
In line with our foreign policy, the ARF remains an important tool that seeks to enhance development assistance and cooperation with a dedicated focus on the realization of the African Agenda. Through this approach, the developmental cooperation agenda is beneficial for South Africa, the African continent as well as the world at large and will be maintained.

We believe that building strong institutions will enable us to entrench the culture of good governance as well as efficiency and responsiveness, which, is an integral part of Africa’s renewal programme. We need capable states and effective government as well as willing leadership to satisfy the needs and aspirations of our populace as encompased in the African Union’s (AU) Agenda 2063.

Through the ARF, we will continue with our commitment to the promotion of democracy and good governance with a view to enhance public participation and accountability. These are important elements for socio-economic development and integration as well as achieving continental prosperity. In this regard, the sustained and credible holding of free, fair and just elections with full public participation throughout the continent will enable us to achieve this objective.

In this regard, it is important that electoral processes and outcomes guarantee the will of the majority and that the leadership will be responsive to the views, needs and aspirations of the minority as well.

In this manner, the people will enjoy peaceful co-existence and ownership of the national programmes and are afforded opportunities to realize their potential. These efforts require, among others, deployment of human, finance and technical resources and through collective cooperation of South Africa’s diplomacy of Ubuntu can be achieved.

We are pleased with the progress made in implementing the AU’s Roadmap towards silencing the guns on the continent by 2020. Similarly, measures taken to replenish the African Peace Fund are satisfactory and bring us closer to ensuring full ownership of Africa’s destiny by providing solutions to our own challenges.

We continue to experience an increase in natural disasters. Clearly, erratic weather patterns, which are largely the result of climate change effects, and thus requires our urgent attention. This fund enables us to be counted among those who strive to restore human dignity and bring relief to people in distress as and when humanitarian situations arise. We go a step further and work with like-minded countries and partners to assist people affected by man-made disasters and disease not as a matter of charity but to restore hope and human dignity.

In this regard, we are happy with the progress made in implementing the AU’s Roadmap towards silencing the guns on the continent by 2020. Similarly, measures taken to replenish the African Peace Fund are satisfactory and bring us closer to ensuring full ownership of Africa’s destiny by providing solutions to our own challenges.

FOREWORD BY THE MINISTER OF INTERNATIONAL RELATIONS AND COOPERATION,
MS LINDIWE NONCEBA SISULU

Deputy Minister Luwellyn Landers
Department of International Relations and Cooperation

Minister Lindiwe Nonceba Sisulu
Department of International Relations and Cooperation

Deputy Makgabo Reginah Mhaule
Department of International Relations and Cooperation

Minister Lindiwe Nonceba Sisulu
Department of International Relations and Cooperation

Minister Lindiwe Nonceba Sisulu
Department of International Relations and Cooperation
OFFICIAL SIGN-OFF

It is hereby certified that these strategic and annual performance plans:

were developed by the management of the African Renaissance And International Cooperation Fund (ARF) under the guidance of the Minister

accurately reflect the performance targets which the ARF will endeavour to achieve, given the resources made available in the budget for 2018/19.

Chief Financial Officer:

Deputy Director-General
Mr C Ramasheu

Signature:

Official responsible for planning:

Head of Operations, ARF
Ms D Mathlako

Signature:

Accounting Authority:

Director-General
Mr KE Mahoai

Signature:

Approved by:

Executive Authority:
Minister Lindiwe Nonkele Sisulu

Signature:
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• Vision
• Mission
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• Legislative and other mandates
• Updated situational analysis
• Strategic outcome-oriented goals

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• Resources consideration
• Risk management

PART C: ANNUAL PERFORMANCE PLAN 2018/19
• Programme performance indicators and annual targets
• Quarterly targets for 2018/19
PART A  
Strategic Overview
1. Vision
The vision of the African Renaissance and International Cooperation Fund (ARF) is a democratic, non-racial, non-sexist, conflict-free, developmental African continent.

2. Mission
The ARF is committed to promoting South Africa’s national interests and values, the African Renaissance and the creation of a better world for all.

3. Values
In order to ensure that funding through the ARF is effective, the ARF will adopt the values of the Paris and Rome declarations on aid effectiveness. The ARF will ensure that the following key values are adhered to:
- ownership of the process: the recipient country must own the process of determining the immediate medium- and long-term actions, that will address the issues contained in its project proposal
- an understanding of the political, economic and security considerations of the recipient country must be achieved
- a needs assessment should be conducted with direct involvement and ownership of the process by the country concerned.

Integrated planning and coordination are critical in ensuring that South Africa’s efforts are in line with the development needs of the identified country.

In addition to the above, the ARF will conduct its business while constantly adhering to the values of the Department of International Relations and Cooperation (DIRCO), namely:
- Patriotism
- Loyalty
- Dedication
- Ubuntu
- Constitutional Values (Chapter 10)
- Batho Pele.

3.1 Legislative and other mandates
There have been no changes to the ARF’s legislative and other mandates.

4. Legislative and other mandates

4.1 Legislative mandates

5. Updated situational analysis
5.1 Performance environment
The ARF is a public entity that falls within the purview of DIRCO’s day-to-day responsibilities. It strives to ensure that it complies with the laws and regulatory prescriptions which govern the management of public funds in South Africa.

Through the ARF, South Africa will continue to play an active role in supporting initiatives aimed at enhancing the African Agenda. The objectives of the ARF and foreign policy objectives and principles are aligned to support mediation in conflict countries. This is in line with one of its objectives, namely to contribute to Post-Conflict Reconstruction and Development (PCRD).

To contribute to peace and stability on the continent, South Africa will continue to provide humanitarian assistance and disaster relief; and PCRD.

In support of democracy and good governance, the ARF supports the holding of elections in the 2018/19 financial year, three of which are from the SADC region.

Through socio-economic development projects, the ARF will continue to provide assistance by supporting projects that will contribute towards improving food security, which will be also geared towards poverty reduction on the continent.

South Africa will continue to cooperate with other countries. Through cooperation projects with other countries, the ARF will purchase South African products to contribute to economic activities in South Africa.

Most of the African countries are often struck by disastrous and unprecedented natural disasters such as drought, floods and land and mud slides, which cause damage to buildings, infrastructure and crops and loss of lives. Hence, through its diplomacy of Ubuntu, South Africa will continue to provide humanitarian assistance to fellow African countries and worldwide.

To contribute to peace and stability on the continent, South Africa will continue to provide humanitarian assistance and disaster relief; and PCRD.

Contribute to economic activities in South Africa.

5.2 Organisational environment

6. Strategic outcome-oriented goals
An advisory committee has been established to make recommendations to the Minister of International Relations and Cooperation and the Minister of Finance on the disbursement of funds through loans or other financial assistance.

The Advisory Committee consists of the following members:
- (a) the Director-General (DG) or a delegate of the DG
- (b) three officers of DIRCO appointed by the Minister
- (c) two officers of National Treasury appointed by the Minister of Finance.

The DG is the Accounting Authority of the fund in terms of the Public Finance Management Act, 1999 (Act 1 of 1999).

The ARF Secretariat is responsible to assist with the disbursement of funds, monitoring and administration of projects relating to the fund. The fund is managed by DIRCO.

6. Strategic outcome-oriented goals

<table>
<thead>
<tr>
<th>Goal statement</th>
<th>Strategic outcome-oriented goal</th>
</tr>
</thead>
<tbody>
<tr>
<td>Contribute to continental development by means of developmental assistance in support of democracy and good governance; human resource development and integration; humanitarian assistance and disaster relief; and PCRD.</td>
<td>Contribute to an integrated, democratic peaceful and prosperous continent.</td>
</tr>
</tbody>
</table>
PART B
Strategic Objectives
STRATEGIC OBJECTIVES

To promote democracy and good governance
Support the holding of democratic elections in identified countries on the continent
100% of approved disbursements distributed during this reporting period
Processed payments totaling R838 843.41 for SADC election observer missions (Zambia, Seychelles and Mauritius)
100% of approved disbursement to support democracy and good governance processed

To contribute to human resource development
Develop and provide identified training programmes
100% of approved disbursements distributed during this reporting period
Processed payment of R7 000 000 for African Ombudsman Research Centre
100% of approved disbursement to support capacity-building processed

To support socio-economic development and integration
Support the implementation of socio-economic development and integration projects
100% of approved disbursements distributed during this reporting period
Processed payments totaling R5,086,955.68 for rice and vegetable production project in Guinea (Conakry).
100% of approved disbursement to support socio-economic development and integration processed

To provide humanitarian assistance and disaster relief
Assist countries that are in need of humanitarian assistance and disaster relief
100% of approved disbursements distributed during this reporting period
Processed payment of R199,258.00 for transportation of humanitarian assistance to Madagascar
100% of approved disbursement to support humanitarian assistance and disaster relief processed

To cooperate between South Africa and other countries
Implementation of bilateral and bilateral cooperation agreements
100% of approved disbursements distributed during this reporting period
Processed payment of R76 047 130.43 for Cuba Economic Package
100% of approved disbursement for cooperation processed

To contribute to PCURD
100% of approved disbursement for PCURD processed as per the objectives of the project plan
100% of approved disbursements distributed during this reporting period
There were no disbursement processed
100% of approved disbursement for PCURD processed as per the objectives of the project plan

Resource consideration
Overview of Budget and Medium Term Expenditure Framework estimates

<table>
<thead>
<tr>
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<td>Revenue</td>
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<td>Tax revenue</td>
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<tr>
<td>Non-tax revenue</td>
<td>112 547</td>
<td>143 765</td>
<td>176 989</td>
<td>36 000</td>
<td>18 000</td>
<td>12 000</td>
<td>9 000</td>
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<td>Other income</td>
<td>330 061</td>
<td>330 061</td>
<td>330 061</td>
<td>330 061</td>
<td>330 061</td>
<td>330 061</td>
<td>330 061</td>
</tr>
<tr>
<td>Interest, dividends and rent</td>
<td>2 205 263</td>
<td>2 338 574</td>
<td>2 457 676</td>
<td>600 000</td>
<td>300 000</td>
<td>200 000</td>
<td>150 000</td>
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<tr>
<td>Transfers received</td>
<td>2 205 263</td>
<td>2 338 574</td>
<td>2 457 676</td>
<td>600 000</td>
<td>300 000</td>
<td>200 000</td>
<td>150 000</td>
</tr>
<tr>
<td>Surplus/(Deficit)</td>
<td>181 276</td>
<td>90 207</td>
<td>449 488</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Expenses</td>
<td></td>
<td></td>
<td></td>
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<td></td>
<td></td>
</tr>
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<td>Current expenses</td>
<td>18 931</td>
<td>37 422</td>
<td>37 422</td>
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<td>-</td>
<td>-</td>
<td>-</td>
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<tr>
<td>Goods and services</td>
<td>2 205 263</td>
<td>2 338 574</td>
<td>2 457 676</td>
<td>600 000</td>
<td>300 000</td>
<td>200 000</td>
<td>150 000</td>
</tr>
<tr>
<td>Transfers and subsidies</td>
<td>189 900</td>
<td>161 773</td>
<td>57 593</td>
<td>58 243</td>
<td>56 692</td>
<td>58 272</td>
<td>57 816</td>
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<tr>
<td>Total expenses</td>
<td>208 831</td>
<td>199 195</td>
<td>57 593</td>
<td>58 243</td>
<td>56 692</td>
<td>58 272</td>
<td>57 816</td>
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<td>Financial position</td>
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<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cash and cash equivalents</td>
<td>2 205 263</td>
<td>2 338 574</td>
<td>2 457 676</td>
<td>600 000</td>
<td>300 000</td>
<td>200 000</td>
<td>150 000</td>
</tr>
<tr>
<td>Receivables from non-exchange transactions</td>
<td>204 919</td>
<td>210 822</td>
<td>204 555</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
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<tr>
<td>Total assets</td>
<td>2 410 182</td>
<td>2 549 396</td>
<td>2 662 231</td>
<td>600 000</td>
<td>300 000</td>
<td>200 000</td>
<td>150 000</td>
</tr>
<tr>
<td>Accumulated surplus/(deficit)</td>
<td>1 611 884</td>
<td>1 561 906</td>
<td>500 000</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Trade and other payables</td>
<td>286 071</td>
<td>278 133</td>
<td>221 413</td>
<td>300 000</td>
<td>200 000</td>
<td>150 000</td>
<td>100 000</td>
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<tr>
<td>Provisions</td>
<td>512 207</td>
<td>508 172</td>
<td>492 232</td>
<td>300 000</td>
<td>200 000</td>
<td>150 000</td>
<td>100 000</td>
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</table>
### Risk management for the 2018/19 APP

<table>
<thead>
<tr>
<th>Identified risks</th>
<th>Mitigation strategies</th>
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</thead>
<tbody>
<tr>
<td>Unstable economic environment</td>
<td>Diversity assistance provided by increasing loans and decreasing grants</td>
</tr>
<tr>
<td>Political instability</td>
<td>Deepening democratic principles with the countries South Africa cooperates with</td>
</tr>
<tr>
<td>Social unrest</td>
<td>Capacity-building through diplomatic channels</td>
</tr>
</tbody>
</table>

### Derivatives financial instruments

<table>
<thead>
<tr>
<th></th>
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</thead>
<tbody>
<tr>
<td>Audited outcome</td>
<td></td>
<td></td>
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</tr>
<tr>
<td>Revisited estimate</td>
<td></td>
<td></td>
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<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total equity and liabilities</td>
<td>2 410 182</td>
<td>2 549 396</td>
<td>2 662 231</td>
<td>600 000</td>
<td>300 000</td>
<td>200 000</td>
<td>150 000</td>
</tr>
</tbody>
</table>
PART C
Annual Performance Plan
2018/19
## PROGRAMME PERFORMANCE INDICATORS AND ANNUAL TARGETS

<table>
<thead>
<tr>
<th>Performance Indicators</th>
<th>Actual performance</th>
<th>Estimated performance</th>
<th>Medium-term targets</th>
</tr>
</thead>
<tbody>
<tr>
<td>Percentage of requests responded for quality assurance and review of project proposals in preparation for the African Renaissance and International Cooperation Fund (ARF) Advisory Committee Meeting</td>
<td>Twenty-three project proposals reviewed and submitted to committee meetings</td>
<td>Six project proposals reviewed and submitted to committee meetings</td>
<td>100% of requests recommended for funding</td>
</tr>
<tr>
<td>Number of ARF structures and processes convened to identify and recommend projects</td>
<td>Six Advisory Committee meetings held to consider project proposals for recommendation</td>
<td>Four Advisory Committee meetings were held to consider project proposals for recommendation</td>
<td>100% of active projects monitored for compliance with concurrence received</td>
</tr>
<tr>
<td>Percentage of approved disbursement processed</td>
<td>Twenty approved ARF projects’ disbursement processed</td>
<td>Fifteen approved ARF projects' disbursement processed</td>
<td>50% of approved disbursements processed as per objectives of the project plan</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Performance Indicators</th>
<th>Actual performance</th>
<th>Estimated performance</th>
<th>Medium-term targets</th>
</tr>
</thead>
<tbody>
<tr>
<td>Percentage of active projects monitored for compliance with concurrence received</td>
<td>Twenty-one project proposals reviewed and submitted to committee meetings</td>
<td>Thirteen project proposals reviewed and submitted to committee meetings</td>
<td>100% of requests recommended for funding</td>
</tr>
<tr>
<td>Percentage of project oversight reports for active projects</td>
<td>Four Advisory Committee Meeting held</td>
<td>Four ARF Advisory Committee Meeting held</td>
<td>100% of approved disbursements processed for active projects</td>
</tr>
<tr>
<td>Percentage of closed projects with closeout reports</td>
<td>Four ARF Advisory Committee Meeting held</td>
<td>Four ARF Advisory Committee Meeting held</td>
<td>100% of closed projects with closeout reports</td>
</tr>
</tbody>
</table>

| Percentage of active projects monitored for compliance with the concurrence received and approved project plan | New indicator | New indicator | New indicator | New indicator |
| Percentage of quarterly project progress reports | 100% of quarterly project progress reports | 100% of quarterly project progress reports | 100% of quarterly project progress reports | 100% of quarterly project progress reports |
| Percentage of approved disbursements processed as per objectives of the project plan | New indicator | 50% of approved disbursements processed as per objectives of the project plan | New indicator | New indicator | New indicator |
| Percentage of approved disbursements processed as per objectives of the project plan | New indicator | New indicator | New indicator | New indicator | New indicator |
| Percentage of approved disbursements processed as per objectives of the project plan | New indicator | New indicator | New indicator | New indicator | New indicator |

- **Performance Indicators:**
  - Percentage of requests responded for quality assurance and review of project proposals.
  - Number of ARF structures and processes convened to identify and recommend projects.
  - Percentage of approved disbursement processed.
  - Percentage of active projects monitored for compliance with concurrence received.
  - Percentage of project oversight reports for active projects.
  - Percentage of closed projects with closeout reports.

- **Actual performance**:
  - 2013/14: Twenty-three projects reviewed.
  - 2014/15: Six projects reviewed.
  - 2015/16: Four projects reviewed.
  - 2016/17: Four projects reviewed.
  - 2017/18: Four projects reviewed.
  - 2018/19: Four projects reviewed.
  - 2019/20: Four projects reviewed.

- **Estimated performance**:
  - All requests recommended for funding.

- **Medium-term targets**:
  - All requests recommended for funding.

- **New indicator**:
  - All active projects monitored for compliance with the concurrence received.

- **Percentage of approved disbursements processed**:
  - 50% of approved disbursements processed.

- **Percentage of active projects monitored for compliance with the concurrence received and approved project plan**:
  - 100% of active projects monitored.

- **Percentage of project oversight reports for active projects**:
  - 100% of approved disbursements processed.

- **Percentage of closed projects with closeout reports**:
  - 100% of closed projects with closeout reports.

- **Percentage of quarterly project progress reports**:
  - 100% of quarterly project progress reports.
African Renaissance and International Cooperation Fund (ARF)
Revised Strategic Plan 2015–2020
Annual Performance Plan 2018/19
Department of International Relations and Cooperation
### Quarterly targets for 2018/19

<table>
<thead>
<tr>
<th>Performance indicators</th>
<th>Annual target 2018/19</th>
<th>1st Quarter</th>
<th>2nd Quarter</th>
<th>3rd Quarter</th>
<th>4th Quarter</th>
</tr>
</thead>
<tbody>
<tr>
<td>Number of ARF Advisory Committee meetings held</td>
<td>Four ARF Advisory Committee meetings held</td>
<td>One ARF Advisory Committee meeting held</td>
<td>One ARF Advisory Committee meeting held</td>
<td>One ARF Advisory Committee meeting held</td>
<td></td>
</tr>
<tr>
<td>Percentage of requests reviewed</td>
<td>100% of requests reviewed</td>
<td>100% of requests reviewed</td>
<td>100% of requests reviewed</td>
<td>100% of requests reviewed</td>
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</table>

### Performance indicators

<table>
<thead>
<tr>
<th>Annual target 2018/19</th>
<th>1st Quarter</th>
<th>2nd Quarter</th>
<th>3rd Quarter</th>
<th>4th Quarter</th>
</tr>
</thead>
<tbody>
<tr>
<td>Quarter 1</td>
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<td>Quarter 2</td>
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<tr>
<td>Quarter 3</td>
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<tr>
<td>Quarter 4</td>
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</tbody>
</table>

#### Percentage of approved disbursement processed

- **Democracy and good governance**: 100% of approved disbursements to support democracy and good governance processed.
- **Socio-economic development**: 100% of approved disbursements to support socio-economic development processed.
- **Humanitarian assistance**: 100% of approved disbursements for humanitarian assistance processed.
- **Capacity-building**: 100% of approved disbursements to support capacity-building processed.
- **Cooperation with other countries and partners in various areas of development**: 100% of approved disbursements for cooperation with other countries and partners in various areas of development processed.
- **Post-Conflict Reconstruction and Development (PCRD)**: 100% of approved disbursements for PCDR processed.

#### Post-Conflict Project progress reports

<table>
<thead>
<tr>
<th>100% of quarterly project progress reports</th>
<th>100% of quarterly project progress reports</th>
<th>100% of quarterly project progress reports</th>
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</thead>
<tbody>
<tr>
<td>100% of quarterly project progress reports</td>
<td>100% of quarterly project progress reports</td>
<td>100% of quarterly project progress reports</td>
</tr>
</tbody>
</table>

#### Performance indicators

- Number of ARF Advisory Committee meetings held
- Percentage of requests reviewed
- Number of ARF Advisory Committee meetings held
- Percentage of approved disbursements processed
- Post-Conflict Project progress reports
<table>
<thead>
<tr>
<th><strong>PUBLIC ENTITY'S GENERAL INFORMATION</strong></th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Registered name:</strong></td>
</tr>
</tbody>
</table>
| **Physical address:** | 460 Soutpansberg Road  
Rietondale  
Pretoria  
0084 |
| **Postal address:** | Private Bag X152  
Pretoria  
0001 |
| **Telephone number/s:** | +27 12 351 1000 |
| **Fax number:** | +27 12 329 1000 |
| **E-mail address:** | info@dirco.gov.za |
| **Website address:** | www.dirco.gov.za |
| **External auditor:** | Auditor-General of South Africa |
| **Banker:** | South African Reserve Bank |
| **Advisory Committee Secretary:** | ARF Secretariat |