000)	Training Expenditure (R'000)	Training Expenditure as a % of Personnel Cost	No. of Employees Trained	Average Training Cost per Employee
Administration	25 630	47	0.12%	8	6
Disposal Operations	2 143	–	–	–	–
Science, Engineering & Technology	5 015	–	–	–	–
Compliance Management	7 937	–	0%	–	–
Total	40 725	47	0.12%	8	6

NB: Eight other employees went to training sponsored by various external organisations.



Employment and vacancies

Level	2022/2023 No. of Employees	2023/2024 Approved Posts	2023/2024 No. of Employees	2023/2024 Vacancies	% of vacancies
Top management	5	6	6	0	0%
Senior management	1	1	1	0	0%
Professionally qualified & experienced specialists and middle management	13	17	14	3	17.65%
Skilled technical & academically qualified workers, junior management, supervisors, foremen, and superintendents	12	13	13	0	0%
Semi-skilled and discretionary decision-making	0	0	0	0	0%
Unskilled and defined decision- making	2	2	2	0	0%
Total	33	39	36	3	7.69%

Employment changes

Level	Employment at beginning of period	Appointments	Terminations	Employment at end of the period
Top management	5	1	0	6
Senior management	1	0	0	1
Professionally qualified & experienced specialists and middle management	13	3	1	15
Skilled technical & academically qualified workers, junior management, supervisors, foremen, and superintendents	12	1	0	13
Semi-skilled and discretionary decision-making	0	0	0	0
Unskilled and defined decision- making	2	0	0	2
Total	33	5	1	36

Reasons for staff leaving

Reason	Number	% of total No. of staff leaving
Death	0	
Resignation	1	2.7%
Dismissal	0	
Retirement	0	
Ill health	0	
Expiry of contract	0	
Other	None	
Total	1	

Staff with disabilities

Disabled Staff			
Male	Female	Total staff	% of Staff
1	0	36	2.8%

Employment Equity Status across different job-levels

OCCUPATIONAL-LEVELS	MALE				FEMALE				TOTAL
	A	C	I	W	A	C	I	W	
Top Management	3	1	1	0	1	0	0	0	6
Senior Management	1	0	0	0	0	0	0	0	1
Professionally qualified and experienced specialists and middle management	3	0	0	1	8	0	2	0	14
Skilled technical and academically qualified workers, junior management, supervisors	4	0	0	0	9	0	0	0	13
Unskilled	0	0	0	0	2	0	0	0	2
Total Permanent	7	0	0	1	19	0	2	0	29
Total Fixed-Term Contract	4	1	1	0	1	0	0	0	7
TOTAL	11	1	1	1	20	0	2	0	36

Labour Relations: Disciplinary Action

Nature of Disciplinary Action	Number
Verbal warning	0
Written warning	0
Final written warning	0
Dismissal	0

Overall Workforce Profile as at 31 March 2024

OCCUPATIONAL-LEVELS	MALE				FEMALE				TOTAL
	A	C	I	W	A	C	I	W	
Top Management	3	1	1	0	1	0	0	0	6
Senior Management	1	0	0	0	0	0	0	0	1
Professionally qualified and experienced specialists and middle management	3	0	0	1	8	0	2	0	14
Skilled technical and academically qualified workers, junior management, supervisors	4	0	0	0	9	0	0	0	13
Unskilled	0	0	0	0	2	0	0	0	2
Total Permanent	7	0	0	1	19	0	2	0	29
Total Fixed-Term Contract	4	1	1	0	1	0	0	0	7
TOTAL	11	1	1	1	20	0	2	0	36

Staff Complement by Employment Equity (EE) Group

Group	Number of Employees	Percentage
African	31	86%
Coloured	1	3%
Indian	3	8%
White	1	3%
TOTAL	36	100%

Gender Split

Category	Number of Employees	Percentage
Males	14	39%
Females	22	61%
TOTAL	36	100%



PART E

PFMA COMPLIANCE REPORT

PFMA COMPLIANCE REPORT

Irregular expenditure		
During the period under review, management detected the following irregular expenditure:		
Opening balance as previously reported	5 406 949	5 405 563
Add: Irregular expenditure – current	302 944	1 386
Add: Irregular expenditure – prior period	–	
Closing balance	5 709 893	5 406 949

The historical irregular expenditure of R5 303 312.42 has not yet been condoned. The reason for the latter was that at the time of the request, it could not be confirmed if the irregular transactions had derived value for the NRWDI. The transactions relating to the opening balance of R5.3 million is currently under investigation to determine if such had derived value for the NRWDI, and based on the outcome of the investigation, a subsequent condonation request is to be submitted to National Treasury.

In the 2021/22 financial year variation to an order placed for the services of labour and employment law specialists was not approved prior to additional services being rendered, resulting in the entity incurring irregular expenditure to the amount of R102 251. A formal request for condonation of irregular expenditure was sent to National Treasury in March 2022 and in June 2022 after the year-end, National Treasury informed the NRWDI that irregular expenditure of R102 251 was not condoned as the NRWDI had to ensure that paragraph 56(a-h) of the Irregular Expenditure Framework had to be complied with. This condition was satisfied in the year under review and a new letter of condition to National Treasury was due to follow. In the 2022/23 financial year irregular expenditure of R1 386 incurred in the current year was due to challenges and delays by Telkom in effecting the cancellation of the contract. This delay resulted in two months' premium of February and March 2023 being debited to the NRWDI.

In the current financial year, variations to orders placed for legal services in respect of labour-related matters was not approved prior to the additional services being rendered, resulting in irregular expenditure incurred of R302 944.

Investigation

At the time of the condonation request in respect of the prior year's irregular expenditure, it could not be confirmed if the irregular transactions had derived value for the NRWDI. The transactions related to this amount is currently under investigation, and based on the outcome of the investigation, a subsequent condonation request is to be submitted to National Treasury. And should there be any transactions that cannot be condoned, the process to institute disciplinary steps and/or criminal proceedings are to be initiated.

The investigation was concluded and endorsed by the Board in the year under review and a condonation request to National Treasury is to follow.

In respect of 2023/2024 irregular expenditure, transactions related to this amount is currently under investigation, and based on the outcome of the investigation, a subsequent condonation request will be submitted to National Treasury. Should there be any transactions that cannot be condoned, the process to institute disciplinary steps and/or criminal proceedings will be initiated.



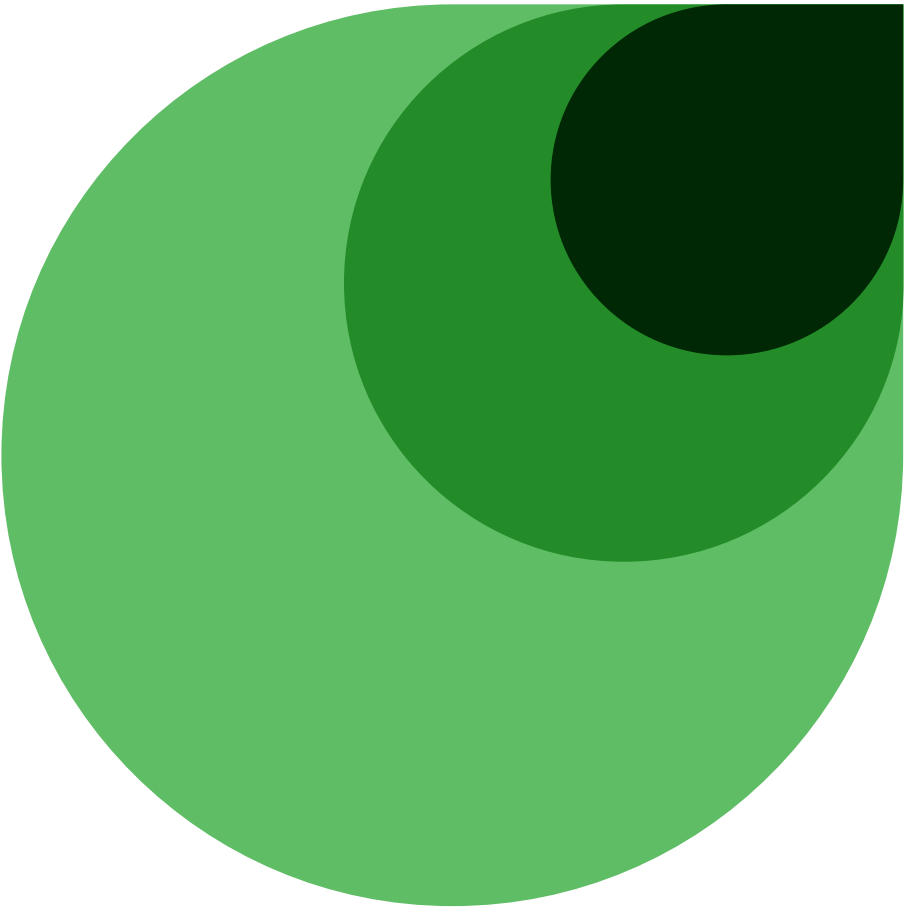
PART F

FINANCIAL INFORMATION



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General Information

Country of incorporation and domicile	South Africa
Directors	Mr Mogwera Khoathane (Board Chairperson) Ms Leanda – Marsha Mtshali Dr Kgaugelo Chiloane Ms Lerato Makgae (DMRE representative) Mr Thabiso Pie (DMRE alternate representative) Ms Mamogala Musekene (DFFE representative) Mr Obed Baloyi (DFFE alternate representative) Ms Aneliswa Cele (DOH representative) Mr Moerane Maimane Ms Tovhowani Nyamande (DWS representative) Dr Jabulani Maluleke (DWS representative) Dr Margaret Mkhosi (CEO) Mr Justin Daniel (CFO) Ms Dorah Modise (Chairperson)-appointed 17 August 2023 Dr Wolsey Barnard (Deputy Chairperson)-appointed 17 August 2023 Dr Kgaugelo Chiloane-appointed 17 August 2023 Adv Derick Block-appointed 17 August 2023
Postal address	Private Bag X1 Pretoria Gauteng Province 0001
Bankers	ABSA Bank
Auditors	Auditor-General SA Registered Auditors
Registered office	Building X Elias Motsoaledi Street Extension (Church Street West) R104 Pelindaba, Brits Magisterial District, Madibeng Municipality North West Province 0240





Audit and Risk Committee Report

We are pleased to present our report for the financial year ended 31 March 2024.

The overall purpose of the Audit and Risk Committee (ARC) is to assist the Board in discharging its responsibilities relating to the safeguarding of assets, the operation of adequate and effective system and control processes, the preparation of integrated reports including financial statements; in compliance with relevant legislation.

The mandate of the ARC requires it to adhere to high-quality standards of accountability in order to ensure the quality of the financial reporting processes, control systems, risk management process and also to help maintain a high degree of integrity in both the external and internal audit processes.

1. Audit committee responsibility

The committee is an advisory committee and its responsibilities include; overseeing the financial reporting process, assessing the process relating to and the results emanating from NRWDI's risk and control environment; and reviewing the disclosure of sustainability issues in the integrated report to ensure that it is reliable and does not conflict with the financial information.

The committee hereby reports that it has complied with its responsibilities arising from section 51(1) (a)(ii) of the PFMA and Treasury Regulation 27.1.

The committee also reports that it has adopted appropriate formal terms of reference as its audit committee charter; has regulated its affairs in compliance with this charter and has discharged all its responsibilities as contained therein.

1.1 Risk Management

The entity has established a process for the management and monitoring of risk management. Given that the entity is in the early stages of operationalisation, the committee has reviewed the risk management process, strategic and operational risk registers and made necessary inputs and contributions.

2. The effective of internal control

The system of internal controls applied by NRWDI financial and risk management is satisfactory, with steady and significant progress noted.

Accordingly, we can also report that the system of internal control over financial reporting for the period under review was satisfactory, with noted improvements.

The audit committee is satisfied with the content and quality of quarterly reports prepared and issued by the accounting officer of the entity during the year under review.

3. Evaluation of audited annual financial statements

The audit committee has:

- Reviewed and discussed the audited annual financial statements to be included in the annual report, with the Auditor-General and the board of directors.
- Reviewed the Auditor-General of South Africa's management report and management's response thereto.
- Reviewed changes in accounting policies and practices.
- Reviewed the entity's compliance with legal and regulatory provisions.
- Reviewed significant adjustments resulting from the audit.

4. Internal audit

In line with the PFMA and the King IV Report on Corporate Governance, an Internal Audit Unit must be established in order to provide the audit committee and management with independent assurance that NRWDI's risk management, governance and internal control processes are appropriate and operating effectively.

This is achieved by means of the risk-based planning, identification of irregularities, recommendation of corrective actions and enhancements to controls and process, and follow up on matters raised to ascertain that they get resolved.



Audit and Risk Committee Report

5. Auditor General South Africa

The Auditor-General expresses an opinion on the annual financial statements. The audit has been performed in terms of section 188 of the Constitution of the Republic of South Africa, Act 1996, read with section 4 of the Public Audit Act, 2004 (Act No. 25 of 2004). The audit is conducted in accordance with International Standards on Auditing.

6. Appreciation

The ARC expresses its sincere appreciation to the Acting Chief Executive Officer, senior management team and staff of NRWDI for their contributions.

ADV DERICK BLOCK

Chairperson: Audit and Risk Committee

Date: 31 July 2024





Report of the auditor-general to Provincial Legislature on National Radioactive Waste Disposal Institution

Report on the audit of the financial statements

1. I have reviewed the financial statements of the National Radioactive Waste Disposal Institution set out on pages 73 to 97, which comprise the statement of financial position as at 31 March 2024, statement of financial performance, statement of changes in net assets, cash flow statement and statement of comparison of budget information with actual amounts for the year then ended, as well as notes to the financial statements, including a summary of significant accounting policies.

Conclusion

2. Based on my review, nothing has come to my attention that causes me to believe that the financial statements do not present fairly, in all material respects, the financial position of the National Radioactive Waste Disposal Institution as at 31 March 2024 and its financial performance and cash flows for the year then ended in accordance with the Generally Recognised Accounting Practice (Standards of GRAP) and the requirements of the Public Finance Management Act 1 of 1999 (PFMA).

Responsibilities of the accounting authority for the financial statements

3. The accounting authority is responsible for the preparation and fair presentation of the financial statements in accordance with the Standards of GRAP and the requirements of the PFMA and for such internal control as the accounting authority determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.
4. In preparing the financial statements, the accounting authority is responsible for assessing the public entity's ability to continue as a going concern; disclosing, as applicable, matters relating to going concern; and using the going concern basis of accounting unless the appropriate governance structure either intends to liquidate the public entity or to cease operations, or has no realistic alternative but to do so.

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

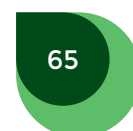
5. My responsibility is to express a conclusion on the accompanying financial statements. I conducted my review in accordance with the International Standard on Review Engagements (ISRE) 2400 (Revised), Engagements to review historical financial statements. The standard requires me to conclude on whether anything has come to my attention that causes me to believe that the financial statements, taken as a whole, are not prepared in all material respects in accordance with the applicable financial reporting framework. This standard also requires me to comply with relevant ethical requirements.
6. A review of financial statements in accordance with ISRE 2400 (Revised) is a limited assurance engagement. I am required to perform procedures, primarily consisting of making inquiries of management and others within the auditee, as appropriate, and applying analytical procedures, and evaluating the evidence obtained.



7. The procedures performed in a review engagement are substantially less than those performed in an audit conducted in accordance with International Standards on Auditing. Accordingly, I do not express an audit opinion on these financial statements.

Report on the annual performance report

8. In accordance with the Public Audit Act 25 of 2004 (PAA) and the general notice issued in terms thereof, I must audit and report on the usefulness and reliability of the reported performance information against predetermined objectives for the selected material performance indicators presented in the annual performance report. The accounting authority is responsible for the preparation of the annual performance report.
9. I selected the following material performance indicators related to programme 2 and programme 4 presented in the annual performance report for the year ended 31 March 2024. I selected those indicators that measure the public entity's performance on its primary mandated functions and that are of significant national, community or public interest.
- Waste Acceptance Criteria (WAC) met for LLW
 - Physical security upgrade implementation plan completed
 - Draft National Waste Inventory Report completed
 - Number of compliance assurance audit report
 - Number of inspections reports
 - External Audit close out reports
10. I evaluated the reported performance information for the selected material performance indicators against the criteria developed from the performance management and reporting framework, as defined in the general notice. When an annual performance report is prepared using these criteria, it provides useful and reliable information and insights to users on the public entity's planning and delivery on its mandate and objectives.
11. I performed procedures to test whether:
- the indicators used for planning and reporting on performance can be linked directly to the public entity's mandate and the achievement of its planned objectives
 - all the indicators relevant for measuring the public entity's performance against its primary mandated and prioritised functions and planned objectives are included
 - the indicators are well defined and verifiable to ensure that they are easy to understand and apply consistently and that I can confirm the methods and processes to be used for measuring achievements
 - the targets can be linked directly to the achievement of the indicators and are specific, time bound and measurable to ensure that it is easy to understand what should be delivered and by when, the required level of performance as well as how performance will be evaluated
 - the indicators and targets reported on in the annual performance report are the same as what was committed to in the approved initial or revised planning documents





- the reported performance information is presented in the annual performance report in the prescribed manner and is comparable and understandable
- there is adequate supporting evidence for the achievements reported and for the reasons provided for any over- or underachievement of targets.

12. I performed the procedures for the purpose of reporting material findings only; and not to express an assurance opinion or conclusion.
13. I did not identify any material findings on the reported performance information for the selected indicators of selected indicators with no material findings.

Other matters

14. I draw attention to the matters below.

Achievement of planned targets

15. The annual performance report includes information on reported achievements against planned targets and provides explanations for over- and under achievements. This information should be considered in the context of the material findings on the reported performance information.
16. The tables that follows provides information on the achievement of planned targets and lists the key indicators that were not achieved as reported in the annual performance report. The reasons for any underachievement of targets are included in the annual performance report on pages 30 to 32 and 34-36.

Programme 2: Radioactive Waste Disposal Operations

Targets achieved: 67%		
Budget spent: 113%		
Key indicator not achieved	Planned target	Reported achievement
Draft National Waste Inventory report completed	Implementation of Framework for the National Waste Inventory Report	Target Not Achieved Implementation of Framework for the National Waste Inventory Report incomplete

Programme 4: Radioactive Waste Compliance Management

Targets achieved: 83%		
Budget spent: 93%		
Key indicator not achieved	Planned target	Reported achievement
Number of compliance assurance Audit reports	2 x Audit Reports	Target Partially Achieved 2 Audits conducted. An audit of the NIL was planned and could not take place as NRWDI is not the licence holder yet.



17. I did not identify any material misstatements in the annual performance report submitted for auditing.

Report on compliance with legislation

18. In accordance with the PAA and the general notice issued in terms thereof, I must audit and report on compliance with applicable legislation relating to financial matters, financial management and other related matters. The accounting authority is responsible for the public entity's compliance with legislation.
19. I performed procedures to test compliance with selected requirements in key legislation in accordance with the AGSA findings engagement methodology. This engagement is not an assurance engagement. Accordingly, I do not express an assurance opinion or conclusion.
20. Through an established AGSA process, I selected requirements in key legislation for compliance testing that are relevant to the financial and performance management of the public entity, clear to allow consistent measurement and evaluation, while also sufficiently detailed and readily available to report in an understandable manner. The selected legislative requirements are included in the annexure to this auditor's report.
21. I did not identify any material non-compliance with the selected legislative requirements.

Internal control deficiencies

22. I considered internal control relevant to my engagement on the financial statements, annual performance report and compliance with applicable legislation; however, my objective was not to express any form of assurance on it.
23. I did not identify any significant deficiencies in internal control.

Professional ethics and quality control

24. I am independent of the entity in accordance with the International Ethics Standards Board for Accountants' International code of ethics for professional accountants (including International Independence Standards) (IESBA code) as well as other ethical requirements that are relevant to my engagements in South Africa. I have fulfilled my other ethical responsibilities in accordance with these requirements and the IESBA code.
25. In accordance with the International Standard on Quality Management 1, the AGSA maintains a comprehensive system of quality management that includes documented policies and procedures on compliance with ethical requirements and professional standards.

Auditor general

Rustenburg

31 July 2024



AUDITOR-GENERAL
SOUTH AFRICA

Auditing to build public confidence





Annexure to the auditor's report

Compliance with legislation – selected legislative requirements

The selected legislative requirements are as follows:

Legislation	Sections regulations
Public Finance Management Act 1 of 1999 (PFMA)	Section 51(1)(a)(iv); 51(1)(b)(ii); 51(1)(e)(iii) Section 53(4) Section 54(2)(c); 54(2)(d) Section 55(1)(a); 55(1)(b); 55(1)(c)(i) Section 56(1); 56(2) Section 57(b);
Treasury Regulations for departments, trading entities, constitutional institutions and public entities (TR)	Treasury regulations 8.2.1; 8.2.2 Treasury regulations 16A 3.1; 16A 3.2; 16A 3.2(a); 16A 6.1; 16A6.2(a) & (b); 16A6.2(e); 16A 6.3(a); 16A 6.3(a)(i); 16A 6.3(b); 16A 6.3(c); 16A 6.3(d); 16A 6.3(e); 16A 6.4; 16A 6.5; 16A 6.6; TR 16A.7.1; 16A.7.3; 16A.7.6; 16A.7.7; 16A 8.2(1); 16A 8.2(2); 16A 8.3; 16A 8.3(d); 16A 8.4; 16A9.1 16A9; 16A9.1(b)(ii); 16A9.1(c); 16A 9.1(d); 16A 9.1(e); 16A9.1(f); 16A 9.2; 16A 9.2(a)(ii); TR 16A 9.2(a)(iii) Treasury regulations 30.1.1; 30.1.3(a); 30.1.3(b); 30.1.3(d); 30.2.1 Treasury regulation 31.1.2(c') Treasury regulations 31.2.1; Treasury regulation 31.3.3 Treasury regulations 33.1.1; 33.1.3
Prevention and Combating of Corrupt Activities Act 12 of 2004 (PRECCA)	Section 34(1)
Construction Industry Development Board Act 38 of 2000 (CIDB)	Section 18(1)
CIDB Regulations	CIDB regulations 17; 25(1); 25 (5) & 25(7A)
Environmental Conservation Act 73 of 1989	73 of 1989 (ECA) and regulations issued in terms of the act
PPPFA	Section 1(i); 2.1(a); 2.1(b); 2.1(f)
PPR 2017	Paragraphs 4.1; 4.2 Paragraphs 5.1; 5.3; 5.6; 5.7 Paragraphs 6.1; 6.2; 6.3; 6.5; 6.6; 6.8 Paragraphs 7.1; 7.2; 7.3; 7.5; 7.6; 7.8 Paragraphs 8.2; 8.5 Paragraphs 9.1; 9.2 Paragraphs 10.1; 10.2 Paragraphs 11.1; 11.2 Paragraphs 12.1 and 12.2
PPR 2022	Paragraph 3.1 Paragraphs 4.1; 4.2; 4.3; 4.4 Paragraphs 5.1; 5.2; 5.3; 5.4
PFMA SCM Instruction Note. 09 of 2022-23	Paragraphs 3.1; 3.3(b); 3.3(c); 3.3(e); 3.6
NT Instruction Note 1 of 2015-16	Paragraphs 3.1; 4.1; 4.2
NT SCM Instruction Note 03 2021-22	Paragraphs 4.1; 4.2 (b); 4.3; 4.4; 4.4 (a); 4.4 (c) -(d); 4.6



Legislation	Sections or regulations
	Paragraph 5.4 Paragraphs 7.2; 7.6
NT SCM Instruction Note 4A of 2016-17	Paragraph 6
NT SCM Instruction Note 03 2019-20	Paragraphs 5.5.1(vi); 5.5.1(x);
NT SCM Instruction Note 11 2020-21	Paragraphs 3.1; 3.4 (a) and (b); 3.9; 6.1;6.2;6.7
NT SCM Instruction Note 2 of 2021-22	Paragraphs 3.2.1; 3.2.2; 3.2.4(a) and (b); 3.3.1; 3.2.2 Paragraph 4.1
PFMA SCM Instruction Note 04 of 2022-23	Paragraphs 4(1); 4(2); 4(4)
Practice Note 5 of 2009-10	Paragraph 3.3
PFMA SCM Instruction Note 08 of 2022-23	Paragraph 3.2 Paragraphs 4.3.2; 4.3.3
Competition Act	Section 4(1)(b)(ii)
NT Instruction Note 4 of 2015-16	Paragraph 3.4
Second amendment of NTI 05 of 2020-21	Paragraphs 4.8; 4.9; 5.1; 5.3
Erratum NTI 5 of 2020-21	Paragraph 1
Erratum NTI 5 of 2020-21	Paragraph 2
Practice Note 7 of 2009-10	Paragraph 4.1.2
Practice Note 11 of 2008-09	Paragraph 3.1 Paragraph 3.1(b)
NT Instruction Note 1 of 2021-22	Paragraph 4.1





Director's Responsibilities and Approval

The directors are required, in terms of the National Radioactive Waste Disposal Institute Act, No.53 of 2008 and the PFMA, to maintain adequate accounting records and are responsible for the content and integrity of the annual financial statements and related financial information included in this report.

It is their responsibility to ensure that the annual financial statements fairly present the state of affairs of the entity as at the end of the financial year and the results of its operations and cash flows for the period then ended, in conformity with South African Statements of Generally Recognised Accounting Practice (GRAP). The external auditors are engaged to express an independent opinion on the financial statements. The financial statements fairly present the financial position, financial performance and cash flows as per the requirements of GRAP.

The annual financial statements have been prepared in accordance with Standards of Generally Recognised Accounting Practice (GRAP) and are based upon appropriate accounting policies consistently applied and supported by reasonable and prudent judgments and estimates.

The act sets standards for internal control aimed at reducing the risk of error or loss in a cost-effective manner. The standards include the proper delegation of responsibilities within a clearly defined framework, effective accounting procedures and adequate segregation of duties to ensure an acceptable level of risk.

These controls are monitored throughout the entity and all employees are required to maintain the highest ethical standards in ensuring the entity's business is conducted

in a manner that, in all reasonable circumstances, is above reproach. The focus of risk management in the entity is on identifying, assessing, managing and monitoring all known forms of risk across the entity. While operating risk cannot be fully eliminated, the entity endeavours to minimise it by ensuring that appropriate infrastructure, controls, systems and ethical behaviour are applied and managed within predetermined procedures and constraints.

The directors are of the opinion, based on the information and explanations given by management, that the system of internal control provides reasonable assurance that the financial records may be relied on for the preparation of the audited annual financial statements. However, any system of internal financial control can provide only reasonable, and not absolute, assurance against material misstatement or deficit.

The directors have reviewed the entity's cash flow forecast for the year to 31 March 2025 and, in the light of this review and the current financial position, they are satisfied that the entity has or has access to adequate resources to continue in operational existence for the foreseeable future.

The external auditors are responsible for independently reviewing and reporting on the entity's audited annual financial statements. The audited annual financial statements have been examined by the entity's external auditors and their report is presented on page 62.

The audited annual financial statements set out on pages 73-97, were approved by the board on the 26 July 2024 and were signed on their behalf by:

MS DORAH MODISE

Chairperson: NRWDI
Date: 31 July 2024



Director's Report

The directors submit their report for the year ended 31 March 2024.

1. Review of activities

Main business and operations

The institute was formed in terms of the National Radioactive Waste Disposal Institute Act, No. 53 of 2008 and commenced operations on 1 April 2014.

The annual financial statements have been prepared in accordance with the South African Standards of Generally Recognised Accounting Practice (SA Standards of GRAP), the requirements of the National Radioactive Waste Disposal Institute Act, the Public Finance Management Act (PFMA) and relevant Treasury Regulations. The operating results and state of affairs of the entity are fully set out in the attached audited annual financial statements and do not in our opinion require any further comment.

2. Going concern

The directors believe that the entity has adequate financial resources to continue in operation for the foreseeable future and accordingly the annual financial statements have been prepared on a going concern basis. The directors have satisfied themselves that the entity is in a sound financial position and that it has access to sufficient borrowing facilities to meet its foreseeable cash requirements.

The directors are not aware of any new material changes that may adversely impact the entity. The directors are also not aware of any material non-compliance with statutory or regulatory requirements or of any pending changes to legislation which may affect the entity.

3. Events After Reporting Date

The directors are not aware of any matter or circumstance arising since the end of the financial year to the date of this report that could have a material effect on the financial position of the entity.

4. Directors

The directors of the entity during the year and to the date of this report are as follows:

Name	Date of appointment	End of term
Ms Dorah Modise (Chairperson)	17 August 2023	16 August 2026
Dr Wolsey Barnard (Deputy Chairperson)	17 August 2023	16 August 2026
Adv Derick Block	17 August 2023	16 August 2026
Dr Kgaugelo Chiloane - re-appointed	17 August 2023	16 August 2026
Mr Thabiso Pie (DMRE representative)	19 October 2021	18 October 2024
Mr Zukile Zibi (DMRE alternative representative)	17 August 2023	16 August 2026
Ms Mamogala Musekene (DFFE representative)	19 November 2021	18 November 2024
Mr Obed Baloyi (DFFE alternate representative)	19 November 2021	18 November 2024
Ms Aneliswa Cele (DOH representative)	19 November 2021	18 November 2024
Ms Tovhowani Nyamande (DWS representative)	22 February 2022	21 February 2025
Dr Jabulani Maluleke (DWS representative)	22 February 2022	21 February 2025
Mr Mogwera Khoathane (Board Chairperson)	11 August 2020	10 August 2023
Ms Leanda - Marsha Mtshali	11 August 2020	10 August 2023
Dr Kaugelo Chiloane	11 August 2020	10 August 2023
Mr Moerane Maimane	27 October 2022	10 August 2023





Director's Report

Name	Date of appointment	End of term
Ms Lerato Makgae (DMRE representative)	11 August 2020	10 August 2023
Dr Margaret Mkhosi (CEO)	01 November 2021	26 April 2024
Mr Justin Daniel (CFO)	ex-officio	ex-officio

5. Auditors

Auditor-General SA will continue in office for the next financial period.

6. Operationalisation of the entity

The directors have developed a plan to operationalise the organisation, key amongst the matters attended to are the formation of the board statutory committees, the appointment of the key staff members, the establishment of plan to transfer the key operational activities from Necsa to the entity and the preparation of the financing model for the entity.

7. Materiality and significant framework

A materiality and significant framework has been developed for reporting losses through criminal conduct and irregular, fruitless and wasteful expenditure, as well as for significant transactions envisaged per section 54(2) of the PFMA that require ministerial approval. The framework has been formally approved by the Board.

MS DORAH MODISE

Chairperson: NRWDI
Date: 31 July 2024



Statement of Financial Position as at 31 March 2024

Figures in Rand	Note(s)	2024	2023
Assets			
Current Assets			
Receivables from exchange transactions	5	736 372	580 551
Cash and cash equivalents	6	31 865 520	36 903 553
		32 601 892	37 484 104
Non-Current Assets			
Property, plant and equipment	3	5 429 778	2 389 006
Intangible assets	4	833 920	230 306
		6 263 698	2 619 312
Total Assets		38 865 590	40 103 416
Liabilities			
Current Liabilities			
Payables from exchange transactions	7	3 528 550	2 894 375
Provisions	8	4 337 046	6 342 314
		7 865 596	9 236 689
Total Liabilities		7 865 596	9 236 689
Net Assets		30 999 994	30 866 727
Accumulated surplus		30 999 994	30 866 727
Total Net Assets		30 999 994	30 866 727





Statement of Financial Performance

Figures in Rand	Note(s)	2024	2023
Revenue			
Revenue from exchange transactions			
Other income	10	4 026 664	2 553 315
Revenue from non-exchange transactions			
Transfer revenue			
Government grants & subsidies	9	50 486 000	50 304 000
Total revenue		54 512 664	52 857 315
Expenditure			
Employee related costs	11	(40 724 543)	(39 087 157)
Contracted Services	12	(2 289 271)	(1 849 431)
Depreciation and amortisation	13	(1 192 288)	(1 147 149)
Lease rentals on operating lease	14	(1 157 766)	(939 669)
Debt Impairment		(121 384)	-
Loss on disposal of assets		(21 181)	-
General Expenses	15	(8 872 965)	(5 699 102)
Total expenditure		(54 379 398)	(48 722 508)
Surplus for the year		133 266	4 134 807



Statement of Changes in Net Assets

Figures in Rand	Accumulated surplus / deficit	Total net assets
Balance at 01 April 2022	26 731 920	26 731 920
Changes in net assets		
Surplus for the year	4 134 807	4 134 807
Total changes	4 134 807	4 134 807
Balance at 01 April 2023	30 866 728	30 866 728
Changes in net assets		
Surplus for the year	133 266	133 266
Total changes	133 266	133 266
Balance at 31 March 2024	30 999 994	30 999 994





Cash Flow Statement

Figures in Rand	Note(s)	2024	2023
Cash flows from operating activities			
Receipts			
Grants		50 486 000	50 304 000
Other receipts		4 026 664	2 553 315
		54 512 664	52 857 315
Payments			
Employee costs		(42 051 659)	(38 950 483)
Suppliers		(12 641 184)	(8 228 938)
		(54 692 843)	(47 179 421)
Net cash flows from operating activities	17	(180 179)	5 677 894
Cash flows from investing activities			
Purchase of property, plant and equipment	3	(3 858 928)	(536 691)
Purchase of other intangible assets	4	(998 926)	-
Net cash flows from investing activities		(4 857 854)	(536 691)
Net increase/(decrease) in cash and cash equivalents		(5 038 033)	5 141 203
Cash and cash equivalents at the beginning of the year		36 903 553	31 762 351
Cash and cash equivalents at the end of the year	6	31 865 520	36 903 554



Statement of Comparison of Budget and Actual Amounts

Budget on Accrual Basis						
	Approved budget	Adjustments	Final Budget	Actual amounts on comparable basis	Difference between final budget and actual	Reference
Figures in Rand						
Statement of Financial Performance						
Revenue						
Revenue from exchange transactions						
Other income - (rollup)	1 600 000	-	1 600 000	4 026 664	2 426 664	26
Revenue from non-exchange transactions						
Transfer revenue						
Government grants & subsidies	50 486 000	-	50 486 000	50 486 000	-	26
Total revenue	52 086 000	-	52 086 000	54 512 664	2 426 664	
Expenditure						
Personnel	(42 874 000)	-	(42 874 000)	(40 724 543)	2 149 457	26
Contracted Services	(602 327)	-	(602 327)	(2 289 271)	(1 686 944)	26
Depreciation and amortisation	(1 200 000)	-	(1 200 000)	(1 192 288)	7 712	
Lease rentals on operating lease	(1 600 000)	-	(1 600 000)	(1 157 766)	442 234	26
Debt Impairment	-	-	-	(121 384)	(121 384)	
General Expenses	(5 809 673)	-	(5 809 673)	(8 872 965)	(3 063 292)	26
Total expenditure	(52 086 000)	-	(52 086 000)	(54 358 217)	(2 272 217)	
Operating surplus	-	-	-	154 447	154 447	
Loss on disposal of assets and liabilities	-	-	-	(21 181)	(21 181)	
Surplus before taxation	-	-	-	133 266	133 266	
Actual Amount on Comparable Basis as Presented in the Budget and Actual Comparative Statement	-	-	-	133 266	133 266	
Reconciliation						



Material Accounting Policies

1. Material accounting policies

The material accounting policies applied in the preparation of these audited annual financial statements are set out below.

1.1 Basis of preparation and significant judgements and estimates of uncertainty

The annual financial statements were prepared on the accrual basis of accounting (with the exception of the Cash flow Statement) and incorporates the historical cost convention as the basis of measurement, except where specified otherwise. Assets, liabilities, revenues and expenses were not offset, except where offsetting is either required or permitted by a Standard of GRAP.

The annual financial statements have been prepared on the going concern basis. All accounting policies have been consistently applied to all the periods presented. The preparation of financial statements in conformity with SA Standards of GRAP requires the use of certain critical financial accounting estimates. It also requires management to exercise its judgement in the process of applying the entity's accounting policies.

In preparing the annual financial statements, management is required to make estimates and assumptions that affect the amounts presented in the annual financial statements and related disclosures. Use of available information and the application of judgement is inherent in the formation of estimates. Actual results in the future could differ from these estimates which may be material to the annual financial statements. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods. The estimates and assumptions on provisions and receivables are referenced in note 1.11 and 1.6 respectively.

1.2 Going concern assumption

These audited annual financial statements have been prepared based on the expectation that the entity will continue to operate as a going concern for at least the next 12 months.

1.3 Materiality

Omissions or misstatements of items are material if they could, individually or collectively, influence the decisions or assessments of users made on the basis of the financial statements. Materiality depends on the nature or size of the omission or misstatement judged in the surrounding circumstances. The nature or size of the information item, or a combination of both, could be the determining factor.

Assessing whether an omission or misstatement could influence decisions of users, and so be material, requires consideration of the characteristics of those users. The Framework for the Preparation and Presentation of Financial Statements states that users are assumed to have a reasonable knowledge of government, its activities, accounting and a willingness to study the information with reasonable diligence. Therefore, the assessment takes into account how users with such attributes could reasonably be expected to be influenced in making and evaluating decisions.

The entity does not retrospectively adjust the accounting of past items (or group of items) that were previously assessed as immaterial, unless an error occurred.

1.4 Property, plant and equipment

Property, plant and equipment is initially measured at cost. Costs include costs incurred initially to acquire or construct an item of property, plant and equipment and costs incurred subsequently to add to, replace part of, or service it. If a replacement cost is recognised in the carrying amount of an item of property, plant and equipment, the carrying amount of the replaced part is derecognised.

Management expects to scrap the assets at the end of their useful lives and therefore the residual values are estimated to be negligible. Useful lives and residual values are assessed when there is an indication that there is a change in useful life. The carrying amount of an item of property, plant and equipment shall be derecognised on disposal, or when no future economic benefits or service potential are expected from its use or disposal. The disposal of an item of property, plant and equipment may occur in a variety of ways e.g. by sale, by entering into a finance lease or by donation



Material Accounting Policies

Property, plant and equipment are depreciated on the straight-line basis over their expected useful lives to their estimated residual value.

Property, plant and equipment is carried at cost less accumulated depreciation and any impairment losses.

The useful lives of items of property, plant and equipment have been assessed as follows:

Item	Depreciation method	Average useful life
Machinery and equipment	Straight-line	5-10 years
Motor vehicles	Straight-line	5-10 years
Office equipment and Furniture and fittings	Straight-line	5-10 years
Computer equipment	Straight-line	5 years

The gain or loss arising from the derecognition of an item of property, plant and equipment is included in surplus or deficit when the item is derecognised. The gain or loss arising from the derecognition of an item of property, plant and equipment is determined as the difference between the net disposal proceeds, if any, and the carrying amount of the item.

The entity separately discloses expenditure to repair and maintain property, plant and equipment in the notes to the financial statements (see note 14).

1.5 Intangible assets

An intangible asset is recognised when:

- it is probable that the expected future economic benefits or service potential that are attributable to the asset will flow to the entity; and
- the cost or fair value of the asset can be measured reliably.

After initial recognition, an intangible asset shall be carried at its cost less any accumulated amortisation and any accumulated impairment losses. The entity assesses the probability of expected future economic benefits or service potential using reasonable and supportable assumptions that represent management's best estimate of the set of economic conditions that will exist over the useful life of the asset.

Where an intangible asset is acquired through a non-exchange transaction, its initial cost at the date of acquisition is measured at its fair value as at that date.

An intangible asset is regarded as having an indefinite useful life when, based on all relevant factors, there is no foreseeable limit to the period over which the asset is expected to generate net cash inflows or service potential. Amortisation is not provided for these intangible assets, but they are tested for impairment annually and whenever there is an indication that the asset may be impaired. For all other intangible assets amortisation is provided on a straight-line basis over their useful life.

The amortisation period and the amortisation method for intangible assets are reviewed at each reporting date.

Reassessing the useful life of an intangible asset with a finite useful life after it was classified as indefinite is an indicator that the asset may be impaired. As a result the asset is tested for impairment and the remaining carrying amount is amortised over its useful life.

Internally generated brands, mastheads, publishing titles, customer lists and items similar in substance are not recognised as intangible assets.

Amortisation is provided to write down the intangible assets, on a straight-line basis, to their residual values as follows:

Item	Depreciation method	Average useful life
Computer software and licences	Straight-line	3-5 years

The entity discloses relevant information relating to assets under construction or development, in the notes to the financial statements (see note 4).

Intangible assets are derecognised:

- on disposal; or
- when no future economic benefits or service potential are expected from its use or disposal.

The gain or loss arising from the derecognition of intangible assets is included in surplus or deficit when the asset is derecognised (unless the Standard of GRAP on leases requires otherwise on a sale and leaseback).

1.6 Financial instruments

Initial Recognition and Measurement

Financial instruments are recognised when the entity becomes a party to the contractual provisions of the instruments and





Material Accounting Policies

are initially measured at its fair value plus, in the case of a financial asset or a financial liability not subsequently measured at fair value, transaction costs that are directly attributable to the acquisition or issue of the financial asset or financial liability.

De-recognition

Financial assets are de-recognised when the contractual rights to receive cash flows have been transferred or have expired or when substantially all the risks and rewards of ownership have passed. All other assets are derecognised on disposal or when no future economic benefits are expected from their use.

Financial liabilities are de-recognised when the relevant obligation has either been discharged or cancelled or has expired.

Subsequent measurement

Subsequent to initial recognition financial assets and financial liabilities are measured at amortised cost, using the effective interest method.

Effective interest method

The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the debt instrument, or, where appropriate, a shorter period, to the net carrying amount on initial recognition.

Interest income is recognised on an effective interest basis for debt instruments other than those financial assets classified as at Fair value through surplus or deficit.

Receivables from Exchange Transactions

Trade receivables are measured at initial recognition at fair value and are subsequently measured at amortised cost using the effective interest rate method. Appropriate allowances for estimated irrecoverable amounts are recognized in surplus or deficit when there is objective evidence that the asset is impaired. Significant financial difficulties of the debtor, probability that the debtor will enter bankruptcy or financial reorganization, and default or delinquency in payments (more than 30 days overdue) are considered indicators that the trade

receivable is impaired. The allowance recognized is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows discounted at the effective interest rate computed at initial recognition.

Payables from Exchange Transactions

Trade payables are initially measured at fair value, and is subsequently measured at amortised cost, using the effective interest rate method.

1.7 Tax

Tax Expenses

No provision has been made for taxation, as the entity is exempt from income tax in terms of Section 10 of the Income Tax Act, 1962 (Act No. 58 of 1962). The National Radioactive Waste Disposal Institute is a Schedule 3A entity and therefore VAT exempted.

1.8 Leases

A lease is classified as a finance lease if it transfers substantially all the risks and rewards incidental to ownership. A lease is classified as an operating lease if it does not transfer substantially all the risks and rewards incidental to ownership.

Operating leases - lessee

Operating lease payments are recognised as an expense on a straight-line basis over the lease term. The difference between the amounts recognised as an expense and the contractual payments are recognised as an operating lease asset or liability.

1.9 Impairment of cash-generating assets

Cash-generating assets are assets used with the objective of generating a commercial return. Commercial return means that positive cash flows are expected to be significantly higher than the cost of the asset.

- the period of time over which an asset is expected to be used by the entity; or
- the number of production or similar units expected to be obtained from the asset by the entity.

Non-cash-generating assets are assets other than cash-generating assets which are used to deliver services. The entity currently has only non-cash generating assets.



Material Accounting Policies

An asset is impaired when the carrying amount of the asset exceeds its recoverable service amount

In assessing whether there is any indication that an asset may be impaired, the entity shall consider, as a minimum, the following indications:

- Physical damage of assets
- Excessive maintenance required on an asset.
- Intended use of an asset changed and now the assets are not being used
- Performance of the asset has reduced beyond what is expected based on the age of asset or group of assets
- Acts of God
- Decision to halt the construction of the asset before it is complete or in a usable condition.
- Decrease in the request for a service although the asset can still perform at the level required
- Changes in technology with an adverse effect on the use of asset
- Significant changes with an adverse effect on the entity in the government policy environment

A change in a parameter such as demand for the service, extent or manner of use, legal environment or government policy environment would indicate impairment only if such a change was significant and had or was anticipated to have a long-term adverse effect.

An impairment loss is recognised immediately in surplus or deficit. Any impairment loss of a revalued non-cash-generating asset is treated as a revaluation decrease.

When the amount estimated for an impairment loss is greater than the carrying amount of the non-cash-generating asset to which it relates, the entity recognises a liability only to the extent that is a requirement in the Standards of GRAP.

1.10 Employee benefits

Employee benefits are all forms of consideration given by an entity in exchange for service rendered by employees. Employee benefits include monthly salaries, leave entitlements, performance bonuses, and post-retirement benefits.

Leave pay

Provision for employee entitlement to annual leave represents the present obligation that NRWDI has as a result of employees' services provided up to the reporting date. The provision is calculated using salary rates effective at the reporting date.

Post-retirement employee benefits

NRWDI contributes to a defined retirement contribution fund on behalf of its employees and is not exposed to any actuarial or investment risk of the fund. As the contributions made are those of the employees from guaranteed remuneration, the contributions paid are expensed as remuneration.

Performance bonus

The provision for performance bonuses represents the obligation to reward performance based on the performance incentive arrangements in place for services rendered up to the reporting date. The provision is the best estimate of performance bonuses payable in accordance with the rules of the arrangements at the reporting date and using past history.

1.11 Provisions and contingencies

Provisions

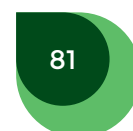
Provisions are recognised when:

- the entity has a present obligation as a result of a past event;
- it is probable that an outflow of resources embodying economic benefits or service potential will be required to settle the obligation; and
- a reliable estimate can be made of the obligation.

The amount of a provision is the best estimate of the expenditure expected to be required to settle the present obligation at the reporting date.

Where the effect of time value of money is material, the amount of a provision is the present value of the expenditures expected to be required to settle the obligation.

Where some or all of the expenditure required to settle a provision is expected to be reimbursed by another party, the reimbursement is recognised when, and only when, it is virtually certain that reimbursement will be received if the entity settles the obligation. The reimbursement is treated as a





Material Accounting Policies

separate asset. The amount recognised for the reimbursement does not exceed the amount of the provision.

Provisions are reviewed at each reporting date and adjusted to reflect the current best estimate. Provisions are reversed if it is no longer probable that an outflow of resources embodying economic benefits or service potential will be required, to settle the obligation.

All the provisions of the entity are short-term in nature and the effect of discounting is immaterial. Provisions are made for outstanding leave entitlements in respect of leave days carried at the end of the financial year as well as performance incentives, which calculation is based on an average of the range of qualifying incentive percentages.

Contingent Liability

A possible obligation that arises from past events and whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity.

A present obligation that arises from past events but is not recognised because it is not probable that an outflow of resources embodying economic benefits or service potential will be required to settle the obligation or the amount of the obligation cannot be measured with sufficient reliability. Contingent liabilities are not recognised but disclosed in the notes to the annual financial statements.

Contingent Asset

A contingent asset is a possible asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly in the control of the entity. Contingent assets are not recognised but disclosed in the notes to the annual financial statements.

1.12 Commitments

Commitments represent the orders issued to the suppliers that have been approved, but where no delivery has taken place as at year end. Commitments are not recognised in the statement of financial position as a liability or asset but are included in the disclosure notes.

1.13 Revenue recognition

Revenue from exchange transactions

Revenue is recognised when it is probable that future economic benefits or service potential will flow to the entity and these benefits can be measured reliably. Revenue is measured at fair value of the consideration received or receivable and represents the amounts receivable for services provided in the normal course of business.

An exchange transaction is one in which the entity receives assets or services, or has liabilities extinguished, and directly gives approximately equal value (primarily in the form of goods, services or use of assets) to the other party in exchange.

Interest income is accrued on a time basis, by reference to the principal amount outstanding and at the effective interest rate applicable.

1.14 Revenue from non-exchange transactions

Revenue from non-exchange transactions is comprised of government grants. Conditions on transferred assets are stipulations that specify that the future economic benefits or service potential embodied in the asset is required to be consumed by the recipient as specified or future economic benefits or service potential must be returned to the transferor.

Restrictions on transferred assets are stipulations that limit or direct the purposes for which a transferred asset may be used, but do not specify that future economic benefits or service potential is required to be returned to the transferor if not deployed as specified.

Recognition

An inflow of resources from a non-exchange transaction recognised as an asset is recognised as revenue, except to the extent that a liability is also recognised in respect of the same inflow.

As the entity satisfies a present obligation recognised as a liability in respect of an inflow of resources from a non-exchange transaction recognised as an asset, it reduces the carrying amount of the liability recognised and recognises an amount of revenue equal to that reduction.



Material Accounting Policies

Revenue received from conditional grants, donations and funding are recognised as revenue to the extent that the entity has complied with the conditions embodied in the agreement. To the extent that the conditions have not been met, a liability is recognised.

Measurement

Revenue from a non-exchange transaction is measured at the amount of the increase in net assets recognised by the entity.

When, as a result of a non-exchange transaction, the entity recognises an asset, it also recognises revenue equivalent to the amount of the asset measured at its fair value as at the date of acquisition, unless it is also required to recognise a liability. Where a liability is required to be recognised it will be measured as the best estimate of the amount required to settle the obligation at the reporting date, and the amount of the increase in net assets, if any, recognised as revenue. When a liability is subsequently reduced, because the taxable event occurs or a condition is satisfied, the amount of the reduction in the liability is recognised as revenue. In these financial statements, surplus is used instead of profit as the entity is not profit driven, yet could generate surplus revenue over costs.

1.15 Fruitless and wasteful expenditure

Fruitless expenditure means expenditure which was made in vain and would have been avoided had reasonable care been exercised. Fruitless and wasteful expenditure is accounted for as expenditure in the statement of financial performance and when recovered, it is subsequently accounted for as revenue in the statement of financial performance.

1.16 Irregular expenditure

Irregular expenditure means expenditure incurred in contravention of, or not in accordance with, a requirement of any applicable legislation, including:

- The Public Finance Management Act (PFMA), Act 1 of 1999 (as amended by Act 29 of 1999);
- The State Tender Board Act, 1968 (Act No.86 of 1968); or any regulation made in terms of the Act;
- The National Radioactive Waste Disposal Institute Act, No. 53 of 2008.

All irregular, fruitless or wasteful expenditure is charged against surplus or deficit in the period it was incurred. Irregular expenditure that is not condoned is recoverable in line with the outcome of the investigation. Irregular expenditure is recognised as an expense in the statement of financial performance and a receivable is raised in the statement of financial position when the expenditure is recoverable. Irregular expenditure disclosure is done in line with paragraph 77 and 78 of the Irregular Expenditure Framework as issued by the National Treasury.

1.17 Budget information

The entity is currently subject to budgetary limits in the form of appropriations or budget authorizations from National Treasury via the Department of Mineral Resources and Energy. The approved budget is prepared on an accrual basis and presented by economic classification linked to performance outcome objectives

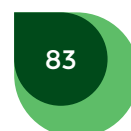
The approved budget covers the one fiscal period, from 01 April to 31 March the following year. The annual financial statements and the budget are on the same basis of accounting therefore a comparison with the budgeted amounts for the reporting period have been included in the Statement of comparison of budget and actual amounts.

1.18 Related parties

Parties are considered to be related if one party has the ability to control the other party or to exercise significant influence or joint control over the other party in making financial and operational decisions. A related party transaction is a transfer of resources, services or obligations between related parties, regardless of whether a price is charged.

Management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the entity directly or indirectly.

All transactions with related parties are disclosed





Notes to the Audited Annual Financial Statements

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2. New standards and interpretations

2.1 Standards and interpretations effective and adopted in the current year

In the current year, the entity has adopted the following standards and interpretations that are effective for the current financial year and that are relevant to its operations:

Standard / Interpretation	Effective date: Years beginning on or after	Expected impact
GRAP 1: Presentation of Financial Statements (Materiality)	1 April 2023	No material impact
IGRAP 21: The Effect of Past Decisions on Materiality	1 April 2023	No material impact
GRAP 25: Employee Benefits	1 April 2023	No material impact
GRAP 2020: Improvements to the Standards of GRAP 2020	1 April 2023	No material impact
Guidelines on Accounting for Landfill Sites	1 April 2023	No material impact

2.2 Standards and interpretations issued, but not yet effective

The entity has not applied the following standards and interpretations, which have been published and are mandatory for the entity's accounting periods beginning on or after 01 April 2024 or later periods:

Standard / Interpretation	Effective date: Year beginning on or after	Expected impact
IGRAP 22: Foreign Currency Transactions and Advance Consideration	1 April 2025	Unlikely there will be a material impact
GRAP 103: Heritage Assets	Not yet effective	Unlikely there will be a material impact
GRAP 104: Financial Instruments	1 April 2025	Unlikely there will be a material impact
GRAP 105, 106 and 107: Transfers of Functions and Mergers	Not yet effective	Unlikely there will be a material impact
GRAP 2023: Improvements to the Standards of GRAP 2023	Not yet effective	Unlikely there will be a material impact



Notes to the Audited Annual Financial Statements

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3. Property, plant and equipment

	2024			2023		
	Cost / Valuation	Accumulated depreciation and accumulated impairment	Carrying value	Cost / Valuation	Accumulated depreciation and accumulated impairment	Carrying value
Plant and machinery	12 015	(12 013)	2	12 015	(12 013)	2
Furniture and fixtures	1 614 286	(1 184 031)	430 255	1 609 948	(1 022 187)	587 761
Motor vehicles	955 508	(716 631)	238 877	955 508	(525 530)	429 978
IT equipment	6 996 211	(2 235 567)	4 760 644	3 188 567	(1 817 302)	1 371 265
Total	9 578 020	(4 148 242)	5 429 778	5 766 038	(3 377 032)	2 389 006

Reconciliation of property, plant and equipment - 2024

	Opening balance	Additions	Disposals	Depreciation	Total
Plant and machinery	2	-	-	-	2
Furniture and fixtures	587 761	7 735	(907)	(164 334)	430 255
Motor vehicles	429 978	-	-	(191 101)	238 877
IT equipment	1 371 265	3 851 193	(20 274)	(441 540)	4 760 644
	2 389 006	3 858 928	(21 181)	(796 975)	5 429 778

Reconciliation of property, plant and equipment - 2023

	Opening balance	Additions	Depreciation	Total
Plant and machinery	1 424	-	(1 422)	2
Furniture and fixtures	764 379	-	(176 618)	587 761
Motor vehicles	621 080	-	(191 102)	429 978
IT equipment	1 318 118	536 691	(483 544)	1 371 265
	2 705 001	536 691	(852 686)	2 389 006



Notes to the Audited Annual Financial Statements

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4. Intangible assets

	2024			2023		
	Cost / Valuation	Accumulated amortisation and accumulated impairment	Carrying value	Cost / Valuation	Accumulated amortisation and accumulated impairment	Carrying value
Computer software and licences	2 622 017	(1 788 097)	833 920	1 623 091	(1 392 785)	230 306

Reconciliation of intangible assets - 2024

	Opening balance	Additions	Amortisation	Total
Computer software and licences	230 306	998 926	(395 312)	833 920

Reconciliation of intangible assets - 2023

	Opening balance	Amortisation	Total
Computer software and licences	524 769	(294 463)	230 306

5. Receivables from exchange transactions

Trade debtors	5 233 331	5 233 331
Provision for doubtful debts	(5 233 331)	(5 111 947)
Deposits	141 571	141 571
Other receivables	247 643	208 980
Prepaid expenses	347 158	108 616
	736 372	580 551

Trade and other receivables impaired

As of 31 March 2024, trade and other receivables of R5,233,331 (2023: R5,111,947) in respect of waste fees and legal fees were past due and provided for possible impairment. This amount was fully provided for due to the uncertainty of its recoverability. The matter is still in progress as at the end of the financial year under review. Follow up on the matter was done in October 2022 and further engagements were had with the Necsa CFO in December 2023 and February 2024.

The ageing of the trade receivables is as follows:

Over 6 months	5 233 331	51 111 947
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Reconciliation of provision for impairment of trade and other receivables

Opening balance	5 111 947	5 111 947
Provision for impairment	121 384	-
	5 233 331	5 111 947



Notes to the Audited Annual Financial Statements

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6. Cash and cash equivalents

Cash and cash equivalents consist of:

Cash on hand	132	2 136
Bank balances	31 856 490	36 890 997
Short-term deposits	6 395	5 894
Other cash and cash equivalents	2 503	4 526
	31 865 520	36 903 553

7. Payables from exchange transactions

Trade payables	889 946	454 461
Employee benefit accruals	2 288 364	2 134 569
Trade payable accruals	350 240	305 345
	3 528 550	2 894 375

Creditors are paid within 30 days of receipt of the invoice.

The ageing of trade and other payable is as follows:

Trade payables		
Current	889 946	454 461
Employee benefit accruals		
Current	2 288 364	2 134 569
Trade payables accruals		
Current	350 240	305 345



Notes to the Audited Annual Financial Statements

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8. Provisions

Incentive bonus provision	4 337 046	5 823 674
Employee benefit cost	-	518 640
	4 337 046	6 342 314

Reconciliation of provisions - 2024

	Opening Balance	Additions	Utilised during the year	Reversed during the year	Total
Incentive bonus provision	5 823 674	1 226 053	(2 363 221)	(349 460)	4 337 046
Employee benefit cost	518 640	-	(491 130)	(27 510)	-
	6 342 314	1 226 053	(2 854 351)	(376 970)	4 337 046

Reconciliation of provisions - 2023

	Opening Balance	Additions	Utilised during the year	Reversed during the year	Total
Incentive bonus provision	5 569 683	3 110 993	(2 671 026)	(185 976)	5 823 674
Employee benefit cost	-	518 640	-	-	518 640
	5 569 683	3 629 633	(2 671 026)	(185 976)	6 342 314

Performance bonus

Performance bonus represents management's best estimate of bonus potentially payable to qualifying NRWDI employees who signed the performance agreement with the NRWDI for financial year ending 31 March 2023. Performance target is set by the board at the beginning of each financial year, and employees' performance scores are linked to the overall performance of the NRWDI. Management has reasonably provided for a bonus in at an average individual pay out rate of 3.5% (2024) 9.5% (2023) of total cost to company. The payment of bonus is discretionary in terms of the NRWDI policy and is only due and payable after declaration and approval by the board.

Employee Benefit cost

The employee benefit cost relates to an augmentation of the cost-of living salary adjusts for levels D and E salary band employees for the 2022/2023 financial year. This was paid in the current financial year i.e. 2023/2024.

9. Government grants & subsidies

Operating grants

Department of Mineral Resources and Energy	50 486 000	50 304 000
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The funds of the entity consist of money appropriated by Parliament through National Treasury.

10. Other income

Interest received	3 947 310	2 552 257
Commission received	1 095	1 058
Miscellaneous income	78 259	-
	4 026 664	2 553 315



Notes to the Audited Annual Financial Statements

Figures in Rand	2024	2023
11. Employee related costs		
Basic salary	34 246 402	31 109 394
Statutory contributions	888 016	710 399
Movement in leave provision	125 080	3 341
Company contribution - retirement fund	4 506 327	4 255 955
Movement in bonus provision	876 593	2 925 018
Allowances	82 125	83 050
	40 724 543	39 087 157

12. Contracted Services

Contracted-out services	1 138 327	1 849 431
Legal advisor services	1 150 944	-
	2 289 271	1 849 431

NRWDI sought the services of a law firm to provide legal services as required from time to time in the absence of the in-house Legal Advisor.

The Contracted-out services expense relate mainly to IT systems

This note was configured for the purpose of fair presentation. This resulted in this line item being reclassified outside general expenses.

13. Depreciation and amortisation

Property, plant and equipment	796 975	852 686
Intangible assets	395 313	294 463
	1 192 288	1 147 149

14. Lease rentals on operating lease

Premises		
Contractual amounts	1 157 766	939 669

The lease commitment relates to a lease agreement that was entered into with Necsa for office accommodation totaling 1000 square metres. The lease agreement was for the initial period 01 April 2017 to 31 March 2019 and was extended for an additional 2 years; i.e., from 01 April 2019 to 31 March 2021.

Management engaged with Necsa prior to the expiry of the lease in March 2021 to inform Necsa of its intention to relocate from Pelindaba and further requested Necsa to extend the lease on a month-to-month basis.

In the meantime, NRWDI has exercised the option available in the lease agreement for the occupation to be deemed to be a monthly rental agreement with the similar terms and conditions of the expired agreement. Furthermore NRWDI approached the market for provision of new office accommodation.





Notes to the Audited Annual Financial Statements

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15. General expenses

Advertising	144 283	83 802
Auditors remuneration	1 083 358	866 078
Bank charges	30 072	24 246
Legal costs	534 654	398 561
Consumables	34 296	16 158
Entertainment	20 274	34 003
Gifts	3 160	1 400
Insurance	145 549	125 677
Development material (1)	391 360	572 232
Workshop and conferences	303 124	126 365
Electronic office equipment	585 608	555 489
Marketing	15 000	-
External printing	64 604	240 316
Postage and courier	5 147	1 472
Printing and stationery	110 317	58 539
Repairs and maintenance	230 396	24 118
Subscriptions and membership fees	19 712	76 365
Telecommunications	328 505	318 631
Training	47 275	23 429
Travel - local	1 058 497	346 178
Travel - overseas	1 464 620	647 581
Directors' emoluments	584 868	647 139
Licences	1 272 433	292 422
Cost of transition	2 767	174 079
Small capital items	2 906	22 256
Consulting fees	390 180	22 566
	8 872 965	5 699 102

1. Development material relates to the NNR licence application fee.

This note has been re-configured for the purposes of fair presentation. In the prior year Contracted-out services to the value of R1,849,431 was included in the general expenses total. In the current year Contracted services is disclosed in note 12.

16. Operating surplus

Operating surplus for the year is stated after accounting for the following:

Operating lease charges

Premises

• Contractual amounts	1 157 766	939 669
Loss on sale of property, plant and equipment	(21 181)	-
Amortisation on intangible assets	395 313	294 463
Depreciation on property, plant and equipment	796 975	852 686
Employee costs	40 724 543	39 087 157



Notes to the Audited Annual Financial Statements

Figures in Rand	2024	2023
17. Cash (used in) generated from operations		
Surplus	133 266	4 134 807
Adjustments for:		
Depreciation and amortisation	1 192 288	1 147 149
Loss on disposal of assets	21 181	-
Debt impairment	121 384	-
Movements in provisions	(2 005 268)	772 631
Changes in working capital:		
Receivables from exchange transactions	(277 205)	(206 216)
Payables from exchange transactions	634 175	(170 477)
	(180 179)	5 677 894

18. Related parties

Relationships	
Controlling entity	Department of Mineral Resources and Energy
Fellow entity	National Nuclear Regulator
Fellow entity	Necsa
Non-executive members	Details contained within note
Executive members	Details contained within note

Related party transactions

Department of Mineral Resources and Energy		
Grant received	50 486 000	50 304 000
National Nuclear Regulator		
Nuclear installation licence application (1)	391 360	559 440
Necsa		
Expenses incurred (2)	1 569 615	1 586 697
Trade and other receivables	5 234 147	5 233 331
Provision for impairment (3)	(5 233 331)	(5 111 947)
Trade and other payables - year end balance	260 469	201 965

1. Payment was made to NNR for the nuclear installation licence application fee. The amount is less than that the prior year as the fee is based on the number of hours utilised (160 hours in 2024 vs 240 hours in 2023).
2. Payment was made to Necsa for office rental and IT services in 2024 and 2023.
3. As at 31 March 2017, this amount was past due and provided for possible impairment due to recoverability uncertainty.





Notes to the Audited Annual Financial Statements

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Remuneration of management

Management class: Board members

2024							
Name	Board fees	Human resources, social and ethics committee	Technical and operations committee	Audit and risk committee	Other meetings	Travel and other costs	Total
Dr Kgaugelo Chiloane	35 785	13 422	-	13 422	-	500	63 129
Mr Mogwera Khoathane	106 920	-	-	4 374	-	11 628	122 922
Ms Leanda-Marsha Mtshali	20 489	13 422	-	22 124	-	-	56 035
Mr Moerane Maimane	35 525	12 951	-	-	-	-	48 476
Ms Dorah Modise	84 395	8 926	2 003	3 755	9 512	3 593	112 184
Dr Wolsey Barnard	82 762	13 147	10 430	2 761	6 212	28 608	143 920
Adv Derick Block	11 779	6 010	-	27 510	-	-	45 299
Dr Kgaugelo Chiloane	25 767	-	6 071	5 396	-	2 612	39 846
	403 422	67 878	18 504	79 342	15 724	46 941	631 811

2023							
Name	Board fees	Human resources, social and ethics committee	Technical and operations committee	Audit and risk committee	Other meetings	Travel and other costs	Total
Mr Moerane Maimane	35 608	46 730	-	-	26 701	3 881	112 920
Mr Mogwera Khoathane	27 428	-	34 536	15 714	43 717	6 419	127 814
Dr Cornelius Ruiters	2 382	2 619	-	-	-	303	5 304
Ms Leanda-Marsha Mtshali	37 395	22 260	-	39 933	14 679	2 711	116 978
Ms Thandeka Zungu	67 554	972	-	-	141 428	20 153	230 107
Dr Kgaugelo Chiloane	17 865	31 436	-	15 714	18 758	1 215	84 988
	188 232	104 017	34 536	71 361	245 283	34 682	678 111

Management class: Executive management

2024						
Name	Salary	Other allowances	Defined contribution	Other company contribution	Incentive bonus	Total
Mr Alan Carolissen	1 737 220	-	331 042	35 882	152 449	2 256 593
Mr Justin Daniel*	1 716 165	-	233 677	36 115	197 287	2 183 244
Dr Margaret Mkhosi*	2 193 388	-	300 567	39 936	-	2 533 891
Dr Peter Mkhabela**	807 436	-	135 070	22 889	-	965 395
Mr Zweli Ndziba	1 836 344	10 788	172 702	37 023	147 965	2 204 822
Dr Vusi Twala	1 872 236	15 068	255 584	38 932	98 083	2 279 903
	10 162 789	25 856	1 428 642	210 777	595 784	12 423 848



Notes to the Audited Annual Financial Statements

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2023								
	Salary	Other allowances	Defined contribution	Other company contribution	Incentive bonus	Termination benefits	Total	
Name								
Mr Cobus Beyleveld***	-	-	-	-	166 461	98 930	265 391	
Mr Alan Carolissen	1 608 540	-	325 500	29 919	152 449	-	2 116 408	
Mr Justin Daniel *	1 590 252	-	230 170	30 120	197 287	-	2 047 829	
Dr Margaret Mkhosi*	2 045 318	-	296 057	32 746	-	-	2 374 121	
Mr Zweli Ndziba	1 707 122	10 788	170 111	31 414	203 453	-	2 122 888	
DrVusi Twala	1 739 217	15 068	251 749	31 961	215 783	-	2 253 778	
	8 690 449	25 856	1 273 587	156 160	935 433	98 930	11 180 415	

* Mr Justin Daniel (CFO) and Dr Margaret Mkhosi (CEO) serve as executive directors on the NRWDI Board of Directors.

** Dr Peter Mkhabela was appointed as Executive: Compliance Management Division from 1 September 2023.

*** Mr Cobus Beyleveld retired on 28 February 2022. His final payments were done in the 2022/2023 financial year.

19. Transfer of functions between entities under common control

Vaalputs Assets Transfer

Section 30 (1) (a) of the NRWDIA states that all assets, rights, liabilities, obligations, licenses and authorisation's of the South African Nuclear Energy Corporation regarding the Vaalputs National Radioactive Waste Disposal Facility vest in the NRWDI with effect from 1st December 2009.

In terms of Section 54 of the PFMA, which is applicable to public entities it is stated as follows:

- (1) The accounting authority for a public entity must submit to the relevant treasury or the Auditor-General such information, returns, documents, explanations, and motivations as may be prescribed or as the relevant treasury or the Auditor-General may require.
- (2) Before a public entity concludes any of the following transactions, the accounting authority for the public entity must promptly and in writing inform the relevant treasury of the transaction and submit relevant particulars of the transaction to its executive authority for approval of the transaction:
 - (a) establishment or participation in the establishment of a company;
 - (b) participation in a significant partnership, trust, unincorporated joint venture or similar arrangement;
 - (c) acquisition or disposal of a significant shareholding in a company;
 - (d) acquisition or disposal of a significant asset;
 - (e) commencement or cessation of a significant business activity; and
 - (f) a significant change in the nature or extent of its interest in a significant partnership, trust, unincorporated joint venture, or similar arrangement.
- (3) A public entity may assume that approval has been given if it receives no response from the executive authority on a submission in terms of subsection (2) within 30 days or within a longer period as may be agreed to between itself and the executive authority.



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19. Transfer of functions between entities under common control (continue)

(4) The executive authority may exempt a public entity listed in Schedule 2 or 3 from subsection (2).he following functions were transferred:

In accordance with the above statutes, NRWDI submitted a Section 54 PFMA request for Ministerial approval to acquire the National Radioactive Waste Disposal Facility (Vaalputs) from the South African Nuclear Energy Corporation SOC Ltd (Necsa) and was informed that Necsa has also submitted a Section 54 PFMA request for Ministerial approval to dispose of / transfer the National Radioactive Waste Disposal Facility (Vaalputs) to NRWDI.

The process to transfer and register the Vaalputs farms and houses was concluded in May 2022. Although the title deeds are in the name of NRWDI all ownership and responsibilities still lie with Necsa as the Section 54 PFMA process is not yet concluded.

The actual transfer of Vaalputs has not yet occurred as at 31 March 2024, as NRWDI has not obtained the Nuclear Installation Licence (NIL) by this date. Without the NIL, NRWDI cannot recognise the assets as NRWDI does not have control over the Vaalputs operations.

20. Commitments

Total commitments

Total commitments

Authorised capital expenditure	3 105 486	6 371 673
Authorised operational expenditure	3 859 583	4 192 454
	6 965 069	10 564 127

There are no commitments to any external parties for potential obligations of the entity, except for payments to suppliers.

21. Contingent liability

A cash surplus amounting to R24,736,296 for the 2023/24 financial year, which must be surrendered to National Treasury unless permission is granted to retain the surplus. The cash surplus was calculated using a formula prescribed by National Treasury through the National Treasury Instruction No.12 of 2020/21 as follows: Cash and cash equivalents plus receivables less current liabilities.

A claim in respect of legal costs in the amount of R2,400,000 was received post year end, from attorneys acting on behalf of an employee that was subjected to a disciplinary hearing in which the organisation was unsuccessful. the claim is currently under legal review.

22. Financial instruments

Financial risk management

Non-current financial assets

Deposits	141 571	141 571
Other receivables	247 643	208 980

Current financial assets

Cash and cash equivalents	31 865 520	36 903 553
Trade receivables	5 233 331	5 233 331
Impairment on trade receivables	(5 233 331)	(5 111 947)

Non-current financial liabilities

Current financial liabilities

Payables from exchange transactions	1 176 959	651 337
	33 431 693	38 026 825



Notes to the Audited Annual Financial Statements

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22. Financial instruments (continue)

Liquidity risk

The entity's risk to liquidity is a result of the funds available to cover future commitments. The entity manages liquidity risk through an ongoing review of future commitments and credit facilities.

Credit risk

Credit risk consists mainly of cash deposits, cash equivalents and receivables from exchange transactions.

The entity holds cash and cash equivalents with an investment grade rated registered banking institution, which it regards as having an insignificant credit risk. An amount is also held at the Corporation for Public Deposits (CPD), which has the same rating as the South African Reserve Bank. The entity commenced depositing Funds with the CPD in order to maximise interest earned. The interest rates on this account fluctuate in line with movements in current money market rates. Rates earned on funds deposited with the CPD are higher than those earned on funds in the short-term money market account. The entity did not have any financial assets exposed to significant credit risk at year end as the risk identified has been fully provided for in the previous financial year

Financial assets exposed to credit risk at year end were as follows:

	2024			2023		
	Gross carrying amount	Credit loss allowance	Amortised cost/ Fair value	Gross carrying amount	Credit loss allowance	Amortised cost/ Fair value
Cash and cash equivalents	31 865 520	-	31 865 520	36 903 553	-	36 903 553
Trade receivables	5 233 331	(5 233 331)	-	5 233 331	(5 111 947)	121 384
Deposits	141 571	-	141 571	141 571	-	141 571
Other receivables	247 643	-	247 643	208 980	-	208 980

Interest rate risk

As the entity has no significant interest-bearing assets, the entity's income and operating cash flows are substantially independent of changes in market interest rates.

23. Events after the reporting date

There were no material adjusting and non-adjusting events after reporting date, however it should be noted that at the end of April 2024, the contracts for the CEO and Executive Corporate Services were terminated. Also, a claim in respect of legal costs in the amount of R2,400,000 was received post year end, from attorneys acting on behalf of an employee that was subjected to a disciplinary hearing in which the organisation was unsuccessful.

24. Public finance management act

Material losses

No material losses through criminal conduct, irregular and fruitless and wasteful expenditure was incurred during the period ended 31 March 2024 and 31 March 2023

Irregular expenditure

During the period under review, management detected the following irregular expenditure:

Irregular expenditure - current year	302 944	-
Irregular expenditure - prior year	-	1 386





Notes to the Audited Annual Financial Statements

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24. Public finance management act (continue)

In the current financial year, variations to orders which were placed for legal services in respect of labour related matters was not approved prior to the additional services being rendered and this resulted in irregular expenditure the value of R302 944. In the previous year irregular expenditure of R1,386 incurred in the current year, was in relation to the challenges and delays experienced by Telkom in effecting the cancellation of the contract. This delay resulted in the two months premium of February and March 2023 being debited to NRWDI.

Investigation

In respect of the 2023/2024 irregular expenditure, the transactions related to this amount is currently under investigation, and based on the outcome of the investigation, a subsequent condonation request will be submitted to National Treasury; and should there be any transactions that cannot be condoned the process to institute disciplinary steps and/or criminal proceedings will be initiated.

25. Segment information

Segment reporting is not applicable to NRWDI as it is one entity that comprises four programmes which do not meet the definition of a segment and therefore no separate financial information is available.

26. Budget differences

Material differences between budget and actual amounts

For the purposes of budget reporting, material variances are amounts in excess of R100 000 or where the variance amount is deemed significant in relation to the item. Material differences between budget and actual amounts are as follows:

Interest received

Interest is earned on short term deposits. This is mainly due to the cash balances in the course of the year, which includes the 2023 retained surplus that was not fully utilized, in addition to the higher prevailing interest rate than was used in the budget calculations.

Personnel expenses

The surplus in personnel expenses is attributed to savings from vacant posts during the year: 1 existing position (Legal Manager) and 2 new positions (Manager Assets and Liabilities and Nuclear Engineer) remained vacant at 31 March 2024.

Deficit of R1,773,000 in Travel and subsistence

This is due to a shift in workshops and conferences, meetings etc. from online to face to face. International trips attended were in respect of IAEA Conferences and Technical Meetings. Also, it was anticipated some IAEA trips would be sponsored.

Surplus of R442,000 in Lease rentals on operating lease (Rental Buildings)

The surplus is due to an anticipated rate increase provided for in the budget.

Deficit of R1,687,000 in contracted-out services

The deficit relates to IT expense being funded from the roll-over funds. Also NRWDI sought the services of a law firm to provide services as required from time to time in the absence of the in-house Legal Advisor.

General expenses

The deficit in general expenses is made up as follows:



Notes to the Audited Annual Financial Statements

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26. Budget differences (continue)

Deficit of R334,000 in legal costs

The deficit in the Legal Services is related to HR labour cases which were not budgeted for.

Surplus of R164,000 in IT Support

This was attributed to the reduced number of support hours in respect of the Finance ERP System, MS Dynamics and other IT related queries that were attended to by NRWDI internal IT unit.

Deficit of R822,000 in Licences

This deficit is attributed the purchase of additional IT licences that were funded from roll over funds.

Deficit of R301,000 in operating costs

This relates to costs in respect of re-licencing ofVaalputs, which includes safety assessments and NECSA outsourced services to the NRWDI technical support organisation capability in respect of the Vaalputs radioactive disposal operations.

Deficit of R212,000 in Repairs and Maintenance

The deficit is mainly due to warranties that were due and recognised for IT equipment purchased from roll over funds.



Notes:

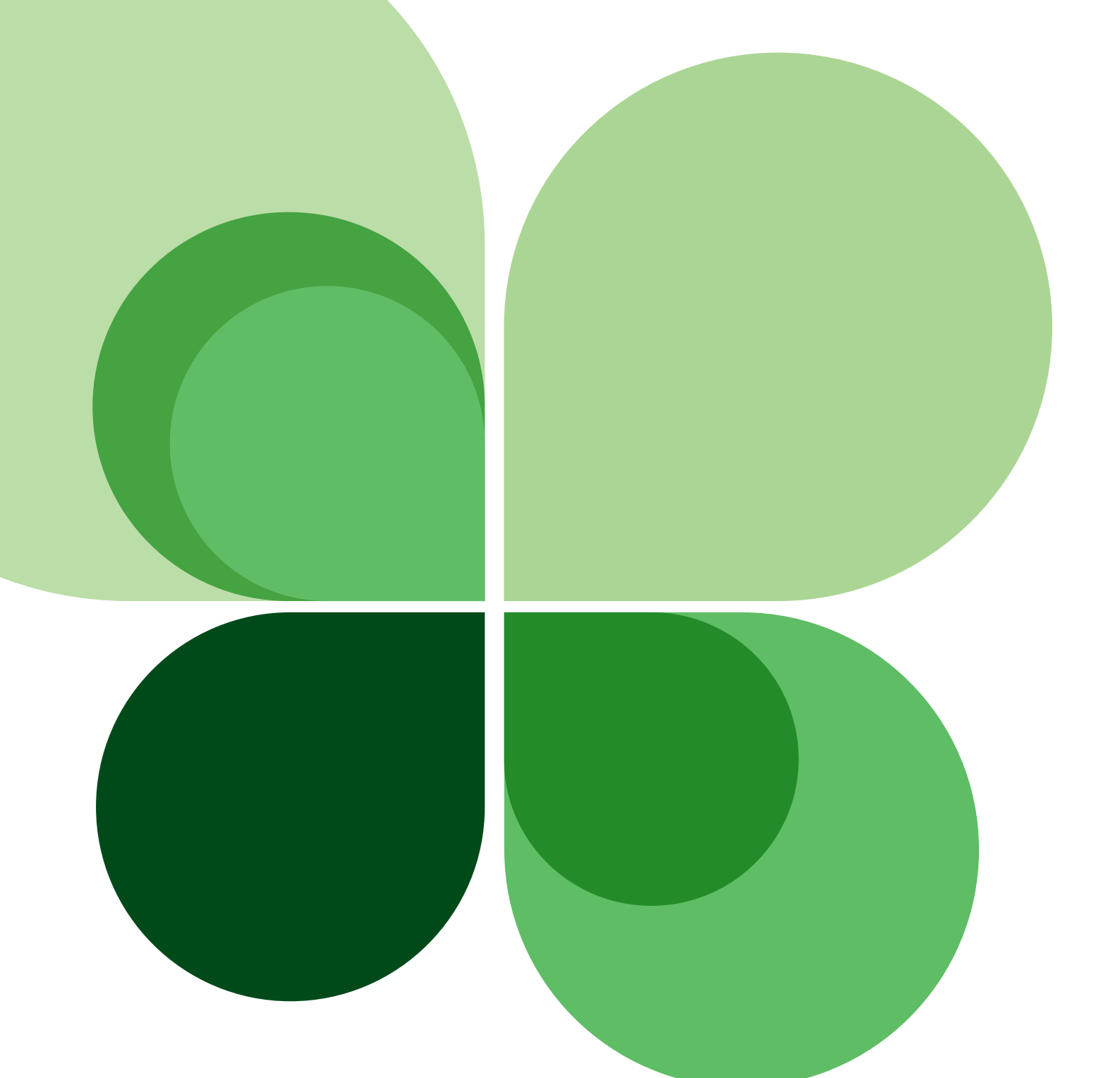
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