



**Western Cape  
Government**

Economic Development  
and Tourism



## **ANNUAL PERFORMANCE PLAN FOR 2021/22**

DEPARTMENT OF ECONOMIC DEVELOPMENT AND TOURISM





**Western Cape  
Government**  
Economic Development  
and Tourism

# **DEPARTMENT OF ECONOMIC DEVELOPMENT AND TOURISM**

Annual Performance Plan  
2021/22

## **EXECUTIVE AUTHORITY STATEMENT**

We could not have expected the storm that would hit us with the Covid-19 pandemic in March 2020. The economy in the Western Cape has been hard-hit by the Covid-19 pandemic, and businesses continue to face significant challenges resulting in considerable job losses.

Which is why the Department of Economic Development and Tourism has worked hard to support businesses to open safely and responsibly, so we can save jobs and save the economy in the Western Cape.

This work continues as we urgently implement our Western Cape Recovery Plan with its three pillars of Jobs, Safety and Dignity.

These pillars are interlinked. The Jobs pillar focuses on creating an enabling environment for job creation, primarily through supporting private sector and markets, which will ultimately improve wellbeing and safety.

The enabling environment to grow the economy and create jobs will be achieved by focusing on the following themes:

- Accelerate ease of doing business
- Boost investments and exports
- Scale up work opportunities and skills for people without jobs
- Economic resilience
- Boost infrastructure

The Western Cape Recovery Plan aligns with the Provincial Strategic Plan (2019-2024), where the Department of Economic Development and Tourism is mandated to lead the Western Cape Government's agenda for Vision Inspired Priority 2 (VIP 2) which focuses on economic growth and jobs.

In realising this goal, the Department will focus its efforts on improving the competitiveness of the province by attracting investment, developing tradable sectors, investing in infrastructure, and growing exports in the Western Cape.

The Head of Department, senior management and staff of the Department of Economic Development and Tourism have my full support as they set about implementing this Annual Performance Plan.

We will support business by being responsive to business and by being open to business. We look forward to fruitful collaborations with the business sector who remain dedicated to contributing towards a shared vision of a prosperous Western Cape economy.



**MR DAVID MAYNIER**

**Minister of Finance and Economic Opportunities**

9 March 2021

## **ACCOUNTING OFFICER STATEMENT**

The coronavirus has crippled the world economy. Global GDP suffered its sharpest drop since the end of the second world war in 2020, millions were unemployed or furloughed, and governments pumped trillions of dollars into their economies to prevent greater damage. Nevertheless, the exact shape and form of a 2021 recovery is still very uncertain.

Whole industries such as travel, and tourism industries were severely hit early on by economic disruption from the outbreak and continue to struggle to recover as subsequent waves of the pandemic hit. Casualties included the airline industry, global oil demand (as growth in consumption of transport fuel remains weak), and global supply chains. The containment or quarantine efforts resulted in restricted supply chains and a tightening of credit.

There will be a continued need for government spending to reduce the risk of permanent damage to the economy from the shock of this global pandemic, which has caused contractions in GDP that are unparalleled in modern history for most economies. With the world in the process of vaccine developments and planned distribution, the global focus in 2021 would be on restarting stalled economic prosperity. Our Western Cape Recovery Plan provides that we can only recover into such prosperity if our economy grows and residents of the Western Cape generate income.

Before the pandemic, the South African economy was already beset by structural issues such as a skills mismatch, low productivity, lack of competitiveness, infrastructure backlogs, red tape, and energy insecurity. These issues if not addressed would continue to hinder the economy's rapid recovery.

Because the Covid-19 pandemic has exacerbated the economic challenges experienced by the national and provincial economy, the Western Cape Government has developed a recovery plan with jobs as a key theme. The Jobs theme in the Provincial Western Cape Recovery Plan builds on the immediate interventions as well as addresses the systemic challenges above.

The Department therefore in financial year 2021/22 continues its prioritisation of the creation of an enabling environment for job creation, primarily through supporting private sector and markets, thereby also improving on both wellbeing and safety. The enabling environment to grow the economy and create jobs will be achieved through the following areas:

- Ease of Doing Business
- Boost investment and exports
- Boost infrastructure
- Increase work opportunities
- Economic resilience

The Department like many organisations faces several constraints which may serve as challenges to implementation of this plan. A need for fiscal austerity and required reprioritisation of resources to address the resulting consequences of the pandemic, poses some of the immediate challenges. The Department's cognisance of this is visible in each step of the development of this Annual Performance Plan and it will endeavour to continue executing the plan in line with its defined and established objective for growth of the Western Cape economy. Strategic choices regarding interventions will form core focus in ensuring that the Department achieves delivery as set out. Financial and human resources required for implementation will also be reviewed, prioritised and aligned to key areas to ensure that delivery is both sound and aligned to strategic objectives.

The Department remains committed to its service delivery mandate and would like to thank our support agencies, stakeholders, and our clients - the businesses that are both committed and optimistic about contributing towards a shared economic vision for the Western Cape.



**MR SOLLY FOURIE**

**Accounting Officer of the Department of Economic Development and Tourism**

9 March 2021

## OFFICIAL SIGN-OFF

It is hereby certified that this Annual Performance Plan:

- Was developed by the management of the Department of Economic Development and Tourism under the guidance of Minister David Maynier.
- Takes into account all the relevant policies, legislation and other mandates for which the Department of Economic Development and Tourism is responsible.
- Accurately reflects the Outcomes and Outputs which the Department of Economic Development and Tourism will endeavour to achieve over the period 2021/22.

Approved by:

**JOHN PETERS**

**Programme Manager: Integrated Economic  
Development Services**

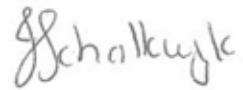
Signature:



**ILSE VAN SCHALKWYK**

**Programme Manager: Trade and Sector Development  
Programme Manager: Tourism, Arts and Entertainment**

Signature:



**PHENIAS NCUBE**

**Programme Manager: Business Regulation (Acting)**

Signature:



**NEZAAM JOSEPH**

**Programme Manager: Skills Development and Innovation**

Signature:



**MYMOENA ABRAHAMS**

**Programme Manager: Administration  
Chief Financial Officer**

Signature:



**RASHID TOEFY**

**Deputy Director General: Economic Operations**

Signature:



**JO-ANN JOHNSTON**

**Programme Manager: Economic Planning  
Deputy Director General: Strategic Economic Accelerators  
and Development  
Head Official responsible for Planning**

Signature:



**SOLLY FOURIE**

**Accounting Officer**

Signature:



**DAVID MAYNIER**

**Executive Authority**

Signature:



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## PART A: **OUR MANDATE**

## **CONSTITUTIONAL MANDATE**

### **Constitution of the Republic of South Africa, 1996**

Schedule 4 of the Constitution of the Republic of South Africa lists functional areas of concurrent national and provincial legislative competences. Those areas which are relevant for Economic Development and Tourism (DEDAT) are:

- Consumer Protection;
- Industrial Promotion;
- Tourism; and
- Trade.

Schedule 4B of the Constitution identifies Local Tourism as a local government matter of concurrent National and Provincial legislative competence, to the extent set out in sections 155(6)(a) and (7) of the Constitution.

### **1. RELEVANT LEGISLATIVE AND POLICY MANDATES**

Several acts play a role in the work of DEDAT. The more important acts and policies are:

#### **Broad-Based Black Economic Empowerment Act, 2003 (Act 53 of 2003)**

The act is transversal legislation with normal compliance obligations applicable to all Departments. It establishes a legislative framework for the promotion of black economic empowerment, empowers the National Minister to issue codes of good practice and to publish transformation charters, establishes the Black Economic Empowerment Advisory Council and provides for matters connected therewith.

#### **Businesses Act, 1991 (Act 71 of 1991)**

The act provides for the licensing and carrying on of businesses and matters connected therewith.

#### **Consumer Protection Act, 2008 (Act 68 of 2008)**

The act promotes a fair, accessible and sustainable marketplace for consumer products and services and for that purpose establishes national norms and standards relating to consumer protection, provides for improved standards of consumer information, prohibits certain unfair marketing and business practices, promotes responsible consumer behaviour, promotes a consistent legislative and enforcement framework relating to consumer transactions and agreements, and establishes the National Consumer Commission.

#### **National Small Enterprise Act, 1996 (Act 102 of 1996)**

The act provides for the establishment of the Advisory Body and the Small Enterprise Development Agency and further provides guidelines for organs of state in order to promote small business in the Republic and for matters incidental thereto.

#### **Saldanha Bay Industrial Development Zone Licencing Company Act, 2016 (Act 1 of 2016)**

The purpose of the act is to regulate the operation of the Saldanha Bay IDZ Licencing Company SOC Ltd, to provide for the shareholding of the Western Cape Government in the Saldanha Bay IDZ Licencing Company SOC Ltd, to provide for the objects, functions and governance of the Saldanha Bay IDZ Licencing Company SOC Ltd and for matters incidental thereto.

#### **The Cooperatives Act, 2005 (Act 14 of 2005)**

The act acknowledges the need for the registration of cooperatives, in accordance with national,

provincial and local government transversal policy and statutory-regulatory frameworks, as well as the need for the development of a viable, autonomous, self-reliant and self-sustaining cooperative movement to promote community development and entrepreneurship, create employment and successful enterprises, eradicate poverty and improve the socioeconomic wellbeing of the members of cooperatives in accordance with the cooperative principles.

#### **The Western Cape Membership of the Western Cape Economic Development Partnership Act, 2013 (Act 12 of 2013)**

The purpose of the act is to provide for the membership of the Provincial Government of the Western Cape Economic Development Partnership NPC, to regulate the transfer of funds to the Western Cape Economic Development Partnership NPC and to provide for matters incidental thereto.

#### **The Cape Town International Convention Centre Company Act, 2000 (Act 8 of 2000)**

The purpose of the Act is to provide for the Western Cape Province's shareholding in the Cape Town International Convention Centre Company, for the funding provided to the Company by the Province and to provide for matters incidental thereto.

#### **The Special Economic Zones Act, 2014 (Act 16 of 2014)**

The purpose of the Act is to provide for the designation, promotion, development, operation and management of Special Economic Zones, to provide for the establishment, appointment of members and functioning of the Special Economic Zones Advisory Board, to provide for the establishment of the Special Economic Zones Fund, to regulate the application, issuing, suspension, withdrawal and transfer of Special Economic Zones operator permits, to provide for functions of the Special Economic Zones operator, to provide for transitional arrangements and to provide for matters connected therewith.

#### **The Western Cape Special Economic Development Infrastructure Company Act, 2019 (Act 3 of 2019)**

The act establishes a juristic person known as the Western Cape Special Economic Development Infrastructure Company SOC Ltd, authorises the shareholding of the Western Cape Government in the Company, provides for the powers and duties of the Company, provides for the management, governance, funding and financial control of the Company and provides for matters incidental thereto.

#### **Tourism Act, 2014 (Act 3 of 2014)**

The act provides for the development and promotion of sustainable tourism for the benefit of the Republic, its residents and its visitors, provides for the continued existence of the South African Tourism Board and the establishment of the Tourism Grading Council, regulates the tourist guide profession and provides for matters connected therewith. It specifically makes provision for registration, further training and a code of conduct for tourist guides, procedures to lodging complaints and disciplinary measures.

#### **Western Cape Consumer Affairs (Unfair Business Practices) Act, 2002 (Act 10 of 2002)**

The Act provides for the investigation, prohibition and control of unfair business practices and establishes an Office of the Consumer Protector and Consumer Affairs Tribunals.

#### **Western Cape Tourism, Trade and Investment Promotion Agency Act, 1996 (Act 3 of 1996)**

The act provides for the establishment, appointment, powers and functions of the Western Cape Tourism, Trade and Investment Promotion Agency ("Wesgro") in order to promote and support the economic growth and development of the province, and to provide for matters incidental thereto.

## **2. INSTITUTIONAL POLICIES AND STRATEGIES**

### **Department of Economic Development and Tourism Five-Year Strategy 2020 - 2025**

DEDAT's 2020 – 2025 five-year strategy remains unchanged given that it is well-aligned with the Provincial Strategic Plan and the Western Cape Recovery Plan. It consists of 5 focus areas, namely:

- Investment through promotion and catalytic infrastructure
- Grow exports
- Address skills gaps
- Accelerate ease of doing business
- Resource resilience

These Departmental focus areas and their respective outcomes form the cornerstone of the DEDAT's five-year strategy.

### **Framework for Managing Programme Performance Information (FMPPI, 2007)**

The FMPPI outlines key concepts in the design and implementation of management systems to define, collect, report and use performance information in the public sector. The FMPPI emphasises that performance information is essential to focus the attention of the public and oversight bodies on whether public institutions are delivering value for money, by comparing their performance against budgets and service delivery plans and to alert managers to areas where corrective measures are required.

### **Industrial Policy Action Plan (IPAP)**

The Industrial Policy Action Plan (IPAP) is firmly entrenched in Government's overall policy and plans to address the key challenges of economic and industrial growth and race-based poverty, inequality and unemployment. IPAP 2018 is a product of the Economic Sectors, Employment and Infrastructure Development (ESEID) cluster. The responsibility for its implementation lies with Government as a whole and a wide range of entities, including SOCs.

IPAP2018 focuses on the following 10 key themes which inform the work of the dti and act as a roadmap for the wider industrial effort:

- Grow the economy.
- Strengthen efforts to raise aggregate domestic demand - mainly through localisation of public procurement and intensified efforts to persuade the private sector to support localisation and local supplier development.
- Step up South Africa's export effort.
- Create and reinforce policy certainty and programme alignment.
- Strengthen ongoing efforts to build a less concentrated, more competitive economic and manufacturing environment in which barriers to entry for new entrants are lowered.
- Build a stronger system of industrial finance and incentives to support and secure higher levels of private sector investment in the productive sectors of the economy and grow exports.
- Press ahead with technology-intensive, value-adding beneficiation projects which fully leverage SA's comparative resource endowment advantage into a global competitive advantage.
- Optimise technology transfer and diffusion and, working closely with the Department of Science and Technology, further ramp up the effort to commercialise 'home-grown' R&D in key sectors.
- Support the further strengthening of energy-efficient production and carbon mitigation efforts and

measures in a manner that helps transition energy-intensive sectors of the economy so as to maintain business competitiveness and maintain and grow export opportunities.

- Understand, grasp and prepare for the foreseeable effects of the Digital Industrial Revolution and emergent disruptive technologies, collaboratively adapting SA's productive and services sectors to meet the challenges, including those relating to employment displacement.

### **National Development Plan (NDP)**

The key concepts of the NDP are:

- Uniting South Africans around a common programme;
- Citizens active in their own development;
- Faster and more inclusive economic growth;
- Building capabilities;
- A capable state; and
- Leadership and responsibility throughout society.

### **The South African Economic Reconstruction and Recovery Plan, 2020**

The key concepts of the plan are:

- A drive for infrastructural investment in collaboration with the private sector to stimulate job creation.
- Achieving energy security by opening up the electricity supply chain to independent power producers.
- Digital push with broad-based spectrum auction progress and a commitment to improve the capacity of the “state”.
- A relaxation of the regulatory environment to enhance the ease of doing business and the associated drive to develop small business.
- The introduction of e-visas to enhance tourists.
- A scheme to employ young people to assist teachers in school learning.

This national recovery plan resonates with a number of themes within the jobs theme of the Western Cape Recovery Plan.

### **National Evaluation Policy Framework, 2011**

The National Evaluation Policy Framework (NEPF) provides both the basis for a minimum system of evaluation across government and a common language for evaluation in the public service. Its purpose is to ensure good quality evaluations that give information about what is working and what is not and, in this way, help to improve the effectiveness and impact of government's work. To improve performance, the framework underlines the need to use credible and objective evaluation-derived evidence in planning, budgeting, organisational improvement and policy review and in programme and project management.

### **National Tourism Recovery Plan**

The Covid-19 pandemic has had a profound impact on the global tourism sector. Governments across the world had to implement necessary measures to contain the spread of the coronavirus such that the capacity of the health system is not overwhelmed by the rate of transmission. A direct impact of this was a restriction of movement globally that had an adverse impact of the global capacity utilization of the tourism sector. The National Tourism Recovery Strategy has been developed to lead the efforts with regards to tourism recovery post Covid. Three strategic themes are central to South Africa's recovery: Re-igniting Demand, Rejuvenating Supply and Strengthening Enabling Capability.

Underneath these themes, ten strategic recommendations are proposed along with specific actions, timeframes and accountabilities.

### **National Tourism Sector Strategy (NTSS)**

Research indicates that there are still numerous opportunities for tourism growth in the country that are not being fully exploited. This has led the new National Department of Tourism, under the direction of the Minister of Tourism, to initiate and manage an inclusive process to draft a National Tourism Sector Strategy to inspire and accelerate the responsible growth of the tourism industry from 2010 to 2020.

The NTSS proposes 3 core themes with specific focus areas which has a National, Provincial and local perspective.

#### THEME 1: Tourism growth and the economy

- To grow the tourism sector's absolute contribution to the economy.
- To provide excellent people development and decent work within the tourism sector.
- To increase domestic tourism's contribution to the tourism economy.
- To contribute to the regional tourism economy.

#### THEME 2: An enhanced visitor experience

- To deliver a world-class visitor experience.
- To entrench a tourism culture among South Africans.
- To position South Africa as a globally recognised tourism destination brand.

#### THEME 3: Sustainability and good governance

- To achieve transformation within the tourism sector.
- To address the issue of geographic, seasonal and rural spread.
- To promote 'responsible tourism' practices within the sector.
- To unlock tourism economic development at a local government level.

### **OneCape2040**

OneCape2040 is a deliberate attempt to stimulate a transition towards a more inclusive and resilient economic future for the Western Cape region. It is a vision and strategy for society, rather than a plan of government, although all three spheres of government are essential for implementation. It does not replace any existing statutory plans required of either province or Municipalities. It is rather intended as a reference point and guide for all stakeholders in order to:

- Promote fresh thinking and critical engagement on the future;
- Provide a common agenda for private, public and civil society collaboration;
- Help align government action and investment decisions;
- Facilitate the necessary changes we need to make to adapt to our (rapidly) changing local and global context; and
- Address our development, sustainability, inclusion and competitiveness imperatives.

### **Provincial Strategic Plan (PSP) 2019 - 2024**

The PSP 2019 - 2024 is a five-year plan that sets out the Western Cape Government's strategies and plans for the next five years. It consists of 5 Vision Inspired Priorities, namely

- Vision Inspired Priority 1: Safe and cohesive communities.
- Vision Inspired Priority 2: Growth and jobs.

- Vision Inspired Priority 3: Empowering people.
- Vision Inspired Priority 4: Mobility and spatial transformation.
- Vision Inspired Priority 5: Innovation and culture.

### **SA Connect**

The South African National Broadband Policy (adopted in Dec 2013) provides a framework for a robust telecommunications environment in the country. Aligned to the NDP, it asserts the economic beneficiation for broadband infrastructure can only be effected when the following conditions are met:

- Broadband must reach a critical mass of South Africans;
- Access to broadband must be affordable;
- Demand-side skills must be developed so broadband services can be used effectively; and
- Supply-side skills must be developed so that the economic and innovative potential of broadband can be exploited.

### **Western Cape Broadband Strategic Framework (2012)**

The framework sets out a holistic approach to address access (infrastructure), readiness and usage of government, citizens and businesses in order to improve government service delivery, strengthen citizens' access to opportunities and information and increasing economic competitiveness.

### **Western Cape Green Economy Strategy Framework**

The aim of the framework is to position the Western Cape as the lowest carbon province in South Africa and the leading green economic hub of the African continent resulting in sustainable green growth and development.

### **Western Cape Recovery Plan**

The three focus areas that have been chosen as the pillars of the Western Cape Recovery Plan are JOBS, SAFETY AND WELLBEING. The jobs focus area recognises that although the private sector is the primary generator of jobs, it is the role of the WCG to create the enabling conditions for the creation and sustaining of jobs and livelihoods.

The safety pillar recognises that WCG is committed to making the province a safer place for all residents and visitors and to address the causes and underlying risk factors that lead to violent and criminal behaviour. This can best succeed through a whole of society approach that is built on strong collaboration and partnerships in which each individual, parent, organisation and institution plays their part in reducing violence.

The WCG has placed wellbeing as another pillar at the centre of what government does in order to progressively realise the fundamental rights in the Constitution and to affirm the human dignity of all residents of the Western Cape. This aims to address human needs such as education, health, safety, shelter, decent living conditions, and access to economic opportunities.

The Jobs theme of the Western Cape Recovery Plan is in alignment with the Provincial Strategic Plan (PSP) and with the immediate interventions. The primary priorities of the Department, aligned to the Jobs theme of the Western Cape Recovery plan, are:

- Ease of doing business
- Investment and exports
- Energy

## Alignment of PSP, Western Cape Recovery Plan and Immediate Interventions:

Provincial Strategic Plan - Vision Inspired Priority 2					
	I. Increasing investment II. Growing the economy through export growth	Building and maintaining infrastructure	Creating opportunities for job creation through skills development	Creating an enabling environment for economic growth through resource resilience	
Spatial					
Support SMMEs					
Accelerate Ease of Doing Business					
Recovery Plan					
Accelerate Ease of Doing Business	Boost Investment and exports (sectors)	Boost Infrastructure	Scaling up work opportunities and skills for people without jobs	Economic Resilience	
Second order Priorities - Economic Intelligence & Communications					
Underpinning Foundations and Spatial Focus					
Immediate Interventions					
Ease of doing business	Boosting private sector investment	Boosting public infrastructure	Scaling up work opportunities for people without jobs	Enabling resource security (energy & water)	Supporting vulnerable sectors (including SMMEs and tourism)
Communications to boost confidence					

The Western Cape Recovery Plan is aligned to the National Recovery plan. The Economic aspect of this plan is aligned to the following National Plan priority interventions:

National Priority	WCG Short - medium term priorities
Aggressive infrastructure investment	Boost Infrastructure
Employment orientated strategic localization, reindustrialization and export promotion	Boost exports
Energy security	Enabling Resource Resilience: energy
Support for tourism recovery and growth	Boost Investments and Export
Green economy interventions	Enabling Resource Resilience: energy & water
Mass public employment interventions	Scaling up work opportunities and skills for people without jobs
Macro-economic interventions	Ease of Doing business

### 3. UPDATES TO RELEVANT COURT RULINGS

There are no new rulings which are relevant to DEDAT and which may have a significant impact on its operations.







PART B:  
**OUR STRATEGIC  
FOCUS**

## 4. SITUATIONAL ANALYSIS

### 4.1 EXTERNAL ENVIRONMENT ANALYSIS

#### Global Economy impacts

In January 2021, the World Bank forecasted that the global economy would expand by 4% in 2021 (still ~5% below pre-pandemic projections) and 3.8% for 2022. The more positive IMF forecast for the global economy was revised up by 0.3% and expected to grow by 5.5% for 2021 and 4.2% for 2022. Growth will remain constrained to below pre-pandemic projections given that many countries have experienced second waves of surging Covid-19 infections.

Forecasts of economic expansion has, however, been lifted with the emergence of Covid-19 vaccines, which are expected to bring back growth. However, optimism about growth expectations are muted by the reality that the delivery, speed and acceptance of vaccines has its fair share of obstacles.

From a global health perspective, as countries start rolling out vaccines they will continue to have to impose measures such as social isolation, testing, tracing, social distancing, quarantining, and compulsory economic lockdowns to suppress the spread of the virus until community immunity has been achieved. Experience suggests that about one-third of the economic losses from the disease will be direct costs from loss of life, workplace closures, and quarantining.

Global travel and tourism industries were devastated early on by economic disruption from the outbreak. Casualties include the airline industry, global oil demand, and global supply chains. Even as travel slowly starts to be possible, one thing that is clear is that for the foreseeable future individuals will not be able to travel as freely as they did before the pandemic.

Global trade has begun to show some signs of recovery. IHS predicts world trade volumes will grow by 7.5% in 2021 and 4.1% in 2022. There was growth in trade in some countries. However, Japan saw imports fall, while in China and Eastern-Europe, there was a fallback in exports, and in Africa and the Middle East, imports and exports fell as well. According to the Economist Intelligence Unit (EIU, 2020), the pandemic is causing temporary disruption to regional relations, in both trade and diplomatic terms because of border closures and flight restrictions.

To contain the dire impact of the pandemic, the monetary policy responses from the Fed, ECB, and other major central banks have been speedy and comprehensive. On top of cutting interest rates, they have implemented monetary policy measures such as Quantitative Easing, zero interest rates policies and negative interest rates policies, in some countries.

#### South African Economy impacts

The South African economy was in a crisis prior to the Covid-19 pandemic. The ability of the national economy to withstand the Covid-19 onslaught is influenced by its vulnerable 2020 starting point. The state of South Africa's performance before Covid-19 was characterised by national government policy uncertainty, domestic energy outages, a slow pace of reform, technical recessions, high government expenditure relative to income, and international uncertainty caused by Brexit and the trade disputes between the two biggest economies in the world (China and the USA).

An analysis of quarterly GDP trends, after the outbreak of the pandemic, reveals that 2020Q2 saw a decline of 16.6% (quarter-on-quarter) when looking at GDP at constant 2010 prices. South Africa's GDP rebounded by a massive 66.1% in the third quarter of the year, reflecting the economy's recovery from the height of the Covid-19 lockdown. This was on a seasonally adjusted and annualised basis.

On 21 January 2021, the Monetary Policy Committee (MPC) of the South African Reserve Bank (SARB) indicated that the growth rate for the full year of 2020 is now expected to be -7.1%. GDP is forecast to grow by 3.6% in 2021 and by 2.4% in 2022. Growth prospects are informed by the availability of a vaccine, but these forecasts will be significantly impacted by the economic impact of subsequent waves of resurging Covid-19 infections as well as the country's ability to roll-out the national vaccine programme.

The speed of the vaccine roll-out will in part be impacted by the fiscal space and available government resources to combat the pandemic, which are severely constrained given South Africa's debt levels. In its 2021 Budget, National Treasury upwardly revised the budget deficit from 6.8% of GDP to 14% of GDP in 2020/21. Gross debt, according to National Treasury, has increased from 65.6% to 80.3% of GDP for the year 2020/21. The proposed fiscal framework will stabilise debt at 88.9% of GDP by 2025/26.

Through this pandemic, the South African tourism industry, which forms a significant value-chain and employment driver in our economy, has and will be the hardest impacted into 2021. Agriculture (and the agri-value chain), construction, manufacturing, and trade will also be adversely impacted due to external demand and supply-chain collapses. Nedbank and other organisations forecast that formal employment could decline by 9.7%, translating into job losses of 1.6 million. StatsSA's Quarterly Labour Force Survey (QLFS) has revealed that employment fell by 1.39 million year-on-year in Q4 2020.

In the case of the local stock exchange, almost R1-trillion had been wiped from the JSE All Share Index in the last week of February 2020. The JSE, however, has seen a recovery of 50% since lockdown in March 2020, coupled with a sharp appreciation in the Rand. From an investment perspective, the Fitch Solutions 2020Q4 Country Risk Report forecasts that South African investment as a percentage of GDP will fall from 18.7% in 2019 to 17.1% in 2020, remaining constant at 17.1% in 2021. Quantec (2020), however, provides a more pessimistic view, of a decrease to 16.2% in 2021.

Inflation will remain below the Reserve Bank's target, allowing monetary authorities to reduce policy rates further. In the event of another large virus outbreak in the near term, fiscal policy has reduced space to react. Fiscal consolidation is needed when the pandemic subsides to limit public debt growth. Recent steps in launching the auction of telecom spectrum and procuring renewable energy from independent power producers are sending positive signals to business leaders and could lift confidence if successfully concluded. Advancing structural reforms in network sectors, restructuring state-owned enterprises and boosting infrastructure investment could restore growth momentum.

Based on data from the National Income Dynamics Study – Coronavirus Rapid Mobile Survey (NIDS-CRAM) conducted in September 2020. Several findings proved relevant and need to be considered in the recovery plans. Rural areas have been more affected by job losses, the prevalence of mental health issues has doubled from 2017 to June 2020 (12% to 24%), and 51% of shack dwellers reported running out of food in June 2020 (40% increase from national averages).

The national business and consumer confidence recovered from record lows. On a national level, BER's Business Confidence Index (BCI) hit a record low of 5 index points in the second quarter of 2020 before recovering to 24 and 40 index points in the third and fourth quarter of 2020 respectively. BER's Consumer Confidence Index (CCI) also recorded a record low of -33 index points in the second quarter of 2020 but increased to -23 and -12 index points in the third and fourth quarter of 2020 respectively, indicating a slight recovery in consumer sentiment, which can be ascribed to increases in household finances.

### **Western Cape Economy Impact**

Looking at the quarterly trends in GDP for the Western Cape economy, 2020Q1 realised stagnant GDP growth of 0.0% quarter-on-quarter, while GDP in 2020Q2 was -16.3%, utilising constant 2010 GDP prices. In 2020Q3, the GDP increased by 12.1% quarter-on-quarter.

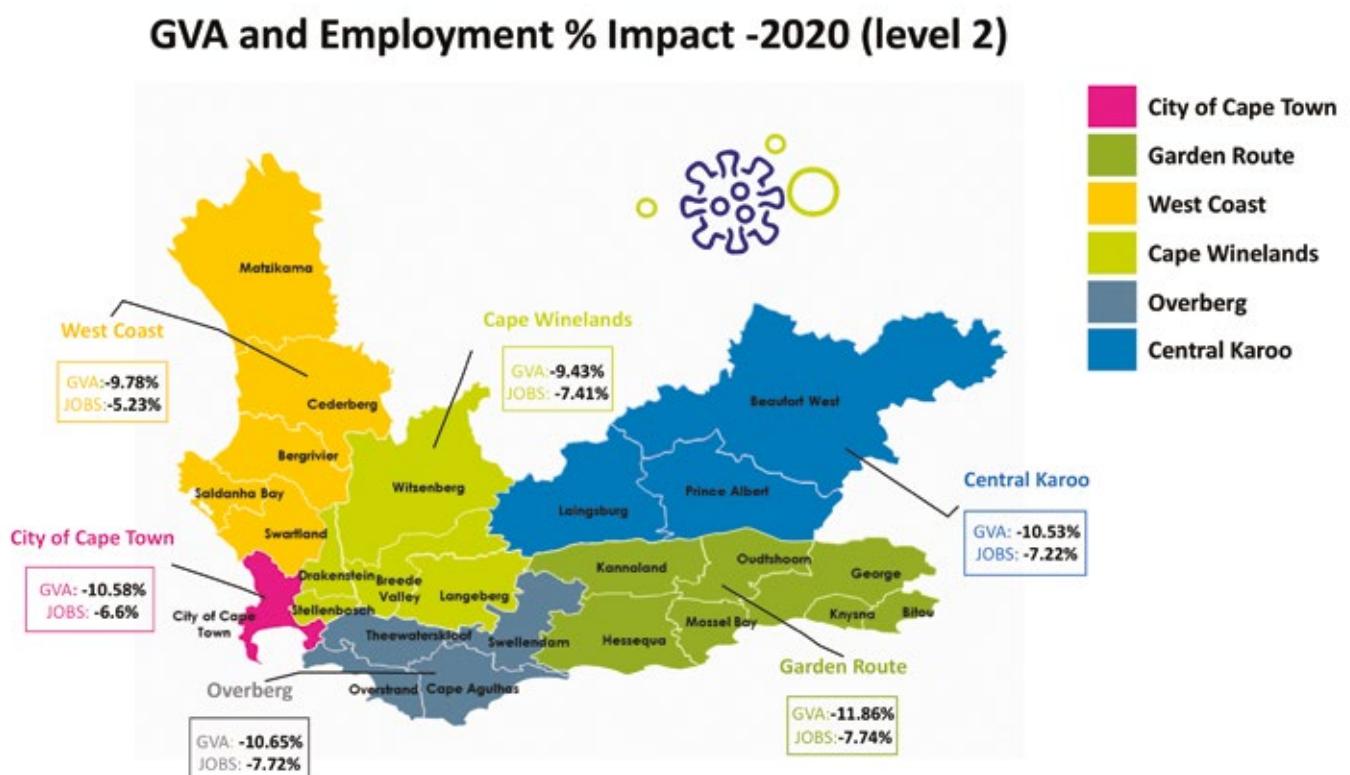
In the face of this pandemic, the Western Cape Government developed an economic model to measure the impact on the economy. It focused on producing results on two key indicators of the economy namely, Gross Value Added (GVA) and employment. The modelling was built from the bottom up, analysing, firstly, the 9 broad sectors of the Western Cape economy, and then the 34 detailed sectors. This methodology was applied across all the districts and municipalities to analyse the impact at a granular level.

The hardest hit sectors in the Western Cape are tourism, the informal sector, construction, trade, and manufacturing, as illustrated in Table 1 below.

Sectors	GVA in 2019	GVA loss in 2020	Total GVA in 2020	Loss as a % of sub sector	Employment in 2019	Employment losses in 2020	Total employed 2020	Employment loss % of subsector
<b>Tourism</b>	15 534 736	9 474 751	6 059 985	61.0%	174 982	75 477	99 505	43.1%
<b>Informal</b>	N/A	N/A	N/A	N/A	301 543	25 705	275 838	8.5%
<b>Construction</b>	31 715 441	5 045 860	26 669 581	15.9%	159 542	17 578	141 964	11.0%
<b>Trade</b>	102 087 570	9 716 082	92 371 488	9.5%	354 328	7 967	346 361	2.2%
<b>Manufacturing</b>	94 959 965	8 114 377	86 845 588	8.5%	295 183	7 858	287 325	2.7%

A spatial analysis of the economic impact of Covid-19 reveals that all districts have experienced a reduction in economic activity and a loss of jobs.

**Figure 1: Covid-19 GVA and Employment impact per district in the Province (Spatial context)**



The BER' Business Confidence Index (BCI) for the Western Cape was at a record low of 8 index points in the second quarter of 2020, owing to the on-going Covid-19 pandemic. Mirroring the national BCI figures, the low BCI reflects the pessimism of Western Cape firms about the state of the provincial economy. This is due to constrained consumer spending as well as poor firm growth prospects and their financial situation. However, in the third and fourth quarter of 2020, business confidence increased to 19 and 43 index points, indicating an increase in business confidence and signs of optimism in the Western Cape economy.

Looking at the QLFS for 2020Q4, employment results were mixed with the Western Cape experiencing a sharp decline in employment of 180 000 year-on-year, while quarter-on-quarter employment increased by 121 000. The number of unemployed expanded by 68 000 quarter-on-quarter and by 15 000 year-on-year. The labour force increased by 190 000 quarter-on-quarter, even though it declined by 165 000 year-on-year. The relatively more positive quarterly performance of the provincial labour market highlights a labour market that has begun to partially recover from a debilitating lockdown. However, looking at the year-on-year labour market performance, the road to full recovery will be challenging.

#### Challenges: Fishbone and Swot Analysis

A number of challenges have given rise to stagnant economic growth and high levels of unemployment. Figure 2 provides a fishbone that captures the macroeconomic and microeconomic factors that feed into the poor performance of the economy.

## TRADE ACCOUNT

Product and service diversity

Exchange controls (esp for services exports)

Dependency on volatile equity capital inflows

Ineffective tariff regime

Currency volatility

Weak savings culture

Local demand increasing met through imports vs. improved efficiencies in the economy

Geo-politics impacting on international trade growth

Africa is our natural market, but difficult environment

Highly constrained consumer & govt demand

## DECLINING LABOUR PRODUCTIVITY

Lack of soft skills of workers

Public transport: long (i.e. tiring), expensive & unreliable

Poor quality of educ along entire value-chain, inc 1st 1000 days

Lack of semi and skilled workers

Outdated & non-responsive skills curriculum

Mis-trust & poor relations bet man. & workers

## Low Business Confidence

Failure to adopt tech & innovation trends & practices

Inefficient Transport, logistics and ports

High taxation (& no incentives) relative to competitors

Inefficient capital/labour mix

Network failure

Weakening product and service diversification

Outward migration of know-how

Declining manufacturing diversity within economy

## WEAK MARKET DEMAND & ACCESS

## WEAK COMPETITIVENESS

## LACK OF INVESTMENT

Policy uncertainty  
Fiscal sustainability  
Currency volatility

Risk

**Unreliable electricity**  
Supply due to monopolistic practices and poor regulatory environment

Administrative inefficiencies

Weak market demand & access

Crime and safety: linked to improved urban planning

Amortising risks

Capital: Availability & relative cost

Market failures regarding information

Inadequate infrastructure and property

Policies favour primary over manu & services

## Weak Economic Growth

Nature of the growth enhance Gini or worsen inequality

## STRUCTURAL COST & EFFICIENCY DRIVERS

An analysis of the range of challenges faced by the economy as exhibited by the fishbone analysis, identified some of the most significant inhibitors to economic growth and job creation.

The understanding of the environment is further informed by a SWOT analysis.

<b>Strengths</b>	<ul style="list-style-type: none"> <li>The Western Cape has a competitive agricultural sector, with more than 52% of South Africa's agricultural exports in 2019 originating from the Western Cape, with good rains and bumper crops expected from 2020.</li> <li>The Province has one of the higher labour absorption rates (lowest expanded unemployment rate across the country), which means that an individual has a greater chance of gaining employment in the Province.</li> <li>The Western Cape possesses a relatively developed infrastructure, which makes the Province attractive to investors.</li> <li>The Province has positioned itself as a digital, green-tech, and a financial hub, which can support business process outsourcing (BPO), manufacturing, and development across the Continent.</li> <li>The Province has four Universities and a number of institutions of higher learning.</li> </ul>
<b>Weaknesses</b>	<ul style="list-style-type: none"> <li>Heavy reliance on the tourism sector in the Western Cape, which has been devastated by Covid-19.</li> <li>A decrease in business confidence, which can be linked to a decline in private sector investment.</li> <li>Increased crime has negatively impacted tourist's perception about the Western Cape as a safe destination and destroyed public property (trains etc.).</li> <li>The Province struggles with skills shortages, driven in part by a skills mismatch.</li> <li>Ageing infrastructure and poor management of catalytic infrastructure relating to transport namely the three major ports in the Western Cape as well as the rail network.</li> </ul>
<b>Opportunities</b>	<ul style="list-style-type: none"> <li>Potential growth in Africa (via the AfCFTA) presents an opportunity to promote exports to these markets.</li> <li>The currency depreciation offers an opportunity to promote exports and tourism through price competitiveness.</li> <li>Export and tourism promotion could have a greater focus in fast-growing economies such as India and China as tourism opens up post-Covid-19.</li> <li>The strong agricultural capability of the Western Cape region offers an opportunity to promote agri-processing. The sector is considered labour absorbing and encourages growth within the agricultural sector, which promotes spatial development.</li> <li>Opportunities lie in areas around pharmaceuticals, bio-tech, green tech, and medical products through product diversification within special economic zones (SEZs) and hubs in the Western Cape.</li> </ul>
<b>Threats</b>	<ul style="list-style-type: none"> <li>Covid-19 may have third and fourth waves that will disrupt tourism and economic growth in the Western Cape.</li> <li>South Africa will experience slow economic growth over the coming years due to Covid-19, weak, lacklustre investment, relatively subdued commodity prices, sporadic strikes and load shedding.</li> <li>South Africans possess high household debt sustained by higher taxes such as increased VAT, increased estate tax, increased luxury goods duties, and increased fuel levy, which is dampening demand.</li> <li>Continued bailouts of State-Owned Enterprises will continue to put pressure on the fiscus (SAA: R10 billion).</li> <li>There are massive fiscal risks with a tax revenue shortfall predicted and borrowing costs are predicted to increase (debt to GDP keeps climbing).</li> <li>Based on this, Western Cape Provincial share of revenue has been slashed from National Treasury, paving the way for massive cuts in human resources and projects.</li> <li>Energy policy delays, together with policy uncertainty on matters such as land expropriation and the Reserve Bank, will restrain investment and growth.</li> <li>The National Health Insurance (NHI) plan means private medical schemes and companies are facing an uncertain future.</li> <li>Declining business confidence, linked to the possibility of higher electricity costs in the future, load-shedding and the risk of credit ratings downgrade due to the financial instability at South African SOEs.</li> <li>Lack of a reliable supply of electricity due to the failure of Eskom.</li> </ul>

The fishbone and SWOT analysis reveal that the economic implications of Covid-19 are widespread, and exacerbate existing binding constraints, impacting demand and supply across global, national and provincial levels. The lockdown has resulted in lower investment and business confidence, loss of jobs, limited trade, and business vulnerabilities related to the dependence on international markets.

The Western Cape Government developed an immediate response to address the wave of job losses that swept over the country as a result of the impact of the Covid-19 pandemic and the resulting lockdown periods.

### **Immediate Interventions**

The immediate interventions were the immediate responses to the economic crisis, and it was an action-orientated plan that immediately provided relief by getting income into households. It also built momentum in tackling the systemic challenges to employment.

The immediate interventions formed a component of the broader Jobs theme within the Western Cape Recovery Plan and its core objectives were to:

- Urgently help inject capital and jobs into the economy and households.
- Support the creation and retention of jobs.
- Boost business and consumer confidence.

The initiatives of the interventions supported the creation and retention of nearly 20 000 jobs.

### **Western Cape Recovery Plan**

The Western Cape Recovery Plan states that we can only recover from the economic impact of the Covid-19 pandemic if our economy grows and our citizens generate income. Essentially, a job is a golden ticket out of the cycle of poverty and inequality in South Africa, and it is the foundation for any recovery which aims to have a positive impact on women, children, youth and people with disabilities. In light of the fact that the Covid-19 pandemic has exacerbated the economic challenges experienced by the national and provincial economy, the Western Cape Government has developed a Recovery Plan with Jobs as a key theme. The Jobs theme in the Western Cape Recovery Plan builds on the immediate interventions.

The Jobs theme is aligned to the other themes in the Western Cape Recovery Plan as it focuses on creating an enabling environment for job creation, primarily through supporting private sector and markets, thereby improving wellbeing and safety. The enabling environment to grow the economy and create jobs will be achieved by focusing on the following areas:

- **Accelerate ease of doing business:** Enable the ease of doing business by “attacking” significant constraints on economic growth.
- **Boost investments and exports:** Boost private sector investments. Promote and support exports.
- **Boost infrastructure:** Stimulate the economy by boosting infrastructure investment and job creation in the public sector.
- **Scale up work opportunities and skills for people without jobs:** Boost employment for people without work through accelerating skills supply and work placement initiatives.
- **Economic resilience:** Enable energy and water resilience.

The focus areas of the Jobs theme of the Western Cape Recovery Plan are well aligned with the South African economic reconstruction and recovery plan. The priority interventions of the national recovery

focus on: 1) A drive for infrastructural investment in collaboration with the private sector to stimulate job creation; 2) Achieving energy security by opening up the electricity supply chain to independent power producers; 3) Digital push with broad-based spectrum auction progress and a commitment to improve the capacity of the “state”; 4) A relaxation of the regulatory environment to enhance the ease of doing business and the associated drive to develop small business; 5) The introduction of e-visas to enhance tourists; 6) A scheme to employ young people to assist teachers in school learning. Many of the themes from the job theme clearly resonate with the priority interventions of the national recovery plan.

The Jobs theme of the Western Cape Recovery Plan also has secondary priorities as well as underpinning foundations and a spatial focus.

### **Secondary Priorities - Economic Intelligence and Communications**

- Economic intelligence is a secondary priority given that the WCG will continue to follow an evidence-led approach in delivery of all interventions. Economic intelligence ensures informed decision-making and underpins the delivery of the key themes. Similarly, communications is a secondary priority, given that business and consumer confidence is a vital aspect of the recovery plan. All Departments must undertake to support communications drives that will raise awareness of positive developments and help boost business and consumer confidence.

### **Underpinning Foundations and Spatial Focus**

- All Departments will continue with the programmes and interventions that speak to their core mandate and strategies. These core mandates and strategies underpins delivery of the themes. These include SMMEs and the informal economy, Catalytic Economic Infrastructure, Digital Economy and Innovation, Consumer Protection, Skills Development, Sector Development, Economic Advocacy and Stakeholder Co-ordination, Spatial and Municipal Economic Support, and the Green Economy.
- Furthermore, regional economies across the Western Cape have been severely impacted by the Covid-19 pandemic and an integrated response that aligns to their unique characteristics is required. Using the Joint District Approach and the District Consultative forums as key platforms for engagement, the provincial approach to economic recovery is transversal in nature and will apply a spatial lens at district, rural and township level.

The Jobs theme also embraces the broader themes of the Great Reset, which are advocated in the Western Cape Recovery Plan. These themes support **smarter growth, fairer growth** and **greener growth**.

## **4.2 INTERNAL ENVIRONMENT ANALYSIS**

### **Vision**

The Department's vision is a Western Cape that has a vibrant, innovative and sustainable economy, characterised by economic growth and employment.

### **Mission**

To attain the vision statement as expressed above, the Department of Economic Development and Tourism will provide qualitative leadership to the Western Cape economy through the Department's understanding of the economy, its ability to identify economic opportunities and potential, and its contribution to government economic priorities. The Department will support the implementation of

the Jobs theme of the Western Cape Recovery Plan. The Department's five-year strategic plan will also enhance the productive and competitive capability of the provincial economy. The Departmental five-year strategic plan remains unchanged, as it is well aligned with the Jobs theme of the Western Cape Recovery Plan, and its implementation will catalyse economic growth and employment creation through:

- Investment promotion and catalytic infrastructure
- Export Growth
- Addressing skills gaps
- Accelerating the ease of doing business
- Resource resilience

### **Departmental five-year strategic plan Enablers**

The Departmental five-year strategic plan has five priorities that will make it possible to achieve the impact of growing employment. The enablers are:

- Improve productivity and competitiveness
- Municipal support and SMME development
- Economic intelligence and data analytics
- Economic advocacy and legislative mandate

In order to grow the economy, it is important to create a competitive advantage in certain sectors and industries. This can be achieved by improving **productivity and competitiveness**, which can be informed by economic intelligence and data analytics. Growing the economy will require a sound understanding of existing and new markets relating to the current export commodities which the Western Cape can produce in key sectors.

Productivity and competitiveness will also be enhanced through support to Small, Medium and Micro Enterprises (SMMEs).

Investment is sensitive to perceptions and consequently economic advocacy, **utilising economic intelligence and data analytics** are important in order to promote business and consumer confidence. Investment is also a key component of an export growth strategy due to the increased need for production activity which will result in numerous capital requirements depending on the activities in the various sectors and industries.

For the Province to continue to maintain and advance good governance and to create jobs and grow the economy, the Province needs to **support municipalities** in order to ensure spatial economic development. This will include the adoption of an inclusive economic development approach. Inclusive spatial economic development requires the Province to have a clear economic outlook and support municipal economies. It will also entail infrastructure management, buffering against climate change and ensuring water security, and improving waste management.

**Economic advocacy** plays a key role in forging partnerships with local, national and international players, which influences the growth of the regional economy and employment. This approach appreciates that every institution within the Western Cape has a role and mandate, and within these respective mandates and roles, these institutions can positively contribute towards economic perceptions of the Western Cape. Effective economic advocacy requires that the messaging and value proposition of economic opportunities in the Western Cape need to be collated and coordinated in a coherent and on-going basis.

**Support to SMMEs** will make it easier for enterprises from the smallest township SMMEs to the largest foreign investors to do business.

## **Values**

The core values of the Department are:

- Caring: To care for those we serve and work with.
- Competence: The ability and capacity to do the job we are appointed to do.
- Accountability: We take responsibility.
- Integrity: To be honest and do the right thing.
- Innovation: To be open to new ideas and develop creative solutions to problems in a resourceful way.
- Responsiveness: To serve the needs of our citizens and employees.

## **Organisational environment**

Flowing from the Provincial Strategic Plan (2019 - 2024), the Department of Economic Development and Tourism has also been mandated to take the lead role in driving the Western Cape Government's agenda for the Vision Inspired Priority (VIP 2), namely Growth and Jobs.

In addition, the Jobs theme of the Western Cape Recovery Plan, which is aligned to the Department's 5-year strategy, addresses the current need to create and sustain jobs as well as the many systemic challenges that were captured in the 5-year strategy. Within the context of this linkage, several themes and interventions in the Jobs theme of the Western Cape Recovery Plan resonate with the 5-year strategy.

Given the complex and transversal environment as well as the significant shift in the "new way of work" due to Covid-19, emphasis will be placed on the re-skilling and up-skilling of staff, competency improvement, performance management, diversification, mentorship and succession planning. During the reporting period the Department will review its Workforce Plan which will continue to be the vehicle to ensure that the Department utilises and develops its human capital optimally to ensure agility and integrated service delivery.

Additionally, in order to enhance efficiencies for delivery of functions, the Department will progress the "Digital DEDAT" project, which aims to bring about improved functional efficiencies within DEDAT to improve reach, impact and effectiveness of DEDAT's internal programmes through increased productivity stemming from the adoption of digital technology. The project follows an in-depth review of the Department's processes which concluded four "pain points" around the need for document management and automation, project reporting, stakeholder management and communications. In 2021/22, the Department will continue to engage the services of Business Analysts and Data Analysts to refine the detailed requirements, coordinate with the Centre for e-Innovation and drive the change process. Activities include the finalisation of the business requirement specifications, consideration of the organizational changes, solution recommendations and early development and integration in the DEDAT environment capitalising on the tools available. Efforts will be made to manage the transition from analogue processes to digital processes, ensuring that appropriate staff training is made available as well as change management. A digital 'sandbox' environment will be created for the rapid prototyping and proving of solutions.

With the rise of the Covid-19 pandemic, the Department needed to realign its working process to accommodate its employees within the priority group (women) and vulnerable employees (people

with disabilities). This has been effected in terms of the Department's Workplan which allows for employees to be able to work remotely, where necessary.

Annually, the Department's Women in Management group (SMS and MMS members) hosts a meeting to discuss any possible gender inequity issues within the Department. Actionable points are collated and acted upon. The meeting has extended itself into a quarterly meeting commencing in the new financial year to ensure that departmental policies and procedures are aligned to include the mainstreaming of human rights.

The Department prides itself on the opportunity to support and provide reasonable accommodation for People with Disabilities. The Department ensures that matters relating to accessibility is addressed through its Gender Equality Strategic Framework Plan and Job Access Strategic Framework Plan.

Ongoing interventions are rolled out for employees to raise awareness around human rights, in terms of sexual harassment, disability and gender inequality gaps.

The Department of Economic Development and Tourism does have an approved Service Delivery Improvement Plan (SDIP) for the Key Services, namely:

- Service one: To Provide for Registration of Tourist Guides in the Province as per the Tourism Act, No. 3 of 2014.
- Service two: To Act as a Consumer Protection Agency within the Western Cape Province by virtue of the Provisions of the Provincial and National Legislation.
- Service three: Provide Red Tape Reduction Business Helpline Service.

This SDIP is in the current approved DPSA required 3-year format and will be reviewed during 2021/22. The approved SDIP does have links to the Departmental Annual Performance Plan through Programmes 2, 4 and 6.

## **OVERVIEW OF THE 2021/22 BUDGET AND MTEF ESTIMATES**

<b>Sub-programme</b>	<b>Audited</b>			<b>Main appropriation</b>	<b>Adjusted appropriation</b>	<b>Revised estimate</b>	<b>Medium term expenditure</b>			
	<b>R'000</b>	<b>2017/18</b>	<b>2018/19</b>	<b>2019/20</b>	<b>2020/21</b>	<b>2020/21</b>	<b>2020/21</b>	<b>2021/22</b>	<b>2022/23</b>	<b>2023/24</b>
Administration	58 067	57 653	56 914	67 934	62 287	62 287	66 400	62 156	64 055	
2. Integrated Economic Development Services	37 174	46 150	66 271	78 690	90 504	90 504	51 357	57 651	59 097	
3. Trade and Sector Development	49 542	47 204	61 530	97 737	70 700	70 700	70 763	70 846	72 452	
4. Business Regulation and Governance	10 600	9 684	9 058	8 624	7 299	7 299	10 045	10 514	10 535	
5. Economic Planning	129 350	134 244	181 807	171 867	146 595	146 595	171 672	157 878	95 025	
6. Tourism, Arts and Entertainment	53 397	59 339	58 148	95 614	77 582	77 582	77 207	79 627	82 517	

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Sub-programme	Audited			Main appropriation	Adjusted appropriation	Revised estimate	Medium term expenditure		
	R'000	2017/18	2018/19	2019/20	2020/21	2020/21	2020/21	2021/22	2022/23
7. Skills Development and Innovation	61 173	70 122	65 055	84 145	79 919	79 919	70 363	75 879	76 252
Total payments and estimates	399 303	424 396	498 783	604 611	534 886	534 886	517 807	514 551	459 933
Economic classification R'000									
Current payments	221 616	232 363	215 353	270 579	182 278	182 278	208 493	199 961	176 156
Compensation of employees	115 365	125 927	131 943	165 221	123 258	123 258	132 545	133 289	134 161
Goods and services	106 251	106 436	83 410	105 358	59 020	59 020	75 948	66 672	41 995
Interest and rent on land									
Transfers and subsidies	171 579	186 573	278 643	327 886	345 086	345 086	307 314	311 376	280 327
Provinces and municipalities	1 500		6 214	15 195	7 734	7 734	5 480	6 000	6 000
Departmental agencies and accounts	124 833	148 035	206 082	215 274	196 242	196 242	204 952	201 670	168 168
Universities and Technikons		2 000		1 600	1 230	1 230			
Foreign governments and international organisations									
Public corporations and private enterprises	3 530	7 877	9 432	16 976	52 034	52 034	6 500	8 273	6 500
Non-profit institutions	30 611	17 374	32 538	18 059	22 408	22 408	38 700	42 244	42 833
Households	11 105	11 287	24 377	60 782	65 438	65 438	51 680	53 189	56 826
Transfers and subsidies to Capital									
Government Motor Trading Account									
Payments for capital assets	5 997	5 387	4 678	6 146	7 516	7 516	2 000	3 214	3 450
Buildings and other fixed structures									
Machinery and equipment	5 348	4 972	4 560	6 146	7 126	7 126	2 000	3 214	3 450
Heritage assets									
Specialised military assets									
Biological assets									
Land and subsoil assets									
Software and other intangible assets	649	415	118		390	390			
Payments for financial assets	111	73	109		6	6			
Total economic classification	399 303	424 396	498 783	604 611	534 886	534 886	517 807	514 551	459 933





MINISTER

## FINANCE AND ECONOMIC OPPORTUNITIES

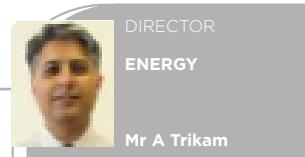
Mr D Maynier



HOD  
ECONOMIC  
DEVELOPMENT  
AND TOURISM  
Mr S Fourie



DDG  
STRATEGIC  
ECONOMIC  
ACCELERATORS  
AND DEVELOPMENT  
Ms J Johnston



# ORGANISATIONAL STRUCTURE







**PART C:**

## **MEASURING OUR PERFORMANCE**

**INSTITUTIONAL PROGRAMME  
PERFORMANCE INFORMATION**

### **PROGRAMME 1: ADMINISTRATION**

## **5. PROGRAMME 1: ADMINISTRATION**

### **5.1 PURPOSE**

To provide strong, innovative leadership, and to deliver clean, efficient, cost effective, transparent and responsive corporate services to the Department.

### **5.2 SUB-PROGRAMME 1.1: OFFICE OF THE HEAD OF DEPARTMENT**

#### **5.2.1 Purpose**

- To manage and direct the Departmental transversal administrative programmes that give leadership to the Department.
- To effectively maintain an oversight function of the whole Department's mandate and function.

### **5.3 SUB-PROGRAMME 1.2: FINANCIAL MANAGEMENT**

#### **5.3.1 Purpose**

- To provide an effective financial management function.
- To ensure implementation of the PFMA and other related financial regulations and policies.
- To provide planning and budgeting support to the Department.
- To make provision for the maintenance of assets.

#### **5.3.2 Sub-programme 1.2: Outcomes, Outputs, Performance Indicators and Targets**

Outcome	Outputs	Output Indicators	Annual Targets							
			Audited /Actual Performance			Estimated Performance	MTEF Period			
			2017/18	2018/19	2019/20		2020/21	2021/22	2022/23	2023/24
Improved Financial Governance	Processed payments to creditors within 30 days	1.1 Number of days for the processing of payment to creditors	Payment to creditors within 18.31 days	Payment to creditors within 15.79 days	Payment of creditors within 15.88 days	30 days	30 days	30 days	30 days	
	Cumulative expenditure as a percentage of the budget (Actual expenditure/ Adjusted budget)	1.2 Percentage cumulative expenditure achieved (Actual expenditure/ Adjusted budget)	98.51%	98.95%	98% (R498 783 000)	98%	98%	98%	98%	
	Efficiency interventions successfully implemented	1.3 Number of financial efficiency interventions implemented	12	5	7	4	2	2	2	

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Outcome	Outputs	Output Indicators	Annual Targets						
			Audited /Actual Performance			Estimated Performance	MTEF Period		
			2017/18	2018/19	2019/20		2020/21	2021/22	2022/23
Improved Financial Governance	Financial manual training session conducted	1.4 Number of financial manual training sessions conducted	18	19	12	12	12	12	12
	Customer service satisfaction achieved	1.5 Percentage of customer service satisfaction achieved	New indicator	New indicator	New indicator	50%	60%	70%	70%
	Internal Audit recommendations implemented	1.6 Percentage of Internal Audit recommendations implemented	New indicator	New indicator	New indicator	80%	75%	75%	75%
	External Audit recommendations implemented	1.7 Percentage of External Audit recommendations implemented	New indicator	New indicator	New indicator	100%	100%	100%	100%

### 5.3.3 Sub-programme 1.2: Indicators, Annual and Quarterly Targets

Output Indicators	Annual Target	Q1	Q2	Q3	Q4
1.1 Number of days for the processing of payment to creditors	30 days	30 days	30 days	30 days	30 days
1.2 Percentage cumulative expenditure achieved (Actual expenditure/Adjusted budget)	98%	-	-	-	98%
1.3 Number of financial efficiencies Interventions implemented	2	-	-	-	2
1.4 Number of financial manual training sessions conducted	12	-	-	-	12
1.5 Percentage of customer service satisfaction achieved	60%	-	-	-	60%
1.6 Percentage of Internal Audit recommendations implemented	75%	-	-	-	75%
1.7 Percentage of External Audit recommendations implemented	100%	-	-	-	100%

#### **5.3.4 Explanation of planned performance over the medium-term period**

Right now, the people of the Western Cape is collectively fighting an omnipresent; fast-moving and indiscriminate enemy. The speed and ferocity with which the Covid-19 has impacted the globe and our beautiful Province has been alarming. This situation presented our leaders with difficult decision-making which needed to be assessed and changed on almost a daily basis.

The Financial Management unit has always lived the motto: Hope for the best, but plan for the worst. In this regard, the impact of the lockdown restrictions resulting from the Covid-19 pandemic has not had a crippling impact on both the Department and Financial Management. While minor amendments needed to be made, the unit could easily transition from an office-based operation to one that operated remotely. While there were teething challenges experienced with day-to-day operations, the many years of improving efficiencies within the unit's processes has had a negligible impact on service delivery. A prime example of this is that throughout lockdown levels 5 to 1, the Financial Management component could continue processing all financial transactions.

The Covid-19 pandemic was, however, the driving force to ensure that measures implemented were adopted. An example of this is the automation of the booking of fleet vehicle project (GG Automation). GG automation is the online system where employees can request the use of a Departmental fleet vehicle (GG) online. All approvals are provided online and vehicles can be issued as per the Departments policy.

Further to the above, the unit, together with the Centre for e-Innovation (Ce-I) has embarked on a process of developing an online application to complete the Departments' Project Proposal process. This system will ensure that all Proposals for funding can be completed timeously and that administrative mishaps are eradicated. The PP process will be further enhanced by linking other administrative processes to thereby reducing time spent on processes and improving accuracy.

Learning from the above situations, the Financial Management unit will continue to be the driving force for the adoption of innovative ideas within the Department. It is also the mantra of the unit that innovation does not need to cost millions, but in essence, its the changing of a mindset to adapt to a new normal.

Furthermore, the emphasis on training will also be a priority for the unit. Without ensuring that all staff is au-fait with changes/amendments in the financial environment, the Department will not be in a position to ensure proper service delivery, where the highest governance standards are espoused and moreso, defended by each and every member of the Departments staff complement.

Noting the above, the achievement and management of the highest level of financial governance remains the long-term inclusive strategy that relies on compliance, a performance culture, stakeholder support and service delivery. It must embody but is not limited to the provision of quality information, efficient allocation of resources, financial management competence, sound legislative structures and ultimately the modernisation of public sector finance for the benefit of the residents of the Western Cape. As one of the most valued indicators of good financial governance, the achievement of the objective of an unqualified audit opinion compels the effective and efficient management of all processes. As an example of this commitment to improving governance within the Department, the Office embarked on an initiative to assist with the rollout of the WC SMME Relief Fund. In this regard, the office undertook the initial compliance verification processes of applicants to the Fund. Through the provision of this service, Financial Management not only ensured that the highest governance

standards were met, but also ensured that an improved service could be delivered to deserving SMMEs when required most.

Financial Management further supports SMMEs by ensuring that payments were processed timeously. All qualifying SMMEs had funds processed and available within their bank accounts within 2 weeks of approval and the verification of information provided.

In addition, public financial management concerns the effective management of the collection and expenditure of funds by governments. As societal needs will inevitably be greater than the resources available to government, all public resources must be used as efficiently and effectively as possible. Efficient public corporate management is central to creating a relationship of mutual trust and shared consensus between government and citizens and is at the core of the development of this strategy.

In undertaking the above, the Chief Directorate: Financial Management will focus its attention on the following strategies:

#### **Strengthening the compliance environment**

- Implement a system to proactively identify and disseminate all legislation impacting on the financial environment.
- Build financial management technical expertise through a structured training programme.
- Development of improved templates to enhance and simplify complex compliance requirements.

#### **Enhancing the dissemination of financial information through improved communication and marketing**

- Establish a guideline/standard for effective communication.
- Establish a platform where best practices are shared across service delivery units.
- Reframing the compliance narrative to aid the inculcation from service delivery partners.

#### **Re-orientation towards a citizen centric support service**

- Implement a tailored training programme for client facing units/service delivery partners.
- Capacitating financial management staff to obtain a better understanding of delivery programmes of the Department.
- Enhance the working relationships between financial management and service delivery units to improve service delivery.
- Undertaking surveys to improve service delivery satisfaction amongst Service Delivery partners.
- Implement a customer service delivery programme.

#### **5.3.5 Sub-programme 1.2: Key Risks**

Outcome	Key Risk	Risk Mitigation
Improved Financial Governance	Inability to achieve an unqualified audit opinion due to material misstatements or material non-compliance in high-risk areas such as Transfer Payments, Human Resource Management, Audit on predetermined objectives and Supply Chain Management as a result of an ineffective or inadequate control environment.	<ol style="list-style-type: none"><li>1. An annually updated and maintained departmental financial policy manual and delegations of authority.</li><li>2. Completion of accurate and complete quarterly Financial Statements.</li><li>3. Assurance provided on high risk areas.</li><li>4. Enhancement of business processes.</li><li>5. Financial Management training to line functions to ensure competency.</li><li>6. Training for Financial Management staff to ensure competency.</li></ol>

## 5.4 SUB-PROGRAMME 1.3: CORPORATE SERVICES

### 5.4.1 Purpose

- To provide a strategic support function to the Department.
- To ensure the rendering of ICT, human capital, corporate assurance, legal and communication support services to the Department.
- To monitor and evaluate Departmental performance.
- To develop and manage knowledge and information systems, records and co-ordinate ICT.

### 5.4.2 Departmental Performance Monitoring

#### 5.4.2.1 Departmental Performance Monitoring: Outcomes, Outputs, Performance Indicators and Targets

Outcome	Outputs	Output Indicators	Annual Targets							
			Audited /Actual Performance			Estimated Performance	MTEF Period			
			2017/18	2018/19	2019/20		2020/21	2021/22	2022/23	2023/24
Functional 'M&E system' that provides strategic support to the Department	Outcomes monitored	1.8 Number of Outcomes Monitoring reports produced	New indicator	New indicator	New indicator	1		1	1	2
	Non-financial performance information system managed	1.9 Number of Output Monitoring reports produced	4	4	4	4		4	4	4
	M&E capacity building conducted	1.10 Number of M&E capacity building sessions conducted	New indicator	New indicator	New indicator	2		2	2	2

#### 5.4.2.2 Departmental Performance Monitoring: Indicators, Annual and Quarterly Targets

Output Indicators	Annual Target	Q1	Q2	Q3	Q4
1.8 Number of Outcomes Monitoring Reports produced	1	-	-	-	1
1.9 Number of Output Monitoring reports produced	4	1	1	1	1
1.10 Number of M&E capacity building sessions conducted	2	-	1	1	-

#### 5.4.2.3 Explanation of planned performance over the medium-term period

As the WCG operationalises the Western Cape Recovery Plan responsive to a Covid-19 environment, a departmental M&E framework, responsive to emergent priorities and new programmatic focus areas remains a key activity for this Unit.

For outcomes to be managed, they need to be measured. An outcomes-focus will require us to expand our focus beyond compliance or organisational monitoring (performance reporting) to tracking the results of our interventions against their intended aims. Already in the first half of the 2020/21 fiscal year, demand for technical assistance on project-level monitoring frameworks increased which is a positive sign confirming the M&E unit's strategic focus on building a results-monitoring capacity in the Department. The products of our interventions to support managers with project-level monitoring systems includes the planned quarterly and annual outputs and outcomes monitoring reports.

Data is required to track performance. A sustained effort is planned to build indicator or project-level information 'stores' adequate to supply management's demand for data-driven decision making, new programme development or performance reporting.

Ultimately, the cornerstone of an M&E unit is to conduct evaluations by systematically using social science research to 'judge' the worth or merit of governmental programmes. Demand for and use of evaluations in the government sector is nascent and much work is needed to build evaluative capacity to promote how and why evaluations can inform strategic planning, budgeting and more importantly, improving the social programmes we implement. Alongside the current work being done to prepare for the planned mid-term evaluation as envisioned in the Planning Framework (February 2020), advocacy, staff capacity building and responding to the executive's need for performance information are key activities need to build and prepare the Department for future program evaluations as the need for these arise.

#### **5.4.2.4 Departmental Performance Monitoring: Key Risks**

<b>Outcome</b>	<b>Key Risk</b>	<b>Risk Mitigation</b>
Functional 'M&E system' that provides strategic support to the Department	Inability of the Department to optimally use the M&E systems to measure, report and track the impact of its interventions against intended 5-year strategic outcomes.	<p>Programmes have internal project monitoring systems in place.</p> <p>Transversal electronic records system (My Content) in place to access information.</p> <p>A Standard Operating Procedure was developed to guide Programme Performance Reporting.</p> <p>Build capacity with departmental project managers on the key M&amp;E and performance reporting concepts, practices.</p> <p>Ongoing engagement with programmes to obtain performance data against 5-year outcomes to prepare for mid- and end-term reporting.</p> <p>Technical indicator descriptions used to guide collection of credible performance information.</p> <p>Develop DEDAT-specific Monitoring Framework, informed by PSP and Strategic Plan outcomes.</p> <p>Consult senior management on use of monitoring frameworks to guide tracking and reporting of departmental performance.</p>

### 5.4.3 Departmental Communications

#### 5.4.3.1 Departmental Communications: Outcomes, Outputs, Performance Indicators and Targets

Outcome	Outputs	Output Indicators	Annual Targets							
			Audited /Actual Performance			Estimated Performance		MTEF Period		
			2017/18	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	
Improved ease of doing business	Strategic economic communication agendas	1.11 Number of strategic economic communication agendas developed	New indicator	New indicator	New indicator	New indicator	4	4	4	

#### 5.4.3.2 Departmental Communications: Indicators, Annual and Quarterly Targets

Output Indicators	Annual Target	Q1	Q2	Q3	Q4
1.11 Number of strategic economic communication agendas developed	4	-	-	-	4

#### 5.4.3.3 Explanation of planned performance over the medium-term period

The Department's vision is a Western Cape that has a vibrant, innovative and sustainable economy, characterised by economic growth and employment. The role of Departmental Communications is to communicate this vision through internal and external communications using written, verbal, visual and electronic media as well as marketing, promoting and advertising departmental services to local, national and international economic stakeholders.

In executing this task, the essential role of the unit relates to managing, coordinating and providing support to communication activities within the Department to ensure effective and brand-consistent message transmission. This is to ensure that local, national and international economic stakeholders are informed of Departmental services on offer as well as its activities, and the outcomes emanating from the activities.

Furthermore, Departmental Communications will provide strategic communications support to economic advocacy awareness strategies and plans, reinforcing and expanding on the Western Cape's value proposition, as a regional economy. Within the Departmental context strategic economic communications is defined as "focused efforts by the Western Cape Government to understand and engage key audiences to create, strengthen, or preserve conditions contributing to a favourable degree of business confidence".

This entails the development of strategic economic communication agendas, representing a synthesis of economic intelligence derived from economic priority areas, contributed to by internal departmental units, WCG departments and Western Cape economic role-players, into narratives, messages or themes to be used in supporting lobbying, promotion efforts and associated communications initiatives.

#### 5.4.3.4 Departmental Communications: Key Risks

Outcome	Key Risk	Risk Mitigation
Improved ease of doing business	Implementation does not occur due to insufficient data and analytical systems for informing content in the development of strategic economic communication agendas.	Ensure identification and development of relationships with key economic stakeholders (internal and external) to provide input and analysis required for implementation of agendas



## 5.5 PROGRAMME RESOURCE CONSIDERATIONS

### Budget Allocation for Programme and Sub-programmes

Sub-programme	Audited			Main appropriation	Adjusted appropriation	Revised estimate	Medium term expenditure		
	R'000	2017/18	2018/19	2019/20	2020/21	2020/21	2020/21	2021/22	2022/23
1. Office of the HOD	6 054	10 644	7 464	8 895	11 679	11 679	10 297	9 846	10 042
2. Financial Management	31 610	34 713	34 829	44 132	36 923	36 923	39 098	39 710	41 246
3. Corporate Services	20 403	12 296	14 621	14 907	13 685	13 685	17 005	12 600	12 767
Total payments and estimates	58 067	57 653	56 914	67 934	62 287	62 287	66 400	62 156	64 055
Economic classification R'000									
Current payments	53 456	53 356	51 671	61 810	55 169	55 169	64 400	58 942	60 605
Compensation of employees	36 324	40 930	37 088	45 510	43 482	43 482	46 500	46 499	47 220
Goods and services									
Interest and rent on land	17 132	12 426	14 583	16 300	11 687	11 687	17 900	12 443	13 385
Transfers and subsidies	57	43	1 059	2	10	10			
Provinces and municipalities									
Departmental agencies and accounts	3	4	4	2	2	2			
Universities and Technikons									
Foreign governments and international organisations									
Public corporations and private enterprises									
Non-profit institutions									
Households	54	39	1 055		8	8			
Transfers and subsidies to Capital									
Government Motor Trading Account									
Payments for capital assets	4 500	4 189	4 118	6 122	7 102	7 102	2 000	3 214	3 450

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Sub-programme	Audited			Main appropriation	Adjusted appropriation	Revised estimate	Medium term expenditure			
	R'000	2017/18	2018/19	2019/20	2020/21	2020/21	2020/21	2021/22	2022/23	2023/24
Buildings and other fixed structures										
Machinery and equipment	4 500	4 189	4 118	6 122	7 102	7 102	2 000	3 214	3 450	
Heritage assets										
Specialised military assets										
Biological assets										
Land and subsoil assets										
Software and other intangible assets			-							
Payments for financial assets	54	65	66		6	6				
Total economic classification	58 067	57 653	56 914	67 934	62 287	62 287	66 400	62 156	64 055	

#### **Explanation of the contribution of resources towards achievement of outputs**

The programme has been allocated an amount of R66.400 million for the 2021/22 financial year. This represents an increase of R4.113 million or 6.60 per cent. This increase in budget is to provide funding for filling of sorely needed vacant posts within the Programme which will be required to maintain the high standards of governance employed within the Department.

Furthermore, the Programme will also be driving the ICT modernisation programme within the Department. In this regard the Programme will be reviewing the ICT requirements of the Department and partnering with the Centre of e-Innovation to drive innovations within this field.





## PROGRAMME 2: **INTEGRATED ECONOMIC DEVELOPMENT SERVICES**

## **6. PROGRAMME 2: INTEGRATED ECONOMIC DEVELOPMENT SERVICES**

### **6.1 PURPOSE**

To promote and support an enabling business environment for the creation of opportunities for growth and jobs.

Making it easier to do business has become the mantra that has been adopted by most economies – both developed and developing – as a means of unlocking economic potential, unleashing innovation, becoming more competitive and ultimately creating and growing jobs. The importance of the ease of doing business is reflected not only in national economic policy and strategy documents, but also emphasized in the Western Cape's Provincial Strategic Plan.

The Covid-19 pandemic and its devastating impact on the economy has not only highlighted the structural inefficiencies in the economy, but also the inequalities and stark challenges that still persist. Making it easier to do business has now become even more of an imperative.

The terms “ease of doing business (as coined by the World Bank as a name for its index to measure and compare economies)”, “binding constraints” and “red tape” are often used interchangeably among role-players and stakeholders. The Western Cape government’s definition of the “ease of doing business” is about addressing (1) the binding and systemic constraints and (2) the red tape of government and its agencies, that inhibit economic growth and ultimately job creation. The former concerns those critical issues (e.g. crime, inadequate skills) that are composite and normally require a multi-disciplinary approach. The latter, i.e. red tape, is largely confined to (public) institutions and linked to issues such as legislation, systems and procedures.

The context for the strategy and project implementation for the Programme is provided by at least three main policy or strategy documents – the Western Cape Recovery Plan, the departmental policy priorities (over the 2021 MTEF)) and the district development model. Other secondary, but important strategic initiatives that will resonate with the work of the Programme include the Department of the Premier driven New Way of Work (where a culture of customer centricity is the primary objective) and the digitalisation programme of the Centre for E-innovation.

Programme 2's approach to improving the ease of doing business will be underpinned by three categories of interventions each driven by the following sub-programmes:

**Sub-programme:** Enterprise Development - assisting and supporting small business through interventions (financial and non-financial) that lead to business sustainability and expansion;

**Sub-programme:** Regional and Local Economic Development – interventions aimed primarily at improving the local municipal business environment through support to municipalities, business and other key role-players;

**Sub-programme:** Red Tape Reduction – interventions aimed at reducing the regulatory and administrative burden on business (and saving costs for government) through improved legislation, processes and systems and communication.

## 6.2 SUB-PROGRAMME 2.1: ENTERPRISE DEVELOPMENT

### 6.2.1 Purpose

To contribute to the creation of an enabling business environment that empowers small business and entrepreneurs to sustain, develop and grow.

### 6.2.2 Sub-programme 2.1: Outcomes, Outputs, Performance Indicators and Targets

Outcome	Outputs	Output Indicators	Annual Targets							
			Audited /Actual Performance			Estimated Performance	MTEF Period			
			2017/18	2018/19	2019/20		2020/21	2021/22	2022/23	2023/24
Improved ease of doing business	Businesses assisted through entrepreneurship promotion and/or businesses support interventions	2.1 Number of businesses assisted	New indicator	New indicator	New indicator	200	200	240	300	

### 6.2.3 Sub-programme 2.1: Indicators, Annual and Quarterly Targets

Output Indicators	Annual Target	Q1	Q2	Q3	Q4
2.1 Number of businesses assisted	220	-	-	100	120

### 6.2.4 Explanation of planned performance over the medium-term period

Small, Medium and Micro Enterprises (SMMEs) play a critical role in absorbing labour, penetrating new markets and generally expanding economies in creative and innovative ways. Businesses (both formal and informal) had to contend with a contracting economy which negatively impacted on their turnover, operations and ability to sustain jobs prior to the pandemic. The stagnant and declining levels of economic growth and business confidence levels in South Africa was exacerbated by the additional shocks from Covid-19 which severely affected the sustainability and growth of SMMEs in the province. The Covid-19 lockdown reinforced the importance of SMMEs and their vulnerabilities since many experienced precipitous reductions in turnover, cashflow and employment which impacted on their ability to sustain their operations. The business survey conducted by the Department indicated that, amongst others, many businesses would be unable to fund their operational costs. The ability of SMMEs to recover from the effects of the economic lockdown will be slower than anticipated and therefore be more severely affected. These businesses require varied and sustained interventions over time that will contribute to their sustainability and expansion. This has the potential to create additional jobs (or sustaining existing jobs) and contributing to the economic growth of the economy.

The SMME sector is characterised by low start-up rates and high levels of business discontinuance, due to challenges such as access to markets (local and foreign, public and private sector), finance (e.g. cost of borrowing, red tape and criteria), information (red tape) and business development support. The Western Cape SMME support gaps and challenges are characterised by (i) weak SMME support ecosystem (ii) disparate, fragmented and uncoordinated support (e.g. inter and intra-departmental) (iii) narrow (WCG and municipal) reporting on programmes, projects and impacts and (iv) an absence of facilitation and or co-ordination of the support ecosystem. An understanding of the level of complexity

and heterogeneity of SMMEs is critical - although often misunderstood - results in misdiagnosis and inappropriate responses to address the challenges these businesses are confronting.

There is a disjuncture between policy intent and policy implementation linked to SMME development as one of the priority areas within government to address the levels of unemployment and inequality. The need to transform the economic landscape in the province should focus on real and direct interventions that assists and supports businesses from various designated categories (e.g., women, youth and people living with disabilities). Identifying and addressing barriers (e.g., access to markets, funding, social stigmas, no business support network, risks and fear of failure) that adversely affect potential and existing entrepreneurs is crucial to ensure that businesses are developed.

The creation of an accessible and enabling business support ecosystem is critical to enhance the Ease of Doing Business (EoDB) which contributes to business sustainability, economic growth and job creation. The need for partnership, collaboration and interaction within and between the public and private sector and a coherent approach to service design and delivery to reduce duplication is crucial to achieving this objective. Partnerships and collaboration are critical due to limited resources and the ability to scale initiatives to assist SMMEs to mitigate the impact of Covid-19 ensure their sustainability. The ability to sustain SMMEs will depend on the coordinated and integrated response and the extent and pace to which amelioration measures reach businesses. Although the interventions in the short term might not have an immediate and direct impact on businesses (e.g., jobs created) over time amelioration can be measurable.

To address these challenges listed above, the Enterprise Development unit will focus on the following strategic direction and thrusts as elucidated below:

- (i) **Create and increase opportunities** - Facilitate and increase market access opportunities both within the public and private sector (e.g., provincial, public entities and municipal procurement opportunities). This would encourage value chain participation by SMMEs in economic sectors prioritised by the WCG and municipalities (e.g., manufacturing, tourism, export, infrastructure) and SMME participation in WCG service delivery programmes (e.g., housing and infrastructure delivery). Capacitating businesses with access to appropriate information and business development support services to enable them to take up market opportunities is critical. Facilitating access to the public and private sector and creating an enabling environment for local content and production remains critical.
- (ii) **Enhance the Western Cape SMME Support ecosystem** - The focus will be less on what each institution does on their own, and more on how all institutions collaborate. The strategy approach will integrate WCG government support through access to the economic cluster departments and improve access to business development support (financial and non-financial). This would include but not limited to capacity building and resilience enhancing WCG programmes/projects comprising financial and non-financial support including training, enterprise and supplier development, infrastructure, incubation, digital and technology support.

The Enterprise Development programmes and projects will support the Jobs theme of the Western Cape Recovery Plan to provide immediate support (through financial and non-financial programmes) particularly to sustain and grow businesses and jobs. In the medium term the aim is to help the economy bounce back and address some of the fundamental challenges to economic growth and job creation. The unit will target VIP 2, 'Growth and Jobs' and VIP 5, "Innovation and Culture" during the 2021/22

financial year to support SMMEs and the informal sector. In addition, the unit will contribute towards the other two provincial priorities of well-being and safety and focus on mainstreaming human rights priorities linked to supporting women, youth and people with disabilities. The budget cuts, human resource capacity constraints and the unfunded vacancies within the unit will significantly impact on its ability to achieve planned outputs and objectives.

The development of a strong entrepreneurship culture and accessible business ecosystem and pipeline focused on growing small businesses in the Western Cape will contribute towards the ease of doing business, business resilience and competitiveness. Responsiveness to business (formal and informal) will be improved through innovative business support to SMMEs that includes financial and non-financial interventions. The achievement of targets is based on five levers which include (i) market access (ii) access to finance (iii) contribution to an entrepreneurship culture (iv) improving the business support ecosystem and (v) support to township-based businesses.

### **Focus Area 1: Access to markets**

Access to markets (local and export, public and private sector) is the most limiting factor for businesses and despite the presence of finance or business development support, it requires market access to operate, sustain themselves and enhance the ease of doing business. Small businesses are confronted with limited access to market opportunities, limited market intelligence capacity and lack readiness, especially where they are subjected to supplying non-core products and services into the supply chains. The National Development Plan (NDP) notes that a strategy to promote small business cannot succeed without addressing the challenge of accessing established supply chains. The impact of the global economic lockdown linked to Covid-19 and its impact on global supply chains may present an opportunity for local firms and industries to develop the local manufacturing capacity through local content and production. Due consideration will be given to the varied needs for market access (e.g., access to finance) within the public and private sector, between businesses at various stages of their life cycle and businesses located in the formal and informal sector with the goal of enhancing the EoDB.

Enabling access to markets for businesses will be undertaken through:

- Increasing accessing to public and private sector economic opportunities through, *inter alia*, consolidating the provincial and municipal procurement opportunities across the relevant departments and public entities (e.g., Public Works, Human Settlements, Cape Nature Conservation, etc.). The establishment of a funding facility to facilitate access to markets will be an important consideration to support businesses given the impact of Covid-19. Increasing participation of SMMEs in the value chains of firms operating in the Western Cape prioritised sectors (e.g., tourism, manufacturing, etc.). Accessing opportunities within the private sector will focus on areas such as enterprise and supplier development (ESD) and sharing best practice.
- Accessing opportunities within the public sector would involve finalising and implementing the draft Economic Procurement Policy and the associated implementation plan and focusing on areas such as local production and content, sustainable procurement (e.g., strategic sourcing), capacitating SMMEs to conduct business with government (e.g., supplier open days and focused development support). The draft Economic Procurement Policy is designed to provide a unified approach across the Western Cape Government (WCG) that is focused on maximising the economic impact of public procurement, with a special focus on the development of SMMEs and businesses located in townships, rural areas, and secondary towns.

## **Focus Area 2: Access to finance**

Access to finance is one of the primary challenges for start-ups and SMMEs which limits their ability to compete in the market. Small businesses are confronted with high search costs, lack of and bad credit history, inadequate collateral, lack of skills and knowledge to produce financial statements and conceive poor business models. Providing access to finance and business development support will enhance the ability of SMMEs to access market opportunities or to expand operations and become more competitive and productive. A core focus will entail utilising access to finance to unlock market access, reduce the cost of borrowing, reduce turnaround times, minimise compliance criteria, contract financing and providing a platform where SMMEs can access funding opportunities and develop their capacity to prepare them to access funding. The various funding options will put in place an extensive and differentiated system of financial measures to support Western Cape based companies especially where current gaps in alternate finance options are seen.

Enabling access to finance for businesses will be undertaken through:

- Access to affordable finance (i.e. reducing the cost of borrowing) and through partnerships to unlock economic opportunities and access to corporate supply chains.
- The coordination and integration of business development support initiatives (financial and non-financial) available to SMMEs through projects undertaken by, amongst others, the Western Cape Government (WCG) departments, municipalities and other stakeholders to enhance the sustainability and growth of these enterprises.

## **Focus Area 3: Improving the business support ecosystem**

The complexity of the SMME landscape and the challenges it is confronted with, necessitates the optimal utilisation of resources, coordination and alignment of strategies and through collaborative thinking and effort ensure a positive effect on the support ecosystem. The business support ecosystem refers to the elements – individuals, organisations, financial and professional resources – that entrepreneurs and businesses need to develop and grow. Integral to this ecosystem are government policies that encourage and safeguard entrepreneurs. The strategy will integrate WCG government support, improve access to business development support, strengthen business-government relations and bring about an improved business environment. This would include capacity building and resilience enhancing WCG programmes/projects comprising financial and non-financial support including but not limited to training, mentorship, digital and technology support and incubation. This ecosystem plays a crucial role in the creation and maintenance of a supportive environment that is conducive to entrepreneurship and business growth. These interventions are focused on contributing to the future viability and sustainability of SMMEs in the province.

Enabling and improving the business support ecosystem will be undertaken through:

- Driving the partnership approach with all relevant support agencies, e.g. SEDA, SEFA, PSA, NYDA in order to bring to bear the full boutique of support services to Western Cape SMMEs. This will be driven through our already established SMME Forum that comprise all the national government SMME support agencies and the City of Cape Town. In addition, supplier open days will be facilitated.
- In collaboration or partnership with the small business support organisations design and implement impactful SMME support interventions. This will be done through the continuation of the SMME Booster Fund or a similar type of initiative to provide support and assistance (directly or indirectly) to SMMEs to maintain sustainability, increase efficiencies and or to grow.

#### **Focus Area 4: Developing township-based businesses**

South Africa's township economy (formal and informal businesses) is growing at a pace unmatched by the formal sector and is vibrant with a heterogeneous mix of businesses with significant disposable income. Strategies that focus on value-add industries (e.g. light manufacturing) in the townships, with the provision of business development support is critical. These businesses often compete with products that are internationally tradable and face many challenges, hence the need to support them to become more competitive and productive. Township businesses are, however, confronted with a myriad of obstacles to survive that are common to most small businesses which include, access to markets, affordable finance, land tenure, information, lack of entrepreneurial capital, networks, red tape, zoning and town planning regime, lack of affordable business space and proper infrastructure, crime, competition from established and larger businesses and access to business development support.

A range of strategic priorities have been identified by DEDAT which will need to be implemented to achieve a growth strategy. The following seven priorities have been identified to be vigorously pursued over the short, medium and long-term for the vision and goals to be realised:

**Strategic Priority 1:** A supportive growth-oriented enterprise development strategy

**Strategic Priority 2:** Radical regulatory reform governing townships

**Strategic Priority 3:** Investments in strategic infrastructure and connectivity to create a bridge between the township and mainstream economy

**Strategic Priority 4:** Redesigning the spatial model

**Strategic Priority 5:** A socio-economic support strategy that underpins the economic strategy response

**Strategic Priority 6:** Building the Skills base

**Strategic Priority 7:** Boosting competitive sector growth

The need for partnership and collaboration with, inter alia, township economy support organisations, NPOs, corporates, local, national and provincial government departments (and public entities), business and sector associations and municipalities, are critical to be supportive of projects that contribute to the achievement of the strategic priorities underpinning the Township Economic Growth Strategy (TEGS). The support from DEDAT will, inter alia, be to partner and or fund (to widen or deepen) new and or existing programmes with organisations, municipalities and other SMME ecosystem stakeholders to provide opportunities for businesses in these localities to provide access to markets, access to finance, access to appropriate infrastructure to assist businesses and targeted pre and start-up business support services (e.g. idea generation, training and mentoring). The programme will be delivered across the province in both metro and non-metro locations. For the non-metro areas, the programme will be an important component of the district or local municipality's' local economic development strategy.

Enabling and developing township-based businesses will be undertaken through:

- A dedicated partnership programme that works in collaboration with township and informal business support organisations (private, public and tertiary sector) to support the strategic priorities as proposed by the draft Township Economic Growth Strategy.
- A dedicated fund established for this purpose to support businesses in these localities.

#### **Focus Area 5: Contributing to a culture of entrepreneurship**

Providing demand-driven interventions through the provision of information; introduction of new

business models or new products/services; providing technical assistance, training or capacity-building support is critical for the success of most businesses. According to the World Bank, under the right conditions, a robust SME community has the capacity to be a dynamic, transformational force since, “relative to larger firms, SMEs enhance competition, entrepreneurship, job growth and spur economy-wide efficiency, innovation, growth and poverty alleviation”. Focused business support programmes across the province will be undertaken in partnership with municipalities and other stakeholders.

Making it easier to do business is a key driver for the achievement of a business environment that promotes inward investment, enables businesses to be established and expanded, and enhances a culture of entrepreneurship. This ecosystem plays a crucial role in the creation and maintenance of a supportive environment that is conducive to entrepreneurship and business growth. To celebrate the important role entrepreneurs play in the economy we recognise their contribution through the Western Cape Entrepreneurship Awards which provides a platform to contribute to the culture of entrepreneurship through identifying, showcasing and recognising innovative entrepreneurs.

Enabling and contributing to a culture of entrepreneurship will be undertaken though:

- Acknowledging, awarding and showcasing inspirational entrepreneurs through an entrepreneurship competition and awards ceremony and the provision of business development support through non-financial sponsorship.

#### **6.2.5 Sub-programme 2.1: Key Risks**

<b>Outcome</b>	<b>Key Risk</b>	<b>Risk Mitigation</b>
Improved ease of doing business	Lack of strategic cohesion between government departments and business development support organisations caused by a lack of alignment and coordination inhibit effective programme implementation aimed at developing SMMEs.	<ul style="list-style-type: none"> <li>• Facilitate engagements between public sector organisations to enhance implementation outcomes.</li> <li>• Identify and form partnerships with established organisations with the capacity to deliver quality services to SMMEs.</li> <li>• Strengthen relationships with DFIs (e.g.Sefa) to increase the uptake of financial products.</li> <li>• Develop a comprehensive media awareness campaign through various mediums involving all identified stakeholders.</li> </ul>
	Lack of participation by relevant SMME stakeholders and/or inadequate participation of businesses and/or commitment by private sector partners around the implementation of SMME programmes, due to varying priorities or focus will result in the inability to improve the ease of doing business and the creation and maintenance of an enabling business environment.	<ul style="list-style-type: none"> <li>• Ensure buy-in and commitment through consultation with relevant stakeholders and partners, timeously and consistently.</li> <li>• Ensure regular communication with relevant stakeholders and partners to keep them abreast of development, maintain awareness and reinforce buy-in and commitment.</li> <li>• Effective utilisation of all relevant existing platforms (public and private), to ensure partners are kept informed.</li> <li>• Targeted beneficiaries to be requested to confirm participation.</li> </ul>
	The inability to develop strategic partnerships to leverage resources, scale projects and develop economies of scale caused by varying priorities, focus areas and/or budget constraints will result in ineffective and inefficient service delivery.	<ul style="list-style-type: none"> <li>• Lobby within the Department for additional resources.</li> <li>• Develop partnerships with the private sector and government stakeholders.</li> <li>• Extensively use media (i.e. social media, radio and newspapers) to create awareness about the initiative.</li> </ul>



## 6.3 SUB-PROGRAMME 2.2: REGIONAL AND LOCAL ECONOMIC DEVELOPMENT

### 6.3.1 Purpose

To create opportunities for jobs and inclusive growth across districts and local economies.

### 6.3.2 Sub-programme 2.2: Outcomes, Outputs, Performance Indicators and Targets

Outcome	Outputs	Output Indicators	Annual Targets						
			Audited /Actual Performance			Estimated Performance	MTEF Period		
			2017/18	2018/19	2019/20		2020/21	2021/22	2022/23
Improved ease of doing business	Businesses assisted through municipal support interventions	2.2 Number of businesses assisted	New indicator	New indicator	New indicator	New indicator	50	100	100
	Municipal ease of doing business (EODB) interventions supported	2.3 Number of Municipal EODB interventions supports	New indicator	New indicator	New indicator	6	5	5	5

### 6.3.3 Sub-programme 2.2: Indicators, Annual and Quarterly Targets

Output Indicators	Annual Target	Q1	Q2	Q3	Q4
2.1 Number of businesses assisted	50	-	-		50
2.3 Number of Municipal EODB interventions supported	5	-	-	2	3

### 6.3.4 Explanation of planned performance over the medium-term period

Late in 2019 alerts to the pandemic spreading across the globe emerged and economic planning for 2020 had to adapt to become responsive to both health and economic threats. A year later the severe impact of the Covid-19 pandemic is evident in the regional economies of the Western Cape. Economic recovery must consider more than the past year, it needs to address the challenges that has informed the underperformance of these regional economies over the last decade and it needs to do so considering the unique characteristics of each of the regions of the province.

Across the metro and districts the structural nature of these economies are characterised by large pools of unskilled labour operating in sectors with less than stable employment. A deeper drill into region-specific economic challenges show that the institutional challenges faced by local level delivery agents (particularly municipalities), along with pressing economic priorities and sectors, jointly contribute to tough service delivery environments. Institutional challenges also prevail and include political, administrative, service delivery and financial governance as was identified through the assessment of municipal Integrated Development Plans (IDPs) and provincial-municipal engagements.

To be responsive to service delivery needs, municipalities must develop and implement local economic recovery plans that require an integrated response from government and business. This means that clear priorities, inter-governmental mechanisms and public-private partnerships, are critical. Support to municipal regions to deliver on economic and well-being priorities are therefore required.

To stimulate and promote inclusive economic growth in the Western Cape, business needs to do business and government should provide the local enabling environment to do so. Municipalities need to unpack, understand and commit to, delivery practise and mantra that a responsible, responsive, easier environment for business will bring jobs, growth and development to areas. The Jobs theme of the Western Cape Recovery Plan lead from the front in its identification of accelerating EODB as a core theme of delivery. In recent times, the metro and districts that embrace the functionality are the recipients of improving business confidence building.

It is recognised that inefficient processes and procedures (or red tape), raises the cost and difficulty in doing business and adversely impacts business growth. Ease of Doing Business has become a cornerstone for economic growth due to its ability to unlock growth potential through the removal of constraints to growth and job creation. It creates a more efficient regulatory framework and has a positive effect on the tradable sectors by removing blockages, reducing time to market as well as improving competitiveness and productivity by reducing costs. Much of the red tape and obstacles to ease of doing business experienced by businesses reside within the municipal sphere of government.

To address the impact of Covid-19, the regional challenges faced by municipalities, and intent of Jobs (VIP 2) priority policy, the following programmatic areas and accompanying municipal Ease of Doing Business (EODB) interventions, are proposed.

The RLED unit will drive strategy to **embed Ease of Doing Business as a priority** across districts by implementing Municipal EODB interventions. The Department will support implementation of appropriate local economic recovery plans, that prioritises EODB as an imperative. It will look to strategically support - developing and strengthening the supply-side (public) business support ecosystems, the alignment of local, provincial & national policy directives by strengthening collaborating projects and build demand-driven business stakeholder networks that expands local ecosystems to unlock opportunity. An enabling environment for business includes safety and well-being objectives for SMMEs and big business alike and ensures that the key priorities of the Province is maintained as goals.

- Focus Area 1: Develop and strengthen the supply-side district business support ecosystems**

It is acknowledged that SMMEs are the backbone of the South African economy and the sector needs to be supported to unlock the potential benefits (growth and jobs) it creates for the economy. Now more than ever, effective inter-governmental co-ordination and collaboration in SMME support is critical to drive local economic development.

The Department supports an ecosystem approach where focus is less on what each institution does on their own, and more on how all institutions collaborate. A region can be viewed as a system and each role-player can support or retard effectiveness of the others.

The intervention planned is the establishment of sound District SMME Support networks that intend to strengthen district-level SMME support ecosystems to provide clear focus, co-ordinated action, improve access to government initiatives and opportunity by strengthening the value chain of support that SMMEs can access. The project will support the operationalisation of a network of SMME support stakeholders comprising of WCG, municipalities, local business chambers and support agencies (e.g. SEDA) that will work in collaboration to the benefit of the entire ecosystem.

District level ecosystems will support building ‘capable state’ and align to the JDA, WOSA, and more recently Hotspots Management approach towards delivery. Interventions may employ a PDIA methodology of trial-by-practise and co-opting support to location-based problem areas. This aligns to supporting VIP 5: Innovation and Culture.

- **Focus Area 2: Support the alignment of local, provincial & national policy by strengthening collaborating projects**

Proposed interventions will use the joint district approach (JDA) and its mechanisms to stimulate economic activity, benefit the businesses community and support transformative initiatives for the women, people with disabilities and matured entrepreneurs across the Province.

Proactive support will be provided by identification of key DM projects to strategically support) that can be incorporated into the single municipal support plans. Assistance will be provided to local municipalities that utilises departmental in-house expertise (non-financial support) with implementation. Responsive support will take the shape of unblocking constraints and red tape issues faced in the enabling environment for business. Suitable coordination and management of interventions will require the support and alignment to transversal provincial area-based approaches like the Regional Socio-Economic Programme (RSEP) and Whole-of-Society-Approach (WOSA) given resource constraints. Every effort to gain traction for the improved ability of business to trade and transact, improve greater access to economic opportunity and the regional spread of doing business, will be made. Effective inter-governmental co-ordination and collaboration in SMME support is critical to drive local economic development that bolsters business activity.

- **Focus Area 3: Build demand-driven business stakeholder networks that expands local ecosystems to unlock opportunity**

To advance the district level ecosystems there is a need to include private sector role-players and networks.

*Unlock constraints to doing business to boost investment into local areas* - The WCG aims to position the province as a leading investment location through investment promotion, removing obstacles to investment, and investing in catalytic infrastructure to attract investment opportunities. Investment occurs in a municipal context and requires a conducive environment to ensure that their economies become vibrant, productive, and competitive. In support of VIP 2 and the Western Cape Recovery Plan, the intervention proposed intend to assist in boosting investment in municipal areas.

Proposed projects will aim to develop alternatives to the current investment promotion activities, encourage the establishment of suitable catalytic infrastructure and support municipalities to adopt a sound framework, plans and action to investment facilitation during the investor journey to ensure gaps and challenges are proactively addressed. Municipalities will be supported to become more attractive and investor friendly linked to the respective economic strategies.

Government investment and leveraged private sector responsiveness together create impact on the economy, livelihoods and economic inclusion. There is a need to support building local business and stakeholder networks to find synergy and unlock economic opportunities in our townships, towns, municipalities and cities. Once an ecosystem is identified, established and nurtured to work effectively, participants should be deriving benefits that help them operate better than they would on their own.

The intervention will build on the supply-side ecosystem to co-opt businesses in regions, be it sector-giants, big employers, township traders or SMMEs that keep towns sustained. Initiative is planned in the informal economy space to support business friendly policies and procedures. Harnessing the local ecosystem of public and private actors intends to unlock opportunity, particularly for the women, people with disabilities and matured entrepreneurs. The Department is keen to support creating spatially and economically vibrant growth points within existing cities and leader towns that can be built up as centres of economic opportunity and inclusion.

All interventions planned will need to align, coordinate and garner support from transversal, provincial area-based approaches and collaborative partnership projects as the above planned initiatives have no project-specific budget allocation and constrained ability to fulfil human resourcing requirements.

To reach the outcomes proposed will require all actors, private and public to work on common economic agendas that strengthen the objectives of Outcome 4, 6 and 9 of the MTSF. The contribution of support interventions in EODB and SMME priorities intends to stimulate local productivity in a manner that improves business confidence and job creation prospects in localities. The change we seek is the ability of regions to compete successfully in a range of economic activities that allows for economic advancement, and their improved ability to contribute to provincial development through own efforts and through interaction with the rest of the province. The Department is ambitiously keen to see more productive regions emerge that have vibrant, resilient and/or competitive local economies.

### **6.3.5 Sub-programme 2.2: Key Risks**

<b>Outcome</b>	<b>Key Risk</b>	<b>Risk Mitigation</b>
Improved ease of doing business	No project-specific budget allocation will challenge the delivery of interventions and business assisted as the lack of financial support to contribute affects project implementation and public and private sector partners confidence.	Interventions planned will need to align, coordinate and garner support from transversal, provincial area-based approaches and collaborative partnership projects.
	Inadequate ability of municipalities caused by lack of capacity will negatively affect economic planning and execution that undermines the ability to provide an enabling business environment to support inclusive economic growth.	Determine municipal capacity and implement capacity support as required.
	Municipal ecosystems operate less than optimally caused by the lack of cohesion amongst stakeholders that can result failure to provide sufficient value-adding support that adequately stimulates inclusive economic growth in regions.	<ul style="list-style-type: none"> <li>• Establish and maintain IGR in joint planning and action to ensure responsiveness to municipal and business priority;</li> <li>• Support provincial advocacy agendas and initiatives to strengthen local ecosystem-players;</li> <li>• Support execution of geographic intervention.</li> </ul>

## **6.4 SUB-PROGRAMME 2.3: ECONOMIC EMPOWERMENT**

### **6.4.1 Purpose**

To facilitate the process of empowerment and creation of an enabling business environment for PDIs. *This sub-programme has been taken up in sub-programme 2.1*

## 6.5 SUB-PROGRAMME 2.4: RED TAPE REDUCTION

### 6.5.1 Purpose

To improve the business environment by reducing the regulatory burden on businesses through improved legislation, processes and communication.

### 6.5.2 Sub-programme 2.4: Outcomes, Outputs, Performance Indicators and Targets

Outcome	Outputs	Output Indicators	Annual Targets						
			Audited /Actual Performance			Estimated Performance	MTEF Period		
			2017/18	2018/19	2019/20		2020/21	2021/22	2022/23
Improved ease of doing business	Ease of doing business interventions supported	2.4 Number of ease of doing business interventions supported	15	15	7	6	6	6	6
	Enquiries resolved	2.5 Percentage of enquiries resolved	New indicator	New indicator	New indicator	New indicator	85%	85%	85%
	Regulatory reviews conducted	2.6 Number of regulatory reviews conducted	New indicator	New indicator	New indicator	New indicator	4	4	4

### 6.5.3 Sub-programme 2.4: Indicators, Annual and Quarterly Targets

Output Indicators	Annual Target	Q1	Q2	Q3	Q4
2.4 Number of ease of doing business interventions supported	6	1	2	2	1
2.5 Percentage of enquiries resolved	85%	-	-	-	85%
2.6 Number of regulatory reviews conducted	4	1	1	1	1

### 6.5.4 Explanation of planned performance over the medium-term period

The advent of the Covid-19 pandemic in South Africa as from early 2020 has forced governments as well as business to re-assess how government is run and services delivered and how business is operated in an environment characterised by sudden and severe change, restrictions on movement of people and goods and restrictive regulations with regard to social distancing and other measures to prevent the spread of the virus.

With most economies around the world forced into some level of lockdown, predictions for economic growth rates were largely nullified and economic and other strategic plans thrown into disarray. As the world grappled with suitable responses to various aspects of the impact of the pandemic, increased ease of doing business (EoDB) emerged as a major thematic response, with governments and businesspeople around the globe coming to the realisation that making it easier, faster and cheaper to start, operate and grow a business is a sensible and proven path to economic growth and job creation. Thus, whilst economic recovery will, for obvious reasons, feature prominently in the unit's plans and activities over the medium-term period, the building blocks of the pre-pandemic

approach will remain: These can be encapsulated in the following: Adopting a “whole of society” approach to EoDB; seeking to support/contribute to a cultural change within the WCG towards service delivery (especially to businesses); maintaining the three-pronged strategy of regulatory reviews, business process improvement and communication/awareness improvement, and, finally, conducting regular, structured assessments of the impact of EoDB interventions in the province, across all spheres of government.

In planning its interventions, the unit will be mindful of limitations with regard to levels of control and influence, especially beyond the WCG, to achieve the highest level of success in implementation. It will also plan and execute its interventions against the backdrop of the Jobs theme of the Western Cape Recovery Plan, which seeks to address both the economic challenges resulting from pandemic and those that pre-date the pandemic and resulted in consistently low growth in the Western Cape and the country. Increasing EoDB has the potential to be the biggest single contributor to achieving the Department’s goal to establish the Western Cape as the best regional economy in Africa.

The cultural change amongst WCG employees, as well as officials in other spheres of government, who are tasked with delivering business-facing services in the province, is of paramount importance if we are to attain the “Open for Business” culture which is a prerequisite to grow the economy and create much-needed jobs. This is of particular importance in the municipal space, where the Department has established and maintained mutually beneficial relationships over many years. These relationships will be capitalised upon to embed EoDB as a priority in local government in the Western Cape. Partnerships with national government departments will be actively pursued to improve service delivery by those departments in the province.

The Ease of Doing Business interventions will support the Jobs theme of the Western Cape Recovery Plan. Ease of doing business is one of the main areas that require interventions in order to create jobs and grow the Western Cape economy in light of the impact of the Covid-19 pandemic.

VIP 2: Growth and Jobs – The unit will continue its work of recent times around improving the efficiency of the export system, so as to grow exports, the Department’s Priority 2 as per its Strategic Plan 2020 – 2025. The interventions will focus on physical infrastructure in the port and feeder areas, like container depots; equipment; software systems; traffic management and documentary requirements, seeking to align the port operations with international best practice and removing or reducing regulatory or compliance barriers to export growth. Broadly, the EoDB interventions will seek to address the binding and systemic constraints as well the red tape in government (across all spheres) and its agencies that inhibit economic growth and ultimately job creation.

VIP 5: Innovation and Culture: Covid-19 has forced and accelerated the uptake of innovation at an unprecedented pace. Coupled with an enabling environment free of restrictive (and unnecessary) regulations. This will lead to individuals and businesses attempting new innovations, designs and models in seeking solutions to the challenges they experience. The unit’s interventions will seek to harness and capitalise on innovation as a driver for solution-seeking. It will, therefore, continue its work with other departments (and with the Department of the Premier in particular) to use culture and behaviour change to make delivery of business-facing services “citizen-centric” (with businesses viewed as economic citizens), in line with VIP 5’s outcomes of “Positive service user experience” and “Improvement in efficiency of government services to citizens”.

As mentioned above, the programme is primarily responsible for creating an enabling environment for the economy to grow and create employment. Therefore, the sub-programme undertakes to satisfy the themes of Jobs, Safety and Wellbeing. As in the Premier's special address in October 2020, without a job, there can be no dignity and well-being in our communities. Additionally, he stated "when you have a job, when you feel safe, and when you are treated with dignity, you create well-being and hope".

The following strategic focus areas, which were previously identified and embarked upon in the interim will be pursued:

### **Focus area 1: Improved case management**

The past few years has seen an increase in the complexity of the cases referred to the programme for investigation and resolution. They also act as a good indicator of the systemic challenges facing business. High-quality and professional guidance and advice, coupled with quick resolution of problems experienced by businesspeople and investors, hold huge growth and investment potential for the provincial economy. It is accordingly envisaged that, budget permitting, case management becomes a dedicated function of a small team of staff members.

### **Focus area 2: Addressing systemic inefficiencies and blockages**

Economic growth in South Africa, and by implication in the Western Cape, is negatively impacted by a combination of binding constraints (e.g. crime and collapsing infrastructure) and systemic blockages (e.g. poor administrative systems, unhelpful officials and/or burdensome legislation). It is well-known through research and indices, and demonstrated through international best practice that effecting efficiency improvements in procedures and administrative systems; amending or even repealing constraining legislation and addressing binding constraints can unleash the potential and growth of entire industry sectors or value chains.

The Department will accordingly proceed with existing interventions or commence new ones in the following areas: The port of Cape Town, seeking to address issues along the entire value chain from farmer/manufacturer, to transporter, storage, to port, to ship; transport logistics (with particular emphasis on abnormal loads); construction and land use (including rezoning and departures; heritage conservation and approval and environmental authorisation, etc.); procurement systems in the WCG (with a focus on procurement reform to benefit smaller firms/enterprises) operators); legislative reform to enable and encourage, even incentivize township development and economic growth.

In identifying new interventions, the unit will be cognizant of the primary WCG strategic objectives of economic growth and job creation and of the apex priority of export growth. These interventions will be driven using the problem-driven iterative approach (PDIA). Legislative reform will also be applied as a strategy to effect and facilitate ease of doing business improvement, and to accelerate the creation of an improved regulatory environment in the province.

### **Focus area 3: Economic advocacy**

As mentioned above with reference to VIP 5, it is of utmost importance to inculcate amongst officials a mindset of economic leadership and service delivery excellence. From the perspective of economic development and growth, the recognition of "business as a citizen" is vitally important as a first step towards the mindset change that is required of officials if this is to be achieved.

The EoDB programme will therefore collaborate with the DotP to ensure that EoDB is integrated in that department's "New Way of Work" (NWoW) programme, aimed at bringing about that culture and behaviour change amongst officials and departmental management teams.

In order to drive EoDB transversally, the Department will use existing, and where necessary, establish new platforms for WCG departments, municipalities and the business sector to interact with, learn from and support one another in the interest of achieving the shared goals of economic growth and job creation. Such platforms are particularly important in lobbying for legislative and other reforms as a collective, as was vividly demonstrated during the earlier phases of the lockdown, when the business sector and the WCG collaborated in seeking relaxation of the lockdown regulations and directions.

#### **Focus area 4: Measurement, impact assessment and indexing**

It has been estimated that red tape has added approximately R20 billion (approximately 3% of GDP) to the cost of doing business in the Western Cape in 2018/19. Measuring such costs, both before and after intervention by government, is essential as an indicator of both the pre-existing status and progress made in creating a more conducive business environment in the province. The unit will measure interventions for impact and to ensure that maximum value for money is obtained and extracted for the funds and effort expended.

The cumulative value of the resolution of cases, as well as of all other interventions will be tabulated and a specific impact assessment model will be used to determine and quantify impact. This is imperative to track the WCG's progress over the MTEF period towards the achievement of an ambitious target of R5 billion in savings and benefits from EoDB interventions. In addition to that, measurement and indexing against other economies is an important and effective way of keeping abreast of latest trends, methodologies and tools that are applied in the fight against red tape and for the advancement of ease of doing business.

#### **6.5.5 Sub-programme 2.4: Key Risks**

Outcome	Key Risk	Risk Mitigation
Improved ease of doing business	The inability to implement EoDB initiatives caused by the lack of commitment and/or participation by provincial and national government departments and/or municipalities, will result in the failure to improve business-facing services and/or the business/regulatory environment.	<ul style="list-style-type: none"><li>• Obtain formal commitment through timeous and ongoing consultation with leadership in departments and municipalities.</li><li>• Regularly communicate with departments and municipalities to keep them abreast of developments.</li><li>• Give timeous notification of intended implementation and possible changes.</li></ul>

## 6.6 PROGRAMME RESOURCE CONSIDERATIONS

### Budget Allocation for Programme and Sub-programmes

Sub-programme	Audited			Main appropriation	Adjusted appropriation	Revised estimate	Medium term expenditure		
	R'000	2017/18	2018/19	2019/20	2020/21	2020/21	2020/21	2021/22	2022/23
1. Enterprise Development	22 314	28 735	44 995	48 499	66 714	66 714	27 139	31 174	31 198
2. Regional and Local Economic Development	6 828	7 906	10 979	6 168	11 419	11 419	10 503	10 544	10 574
3. Economic Empowerment		-	-	-	-	-	-	-	-
4. Red Tape	8 032	9 509	10 297	24 023	12 371	12 371	13 715	15 933	17 325
Total payments and estimates	37 174	46 150	66 271	78 690	90 504	90 504	51 357	57 651	59 097
Economic classification R'000									
Current payments	30 091	32 962	28 771	59 181	28 627	28 627	26 217	28 511	29 957
Compensation of employees	17 602	18 351	19 954	28 517	19 349	19 349	19 957	20 303	20 725
Goods and services	12 489	14 611	8 817	30 664	9 278	9 278	6 260	8 208	9 232
Interest and rent on land									
Transfers and subsidies	6 285	13 122	37 230	19 509	61 877	61 877	25 140	29 140	29 140
Provinces and municipalities			5 950	1 110	1 624	1 624			
Departmental agencies and accounts			1 639	-	5 000	5 000			
Universities and Technikons				1 600	1 230	1 230			
Foreign governments and international organisations									
Public corporations and private enterprises	3 530	7 877	9 432	11 976	47 001	47 001	1 500	1 500	1 500
Non-profit institutions	2 000	5 000	19 863	4 823	6 782	6 782	23 400	27 400	27 400
Households	755	245	346		240	240	240	240	240
Transfers and subsidies to Capital									
Government Motor Trading Account									

*Continued on next page*

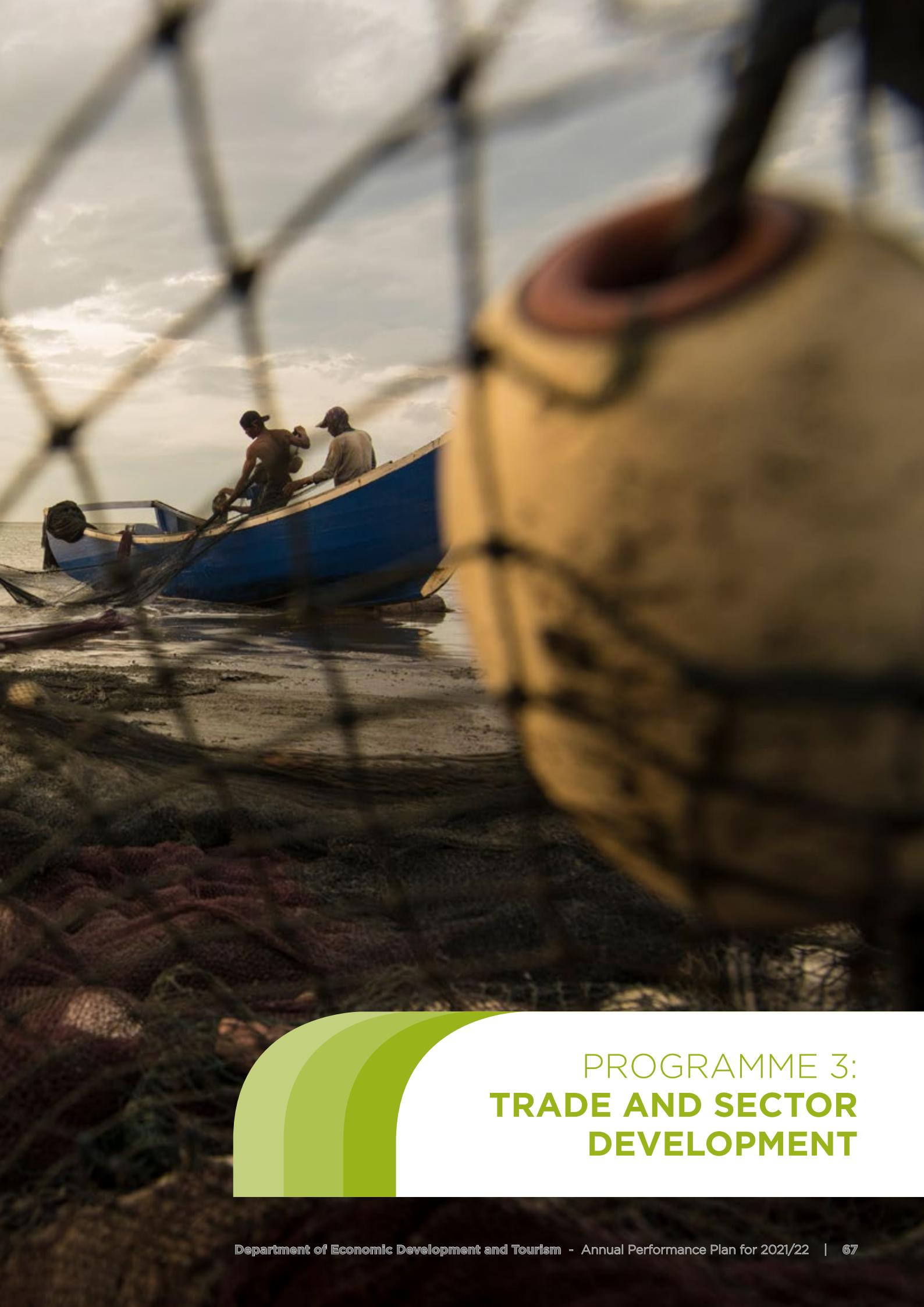
Sub-programme	Audited			Main appropriation	Adjusted appropriation	Revised estimate	Medium term expenditure			
	R'000	2017/18	2018/19	2019/20	2020/21	2020/21	2020/21	2021/22	2022/23	2023/24
Payments for capital assets		783	66	261						
Buildings and other fixed structures										
Machinery and equipment		783	66	261						
Heritage assets										
Specialised military assets										
Biological assets										
Land and subsoil assets										
Software and other intangible assets										
Payments for financial assets		15		9						
Total economic classification		37 174	46 150	66 271	78 690	90 504	90 504	51 357	57 651	59 097

#### **Explanation of the contribution of resources towards achievement of outputs**

Due to Covid-19 and its incumbering budget cuts the programme has been allocated a total budget of R51 357 million, which includes compensation of employees and operational budgets. The negative percentage change year-on-year will severely burden the programme and its resources as similar APP targets of 2020/21 will be maintained with a reduced budget. Meanwhile, the organisational development exercise that was initially planned for the programme in 2020/21 has been further delayed due to COE austerity measures.

Lastly, the programme is responsible to meet the objectives of the Ease of Doing Business focus area in the Jobs theme of the Western Cape Recovery Plan which is indissolubly linked to resource allocation. Therefore, the programme will have to strategically use its allocations to deliver on its responsibilities and output targets. It will further leverage its networks to identify possible synergies amongst other governmental programmes and/or departments and industry within the Western Cape. Finally, the programme will look at utilising human capital from other programmes within DEDAT as and when needed on specific interventions employed.





## PROGRAMME 3: **TRADE AND SECTOR DEVELOPMENT**

## **7. PROGRAMME 3: TRADE AND SECTOR DEVELOPMENT**

### **7.1 PURPOSE**

To stimulate economic growth in targeted sectors through industry development, trade and investment promotion.

### **7.2 SUB-PROGRAMME 3.1: TRADE AND INVESTMENT PROMOTION**

#### **7.2.1 Purpose**

To provide resources to the tourism, trade and investment promotion public entity to enable it to deliver on its mandate, as defined in the Western Cape Investment and Trade Promotion Agency Act, 1996 (Act 3 of 1996), (as amended).

#### **7.2.2 Sub-programme 3.1: Outcomes, Outputs, Performance Indicators and Targets**

Outcome	Outputs	Output Indicators	Annual Targets							
			Audited /Actual Performance			Estimated Performance	MTEF Period			
			2017/18	2018/19	2019/20		2020/21	2021/22	2022/23	2023/24
Increased exports	Oversight of Wesgro Trade Promotion	3.1 Number of Trade Promotion oversight reports compiled	New Indicator	New Indicator	New Indicator	4	4	4	4	
Increased Rand value of investment	Oversight of Wesgro Investment Promotion	3.2 Number of Investment Promotion oversight reports compiled	New Indicator	New Indicator	New Indicator	4	4	4	4	

#### **7.2.3 Sub-programme 3.1: Indicators, Annual and Quarterly Targets**

Output Indicators	Annual Target	Q1	Q2	Q3	Q4
3.1 Number of Trade Promotion oversight reports compiled	4	1	1	1	1
3.2 Number of Investment Promotion oversight reports compiled	4	1	1	1	1

#### **7.2.4 Explanation of planned performance over the medium-term period**

The priorities identified under this sub-programme are in alignment with the VIP 2 which is supporting growth and jobs, MTSF priority 2 of Economic Transformation and Job Creation, PSP agenda, National Policies and Strategies as well as with the Department's five-year strategic plan and the Jobs theme of the Western Cape Recovery Plan.

Wesgro's (a schedule 3 public entity) strategic powers, as provided for in the Western Cape Investment and Trade Promotion Agency Act, 1996 (Act 3 of 1996) (as amended), include:

- To furnish tourism, trade and investment marketing assistance and expert and specialised advice, information and guidance to any business, company or association of persons who so request it from the Agency or would assist the Agency in achieving its objectives.

- To act as the tourism, trade and investment promotion agent on behalf of the Province and to facilitate coordinated destination marketing activities for the Western Cape.
- To develop, implement and promote a provincial tourism, trade and marketing strategy and implement any project that realises growth in the economy of the Western Cape.

In order to respond to the outbreak of Covid-19 and the downgrade of South Africa's debt, Wesgro has reviewed activities and budgets for the 2021/22 financial year, as they relate to business adaptation and recovery in the Western Cape. The Wesgro teams have been adapting their operations to help service their clients during the crisis. Repurposed activities and budget focuses delivery into virtual platforms under the current operating conditions. The Agency is implementing a stepped approach to drive recovery as the world opens up again for investment and trade activities.

Wesgro's strategic imperative is rebuilding internally, this means focussing on local businesses in the Western Cape and domestic tourism. To this end, highlights to demonstrate emphasis and as directly related to Wesgro's legislative mandate are:

- Investment – 80% of effort to supporting local businesses and developing a business support pipeline.
- Exports – virtual inward and outward missions with the key focus on exports and providing assistance to exporters.
- Tourism – destination reputation management and domestic tourism.

### **Trade**

The Department together with Wesgro will support and implement programmes that will make Western Cape enterprises more globally competitive in terms of export activities, to enable participation in the global economy that will create trade and employment opportunities. This will be achieved through the co-ordination and dissemination of trade intelligence, as well as promoting our products and offerings at domestic, international, and Africa wide events with industry stakeholders and other strategic partners from identified sectors. The objective is to increase trade activities. The funding provided by DEDAT to Wesgro for this programme aims to realise approximately 50 business agreements in relation to trade per annum. This will translate to approximately between R1.6 billion and R2.8 billion per annum in estimated rand value for the Western Cape. The impact of the additional exports due to the trade agreements on job creation will be between 330 and 541 jobs per annum. For further detail of this, please refer to Wesgro's 2021/22 APP.

Trade promotion will focus on:

- The finalisation and implementation of the export strategy
- The provision of market intelligence to support decision-making processes by companies;
- Lobby national government to select international markets for which support will be provided to companies by using sound market analysis and consulting the private sector; and
- Provide necessary support to companies through outward selling missions and attending the international trade shows.

Market Access and Market Development will focus on:

- Identification of trade barriers, both tariffs and NTBs, and through advocacy, advise the sectors and national government on the best solutions; and
- Interventions will include promotion of trade agreements and assisting companies to acquire required compliance in-market certifications – including that of systems and processes.

## **Investment**

The focus will be on attracting domestic and foreign investment by promoting the region as a location for targeted subsectors. Emphasis will be on improving the business environment for both local and foreign companies, as well as alignment with national initiatives to attract investment for new businesses or businesses that want to expand their current activities. This additional investment will result in an increase in GDP and potential job creation. The funding provided by DEDAT to Wesgro for this programme aims to realise approximately 15 investment projects. This will translate to approximately between R1.85 billion and R2.69 billion investments per annum in estimated rand value for the Western Cape.

For further details on the above, please refer to Wesgro's 2021/22 APP.

Investment Promotion will focus on:

- The finalisation and implementation of the Investment Strategy;
- The development of a sound investment as well as a business-retention and expansion strategy;
- Lobbying national government and other relevant stakeholders to develop policies and incentives that are relevant and responsive to the private sector's needs, and flexible enough to accommodate such needs;
- Strengthening the investment recruitment missions' effort through data quality improvement by using reliable investment flow analysis tools and platforms.

## **7.3 SUB-PROGRAMME 3.2: SECTOR DEVELOPMENT**

### **7.3.1 Purpose**

To stimulate economic growth in tradable sectors through tangible programmes, industry support measures and the implementation of plans and strategies that will result in economic growth and job creation through growth of export activities and increased investments in prioritised sectors of the Western Cape economy.

### **7.3.2 Sub-programme 3.2: Outcomes, Outputs, Performance Indicators and Targets**

Outcome	Outputs	Output Indicators	Annual Targets						
			Audited /Actual Performance			Estimated Performance	MTEF Period		
			2017/18	2018/19	2019/20		2020/21	2021/22	2022/23
Increased exports	Sector Development Initiatives supported	3.3 Number of sector initiatives supported	New indicator	New indicator	New indicator	8	8	8	8

### **7.3.3 Sub-programme 3.2: Indicators, Annual and Quarterly Targets**

Output Indicators	Annual Target	Q1	Q2	Q3	Q4
3.3 Number of sector initiatives supported	8	-	-	-	8

The Trade and Sector Development Programme will contribute towards the achievement of the VIP 2 priority focussing on growing exports and increasing investments. The Programme will also work across all PSP focus areas, however, will give more attention to Investment Attraction and Tradable Sectors. The Programmes' work and action plans are aligned with National Policies, Strategies and Outcomes in particular the NDP as well as MTSF Priority 2 of Economic Transformation and Job Creation. In response to the Western Cape Recovery Plan, the sector development team developed sector plans in relation to supporting vulnerable sectors such as tourism and sectors or opportunity such as Agri-Processing, Manufacturing and Services sector which need specific support mechanisms to enable economic recovery as well as job creation over the next short and medium term. These sector plans were developed in consultation with private sector and other Government Departments to create the necessary platforms of engagements and agreed sector priorities accordingly.

The Programme facilitates the stimulation of economic growth and job creation through sector development and sector support resulting in an increase in the trade and investment activities within the Western Cape economy.

Sector development is important as it stimulates growth and development in the economy, both directly and indirectly through economic linkages along the value chains of the different industries. In order to determine the sector development potential and needs of the different sectors it is essential that sector research is done accordingly to ensure evidence-based planning. The Department's objectives are to reduce unemployment by creating enabling conditions for economic growth and providing a facilitation role to key sectors within the Western Cape economy.

The Department will support key tradable sectors as well as sectors with lagging demand-driven potential in order to increase the number of trade transactions with respect to companies that are exporting goods and services. With an increase in local firms exporting more and replacing imported input products and services used during any processing activity will have a direct impact on the GDP of the Western Cape and South African economy. This additional trade activity will directly impact both job creation and economic growth.

With regard to catalytic initiatives, the approach is to identify and develop economic projects which are transformative in nature, improving the enabling environment in which businesses and specific industries operate. The Programme aims to overcome critical inhibitors to economic growth and/or capitalise on economic opportunities that arise due to market forces or technological advances.

The notion of industrialisation is underpinned by the basic concepts and processes around increases in value-add. Primary sectors combine factors of production in relatively simplistic and direct relationships. Therefore, the extraction of minerals (mining), nutrients (agriculture, fishing) and natural materials (quarrying, forestry) from the earth allows for lower levels of value-add and employ mostly unskilled or low-skilled labour.

Secondary sectors increase value addition by including better productive techniques and by causing the development of more protracted, more intricate value chains. This allows for the application of higher levels of entrepreneurship and the formation of more sophisticated and specialised firms, as well as absorbing labour at higher levels of competency and skill. This increase in sophistication not only allows tertiary sectors to develop (by offering services to the industrial sectors), but also forms the gateway for the economy to graduate towards the tertiary sectors.

By allowing improvements in how inputs are organised and applied, it becomes a driver of sustainable growth and job creation. It can catalyse major economic reform and even transformation by significant gains in productivity and competitiveness. It also comes with multipliers and backward linkages, provides good quality jobs, and can assist in increased exports. Manufacturing growth is also a prerequisite to and drives job creation and growth in the tertiary sectors.

Economic activity with even higher value addition (than in the secondary sector) requires a foundation of large volumes of skilled workers and firms (entrepreneurs) that operate at high levels of sophistication and productivity. Therefore, based on the approach to tradable sectors and prioritising particular sectors and industries, the sector development and support interventions will be linked to the following sectors:

- Agri-Processing
- Manufacturing
- Marine/Oceans Economy
- Finance, Business Services & BPO
- Tourism

The sector support initiatives will be related to six key services offered by each sector desk namely:

- **policy:** Understand policy environment, identify policy gaps and develop new policies.
- **research & sector insights:** Developing sector intelligence and collate research being done in order to publish data and research online.
- **investment and trade development:** Identifying the needs per sector in terms of trade development for companies to be export ready as well as investment readiness and related interventions for municipalities etc.
- **industry action platforms:** Create platforms for engagement with industry partners to play an effective role in each eco-system.
- **identification and co-ordination of catalytic sector interventions:** Identify opportunities per sector and co-ordinate the catalytic opportunities transversally across DEDAT.
- **industry incentives:** Link to National incentives and funding opportunities available to each industry.

The objective of having sector desks for each priority sector is to ensure that sector needs, enablers and opportunities are well co-ordinated within the Department. The sector development directorates will not always be responsible for the implementation of interventions but the strategic co-ordination of the sector activities within the Department.

#### **7.3.4 Explanation of planned performance over the medium-term period**

##### **AGRI-PROCESSING SECTOR**

The Agri-processing sector is a significant part of economy and accounted for 4.9% of economic activity in South Africa and 3.2% of the labour force in 2018. However, if Agri-processing is taken to include the primary agricultural sector from which supplies it then these shares rise to 7.3% and 10.2% respectively. This share is higher for the Western Cape where the two sectors together account for 10.7% of economic activity and 13.3% of employment.

The Agri-processing sector therefore makes a significant contribution to the economy and has an important role to play in meeting the Western Cape Government's purpose to focus public services on creating a more successful provincial economy, with opportunities to flourish, through increasing sustainable economic growth.

So, whilst Western Cape's Agri-processing sector continues to flourish and makes a very important contribution to the Western Cape's economy, there remain significant challenges brought about by the outbreak of Covid-19.

The Covid-19 pandemic has resulted in mass production shutdowns and supply chain disruptions. Although the food industry was considered essential and permitted to operate, producers of liquor specifically the wine industry, faced potential challenges due to bans of sale of alcohol products. Although most of the subsectors within Agri-processing were not under lockdown, there were other subsectors such as the wine industry that were subjected to numerous bans. The domestic ban of sales of alcohol has other unintended consequences, which include further job losses throughout the value chain including suppliers, farmers, cellars, hospitality and the retail industries placing hundreds of thousands of livelihoods at risk. The hardest hit will be the significant number of smaller retailers, wine grape producers, wineries wine estates and the restaurants. The most immediate action required is to highlight the role the sector can play in stimulating economic growth and create employment. Several strategic priorities have been identified to help respond to the economic opportunities and allocate resources where they will have the biggest possible impact on Western Cape's economy. The plan aims to increase the ability of the Agri-processing sector to be more capable and resilient in responding to changes in competitive landscape as a result of outbreak of Covid-19. A key aspiration for the plan is to support the Agri-processing sector, with projections suggesting that additional profitable businesses could exist to boost needed growth and jobs.

Agri-processing performance plan is aligned with the national policies in terms of the National Development Plan and the Draft Master Plan for Agriculture and Agro-processing; which is consistent with the Provincial Strategic Plan in terms of the Vision Inspired Priority 2 (VIP 2), and the Western Cape Recovery Plan. The Jobs theme of the Western Cape Recovery Plan identified relief and support that will be provided to the economy in order to help it to bounce back to provide immediate support particularly to sustain and create jobs.

To effectively respond to the above, the Department of Economic Development and Tourism seeks to develop the Agri-processing Strategic Plan which will be an anchor to realise the Western Cape Government's vision inspired priorities and contribute towards economic recovery.

To respond to the challenges and impact created by Covid-19, the Department of Economic Development and Tourism crafted an Economic Recovery Plan (subsumed as the Jobs theme into the Western Cape Recovery Plan) giving effect to the development of an Agri-processing sector plan. The Department has embraced the opportunity to forge a new path for integrated market development, research, development and easing of regulatory and market requirements for the benefit of the Agri-processing sector through the Sector Plan.

Through the Sector Plan, the Department will be addressing the following two clear challenges to the prosperity of the Agri-processing sector:

1. The export of bulk and primary agricultural products without adding value.
2. The surge of imports of Agri-processed products that are already produced in South Africa.

The Sector Plan, therefore, should be inclusive of a set of Key Action Plans attached to quarterly milestones and a clear delineation of supporting departments/agencies as well as private sector

partners for each Key Action Plan in the following subsectors:

- Food processing
- Beverages processing
- Natural products

For the financial year 2021/22, the Plan will focus attention on better integration of cross-cutting issues such as:

- Sector intelligence.
- Opening of markets for firms and key subsectors.
- Addressing binding constraints.
- Increase local value addition and reduce imports.
- Strengthening partnership towards delivery.
- Mobilising resources to leverage funding.

## **MANUFACTURING SECTOR**

The manufacturing sector is an important sector for both the South African and Western Cape economies. The manufacturing sector contributed close to R95 billion (or 15.5%) to the provincial GVA and employed 322 058 people (or 19% of national manufacturing employment) in 2019. According to the Stats SA report released at the beginning of September 2020, South Africa's gross domestic product (GDP) decreased by 51% in the second quarter of 2020 owing to the impact of Covid-19 lockdown restrictions since the end of March 2020. The Covid-19 pandemic has exacerbated the challenges experienced by the provincial economy and it is expected to result in a 10.4% contraction in the provincial economic activity and an employment decline of 151 743 (6.4%) in 2020. The current forecast is that the Western Cape economy will return to 2019 GVA levels by 2024 only unless concerted restructuring and assistance is provided.

The sectors that were adversely affected by Covid-19 include agriculture (and the agri-value chain), construction, manufacturing and trade due to external demand and supply-chain collapses.

Covid-19 impacted on the profitability and cash flows of businesses, reduced the demand for products as well as cancelling of orders and disrupted the value chains of the manufacturing industries. These negative effects will extend beyond the current economic period and recovery will be slow. Productive sectors have not only stagnated, but key productive industries such as those in the manufacturing sector have shed jobs over the past decade. The industries that were mostly affected are those that do not provide essential services such as the clothing and textile industry, marine manufacturing and transport equipment sub-sectors.

Improved productivity is required to stimulate economic growth and create jobs as envisioned in the Western Cape Recovery Plan. Therefore, programmes for the development of the manufacturing sector need to intensively focus on improving productivity and reducing inefficiencies which in turn can contribute to lowering high production costs, increase competitiveness and contribute to the higher long-term output. To re-position the manufacturing sector for economic growth and development, interventions like skills development, innovation, localization and investment in production and technological capabilities are proposed. The following manufacturing sub-sectors will be targeted due to their contribution to economic growth, export market potential, employment creation opportunities and retention of current jobs:

- i. Metals and engineering and related industries

- ii. Marine manufacturing and associated services
- iii. Clothing and textile
- iv. Furniture sector
- v. Green technology
- vi. Pharmaceutical and Health Technology Industry

DEDAT will facilitate interventions aimed at improving the trade performance and growing exports linked to the manufacturing sector. The strategic focus areas to achieve the goals of the Western Cape Recovery Plan and to stimulate economic growth in the manufacturing sector, in collaboration with other government departments, industry, labour and other strategic partners in the short to medium term includes:

- Enterprise and supplier development interventions with the focus on building and strengthening sub-sector specific competitiveness as well as opportunities for transformation and new entrants through sub-sector export cluster development.
- Continuous productivity improvement programmes to build resilience and support companies to be meaningful players in the local and global economy.
- Coordination of market access and trade promotion opportunities to identify export potential markets and new or niche markets, including the rest of Africa.
- Addressing major market constraints that impact on the future growth of the industry.
- Skills development programmes that will support sub-sector specific skills.
- Support and assist with the development of infrastructure projects that will create and enabling environment for sector growth.
- Promote and attract investment into the industry.
- Maintain and develop an effective business and stakeholder eco-system to improve business and consumer confidence.

## OCEANS ECONOMY

**Background** – Oceans Economy is a “lens” through which DEDAT looks at various economic sectors and industries that are linked to the ocean. The Department took a deliberate decision to prioritise this focus area given its importance to the economy because of the role it plays in supporting exports, tourism and people’s livelihoods. Western Cape’s Oceans Economy strategy is underpinned by several factors such as stakeholder engagement, environmental sustainability, quality market and value-chain research, private sector involvement, and identification of market-led economic opportunities.

This sector was affected by Covid-19 in relation to key investment projects such as the upgrades at the Port of Cape Town being postponed, exports of commodities such as abalone not being allowed during specific lockdown levels, etc. This priority sector linking to marine manufacturing and coastal tourism activities and focus areas will be adjusted accordingly in the new financial year in relation to the Jobs theme of the Western Cape Recovery Plan.

To achieve the objective of growing the contribution of oceans economy to the Western Cape economy, a programmatic approach across the coastal districts, informed by stakeholder input, is necessary. The service offering will therefore include the following programmes and initiatives:

**Industry Action platforms** – Given the size and importance of the Oceans Economy sub-sectors and industries for the Western Cape economy, stakeholder engagement platforms are critical to unlocking growth opportunities. Some platforms are spatial in nature while others are sectoral, and some tend

to assume a cluster form. Great emphasis will be on strengthening working relationships between the government spheres, private sector and government agencies to ensure seamless implementation of Oceans Economy initiatives. The Western Cape Oceans Economy Working Group has been established with an objective of fulfilling this role. The working group, in partnership with the coastal municipalities, will be expanded to include more private sector stakeholders, with an objective of discussing implementation of economic opportunities.

**Research and Sector insights** – There is so much Oceans Economy research available that has been prepared by several consultants for various government departments and municipalities. The emphasis will be on pulling together existing information and packaging it in a user-friendly format for the stakeholders to be informed of what is happening. This will be implemented through the value-chain capacity building programme and the market development programme. The objective is to generate market and sector intelligence across several prioritised value-chains, and to share this information with the stakeholders through various channels.

**Policy** – A review of various existing growth constraining policies is critical if the Oceans Economy opportunities are to benefit the coastal communities who often rely solely on the ocean for food and jobs. Emphasis will be put on close monitoring of all new legislation that is relevant to supporting the growth of all the Oceans Economy sub-sectors and industries. In partnership with the private sector, through the industry partnership programme, policy suggestions and/or amendments will be made to relevant authorities through the proper channels.

**Investment and Trade promotion** – Greater emphasis will be placed on supporting the growth of exports of both goods and services. Growing exports will require great investment to support the expansions of facilities and thus further increasing the export goods and services volume offering.

Partnerships with the Development Finance Institutions and other spheres of government will be key to ensure ease of access to the land pockets and infrastructure under their control for investment recruitment purposes.

**Catalysts identification and co-ordination** – Targeted stakeholder engagements/workshops will be held across all coastal districts to continuously identify and refine a list of catalytic initiatives. The engagements will ensure that the private sector continues to lead and government focuses on supporting through the creation of an enabling environment for businesses to do business.

**Industry incentives** – National government has developed several incentives to support various sectors in the economy, including some under the Oceans Economy umbrella. What is key to understand though here is that, incentives are not necessarily limited to money. All spheres of government will have to look inside their toolbox to see if there aren't other ways of providing incentives to businesses – municipalities are better positioned to ensure that this happens.

## SERVICES SECTOR

Pre-Covid-19, Business Services were the most vital services sector in the Western Cape. They were expected to continue being the key driver of growth with almost three-quarters of the Province's growth forecast over the next five years coming from this sector. The most significant boost to growth in the Western Cape economy was likely to come from the finance, insurance, real estate and business services sector (PERO, 2018).



During the Covid-19 period, the services sector also experienced a negative impact on its various industries; however, some of these industries have so far managed to avoid severe job losses and financial strain. These included the financial services, BPO and ICT industries. Other sectors, however, such as the film and property management struggled during the Covid-19 pandemic.

The Services Sector initiatives are aligned to the medium to long term period performance of the Western Cape Recovery Plan. The plan speaks to the fundamental economic shortcomings that brought about an economy that has been underperforming for more than a decade. It also takes cognisance of the fundamental and structural economic fault-lines, which have been amplified by Covid-19.

The Services Sector initiatives will aim to stimulate economic growth in the Financial and Business Services, Property Management, ICT/BPO/eCommerce and the Film Industry. The Department will achieve these aims through tangible programmes, industry support measures and the implementation of initiatives that will result in economic growth and job creation through the development of export activities and increased investments in tradable sectors of the Western Cape Economy. The objective of the sector support initiatives is to ensure that sector needs, enablers and opportunities are well-coordinated within the Department.

The Services Sector sub-programme encompasses the following areas for the 2021/22 financial year:

- **Policy:** Understand the film, property management, ICT, BPO, eCommerce and financial services sector policy environment, identify policy gaps through review and develop new policy directives if needed. These interventions align to create ease of doing business as specified in the Jobs theme of the Western Cape Recovery Plan. Numerous policy barriers exist in the services sector which requires lobbying and review and will be a key activity in 2021/22. Red tape reduction and ease of doing business will also form part of discussions at the envisioned Sector Services Task Team to be established in 2021/22.
- **Research & sector insights:** Develop film, property management, ICT, BPO, eCommerce and financial services sector intelligence and collate research being done and feed to the Sector IQ initiative for publication of data and research online. The research completed as part of the sector plan for the services sector will provide much needed sector intelligence needed to inform the recovery and growth of the prioritised industries within the services sector. The second phase of the research activities will include developing a sector action plan with the private sector and other key partners informing the activities over the next 5 years to achieve the growth targets accordingly.
- **Investment & trade development:** Identify the needs in the film, property management, ICT, BPO, eCommerce and financial services sector in terms of trade development for companies to be export-ready as well as investment readiness and related interventions for municipalities. The investment and export strategies will be finalised in 2021 and this will drive the activities of both DEDAT and Wesgro in relation to development and promotion activities. Much of the investment activities within the Western Cape happens in the services sector so the strategies will provide much needed direction in terms of creating a conducive environment for investment and trade activities within the sector.
- **Industry Action Platforms:** Create platforms for engagements with industry partners to play an effective role in each eco-system. Building on partnerships through stakeholders' engagements will continue to inform facilitation to support when identified by the film, property management, ICT, BPO, eCommerce and financial services sector. It is necessary that the relationships the Department and each sector desk has with private and public sector stakeholders are nurtured and strengthened. Especially in the current financial climate where partnerships are even more important to realise the necessary potential required for recovery and growth across the economy. As mentioned above,

DEDAT is planning to establish a Service Sector Task Team where specific themes with priority areas will be identified in the various services sectors for problem solving. This task team will be multi-disciplinary and will use a collaborative approach in finding solutions to pertinent obstacles to economic growth in the services sector.

- **Identify and coordination of catalytic sector interventions:** Identify opportunities in the film, property management, ICT, BPO, eCommerce and financial services sector and coordinate the catalytic opportunities transversally across DEDAT. These opportunities include the identification of any skill gaps, shortages or the need for scarce skills within the various sectors. This information will inform skills development programmes that will support sub-sector specific skills. Additional catalytic opportunities relate to infrastructure, key private sector investment opportunities as well as the increased participation of new entrepreneurs. The services sector team will co-ordinate the activities and ensure alignment with other line Departments within DEDAT to realise the interventions accordingly.

### 7.3.5 Programme 3: Key Risks

Outcome	Key Risk	Risk Mitigation
Increased exports	<ol style="list-style-type: none"> <li>Increased risk factors resulting decreased export activity due to poor economic climate and misalignment of priorities among stakeholders, government departments, entities and industries.</li> <li>Lack of a clear trade and investment strategy.</li> <li>Loss in market share of key export commodities due to Covid-19 and trade restrictions.</li> </ol>	<ol style="list-style-type: none"> <li>Align and support initiatives linked to the Department of trade and industry who is the lead department in terms of trade agreements between South Africa and global trade partners.</li> <li>Develop and implement a Western Cape export strategy.</li> </ol>
Increased Rand value of investment	<p>Investment pipeline for the WC is underperforming due to a poor economic climate.</p>	<p>Develop and Implement a Western Cape investment strategy.</p> <p>Develop a global investment confidence campaign.</p>

## 7.4 PROGRAMME RESOURCE CONSIDERATIONS

### Budget Allocation for Programme and Sub-programmes

Sub-programme	Audited			Main appropriation	Adjusted appropriation	Revised estimate	Medium term expenditure		
	R'000	2017/18	2018/19	2019/20	2020/21	2020/21	2020/21	2021/22	2022/23
1. Trade and Investment Promotion	34 020	36 200	48,539	74,956	59 198	59 198	62,113	62,113	63,635
2. Sector Development	15 522	11 004	12,991	22,781	11 502	11 502	8,650	8 733	8 817
Total payments and estimates	49 542	47 204	61,530	97,737	70 700	70 700	70,763	70 846	72 452
Economic classification R'000									
Current payments	9,829	9,491	12,829	22,781	10 108	10 108	8,650	8 733	8 817
Compensation of employees	7,334	8,321	10,835	17,191	8,627	8,627	8,550	8,633	8,717

*Continued on next page*

Sub-programme	Audited			Main appropriation	Adjusted appropriation	Revised estimate	Medium term expenditure		
	R'000	2017/18	2018/19	2019/20	2020/21	2020/21	2020/21	2021/22	2022/23
Goods and services	2,495	1,170	1,994	5,590	1 481	1 481	100	100	100
Interest and rent on land									
Transfers and subsidies	39,695	37,700	48,547	74,956	60,592	60,592	62,113	62,113	63,635
Provinces and municipalities									
Departmental agencies and accounts	34,020	37,700	48,539	74,956	59,965	59,965	62,113	62,113	63,635
Universities and Technikons									
Foreign governments and international organisations									
Public corporations and private enterprises				-	600	600			
Non-profit institutions	5,675								
Households			8	-	27	27			
Transfers and subsidies to Capital									
Government Motor Trading Account									
Payments for capital assets	4	13	149						
Buildings and other fixed structures									
Machinery and equipment	4	7	149						
Heritage assets									
Specialised military assets									
Biological assets									
Land and subsoil assets									
Software and other intangible assets		6							
Payments for financial assets	14		5						
Total economic classification	49 542	47 204	61,530	97,737	70 700	70 700	70,763	70 846	72 452

### **Explanation of the contribution of resources towards achievement of outputs**

The activities detailed above will be achieved through the collective efforts of all the sector sub-programmes within Programme 3. The team has a diverse set of skills appropriate to managing and implementing projects in support of the economy. Key skills include project planning, stakeholder management, project reporting, financial management, people management, contract management and communications.

The strength of the sector support teams will be in the specialised staff who are able to champion and provide knowledge of each sector as a sector lead. The programme has received no budget for sector and trade development therefore to continue to deliver on the sector priorities, the projects in the financial year will relate to non-financial deliverables and utilising support from transversal programmes such as Skills, EoDB etc. to provide support to sectors and industries. The team are able to adapt and provide valuable support where needed, leveraging partnerships to ensure sectors are supported accordingly.

### **7.5 PUBLIC ENTITIES**

Name of Public Entity	Mandate	Outputs	Current Annual Budget (R thousand)
Wesgro	Trade & Investment Promotion as well as Destination Marketing	Trade agreements signed. Investment projects realized.	62 113 (2021/22)





## PROGRAMME 4: **BUSINESS REGULATION AND GOVERNANCE**

## **8. PROGRAMME 4: BUSINESS REGULATION AND GOVERNANCE**

### **8.1 PURPOSE**

To ensure an equitable, socially responsible business environment in the Western Cape – through general interventions within the trading environment and through specific interventions mandated by the Constitution, national, provincial legislation and policies.

### **8.2 SUB-PROGRAMME 4.1: CONSUMER PROTECTION**

#### **8.2.1 Purpose**

To develop, implement and promote measures that ensure the rights and interests of all consumers.

#### **8.2.2 Sub-programme 4.1: Outcomes, Outputs, Performance Indicators and Targets**

Outcome	Outputs	Output Indicators	Annual Targets							
			Audited /Actual Performance			Estimated Performance	MTEF Period			
			2017/18	2018/19	2019/20		2020/21	2021/22	2022/23	2023/24
An improved environment conducive to fair business practice and informed consumers	Consumer education interventions conducted	4.1 Number of consumer education interventions conducted	142	95	152	240	240	240	250	
	Complaints resolved within 90 days	4.2 Percentage of complaints resolved within 90 days (Total complaints resolved within 90 days/Total complaints received)	New Indicator	New Indicator	New Indicator	75%	75%	75%	75%	

#### **8.2.3 Sub-programme 4.1: Indicators, Annual and Quarterly Targets**

Output Indicators	Annual Target	Q1	Q2	Q3	Q4
4.1 Number of consumer education interventions conducted	240	40	80	80	40
4.2 Percentage of complaints resolved within 90 days (Total complaints resolved within 90 days/Total complaints received)	75%	-	75%	-	75%

#### **8.2.4 Explanation of planned performance over the medium-term period**

##### **Consumer Redress**

The projects and operations linked to the services of the OCP are primarily geared towards a citizen-centric service since it provides dispute resolution services between consumers and suppliers. The services can only be effectively provided if the correct and optimal human resources, ICT services, and customer-focused interventions are in place. The toll-free call centre, alternative dispute resolution (ADR) services, and referral mechanisms are all focused on ensuring that the objectives as set in Provincial Strategic Priorities (PSP) are achieved. By providing effective services, citizens may have a favourable perception of the WCG and become ambassadors of the province. For example, benefit,

such as refunds for poor quality goods, services, repairs of defective products will create a perception that the WCG takes quality of service and products seriously and improve investor sentiments about the province. The unit plays its part in ensuring that citizens of the Western Cape have a first-hand experience of the WCG's commitment towards quality service provision. Quality services in the tourism sector could boost the number of tourists visiting the province and thus boost the growth of both export and tradable businesses leading to job creation.

Strengthened self-regulation mechanisms and increased awareness of consumer rights among businesses create favourable conditions for the promotion and advancement of mechanisms of amicable resolution of consumer disputes. Besides using consumer protection as a competitive strategy, observance of consumer rights encourages repeat purchases. The experience has shown that out-of-court alternative dispute resolution mechanisms are an effective and cheap method of obtaining consumer redress. In smaller cases, courts fail to deliver the desired outcomes due to lengthy proceedings, high costs, formalised procedures, and psychological barriers related to getting involved in litigation.

The development of ADR is, however, not possible without the cooperation and willingness of business. Consequently, the development of amicable dispute resolution systems must be included in the concept of treating customers fairly. Rule of law is paramount to any economic development and export of goods and services. Violating consumer rights might lead to a boycott of services, products, and subsequent damage to business confidence.

In addition to the above, the utilisation of both a call centre and an electronic complaints management system for the lodgement and management of consumer complaints has assisted the OCP in delivering quality service to the citizen of the Province. However, the lack of an operational Consumer Tribunal has seen the OCP failing to effectively execute its mandate. To ensure that citizens in the province are not prejudiced by this, building working relationships with the NCC and other industry bodies is paramount. It is acknowledged that a stronger working relationship with industry and business can serve to bolster the Programme's role as a facilitator and mediator of disputes in the Province. The collaboration assists consumers with the timely and effective resolution of disputes.

### **Consumer Education Services**

The education and information activities carried out in the previous years have shown that the OCP's activity in this area brings positive results and is received with great interest by consumers and SMMEs. Interventions under consumer education services are aimed at citizens and SMMEs. Consumer education is a long-term and continuous process, especially in a country whose market is growing intensively, adapting itself to the functioning of the free market system. Regulators and enforcement partners consider reputation as a major driver, and is crucial for businesses to avoid any adverse publicity, especially during a time when economic growth and export have been adversely affected by the outbreak of the coronavirus. This presents an opportunity for OCP to exploit this 'willingness to comply' environment and ensure that consumer protection is extended to not only consumers but also both export-driven and tradable businesses.

There is a greater need to increase consumer advocacy initiatives as well as information and education activities as both businesses and consumers battle with the issues of refund and credit insurance cover. These should cover new thematic areas and use new communication methods to reach out to

both businesses and consumers. With relation to the changing market situation and an increasingly widespread application of new communication techniques by businesses, it seems necessary to strengthen the activities of the OCP aimed at educating consumers about the traps and risks they face. The impact of new technology in the transactional process between consumer and business also dictates that new strategies must be developed and implemented to keep the trend with this new form of consumerism.

In the years to come, the OCP intends to continue basing consumer protection policy on regularly obtained, reliable information about South African and specifically Western Cape consumers. Supporting consumer policy with the data about the type and scale of problems faced by consumers in the market, the barriers preventing consumers from fully adapting to the modern market. Furthermore, information about the current level of knowledge and awareness of consumers will assist the Office to implement systemic solutions aimed at eliminating or limiting market changes that are unfavourable to consumers.

The OCP will be embarking on various interventions to address the following challenges:

- Low levels of consumer awareness about their rights as provided for in the National Credit Act, the National Credit Amendment Act, and the Consumer Protection Act.
- Minimal understanding of refund policies, product recall, request for quotations and requirements for cancelling consumer contracts, cancellation of bookings, and the rights to the cooling-off period after direct marketing transactions.
- Western Cape entrepreneurs' knowledge of consumer protection law and the State agencies providing redress services to consumers.

It is therefore evident that an effective consumer protection environment is not only the one which must provide a mechanism through which consumers can address illicit trade but also the one that provides valuable information to both business and consumer and enhance voluntary compliance.

### **The OCP's General Consumer Education Activities**

Over the MTEF 2020 to 2025, the OCP will continue to carry out an active educational and information activity, focusing mainly on the education of various groups of consumers and businesses. The education programme will include the basic issues, the knowledge of which facilitates the functioning on the market, acquiring everyday consumer competencies' knowledge of redress options. It should also provide an answer to the newest challenges occurring on the market such as investment scams that manifest itself in the form of a pyramid and multi-level marketing schemes which have mushroomed since the beginning of the lockdown period. The OCP's campaigns will also be executed in cooperation with the National Consumer Commission (NCC), various regulatory authorities, and Ombudsman Schemes statutorily established in terms of the Consumer Protection Act, 2008. These campaigns will also focus on cheap counterfeit goods and illegal imports which lead to the destruction of local industries.

In the forthcoming period the OCP plans to execute education campaigns relating to the following consumer issues:

- Benefits and risks related to the use of the latest technologies to transact with business (concluding distance contracts, via the Internet, the phone, mail orders, etc.).
- Substandard Goods and the risks posed by them. The objective of this campaign will be to

draw consumers' and entrepreneurs' attention to the factors that determine the safety and quality of products.

- Counterfeit Goods: What are they and what is the impact on the economy?
- Advertising, Campaigns concerning this issue will inform consumers about the various types of misleading, false, and inaccurate advertising that is designed to entrap consumers into problematic agreements.
- Consumer rights and obligations. The need to inform consumers about their rights and obligations in terms of the Consumer Protection Act and the various authorities available to assist with redress remains valid.
- Credit life cover: The importance of Credit Life Cover, legal requirements of this type of insurance and steps to follow when lodging a claim.

The interventions will target various consumer groups, namely the youth, adults, elderly people, women and the business sector.

### **Support of SMMEs**

Over the medium term, the OCP will also develop a more focused and sustained campaign specifically aimed at SMMEs. There is a need to support SMMEs on the issue of consumer rights and obligations in terms of the relevant legislation. In addition to the above, educational programmes will incorporate the importance of compliance with health protocols pertaining to Covid-19 as non-compliance can lead to damage claim from consumers who might catch the virus in non-compliant premises in line with Section 61 of the CPA.

In previous financial years, the primary role of the OCP as far as business (including SMMEs) was concerned related to the investigation of consumer complaints lodged against such businesses. It has however become necessary for the OCP to realign itself especially considering the Department's strategic priorities especially with regards to the role which SMMEs can play within tourism, job creation, and exports. Therefore, some of the educational programmes conducted will focus on supporting and capacitating SMMEs within the tradable sectors such as tourism about the legislative imperatives created by the Consumer Protection Act. These relate to advance booking, cancellation of advanced booking, and bundling of products amongst other things. During the past financial years, it has become evident that most consumer complaints received by the OCP relate to the products/services provided/offered by SMMEs. The resolution of such disputes has proven to be challenging especially since many of the SMMEs are not aware of the obligations placed on them by the Consumer Protection Act and as a result rely on outdated policies and procedures as far as customer rights are concerned. Some of them also do not realise the damage such disputes have to their brand and provincial brand reputation.

Substantial reputational damage can be caused to a business due to perceptions amongst consumers that their consumer rights are not protected. The damage translates into loss of consumer confidence in a business or brand which further translates into loss of turnover and subsequent profit. The knock-on effect is vast since it will impede a business's ability to grow and ultimately create jobs and thus limit the economic growth of the province. The role and importance of basic principles such as customer care, customer rights/obligations, new law, and policy on consumer protection are therefore crucial for a business to maintain consumer confidence. The OCP also views these interventions as part of the Department's contribution

towards skills development within the sector since customer care and other front of house skills are issues on which SMME's require assistance. As such there will be a link with other Programmes within the Department to ensure that the OCP effectively contributes towards these departmental objectives.

By introducing this new approach, the OCP can also make a direct contribution to one of the strategic priorities of the Department as far as supporting business is concerned. The additional impact is that consumer confidence in SMMEs can drive the productivity of such businesses and grow the economy which will lead to job creation and the improvement of the Western Cape economy through an export-led approach.

### **Financial Literacy Education**

In the aftermath of the financial crises, coupled with the current outbreak of the Covid-19 pandemic, financial literacy has become increasingly recognized as an important individual life skill in most economies. The underlying reasons for this growing policy attention encompass the transfer of a broad range of financial risks to consumers, the greater complexity and rapid evolution of the financial landscape, the rising number of active consumers in the financial sphere, the increase in the number of scams, pyramid schemes, multi-level marketing and the limited ability of regulation alone to efficiently protect consumers. These illegal schemes became prevalent during the national state of disaster. The number of consumers whose assets has been repossessed has increased since the declaration of the State of Disaster in March 2020. This has resulted in consumers losing their jobs and unable to service their debt.

In addition, consequences of the financial crises have demonstrated the potential implied costs and negative spill-over effects of low levels of financial literacy for society at large, financial markets, and households. It is widely acknowledged that financial education has become an important complement to market conduct and prudential regulation. Therefore, improving an individual's financial behaviour(s) has become a long-term policy priority in many countries. In South Africa, the National Treasury has financial literacy education as one of the components for a comprehensive solution for protecting consumers of financial services. National Treasury spearheaded the development of the National Financial Education Strategy and later delegated the Financial Sector Conduct Authority to drive it.

South African consumers of financial services generally have limited resources and skills to understand the complexities of the financial sector. This has become more apparent during the outbreak of coronavirus and the subsequent declaration of the state of disaster in the country. Compelling consumer issues, such as the ability to approach creditors to make payment arrangements during the lockdown period and the inability to evaluate the appropriateness of financial products concerning personal circumstances; predatory lending; high levels of consumer debt; low savings rates; proliferation of pyramid schemes and financial scams; high product services; penalty fees; lack of accessible and comparable pricing information; and limited knowledge of recourse mechanisms have added to the urgency for financial literacy education. Furthermore, the illegal use of Section 127 of the National Credit Act to repossess goods, became prevalent during the disaster period.

The pandemic has left consumer confidence extremely low. The roll-out of financial literacy programmes as part of the educational interventions will help to boost both business and



consumer confidence. The involvement of the National Treasury through the formation of a National Financial Education Committee, of which the Western Cape OCP is a member, indicates the seriousness of rolling out the financial education programmes in the country.

A financially healthy society is key to development and more so economic revival. The innovation and subsequent manufacturing of products and services will be futile if consumers are unable to access finance due to negative listing in the credit bureau. Access to credit finance improves the ability of potential consumers to access products and this improves the sustenance of the manufacturing and services sectors of the economy. This subsequently affects the attainment of some of the underpinnings of Vision Inspired Priority 2. Currently, there are more than 600 000 consumers who have applied for debt counselling since the National Credit Act came into effect in June 2007. Automatically, these consumers are removed from the credit market as prescribed by the law and this reduces their level of participation in the economy. Consumers under debt review could be potential customers of businesses in the Province. Their negative listing in the credit bureau indirectly reduces the demand for products that these consumers would have bought. The proposed financial educational interventions will help to acquaint consumers in general about various financial products in the market, the implications of their choices as well as redress mechanisms available.

Programme 4 currently has 1 outcome indicator namely, 'An improved environment conducive to fair business practice and informed consumers' and this outcome will be measured by the monetary value of savings to consumers due to OCP'S assistance. In order to achieve this, the programme needs to increase its financial literacy and educational interventions and improve the turnaround time for complaints lodged with the office. To supplement the low budget allocation, the OCP will continue to establish partnerships with various regulatory bodies within the consumer protection space, businesses, NPOs, and NGOs. These partnerships have in the past enabled the OCP to deliver workshops under difficult economic conditions by leveraging resources from partners to deliver its programmes. Some of these engagements are organised at the expense of the partners.

### **Consumer Affairs Tribunal and Drafting of the new Consumer Law**

The OCP will commence the process of nominating members to serve in the Consumer Affairs Tribunal in line with Section 15 of the Western Cape Consumer Affairs (Unfair Business Practices) Act 10 of 2002. The process will culminate in the appointment and subsequent inauguration of the successful members to serve in the Tribunal for a defined period. This process is anticipated to run for the entire 2021/22 financial year. The tribunal when successfully established will adjudicate on matters referred to it by the Office of the Consumer Protector. The process to appoint members of the Tribunal will run concurrently with the drafting of the new consumer law for the Province. The new law will be aligned to the Consumer Protection Act.

### **Conclusion**

It is therefore evident that an effective consumer protection environment must provide a mechanism through which consumers can address illicit business behaviour and acknowledge the importance of a growth-orientated economy. In this manner, the OCP can now effectively find its niche within the Western Cape Government since its redress services, educational interventions, and engagement with SMMEs will go a long way in contributing towards the creation of jobs and this falls within VIP2. In the current revised strategy, the OCP's interventions speak to dignity. At

the national outcome level, it will ensure that an “efficient and effective development orientated public service and an empowered, fair, and inclusive citizenship” is developed. The programme’s engagement with business will ensure that the benefits of voluntary compliance as far as growth, competitiveness, and enhancement of sectors or businesses are concerned will contribute towards the achievement of VIP 2 (Growth and Jobs) and specifically the focus on the economy and jobs.

### **8.2.5 Sub-programme 4.1: Key Risks**

<b>Name of Public Entity</b>	<b>Key Risk</b>	<b>Risk Mitigation</b>
An improved environment conducive to fair business practice and informed consumers	Consumer education programmes: The inability to implement effective and sustained consumer education programmes across the province due to insufficient resources (human, infrastructural and financial) which results in a decrease in the consumer rights awareness levels and the failure to achieve service standards.	Enhancement of strategic links with various stakeholders and partners within the consumer protection environment.  Cooperation with the media will be continued to ensure that the exposure of the various events, projects and programmes of the OCP will be communicated to readers, listeners and watchers of the various media sources.
	The failure to resolve cases due to the ineffective operationalization of National Consumer Commission and the inconsistence interpretation of provisions within national and provincial consumer protection legislation which impact on consumer’s right to obtain effective redress on complaint and which hampers service delivery by provincial office.	Establishment of a Standing Advisory Committee to the Consumer Protection Act by the National Commissioner.  Quarterly case management meeting between Provinces.  Regular reporting to the National Consumer Commission on performance related matters.  Position paper to developed by the Department on legislative amendments and such paper to be submitted to Provincial and national minister responsible Trade and Industry and Economic Opportunities.

### 8.3 PROGRAMME RESOURCE CONSIDERATION

#### Budget Allocation for Programme and Sub-programmes

Sub-programme	Audited			Main appropriation	Adjusted appropriation	Revised estimate	Medium term expenditure		
	R'000	2017/18	2018/19	2019/20	2020/21	2020/21	2020/21	2021/22	2022/23
1. Consumer Protection	10 600	9 684	9,058	8,624	7,299	7,299	10,045	10 514	10 535
2. Liquor Regulation									
Total payments and estimates	10 600	9 684	9,058	8,624	7,299	7,299	10,045	10 514	10 535
Economic classification R'000									
Current payments	10 591	9 024	9,058	8,614	7,288	7,288	10,045	10 514	10 535
Compensation of employees	7 759	7 419	6,791	6,924	5,943	5,943	7 745	8,199	8,205
Goods and services	2 832	1 605	2,267	1,690	1,345	1,345	2,300	2 315	2 330
Interest and rent on land									
Transfers and subsidies	7				1	1			
Provinces and municipalities									
Departmental agencies and accounts									
Universities and Technikons									
Foreign governments and international organisations									
Public corporations and private enterprises									
Non-profit institutions									
Households	7				1	1			
Transfers and subsidies to Capital									
Government Motor Trading Account									
Payments for capital assets	2	660		10	10	10			
Buildings and other fixed structures									
Machinery and equipment	2	660		10	10	10			
Heritage assets									

*Continued on next page*

Sub-programme	Audited			Main appropriation	Adjusted appropriation	Revised estimate	Medium term expenditure		
	R'000	2017/18	2018/19	2019/20	2020/21	2020/21	2020/21	2021/22	2022/23
Specialised military assets									
Biological assets									
Land and subsoil assets									
Software and other intangible assets									
Payments for financial assets									
Total economic classification	10 600	9 684	9,058	8,624	7,299	7,299	10,045	10 514	10 535

### **Explanation of the contribution of resources towards achievement of outputs**

Due to austerity measures the filling of posts has become a challenge. To enhance services to the citizens of the Western Cape, the programme has automated the complaints resolution process through partnership with the Department of the Premier's call centre. The Oracle system that the call centre uses enable the programme to effectively manage the complaints resolution process. Furthermore, to ensure 24-hour access to the system the Oracle system that the programme is using is now available through public network. Therefore Complaints Management staff members can access the system anywhere and anytime. This will enable staff to access complaints management system outside of the office and outside of the office hours.

Some of the resources will be dedicated to legislative reform and the establishment of the Consumer Affairs Tribunal. Furthermore, with the outbreak of the coronavirus, the programme need to adopt new methods of delivering its services to the citizens. These methods include online, virtual and social media workshop as well as virtual mediation processes.





## PROGRAMME 5: **ECONOMIC PLANNING**

## 9. PROGRAMME 5: ECONOMIC PLANNING

### 9.1 PURPOSE

The purpose of this programme is to provide support to the provincial leadership and enable economic growth through the generation and co-ordination of economic research and planning, and through the active support of key economic thematic drivers and enablers that will stimulate economic growth across the economy and within sections of the economy.

### 9.2 SUB-PROGRAMME 5.1: ECONOMIC POLICY AND PLANNING

#### 9.2.1 Purpose

To support the development of provincial economic policies and strategies.

#### 9.2.1.1 Sub-programme 5.2: Research and Development

##### 9.2.1.2 Purpose

To conduct economic research.

*Note: The outputs of Sub-programmes 5.1 and 5.2 will be combined in the table below.*

In the coming financial year, the sub-programme will continue to be more strategically aligned with the growing policy and planning mandate flowing from the evolving economic strategy development environment. In the 2020/21 financial year, the Research and Development Unit played a critical role in supporting evidence-based planning, policy and strategy development. The economic crisis generated because of the Covid-19 pandemic has increased the demand for evidenced based policy and strategy formulation as well as high frequency data and economic modelling. The Research Unit provided significant support in the development of the immediate interventions, which is the immediate horizon response to the pandemic, encapsulated in the Western Cape Recovery Plan. The Research, Economic Policy and Planning Sub-programmes modelled the economic impact of Covid-19 on the provincial economy and fed this analysis into the Western Cape Recovery Plan. Furthermore, the Sub-Programme Unit modelled the economic impact of Covid-19 on the economies of the Province's 30 municipalities. This modelling, as well as an analysis of the changing economic context, fed into the development of municipal recovery plans.

In 2021/22, the Sub-programme will continue to shape and support the Jobs theme in the Western Cape Recovery Plan. The approach and targets of the PSP – VIP 2 (Growth and Jobs) as well as the Departmental five-year strategy will be reviewed periodically, particularly given the economic changes induced by the pandemic, to ensure relevance and responsiveness. This is necessary in order to determine whether these strategies are aligned to moving the economy along a trajectory of economic growth and job creation, in an ever-changing domestic and global environment.

Outcome	Outputs	Output Indicators	Annual Targets							
			Audited /Actual Performance			Estimated Performance	MTEF Period			
			2017/18	2018/19	2019/20		2020/21	2021/22	2022/23	2023/24
Increased exports	Economic research on policy and planning reports developed	5.1 Number of research reports developed	10	10	10	10	5	5	5	

### **9.2.3 Sub-programme 5.1 and Sub-Programme 5.2: Indicators, Annual and Quarterly Targets**

<b>Output Indicators</b>	<b>Annual Target</b>	<b>Q1</b>	<b>Q2</b>	<b>Q3</b>	<b>Q4</b>
5.1 Number of research reports developed	5	-	-	-	5

### **9.2.4 Explanation of planned performance over the medium-term period**

The Unit is responsible for economic policy research, co-ordination and leadership and economic policy and strategy development across WCG. The research reports capture critical research and analysis while supporting policy development. The depth of the analysis contained in the research reports provide economic intelligence to help develop provincial economic policies and strategies. The Unit informs policy and strategy through developing an understanding of the challenges faced by the economy through modeling and analysis of economic linkages, as well as understanding externalities.

It is anticipated that a significant proportion of the 2021/22 research reports will be responsive to the on-going impact of Covid-19, informing the Provincial understanding of economic challenges and the economic impact of the pandemic. The Unit developed a robust and comprehensive Covid-19 economic impact model that measured the impact on jobs and GVA at a provincial, district and municipal level. This model will continue to be updated in the 2021/22 financial year as relevant and required. The Department drives economic policy and strategy development across all economic participants in the Province, as per VIP 2: Growth and Jobs, and this leadership role is supported by the Unit.

The research and analysis that is the focus of the Unit is aligned to growing exports as well as jobs and is aligned to Outcome 2 of the National Development plan (NDP)'s MTSF: Economic Transformation and Job creation. Investment in research, development and innovation supports inclusive growth by enhancing productivity of existing and emerging enterprises and supporting the development of new industries.

By supporting economic leadership and co-ordination, the services provided will lead and shape economic discourse in the Province. The Department will coordinate the development of economic policy and planning across all economic participants in the Province, as per VIP 2: Growth and Jobs.

### **9.2.5 Sub-programme 5.1 and 5.2: Key Risks**

<b>Outcome</b>	<b>Key Risk</b>	<b>Risk Mitigation</b>
Increased exports	Evidence based planning and implementation does not occur due to insufficient data and analytical systems.	Ensure maintenance of data subscriptions and staff required to provide analysis for evidence planning and implementation.

## **9.3 SUB-PROGRAMME 5.3: KNOWLEDGE MANAGEMENT**

### **9.3.1 Purpose**

To facilitate the co-ordination of the economic eco-system and economic advocacy.

### 9.3.2 Sub-programme 5.3: Outcomes, Outputs, Performance Indicators and Targets

Outcome	Outputs	Output Indicators	Annual Targets						
			Audited /Actual Performance			Estimated Performance	MTEF Period		
			2017/18	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24
Increased Rand value of investment	Partnerships established and strengthened	5.2 Number of partnerships established/strengthened	New indicator	New indicator	New indicator	20	15	15	15

### 9.3.3 Sub-programme 5.3: Indicators, Annual and Quarterly Targets

Output Indicators		Annual Target	Q1	Q2	Q3	Q4
5.2 Number of partnerships established/strengthened		15	-	-	-	15

### 9.3.4 Explanation of planned performance over the medium-term period

One of the core fundamentals of the Economic Strategy is to be private sector led and for the Western Cape Government to be responsive to the needs of businesses. To achieve this, government has to build relationships with private sector and regularly engage with economic stakeholders as the Department's activities will only have impact if it resonates with businesses and economic actors. However, the 'private-sector led' objective also explicitly implies agency and co-ordination on the part of private sector, and within the context of South Africa, this is an area which needs to be strengthened.

Eco-systems are co-evolving and dynamic communities of diverse stakeholders and actors who create and capture new value through sharing information and collaborating to realise opportunities and overcome challenges (Kelly, 2015). Eco-systems can be powerful mechanisms to overcome information and network market failures and to build trust, boost business confidence and improve competitiveness. However, South Africa tends to be beset with weak and fragmented eco-systems - amongst and within government, businesses, labour unions, civil society, and academia. As a result, South Africa suffers from market failures such as information and network failures. Through broadening and strengthening the WCG's relationships with key economic stakeholders, it is intended that government acts as a catalyst within the eco-system in sharing information and economic intelligence, build partnership maturity and leverage resources towards common objectives and goals. Through these partnership linkages, the economic network will expand, trust will be strengthened and business confidence will be boosted. To this end, the Sub-Programme will be driving the co-ordination of the various economic eco-systems, expanding the number of stakeholders to become economic advocates of the Western Cape.

The development of suitable partnerships that improve the economic network and boost business confidence supports the drivers of VIP 2: Growth and Jobs (An enabling economy which creates jobs and is demand-led and private sector driven); and VIP 5: Innovation and culture (Citizen Centric Culture). This approach is also aligned to the NDP's MTSF Priority 1: A capable, ethical and developmental state, which supports inclusive growth by enhancing productivity of existing and emerging enterprises and supporting the development of new industries.

### 9.3.5 Sub-programme 5.3: Key Risks

Outcome	Key Risk	Risk Mitigation
Increased Rand value of investment	There are many exogenous factors that can negatively impact on the perceptions and brand of the Western Cape, leading to a loss of business and citizen confidence.	Strong relationships and established communication platforms will help counter the impact that external factors may have, as it ensures high trust levels, solid information flows and mutes the negativity with success stories or appropriate contextualization.

### Sub-programme: 5.4: Monitoring and Evaluation

The activities for Sub-programme 5.4: Monitoring and Evaluation will be incorporated into Sub-programme 5.2: Research and Development.

## 9.4 SUB-PROGRAMME 5.5: ENABLING GROWTH INFRASTRUCTURE AND INITIATIVES (AKA CATALYTIC INITIATIVES)

### 9.4.1 Purpose

To develop and/or stimulate an enabling economic environment through catalytic interventions and infrastructure.

### 9.4.2 Sub-programme 5.5: Outcomes, Outputs, Performance Indicators and Targets

Outcome	Outputs	Output Indicators	Annual Targets						
			Audited /Actual Performance			Estimated Performance	MTEF Period		
			2017/18	2018/19	2019/20		2020/21	2021/22	2022/23
Increased Rand value of investment	Catalytic infrastructure projects supported	5.3 Number of catalytic infrastructure projects supported	4	4	6	5	5	6	6

### 9.4.3 Sub-programme 5.5: Indicators, Annual and Quarterly Targets

Output Indicators	Annual Target	Q1	Q2	Q3	Q4
5.3 Number of catalytic infrastructure projects supported	5	-	-	-	5

### 9.4.4 Explanation of planned performance over the medium-term period

Infrastructure is vital to stimulate investment and GDP growth by creating an enabling environment for business. Catalytic Infrastructure (infrastructure for business) acts as a facilitator and enabler for the mobility of labour, capital and other inputs to production, thus improving productivity and reducing costs. It increases information flows; opens new opportunities specifically for job creation purposes; increases competition and reduces asymmetries and other market imperfections or failures. Examples of catalytic initiatives include economic and industrial zones, hubs, and tourism attractions.

Looking at a competitive advantage framework for industries and nations, infrastructure is regarded as a fundamental component of the “factor conditions” and is critical to fostering clusters and

the value-chains for sectors. It provides for efficient resource allocation and economies of scale. Evidence shows that a 10% increase in infrastructure assets increases GDP per capita by 0.7% -1%. Key to productivity growth is growth in fixed capital (assets and capital such as property, plant and equipment) available per capita. Infrastructure development enhances competitiveness and product diversification. This boosts exports and localisation supporting employment creation.

For the purposes of Infrastructure, the Programme therefore seeks to support the development of economic development infrastructure that can attract investment thereby growing the Western Cape economy and creating jobs. This objective is aligned to the Provincial Strategic Plan's requirement to attract additional investment into the region under VIP 2: Growth and Jobs (An enabling economy which creates jobs and is demand-led and private sector driven). The objective is further aligned to the National Development Plan's long-term vision through 2030 for accelerating GDP growth so that unemployment and inequality can be reduced. Furthermore, this objective is aligned to the NDP Medium-Term Strategic Framework Priority 2: Economic Transformation and Job Creation; sub-outcome: Quality and quantum of investment to support growth and job creation improved.

### **Saldanha Bay IDZ (SBIDZ)**

The development of the Saldanha Industrial Development Zone will continue as a key driver of the Maritime Sector with the first elements of the customised infrastructure of the Oil & Gas and Marine Engineering hub in place in Saldanha Bay. The 2021/22 financial year will see operational activity ramping up significantly, while infrastructure investment continues. The IDZ is playing a catalytic role to unlock the industrialisation potential of the West Coast, and Saldanha in particular.

With the sector-specific value proposition of port-related infrastructure and a suitable Ease-of-Doing-Business model (Free Port status), the SBIDZ has harnessed the legislative instruments to attract the targeted industrial activities. The ultimate aim is to stimulate economic growth and sustainable job creation through the much needed re-industrialisation of the local economy. The Strategic Plan for the five years from 2020/21 to 2024/25 will focus on commercial sustainability, while balancing it with the imperative of greater inclusion, which is in line with the Industrial Ecosystem described in the country's draft SEZ Strategic Framework 2020-2030.

With the first investors starting to occupy new factory and office space and a healthy investment pipeline, the commercial aims are on track. At the same time, Covid-19 and delays in infrastructure delivery has put significant pressure on the timelines towards commercial sustainability. The foundations of inclusion initiatives, such as the development of local people and local businesses, have been laid since 2014. The latest infrastructure to be completed boast with high local content, successfully developed local companies and a robust and well-functioning system of localised procurement. Further development of local talent and businesses will have to keep pace with the growth in business activities of the investor base.

The West Coast Industrial Plan has also seen the first real investments in new infrastructure (LPG terminals, logistics infrastructure expansion, and new oil and gas facilities coming into operation). The Whole of Society Approach (WOSA) has created the institutional infrastructure that is now co-ordinating economic initiatives in the region, including Enterprise Development, investment (retention and recruitment), enabling infrastructure and other social services. This includes close collaboration

with large corporate investors as well as SMMEs in key productive sectors – all of which is closely integrated with the work of the relevant DEDAT units, incl. Sector Support, Red Tape Reduction, Enterprise Development and Skills. Furthermore, involvement in the Joint District Approach in the West Coast, as well as the Covid-19 response teams (notably the district's LED Cluster) is starting to integrate industry development efforts across municipalities in the region.

### **Atlantis Special Economic Zone (ASEZ)**

The 2020/21 financial year saw a furtherance towards the operationalisation of the Atlantis SEZ entity, in alignment with the SEZ Act 16 of 2014. With the entity focused on driving the green-technology focused Atlantis Special Economic Zone that aims to catalyse significant investment and job creation over the next five years into the Region, core personnel have been recruited, Board representation has been expanded as per the SEZ Act, and the land on which the ASEZ is being developed was purchased from the City of Cape Town.

The 2021/22 financial year will continue to focus on operationalisation of the ASEZ, with an anticipated successful draw-down from the SEZ Infrastructure fund that will enable construction to be initiated by the end of 2021/22. The ASEZ Co will continue to implement the already initiated and successful investment recruitment drive to achieve the 5-year outcome target of value of investment facilitated. Lastly, the ASEZ will continue to implement the skills-, enterprise- and community development programmes with and for the businesses and community of Atlantis.

### **Sector Infrastructure Support**

Following significant research undertaken in the 2020/21 financial year, the Oceans Economy and export industries have identified the need for the optimisation or development of infrastructure that can support trade. The 2021/22 financial year will therefore focus on the continued support to logistics infrastructure optimisation; Biovac expansion and Township infrastructure development.

### **Design and Innovation Projects**

In a Covid-affected world, Innovation is a critical ingredient for economic resilience. The Design and innovation initiative has historically sought to coordinate, promote and stimulate innovation within the Western Cape Government with the aim of improving service delivery, creating efficiencies and ensuring that the WCG is seen as an innovative government, a critical factor in a competitive economy that can attract investment. In light of the VIP 5 Innovation priority, DEDAT will be focusing on providing support to DoTP and the VIP 5 that seek to establish an innovative Government, in 2021/22. The DEDAT Ideas management tool and Innovation framework and research will contribute to this initiative.

The second aspect of this initiative focuses on stimulating innovation commercialisation and adoption by business and organisations of the Western Cape, and will be expanded on in the 2021/22 financial year. The unit will again partner with key stakeholders to implement a Western Cape Design and innovation fund that can support pre-start-up and start-up companies towards achieving investment into their Intellectual Property. The Unit will also work with the private sector and academic institutions to craft a joint approach for the Western Cape that can enable better coordination and leveraging of strengths to improve the commercialisation prospects of the Western Cape innovators.

#### 9.4.5 Sub-programme 5.5: Key Risks

Outcome	Key Risk	Risk Mitigation
Increased Rand value of investment	Economic potential for job creation and GDP growth is not realised due to lack of investors into infrastructure.  Investment climate continues to be conservative or declines due to controversial National policy decisions.	Lobby National to amend investor-unfriendly policy approaches (Ease of doing business).  Promote Western Cape as an investment destination of choice on the African continent.

### 9.5 SUB-PROGRAMME 5.6: BROADBAND FOR THE ECONOMY (AKA DIGITAL ECONOMY)

#### 9.5.1 Purpose

To support and stimulate the usage, readiness and accessibility of digital technology by citizens and businesses.

#### 9.5.2 Sub-programme 5.6: Outcomes, Outputs, Performance Indicators and Targets

Outcome	Outputs	Output Indicators	Annual Targets						
			Audited /Actual Performance			Estimated Performance	MTEF Period		
			2017/18	2018/19	2019/20		2020/21	2021/22	2022/23
Increased Rand value of investment	Digital economy projects supported	5.4 Number of digital economy projects supported	9	8	7	7	5	5	5

#### 9.5.3 Sub-programme 5.6: Indicators, Annual and Quarterly Targets

Output Indicators	Annual Target	Q1	Q2	Q3	Q4
5.4 Number of digital economy projects supported	5	-	-	-	5

#### 9.5.4 Explanation of planned performance over the medium-term period

Having affected practically every facet of life and the economy — globally, nationally and locally — Covid-19 has been described as the digital accelerant of the decade as most businesses and organisations were forced to initiate and accelerate their digital transformation agendas. Many thousands of businesses and millions of citizens in the Western Cape had to rapidly transition to new ways of working, including having a significant component of the workforce working from home. This transition is arguably irreversible as the previous inhibitors to innovation have been removed, and digital practices are now the lifeblood of many organisations. This is indeed the new way of work, and the need to rapidly digitize operations and reorientate the workforce to work remotely has brought both challenges and opportunities.

The ease of doing business in the digital world and for technology-centric companies remains the core of the unit's activities. It is the Digital Economy unit's purview to ensure the wellbeing of businesses such that they can operate efficiently under this new normal and are better prepared for a disruptive event such as a pandemic.

Digital Technologies can provide an important and massive economic stimulus, not only to the Province's existing sectors, but also in the growth of new emerging industries. However, national regulations have not kept pace with the rapidly changing environment required to enable the development of these nascent opportunities. In the 2021/22 financial year, the Programme will be developing various policy approaches to deal with the key inhibitors that constrain the growth of tech opportunities, ranging from municipal practices, visas, drone regulations and digital skills development. Systemic barriers will be identified, categorized, and systematically addressed, and we will stimulate relevant partners to address supply-side issues. Access to skilled staff with relevant digital skills remains the most significant binding constraint for technology companies. The gulf between the supply and demand of suitably skilled and experienced staff remains a throttle on business. This was true before the pandemic and is now even more pronounced given the focus of the use of digital technologies in businesses. Programmes to stimulate the interest of school learners towards ICT as a career, accelerate training for post-school youth, and placement programmes will be progressed in partnership with the private sector and the DEDAT Skills Development and Innovation chief-directorate. This needs to be done at scale and requires innovation in the approach to provide a resilient and available workforce, skilled in digital concepts and appropriately equipped for the demands.

The advancement of digital skills will continue through our support of the I-CAN Elsies River and the Khayelitsha Bandwidth Barn. These centres provide valuable access to the communities that they serve, and beyond. We will continue to work with the private sector in various initiatives to close the observed skills gap in the digital space. Prioritisation will be given the training of women, youth and disabled citizens.

The Digital Economy unit intends to build on the gains of the previous years with the aim to create the optimum enabling environment for the creation and sustaining of jobs across the province. The vision remains to have the Western Cape as the most connected, most tech-savvy and highest functioning digital province in South Africa as a key theme. The benefits of digital technologies filter through the economy. For businesses, the internet promotes inclusion of firms in the world economy by expanding trade, raising the productivity of capital, and intensifying competition in the marketplace, which in turn induces innovation. It brings opportunities to households by creating new kinds of jobs, re-skilling and upskilling the workforce, leveraging human capital, and producing consumer surplus. It enables citizens to access public services, strengthens government capability, and serves as a platform for citizens to tackle collective action problems.

Effort will be expended on digital and technology support and incubation. Vibrant networks of start-up companies and thriving technology ecosystems are seen as critical factors to the success of the start-up companies. The Western Cape will build on the status quo and foster a culture of ease of doing business to offer a conducive environment for local investment and FDI of digital and technology-related businesses. Developing the ecosystem of accelerators and incubators, venture capitalists and angel investors will attract and promote the work of the brightest minds. This environment will attract and absorb talent from elsewhere in the country, the region, the continent and internationally, and there will be marketing messages to this end.

Digital entrepreneurship will be promoted both within the ICT sector and general business. In response to the Covid-19 pandemic, the Digital Economy sub-programme responded to the needs of citizens and businesses in several ways, including through the #GoDigitalWC campaign comprising webinars, technical articles and practical assistance through the 'Tech Volunteer' initiative. This multimedia

approach armed SMMEs with practical tools, tips and information to move or expand their business online and encouraged them to use digital technologies to improve their operational efficiencies and competitiveness. The momentum and learnings from this time will be capitalised on and bolstered. This includes programmes to increase the export relevance and capability, plus international stature of the local companies including through the Cape Town: Africa's Tech Capital approach to global positioning. Best-practice and innovation in the use of technology will be promoted as digital and technology support and incubation remains a key theme both within the local non-tech or vertical industries i.e. technology will be applied transversally across all sectors to drive productivity and competitiveness. Industry-focused tech-productivity engagements with sectors will be planned and executed to achieve this.

The sub-programme will continue to drive the adoption of digital technologies within DEDAT so as to drive productivity and innovation in the workplace, leading to improved service delivery efficiencies and effectiveness. This will be done through the advancement of the four ‘pain point’ projects related to document automation, communications, stakeholder management and project reporting. Internal training will be conducted to facilitate the diffusion of best practices in the use of software and systems.

### **9.5.5 Sub-programme 5.6: Key Risks**

Outcome	Key Risk	Risk Mitigation
Increased Rand value of investment	Macro level political risks and national level policy uncertainty dissuades investors from investing in the Western Cape.	Ensure alignment with the WCG objective to ensure ease of doing business in the Western Cape continues to improve.
	Low level of required skills to support the digital economy objectives in the Western Cape. These affect not only the foreign investment potential, but also high risk of job losses due to automation.	Focused programmes linked to skills and talent development in the Western Cape to upskill, re-skill and train in digital proficiencies.
	Lack of access to mid-level ICT skills stifles the WC tech sector, limiting job opportunities, impacting investment and exports.	Develop the tertiary education sector for ICT with innovation models and approaches.

## **9.6 SUB-PROGRAMME 5.7: GREEN ECONOMY**

### **9.6.1 Purpose**

To stimulate the development of green economy and associated industries and to facilitate improved resource-efficiency and sustainability to enhance the competitiveness and resilience of the whole economy.

### **9.6.2 Sub-programme 5.7: Outcomes, Outputs, Performance Indicators and Targets**

Outcome	Outputs	Output Indicators	Annual Targets							
			Audited /Actual Performance			Estimated Performance	MTEF Period			
			2017/18	2018/19	2019/20		2020/21	2021/22	2022/23	2023/24
Resource resilience of the economy improved	Green economy projects supported	5.5 Number of green economy projects supported	6	6	6	6	6	6	6	6

### **9.6.3 Sub-programme 5.7: Indicators, Annual and Quarterly Targets**

Output Indicators	Annual Target	Q1	Q2	Q3	Q4
5.5 Number of green economy projects supported	6	-	-	-	6

## **9.6.4 Explanation of planned performance over the medium-term period**

### **Economic risk, resilience and climate change**

The economic impacts of water and energy insecurities as well as global climate change response actions (e.g. carbon taxes and trade barriers) highlight why resource resilience is a necessary condition for business competitiveness, confidence, investment, growth, job preservation and job creation. In addition, growing the green economy sector (i.e. those businesses that provide green technologies, products and services) enables local manufacturing and job creation opportunities.

The World Economic Forum's 2021 Global Risks Report indicates that four of the top five global risks in terms of likelihood are climate-related, with the only exception being infectious diseases. In addition, three of the top five global risks in terms of impact are climate-related. Both energy and water resilience are vital tools in the fight against global climate change related risks.

While the Western Cape dams (baring the Gouritz River Catchment that serves the Karoo) are relatively full following the 2020 rains, water security remains a challenge for the province due to climate change projections in the Western Cape, including lower rainfall, higher temperatures and higher wind speeds; coupled with a lack of diversified water supply sources; deteriorating infrastructure; and increased water demands with population and economic growth. The 2017/18 drought illustrated how quickly the onset of a severe drought could occur and the scale of economic impacts caused by the water crisis were extensive. Many businesses understand the fact that the Western Cape water crisis ended (excluding in the Karoo) due to the onset of rains. While a certain level of water resilience was built by businesses through improving their water use efficiencies and implementing their own water augmentation systems, many of the systemic changes required to strengthen the Western Cape water systems, strengthen water sector businesses and protect businesses from future water shortages require further work. As part of the Jobs theme of the Western Cape Recovery Plan that focuses on increasing investment and exports, the water resilience of the Western Cape needs to be improved to ensure competitiveness of businesses and maintain investor confidence in the Western Cape. Many of the economic sectors targeted for growth in the Western Cape are water intense. Additionally, the state of biodiversity and ecosystems, inland water and oceans and coasts in the Western Cape are all declining. These systems and the products and services they provide form the base of economic water and climate change resilience and further economic activity.

South Africa currently ranks 106 out of 115 countries in the World Economic Forum's (WEF) energy transition index (i.e. moving from a fossil fuel-based to a renewable energy-based energy system) (ETI2020)<sup>1</sup>. Energy security and environmental sustainability are significant areas of concern, and coal continues to remain the mainstay of the energy system in South Africa supplying 84% of South Africa's electricity generation. In addition to financial and operational issues, the age of Eskom's coal fleet as well as maintenance regime to ensure consistent reliable supply have, in recent years, illustrated that only around 60% of energy generated from Eskom's 44GW coal fleet can be delivered reliably. This has resulted in ongoing load shedding, worsening year on year (cumulative load shedding by August 2020 was 23% worse than 2019 even though real GDP was 9% lower at the same time in 2019) that is estimated to cost the country's economy R500 million per stage per day and the Western

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1. The World Economic Forum's (WEF) energy transition index (ETI) annually benchmarks countries on fundamentals for energy transition, along with the performance of their energy system on economic growth and development, energy security and access, and environmental sustainability. This evidence based framework indicates readiness for transition to secure, sustainable, affordable, and inclusive energy systems.

Cape's economy R75 million per stage per day. The cost of unserved energy<sup>2</sup> due to load shedding by September 2020 is estimated at R160 billion for the country and R20 billion for the Western Cape. The impacts of load shedding on already stressed municipal revenue, particularly post Covid-19, threaten the sustainability of municipalities and service delivery.

South Africa's signing of the Paris Agreement (2015) requires reductions in emissions in line with climate change commitments (partially driven through the country's carbon tax). This, together with increasing international trends towards carbon border adjustments mechanisms, requires the country's economy to reduce its carbon footprint to improve competitiveness and grow exports and effectively mitigate against climate change induced risk. The Integrated Resource Plan (IRP2019) (promulgated in October 2019) leading to further Bid Windows of Renewable Energy Independent Power Producer Procurement Programme (REIPPPP); and amendments to electricity regulations on new generation capacity, to enable municipal power generation (gazetted October 2020); coupled with advancements in the unbundling of Eskom, are positive signs for a democratised, low carbon and decentralised power and energy sector. The renewable and alternative energy options made available through the IRP (2019) will allow significant renewable and low-carbon electricity generation capacity to connect to the grid in a much shorter space of time than new coal fired builds and will bring much needed reductions in the greenhouse gas emissions associated with electricity use in the province and the country. Investment into renewable energy also offers opportunities for both the economic recovery of South Africa and the Western Cape through development of new energy infrastructure, job creation, enhanced business competitiveness and improved business confidence, while enabling an accelerated energy transition towards a renewable energy-based future.

The drivers of both pandemic risk and climate change risk are the same: ecological disruption and unsustainable production and consumption by society<sup>3,4</sup>. An inclusive green economy is able to address and mitigate against these risks while enabling adaptation to the present-day impacts of these risks through building a more resilient, sustainable society and economy. Additionally, a green economy, underpinned by the principles of sustainable development, reduces and even reverses ecological disruption and ensures sustainable production and consumption. This is why calls for a Green and Sustainable Covid-19 recovery have been made globally by governments (including the South African government), the United Nations, civil society organisations, development organisations and the general public alike.

Both water and climate change remain on the Provincial risk register and economic water resilience and energy security remain DEDAT strategic risks.

The aim of the green economy is to improve the resource resilience of businesses through improved water and energy efficiency and alternative sourcing of sustainable resources; and to enable and promote the provision of green economy goods, services and technologies that are locally manufactured as far as possible to support the above. This will create a resource resilient economy supported by and supporting a thriving and accessible green technologies, products and services sector – an international green economy hub.

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2. The Cost of Unserved Energy (COUE) range between R6.77/kWh (for households), R23 to R50/kWh (direct, up to R87.50/kWh for total economic cost).

3. Intergovernmental Science-Policy Platform on Biodiversity and Ecosystem Services, 2020. IPBES Workshop on Biodiversity and Pandemics - Executive Summary. Accessible here: <https://ipbes.net/sites/default/files/2020-10/IPBES%20Pandemics%20Workshop%20Report%20Executive%20Summary%20Final.pdf>

4. World Wildlife Fund, 2020. The Loss Of Nature and Rise Of Pandemics: Protecting Human And Planetary Health. Accessible here: [https://www.fund.org/downloads/the\\_loss\\_of\\_nature\\_and\\_rise\\_of\\_pandemics\\_\\_\\_protecting\\_human\\_and\\_planetary\\_health.pdf](https://www.fund.org/downloads/the_loss_of_nature_and_rise_of_pandemics___protecting_human_and_planetary_health.pdf)

The Rand value of investment in green technologies, services and products facilitated provides a clear indication of the “harnesses new green economy opportunities” part of the outcome described earlier. Note that this will only capture the new or expanded green economy businesses, but not necessarily the Rand investment by mainstream businesses in improving their resource resilience.

### **Approach to improving resource resilience (with a focus on energy and water economic resilience)**

The intended outcomes of the energy and water resilience work in the context of the Jobs theme of the Western Cape Recovery Plan are: improved energy and water resilience; growth in market opportunities for energy and water sector businesses; expanded market access for export businesses (lower carbon and water footprints); lower input, transport and compliance costs; reduced legal non-compliance costs; improved climate change adaptive capacity; climate change mitigation; and providing local demand for supply side businesses. These will all lead to increased competitiveness of energy and water sector businesses through hub advantages; investment in energy and water technologies, services and products; increased business competitiveness; increased business confidence and the creation and sustaining of job opportunities. The spatial and sectoral prioritisation for municipal and business support towards improving energy and water resilience are undertaken using the municipal energy resilience initiative, the green economy ecosystem support project, the economic water balance work, the sector water resilience projects and the financial mechanisms and models towards improving economic water resilience project.

### **Green Economy policy and strategic alignment**

The green economy aligns with the top priority area of the South African Economic Reconstruction and Recovery Plan (Oct 2020): Ensuring Energy Security, particularly improving reliability of supply, enabling generation for own use, separation and unbundling of Eskom and implementation of the IRP to ensure diversification of resources, and the Liquid Natural Gas import framework and architecture; the priority area on Infrastructure, particularly bulk water infrastructure and energy sector reforms; the priority area of the green economy, particularly the increased use of financial mechanisms and green climate funds to reduce carbon footprints and fund a just transition; and the priority area of Food Security, particularly the agricultural and agri processing sector climate change adaptation. The work also aligns with a number of NDP priorities (and outcomes): economic transformation and job creation, and more specifically: creating more decent jobs, inclusive economic growth and re-industrialisation of the economy and emergence of globally competitive sectors; electricity, water, rail and ports and climate change, including functional, reliable and efficient economic infrastructure sectors (secure supply of energy and water security); and a better Africa and world, with specific reference to reduced vulnerability of key sectors to climate change; reduction of total greenhouse gas emissions in South Africa; training and innovation (e.g. PV competency training). Driving the approaches to improving energy and water resilience in the Western Cape will ensure the Province’s contribution to the national agenda.

The key strategic interventions that will be undertaken to address the resource resilience challenges above include:

- 1) Strategic and stakeholder co-ordination to strengthen the business and stakeholder ecosystem.
- 2) Direct support to businesses and municipalities.
- 3) Unlocking systemic barriers.
- 4) Knowledge management and communications.

The Municipal Energy Resilience initiative is the flagship programme through which the Department's energy work is undertaken.

## **Strategic and stakeholder co-ordination to strengthen the business and stakeholder ecosystem**

The Green Economy is a highly transversal area with implementation stretching across all focus areas under the Jobs theme of the Western Cape Recovery Plan, most WCG departments and several external stakeholders. In addition to being a focus area of the Western Cape Recovery Plan, resource resilience is relevant to and will need to be integrated into all focus areas under the Jobs theme of the Western Cape Recovery Plan, i.e.: scaling up work opportunities and skills for people without jobs; boosting private sector investment and exports (sectors); supporting SMMEs and the informal sector; accelerating ease of doing business; and boosting public sector infrastructure. Additionally, the work will need to be done across all municipalities and in a manner that boosts business and investor confidence.

The resource resilience themes also require integration across various WCG departments, such as Environmental Affairs and Development Planning (DEADP) (who lead on the waste economy and the biodiversity economy as well as on water catchment issues, water licencing, ecological infrastructure, coastal management, climate change adaptation, sustainability, climate change and resource-related communications, issues related to emissions / low carbon issues, environmental impact assessments (EIAs), and climate change mitigation), Agriculture (DoA) (who lead on the Smart Agri Implementation Programme and on bulk infrastructure projects to unlock irrigation water), Transport and Public Works (DTPW) (who lead on the Transport Climate Change Sector Plan and the implementation of energy and water resilience measures in WCG facilities – together with the Western Cape Education Department(WCED) and the Department of Health (DoH), Human Settlements (DHS) (who continue to work towards improving the energy and water efficiency of homes), Local Government (DLG) (key to maintaining and developing energy and water infrastructure and reviewing municipal revenue models to consider resource resilience) and Provincial Treasury (PT) (supporting the revision of municipal revenue models given the changing nature of resource use and ownership), amongst others. Aspects such as alternative / green building materials and technologies are being explored by the DHS, DTPW, DoH and WCED, supported by DEDAT. Key to this component includes engaging with research institutes, green economy industries, public sector and the public to increase innovation, knowledge sharing, technology demonstrations, testing and certification, commercialisation and skills development and collaborative working.

The DEDAT projects that focus on **energy** include:

- Through the Municipal Energy Resilience (MER) initiative and its set of projects, guide the strategic approach to ensuring energy resilience in the Western Cape in the medium to long-term - supporting the implementation of renewable energy projects that improve the accessibility, affordability, security and low carbon nature of energy. This work also seeks to co-ordinate and manage energy stakeholders in the Western Cape so as to a) drive advocacy of strategic energy positions, and b) implement short, medium and long term actions to improve energy resilience of the Western Cape.

Through its projects on **water**, there will be an emphasis on:

- Economic water resilience strategic co-ordination: Providing strategic direction and support for economic water resilience programmes and projects.
- Building partnerships and collaboration: Helping to strengthen relationships between municipalities and local businesses, including enabling open discussions on the nature and scale of water-related risks to the local economy and economic growth and the identification of business challenges that require resolution.

## **Direct support to businesses (and municipalities)**

Direct support to businesses is required to enable them to implement resource resilience measures – both in terms of understanding the business case for these changes as well as helping them to assess the most appropriate technologies or solutions and financial or contractual models. The support provided needs to be agnostic – i.e. not biased towards any particular technology, product or service. Direct support is also provided to those businesses that supply green technologies, products and services, to assist them with concept development, research and development, market identification and access and access to finance or financial models.

Direct support to municipalities and WCG departments will be through engaging to help understand the nature and scale of resource risks to local economies and economic growth and working in partnership to improve energy and water resilience in their functions or areas. In this light, the sub-programme will support the alignment and co-ordination of resource resilience.

Through its projects on **energy**, there will be an emphasis on:

- Direct support to municipalities, under the auspices of the Municipal Energy Resilience initiative, to (1) evaluate their readiness (financial, resource capacity, network capacity, strategic) to implement (i.e. own generation), procure from utility scale power, distributed generation, small scale embedded generation (SSEG) and energy storage systems; and/or allow for energy trading, (2) provide project development services to municipalities to enable the implementation of and/or procurement from the above energy generation/storage systems as per their readiness, (3) help fill municipal readiness gaps, and (4) develop a roadmap of energy projects for all municipalities.
- Direct industry support (demand side): Proactively sourcing and responding directly to queries from businesses requiring technical or regulatory support; linking businesses with energy service companies to drive energy efficiency, supporting revision of municipal SSEG fed-in tariffs to promote take up and own generation; and working with municipalities and Eskom to mitigate the potential economic impacts of load shedding.
- Direct business support (supply side): Providing technical or regulatory support; linking energy developers with market access opportunities; accessing finance and providing updated market, product, costing and other information.

Through its projects on **water**, there will be an emphasis on:

- Direct industry support (demand and supply side): Proactively sourcing and responding directly to queries from businesses requiring technical, regulatory, financial, co-ordination, facilitation, information and match making support; and linking businesses with water service companies to drive water efficiency and alternative water supplies for businesses so as to improve their water resilience and to stimulate the demand for water sector related businesses.

## **Unlocking systemic barriers**

Unlocking systemic barriers towards promoting resource resilience while promoting economic resilience involves working with municipalities, WCG departments, national government, industry and multiple other stakeholders.

The DEDAT projects that focus on **energy** include:

- Energy investment and innovation support: to attract energy sector investments and innovation into the Western Cape, especially into the Atlantis Special Economic Zone (SEZ).

- Mitigating carbon trade barriers/carbon border adjustments: Understanding the exposure of Western Cape exports to potential and imminent carbon trade barriers and ensuring alignment of the Municipal Energy Resilience initiative with reducing this exposure.
- Energy-related legislation and strategic planning: Developing, supporting, providing input into or lobbying for regulations, legislation and planning that promote energy resilience (both stand-alone and integrated) - national, provincial and local levels.

Through its projects on **water**, there will be an emphasis on:

- Water innovation network: Engaging and fostering partnerships with research institutions, businesses, technology providers, consulates, NGOs and government departments (all nationally and internationally) to facilitate learning opportunities, investment, and alignment of projects towards promoting the development, growth and accessibility of the water sector in the province, especially in the Atlantis SEZ.
- Integration of economic water resilience into municipalities: Supporting DLG with drought-related policies and processes in building water resilience in local governments and local economies.



## **Knowledge management and communications (to build market demand for green tech goods and services, strengthen business resource resilience and boost business and investor confidence)**

Key to realising resource resilience is a step change in how the economy and other resource users consume and source energy and water. The required step change will need to be driven through multiple channels, but all hinge on the effective communication of information including case studies, pricing, policies, sector trends, benchmarks and technology, product and service options amongst others. Providing market trend and opportunities as well as regulatory and policy information, amongst others, will support the development and growth of local green economy businesses. Finally, regular and transparent communication on the state of resources and on successes in strengthening the resource resilience of the provincial economy will help to boost business and investor confidence.

Through its projects on **energy** and **water**, there will be an emphasis on:

- Knowledge platforms and communications: Establishing, maintaining and publicising information sharing platforms (such as the 110% Green website) to drive energy and water efficiency and alternative energy and water sources aimed at building long-term energy and economic water resilience.
- Providing information on energy and water policy and regulations supply options and successes through communications campaigns and knowledge platforms.
- Enabling behaviour change to use energy and water more efficiently.
- Sharing information and success stories on green economy related investment opportunities in the Western Cape, particularly in the Atlantis SEZ.

### **9.6.5 Sub-programme 5.7: Key Risks**

<b>Outcome</b>	<b>Key Risk</b>	<b>Risk Mitigation</b>
Resource resilience of the economy improved	Despite the fact that the water crisis still exists in the Central Karoo (with a major impact on the agricultural sector & municipalities in the area), the water resilience challenge has, for many, become less of an urgent issue. With the last water crisis hitting in a very short space of time, climate change projections clearly indicating future impacts on the WC and projected population & economic growth, reducing the urgency on water resilience places the economy at risk – in terms of future water supply certainty and water pricing that will affect business investment and confidence in the short term, and business profitability & competitiveness in the short, medium & long term.	<p>Support businesses in their water resilience work to improve the resilience of the economy to future water shortages.</p> <p>Support the water sector to enable local production &amp; market information &amp; to provide technologies, products &amp; services that would support improved business water resilience and improved municipal water supplies &amp; management.</p> <p>Support evidence-led research that enables the province to better balance water resilience between agricultural &amp; urban needs; economic &amp; residential needs; and between municipalities.</p> <p>Work with municipalities, WCG and National Government to understand &amp; build in the impacts of decentralized water supply systems &amp; improved economic water resilience needs on their revenue.</p>
	Despite the recent energy related regulatory landscape changes, municipalities may not be able to take up and drive the new energy opportunities.	<p>Obtain regulatory clarity as relevant and needed from Department of Mineral Resources &amp; Energy (DMRE).</p> <p>Support municipalities through information sharing and advisory services, partnership agreements where relevant to ensure buy-in and commitment, co-funding to address technical gaps (inclusive of sourcing external funding where possible) as relevant and co-ordination, and support to guide and assist municipalities in their approach and procurement of energy opportunities as allowed by the changing regulations.</p>

## 9.7 PROGRAMME RESOURCE CONSIDERATIONS

### Budget Allocation for Programme and Sub-programmes

Sub-programme	Audited			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimate		
	R'000	2017/18	2018/19	2019/20	2020/21	2020/21	2020/21	2021/22	2022/23
1. Policy & Planning	2360	1327	5676	7595	2 901	2 901	3 669	3 720	3 759
2. Research & Development	9042	6465	9630	8788	7 583	7 583	6 154	5 834	5 858
3. Knowledge Management	10136	10924	11325	11949	13 949	13 949	13 901	13 445	14 034
4. Monitoring & Evaluation									
5. Management									
6. Enabling growth and Infrastructure Initiatives	56283	63660	118508	85535	80 850	80 850	91 142	87 902	48 354
7. Broadband for the Economy	21414	15575	18836	17762	17 102	17 102	9 070	9 013	8 486
8. Green Economy and Energy	30115	36293	17832	40238	24 210	24 210	47 736	37 964	14 534
Total payments and estimates	129 350	134 244	181807	171 867	146 595	146 595	171 672	157 878	95 025
Economic Classification									
Current payments	56234	57882	57999	80 627	57 084	57 084	71 931	61 875	38 059
Compensation of employees	25120	27019	33752	39 786	27 779	27 779	29 421	29 924	29 608
Goods and services	31114	30863	24 247	40 841	29 305	29 305	42 510	31 951	8 451
Transfers and subsidies to	73072	76339	123697	91240	89501	89501	99 741	96 003	56 966
Provinces and municipalities									
Departmental agencies and accounts	50135	63995	110974	78 004	74177	74177	84 441	81159	41 533
Universities and Technikons									
Foreign governments and international organisations									
Public corporations and private enterprises									
Non-profit institutions	22936	12374	12675	13236	15236	15236	15 300	14 844	15 433
Households	1	10	48	-	88	88			
Payments for capital assets	34	22	91	-	10	10	-	-	-

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Sub-programme	Audited			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimate		
	R'000	2017/18	2018/19	2019/20	2020/21	2020/21	2020/21	2021/22	2022/23
Buildings and other fixed structures									
Machinery and equipment	34	22	32	-	-	-			
Software and other intangible assets	-	-	59		10	10			
Payments for financial assets	10	1	20						
Total economic classification	129 350	134 244	181 807	171 867	146 595	146 595	171 672	157 878	95 025

### Explanation of the contribution of resources towards achievement of outputs

The activities detailed above will be achieved through the collective efforts of the Programme's team. The team has a diverse set of skills appropriate to managing and implementing projects in the support of the economy. Key skills include project planning, stakeholder management, project reporting, financial management, people management, contract management and communications.

The team is cohesive and has a proven record in entrepreneurial and commercial thinking, plus innovation in service delivery. All members are well qualified, most to post graduate level, and draw from diverse backgrounds in the public and private sectors making for a well-rounded team.

## 9.8 PUBLIC ENTITIES

Name of Public Entity	Mandate	Outputs	Current Annual Budget (R thousand)
Saldanha Bay IDZ	Oil, gas and marine services Industrial Development Zone management.	Investment facilitation for oil, gas and marine industries.	40 054
Atlantis Special Economic Zone (Established in 2019/20)	Management of Green Technology Special Economic Zone.	Investment facilitation for green technology industry.	44 387





## PROGRAMME 6: **TOURISM, ARTS AND ENTERTAINMENT**

## **10. PROGRAMME 6: TOURISM, ARTS AND ENTERTAINMENT**

### **10.1 PURPOSE**

To facilitate the implementation of an integrated tourism strategy that will lead to sustained and increased growth and job creation in the tourism industry.

### **10.2 SUB-PROGRAMME 6.1: TOURISM PLANNING**

#### **10.2.1 Purpose**

To develop and coordinate the strategic agenda.

#### **10.2.2 Sub-programme 6.1: Outcomes, Outputs, Performance Indicators and Targets**

Outcome	Outputs	Output Indicators	Annual Targets							
			Audited /Actual Performance			Estimated Performance	MTEF Period			
			2017/18	2018/19	2019/20		2020/21	2021/22	2022/23	2023/24
Increased exports	Tourism sector development initiatives implemented	6.1 Number of tourism sector initiatives reports developed	New indicator	New indicator	New indicator	2		2	2	2

#### **10.2.3 Sub-programme 6.1: Indicators, Annual and Quarterly Targets**

Output Indicators	Annual Target	Q1	Q2	Q3	Q4
6.1 Number of tourism sector initiatives reports developed	2	-	1	-	1

#### **10.2.4 Explanation of planned performance over the medium-term period**

The tourism sector support initiatives are aligned to the VIP 2 priority (Growth and Jobs) focus area in terms of growing exports and increasing investments as well as DEDAT's five-year strategy. The Programme will also work across all PSP focus areas, however, will give more attention to investment attraction along the tourism value chain as well as supporting the sector to realise a growth in tourism arrivals (both international and domestic) to the Western Cape. The Draft Western Cape Tourism Blueprint 2030 action plans are aligned priorities with the National Tourism Sector Strategy, Tourism Game Changers and the NDP. The strategy will be achieved in partnership with Wesgro DMO and the various provincial stakeholders in the tourism eco-system.

The second phase of finalising the Western Cape Tourism Strategy is underway in response to Covid-19 and the impact it has had on the sector. This will be finalised in 2021 in line with the National Tourism Recovery Plan as well as the Western Cape Recovery Plan. The Draft Western Cape Tourism Blueprint 2030 sets out the foundation to start shaping the development needed to maintain and develop a sustainable and thriving tourist destination. Tourism is a major contributor to the economy and employment in the Western Cape. The growth of the Western Cape economy across all sectors needs to be focused on recovering, sustaining and creating jobs, increasing business sales as well as achieving overall developmental mandates ensuring SMME development and transformation of the tourism industry. This is aligned to the Western Cape Recovery Plan which identifies tourism as a vulnerable sector that will receive support.

One of the outcomes of the Draft Western Cape Tourism Blueprint 2030 will be to focus on improving the tourism product and service offering of the Western Cape through destination marketing and product development in order to ensure increased and repeat visitors as well as an increase in tourism expenditure.

In light of Covid-19 and its severe impact on the tourism industry, the Department is expected to play a leading role in driving economic recovery in the industry. The disruptions across the tourism value chain brought upon by this pandemic has necessitated an in-depth review of the impacts of Covid-19 on the tourism industry as well as scenarios for recovery. The results from the review will assist DEDAT to reprioritise interventions identified in the Draft Blueprint thus providing the basis for a short- and medium-term recovery plan that is aligned to the National Tourism Recovery Plan and the Western Cape Recovery Plan developed during 2020/21.

Flowing from the Draft Tourism Blueprint 2030 as well as work to support industry recovery several targeted research and planning projects have been identified. These are aimed at:

- Bringing about better alignment between public and private sector infrastructure planning and investment in a manner that supports tourism and improves accessibility.
- Creating a more coherent institutional mechanism for driving industry collaboration at the provincial level and strengthening existing partnerships.
- Supporting districts with tourism planning and infrastructure investment.

#### **10.2.5 Sub-programme 6.1: Key Risks**

Outcome	Key Risk	Risk Mitigation
Increased exports	1. The impact of Covid-19 on the tourism demand in the Western Cape.  2. The impact of Covid-19 on the tourism supply in the Western Cape.	Strategic direction provided by the Draft WC Tourism Blueprint 2030.  The implementation of the economic recovery strategy to support the sector post Covid-19.

### **10.3 SUB-PROGRAMME 6.2: TOURISM GROWTH AND DEVELOPMENT**

#### **10.3.1 Purpose**

To facilitate growth and development of the tourism industry.

To enhance the quality of the visitor experience to the destination through the provision of quality tourism support services.

#### **10.3.2 Sub-programme 6.2: Outcomes, Outputs, Performance Indicators and Targets**

Outcome	Outputs	Output Indicators	Annual Targets							
			Audited /Actual Performance			Estimated Performance	MTEF Period			
			2017/18	2018/19	2019/20		2020/21	2021/22	2022/23	2023/24
Increased exports	Tourism niche markets supported	6.2 Number of tourism niche marketing initiatives reports developed	2	2	2	4	4	4	4	4

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Outcome	Outputs	Output Indicators	Annual Targets						
			Audited /Actual Performance			Estimated Performance	MTEF Period		
			2017/18	2018/19	2019/20		2020/21	2021/22	2022/23
Increased exports	Tourism products developed	6.3 Number of Progress Reports on the implementation of the tourism product development programme	New indicator	New indicator	New indicator	2	2	2	2

### 10.3.3 Sub-programme 6.2: Indicators, Annual and Quarterly Targets

Output Indicators	Annual Target	Q1	Q2	Q3	Q4
6.2 Number of tourism niche marketing initiative reports developed.	4	1	1	1	1
6.3 Number of progress reports on the implementation of the tourism product development programme	2	-	1	-	1

### 10.3.4 Explanation of planned performance over the medium-term period

DEDAT will play a leadership role in the tourism ecosystem in order to align planning from a National level through the NDT Tourism Sector Strategy, the SAT 5-in-5 plan, the national Tourism Recovery Plan, the Western Cape Recovery Plan as well as the Draft Tourism Blueprint 2030 which identifies priority destination marketing and management focus areas. Post Covid-19 support to vulnerable sectors such as tourism can contribute to creating an enabling environment for job creation and the continuation of implementation of projects selected through the Tourism Product Development Fund (launched in 2020) which will directly benefit the tourism industry and contribute to the immediate interventions, while setting the foundation for a more diversified and resilient regional product offering.

The tourism unit will also focus on tourism district support initiatives which aim to provide support to various districts in the Western Cape through the support of infrastructure, marketing and product development.

The strategic programmes will be focussed on the following functions:

Tourism Destination Marketing	Tourism Destination Management
1. Product Development	1. Tour Guides
2. Research	2. Signage
3. PR & Marketing	3. Safety
4. Enterprise Development	3. Research
5. Tourism Product Development Skills & Training	5. Policy Development & Alignment
6. Events	6. Tourism Infrastructure
7. Investment & Incentives	7. Service Standards & Support
8. Transformation & BEE	8. Destination Management
9. Stakeholder Management (Prov, Regional & Local)	9. Service Improvement Skills & Training
	10. Tourism Product Quality Assurance
	11. Stakeholder Management (National)

The seven strategic intents remain:

- **Strategic Intent 1:** Competitive Identity
- **Strategic intent 2:** Business Tourism
- **Strategic intent 3:** Accessibility Awareness
- **Strategic intent 4:** Visitor Experience Marketing
- **Strategic intent 5:** Crises Communication Campaign/Reputation Management Campaigns
- **Strategic Intent 6:** Destination Management
- **Strategic Intent 7:** Destination Product Development

#### 10.3.5 Sub-programme 6.2: Key Risks

Outcome	Key Risk	Risk Mitigation
Increased exports	<p>Lack of diverse and undeveloped product offerings for the Western Cape could result in fewer tourists finding the destination attractive and therefore negatively impact on spend.</p> <p>Lack of regional and local institutional capacities to drive recovery in supply and demand.</p> <p>The effect of the lockdown on the tourism industry and its value chain has been severe in terms of job losses and some products having to close down due to the financial difficulties they faced since there was little to no income for months. There is still much uncertainty on what the new normal will be and when tourism will truly return.</p>	<p>The Draft Western Cape Tourism Blueprint 2030 entailed an in-depth audit of all tourism products and services in the province highlighting opportunities, gaps and challenges for increased tourism spend. The Tourism Product Development Fund supports regions to address gaps and realise opportunities.</p> <p>Adopting a district-based model for strengthening institutional capacity.</p> <p>Staying top of mind through destination marketing (Wesgro DMO) and product development support to accelerate demand and create job opportunities.</p>

### 10.4 SUB-PROGRAMME 6.3: TOURISM SECTOR TRANSFORMATION

#### 10.4.1 Purpose

To provide for the efficient registration and regulation of tourist guides.

To protect the reputation of the destination through improved visitor safety and integrated destination management.

#### 10.4.2 Sub-programme 6.3: Outcomes, Outputs, Performance Indicators and Targets

Outcome	Outputs	Output Indicators	Annual Targets						
			Audited /Actual Performance			Estimated Performance	MTEF Period		
			2017/18	2018/19	2019/20		2020/21	2021/22	2022/23
Increased exports	Tourist guides developed	6.4 Number of tourist guides developed	59	21	159	50	30	30	30
	Tourist guides registered	6.5 Number of individuals registered (tourist guides)	1 595	1 703	1 544	1 200	400	500	750
	Individuals/tourism related businesses inspected or monitored	6.6 Number of individuals/tourism related businesses inspected or monitored (tourist guides)	116	179	192	130	70	70	70

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Outcome	Outputs	Output Indicators	Annual Targets						
			Audited /Actual Performance			Estimated Performance	MTEF Period		
			2017/18	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24
Improved Tourism Safety Perception	Tourism establishments/ individuals supported by the tourism safety unit	6.7 Number of tourism establishments/ individuals supported	281	328	389	300	200	300	300
	Oversight over the establishment of the Tourism Safety Law Enforcement Unit in partnership with City of Cape Town	6.8 Number of oversight reports on the establishment of the Tourism Safety Law Enforcement Unit	New indicator	New indicator	New indicator	4	4	4	4
	Tourism Safety Strategy Implemented	6.9 Number of Tourism Safety Strategy Implementation Reports	New indicator	New indicator	New indicator	4	2	2	2
	Tourism Safety Perception Surveys conducted	6.10 Number of Tourism Safety Perception Surveys conducted	New indicator	New indicator	New indicator	1	1	1	1

#### 10.4.3 Sub-programme 6.3: Indicators, Annual and Quarterly Targets

Output Indicators	Annual Target	Q1	Q2	Q3	Q4
6.4 Number of tourist guides developed	30	-	-	30	-
6.5 Number of individuals registered (tourist guides)	400	100	100	100	100
6.6 Number of individuals/tourism related businesses inspected or monitored (tourist guides)	70	10	10	30	20
6.7 Number of tourism establishments/individuals supported	200	50	50	50	50
6.8 Number of oversight reports on the establishment of the Tourism Safety Law Enforcement Unit	4	1	1	1	1
6.9 Number of Tourism Safety Strategy Implementation Reports	2	-	1	-	1
6.10 Number of Tourism Safety Perception Surveys conducted	1	-	-	-	1

#### 10.4.4 Explanation of planned performance over the medium-term period

##### Tourist guide regulation and transformation

In terms of tourism regulation, the tourist guiding sector in South Africa is governed by the National Tourism Act 3 of 2014 and the Regulation to tourist guiding. As set out in the Act and Regulation, the National Registrar and the Provincial Registrars of Tourist Guides are responsible for the registration, regulation and development of tourist guides. This is therefore a key service provided by DEDAT.

At present there are just over 5,000 registered tourist guides in the province ranging from site, culture, nature and adventure guides. Supporting industry recovery and job retention therefore speaks directly to VIP2: Growth and Jobs.

Most tourist guides trade as freelancers. In addition, tourist guiding is largely reliant upon international tourists and hence is seasonal by nature. This has left the industry vulnerable to environmental shocks as became clear during the Covid-19 crisis. As freelancers, tourist guides did not meet the criteria of most government relief schemes and could not claim UIF. Secondly, domestic markets generally do not utilise tourist guides, partly driven by cost factors, and hence tourist guides found themselves cut off from their primary customers. This has meant that the number of tourist guides renewing their guiding licences has significantly dropped during 2020/21.

Within this context the priority focus for DEDAT over the medium term are:

- **Ease of doing business:** Roll out of a digital platform for the registration and management of tourist guides in the province. A new online registration system was launched in September 2020. While the system is now active, historic records and data need to be digitised, cleaned up and maintained going forward. This will cut down on turnaround times, improve service delivery efficiencies and enhance monitoring and evaluation.
- **Support industry recovery and job retention:** DEDAT will support industry recovery and job retention by a) bringing greater alignment between the guiding industry and the Draft Tourism Blueprint 2030 through targeted skills and product development interventions. The aim is to support tourist guides to better align their skills and offerings with a more diversified and compelling regional offering aimed at high yield markets. This will also entail b) increasing the profile of the industry among domestic markets in order to build resilience through diversified markets and product offerings. Lastly, DEDAT will c) encourage the professionalisation of the industry by supporting the activities of professional associations.
- **Safety:** Protecting the safety of tourists by a) promoting the importance of using registered tourist guides and b) clamping down on illegal guiding. In the short-term this will also entail c) supporting the industry with the implementation of more stringent health and safety protocols particularly in light of Covid-19.

As a regulatory body, it is imperative to ensure the tourist guiding industry continually meets the needs of visiting tourists. It is equally important to equip tourist guides with the necessary knowledge and skills to enhance the service that they provide and to effectively address the challenges facing the sector.

## Tourism Safety

### Strategic Goal

The Tourism Safety unit's mandate is to deliver on the VIP 1: Safe and cohesive communities as well as VIP 2: Growth and Jobs. The Draft Western Cape Tourism Blueprint 2030, as well as the Department's five-year strategy, identified tourism as one of the key sectors offering the Western Cape the greatest potential return on its investment, in terms of economic growth and job creation. The Jobs theme of the Western Cape Recovery Plan similarly identifies the potential that tourism has to support economic recovery. A tourism safety strategy has been developed to identify key programmes required to improve tourism safety, perception of the destination as well as the support offered to tourists who have been victim to any safety or security incidents. Visitor safety is a key priority in improving the attractiveness and brand of the destination as well as ensuring that visitors are not negatively impacted by safety and

security incidents whilst visiting the Western Cape for business or leisure activities. In response to Covid-19, the unit is also responsible for ensuring that the industry is ready to receive tourists safely in line with global and national industry protocols. Lastly, as alluded to by the Premier in his State of the Province address, this work will extend to a wider concern with destination reputation management to counter negative sentiment towards the country considering unfavourable coverage of the Covid-19 variant.

## **Background**

Tourism development is essential as it stimulates growth and development in the economy, both directly and indirectly. Tourism safety supports the NDP objectives, DEDAT's five-year strategy as well as both VIP 1 (Safe and Cohesive Communities) as well as VIP 2 (Growth and Jobs) by ensuring the destination is safe and crime free which is a big deterrent in relation to tourists choosing South Africa as a destination which in turn contributes to the growth and development of the sector by assuring tourists abroad and locally of a safe and secure experience. Tourism safety will lead to an increase in tourist numbers visiting the province. Not only will tourism safety contribute to the rise in visitor numbers but it will indirectly contribute to the Department's objectives of reducing unemployment by creating enabling conditions for economic growth and providing a leadership role to crucial sectors within the Western Cape economy.

According to the UNWTO "safety and security are vital to providing quality in tourism. More than any other economic activity, the success or failure of a tourism destination depends on being able to provide a safe and secure environment for visitors" ("Tourist Safety and Security: Practical Measures for Destinations" by UNWTO).

Having a dedicated Tourism Safety strategy has the advantage of this significant part of the Western Cape's economy getting the priority and focused attention it deserves. The objectives of the Tourism Safety strategy are:

1. Reduction in crime affecting tourists within the Western Cape.
2. Improvement in the brand image of Cape Town and the Western Cape from a safety/security/ crime perspective.
3. Development of a multi- stakeholder and collaborative working solution which brings public sector and private players together.
4. Building a sense of confidence in the role of government to make a difference on key issues affecting our economy and society.
5. Creating a best practice model for crime reduction which could be implemented elsewhere to reduce crime for all South Africans.
6. Improvement in the level of safety and security readiness and preparedness within the tourism industry - attractions and tourism businesses (such as tour operators, venues, guides).

The levers of the Tourism Safety strategy are:

- Lever 1 – Tourism Safety Forum
- Lever 2 – Enforcement Task Force
- Lever 3 – Tourist Safety Response
- Lever 4 – Tourist Safety and Security Tech Platform
- Lever 5 – Tourist Safety Communications Strategy
- Lever 6 – Tourist Safety Interventions and Partnerships

In response to Covid-19, the Tourism Safety Strategy is being updated to encapsulate a far broader

perspective on visitor health and safety. To this end several destination readiness projects were implemented in 2020 which will be continued into 2021/22 in response to the global epidemic. Lastly, the number of tourists assisted by the tourism safety unit has seen a decline given the dramatic reduction in the number of international visitors in the province. The new targets for the remainder of the MTEF period take cognisance of the fact that international travel is only expected to fully recover from 2023 and 2024.

#### **10.4.5 Sub-programme 6.3: Key Risks**

Outcome	Key Risk	Risk Mitigation
Increased exports	Reputational risk to the Western Cape as a tourist destination due to illegal tourist guides.	Increase inspection to monitor illegal guiding. Develop tourist guides continuously.
	Reputational risk to the Western Cape as a tourist destination due to incorrect information being provided by illegal and untrained tourist guides.	Training and development of tourist guides and increased inspections of illegal guide activity at tourist hotspots.
	Reputational damage to the Western Cape as a tourism destination due to the perception of increased crime and tourism health and safety-related incidents.	The update and implementation of the tourism safety strategy for the Western Cape.
Improved Tourism Safety Perception	Lack of proper, effective law enforcement has a corrosive effect on the communities being served, and the relationship with the tourism industry who are affected by not only the perception of an unsafe tourist destination but of safety incidents occurring to tourists.	Suitably skilled and experienced law enforcement officials and Tourism Safety unit staff to be employed. The Tourism Safety unit should therefore be effectively capacitated to deliver an effective service.

### **10.5 SUB-PROGRAMME 6.4: TOURISM DESTINATION MARKETING**

#### **10.5.1 Purpose**

To provide resources to the tourism, trade and investment promotion public entity to enable it to deliver on its mandate as defined in the Western Cape Investment and Trade Promotion Agency Act, 1996 (Act 3 of 1996) as amended.

#### **10.5.2 Sub-programme 6.4: Outcomes, Outputs, Performance Indicators and Targets**

Outcome	Outputs	Output Indicators	Annual Targets							
			Audited /Actual Performance			Estimated Performance	MTEF Period			
			2017/18	2018/19	2019/20		2020/21	2021/22	2022/23	2023/24
Increased exports	Oversight of Wesgro's Tourism Destination Marketing function	6.11 Number of Tourism Destination Marketing Oversight Reports	New indicator	New indicator	New indicator	2		2	2	2

#### **10.5.3 Sub-programme 6.4: Indicators, Annual and Quarterly Targets**

Output Indicators	Annual Target	Q1	Q2	Q3	Q4
6.11 Number of Tourism Destination Marketing Oversight Reports	2	-	1	-	1

#### **10.5.4 Explanation of planned performance over the medium-term period**

Tourism Destination Marketing will contribute to the achievement of the Draft Tourism Blueprint 2030 by developing, managing and implementing trade and consumer marketing initiatives aimed at priority markets and market segments. These initiatives will contribute to the increased awareness, attractiveness and accessibility of the destination.

Implementation is a transversal approach with the Department, regional and local tourism offices and private sector to deliver actions designed to improve the awareness, attractiveness and accessibility of the destination. One of the challenges the unit faces is limited funding to compete on a global scale, with regard to marketing campaigns.

In response to Covid-19, international, regional and domestic marketing will be prioritised in order to re-ignite local, regional and international demand. In the short-term though domestic markets will be the immediate focus given lingering concerns regarding international travel. One of the key priorities in response to economic recovery especially in the tourism industry will be rebuilding air connectivity routes with key source markets for both regional and international travel. This work will be driven by the Air Access team and supported by the Department with lobbying efforts to lift travel bans and increase access through visa reform etc. Similarly, a new initiative namely Cruise Cape Town will be launched to position Cape Town and the Western Cape as a competitive cruising hub by improving cruise line access. Despite Covid-19, the cruise industry has seen impressive growth in recent years and forward bookings are looking positive.

Lastly, lobbying efforts to improve the national visa regime, for example, by introducing a remote working visa will continue between the Department, Wesgro and key private sector partners. Policy changes are critical in ensuring changes are made to increase accessibility of the destination especially post Covid-19.

### **Legislative mandate**

Wesgro's (a schedule 3 public entity) strategic powers, as provided for in the Western Cape Investment and Trade Promotion Agency Act, 1996 (Act 3 of 1996) as amended, include:

- To furnish tourism, trade and investment marketing assistance and expert and specialised advice, information and guidance to any business, company or association of persons who so request it from the Agency or would assist the Agency in achieving its objects.
- To act as the tourism, trade and investment promotion agent on behalf of the Province and to facilitate co-ordinated destination marketing activities for the Western Cape.
- To develop, implement and promote a provincial tourism, trade and marketing strategy and implement any project that realises growth in the economy of the Western Cape.

### **Strategic mandate**

The Western Cape Government's strategic mandate provides that Wesgro:

- Conduct tourism destination marketing and promotion for Cape Town and the Western Cape.
- Ensure that priority focus is given to the initiatives identified by the Draft Tourism Blueprint 2030.

In light of fiscal constraints, it will be necessary to be more targeted in respect of marketing. For this reason, Wesgro will be undertaking focussed market penetration strategies to identify and prioritise market segments. This will also entail prioritising domestic market segments – principally in Gauteng and the Western Cape – in line with the Draft Tourism Blueprint 2030.

The draft Tourism Blueprint 2030 identifies core tourism conversation drivers for each of the districts. In addition, opportunities were identified for building district competitiveness by building the iconicity of the six regions. Wesgro will play a lead role in amplifying areas of district competitiveness as well as shifting the conversations of tourists, particularly in high yield niche markets.

The following key deliverables will take priority:

- Boost awareness of Cape Town and the Western Cape in key international, regional and domestic markets.
- Improve accessibility to Cape Town and the regions through a focus on airline route retention and cruise tourism maximisation.
- Boost the attractiveness of the regions through competitive product offerings to attract domestic and international visitors to the Western Cape.

#### **10.5.5 Sub-programme 6.4: Key Risks**

Outcome	Key Risk	Risk Mitigation
Increased exports	Decrease destination awareness in key source markets both domestically and internationally which result in decreased visits and numbers.	Development of a marketing strategy linked to key source markets.

#### **10.6 PROGRAMME RESOURCE CONSIDERATIONS**

##### **Budget Allocation for Programme and Sub-programmes**

Sub-programme	Audited			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimate			
	R'000	2017/18	2018/19	2019/20	2020/21	2020/21	2020/21	2021/22	2022/23	2023/24
1. Tourism Planning										
2. Tourism Growth and Development	12 722	12 963	13,222	33,300	20 482	20 482	18,809	21 229	19 517	
3. Tourism Sector Transformation				2	2	2				
4. Tourism Destination Marketing	40 675	46 376	44 926	62,312	57,098	57,098	58,398	58,398	63,000	
5. Commercial Arts and Entertainment				-	-	-				
Total payments and estimates	53 397	59 339	58,148	95,614	77 582	77 582	77,207	79 627	82 517	
Economic classification										
Current payments	11 179	12 902	12 902	14,717	9,959	9,959	8,329	8 456	8 517	
Compensation of employees	7 148	8 774	8,554	12,363	7,603	7,603	7,819	7,906	7 917	
Goods and services	4 031	4 128	4,348	2,354	2,356	2,356	510	550	600	
Transfers and subsidies to	42 194	46 417	45,237	80,897	67 623	67 623	68,878	71 171	74 000	
Provinces and municipalities	1500		100	13,585	5,610	5,610	5,480	6,000	6,000	
Departmental agencies and accounts	40 675	46 376	44,926	62,312	57,098	57,098	58,398	58,398	63,000	
Universities and Technikons										

*Continued on next page*

Sub-programme	Audited			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimate			
	R'000	2017/18	2018/19	2019/20	2020/21	2020/21	2020/21	2021/22	2022/23	2023/24
Foreign governments and international organisations										
Public corporations and private enterprises				5,000	4,433	4,433	5 000	6 773	5 000	
Non-profit institutions					390	390				
Households	19	41	211		92	92				
Payments for capital assets	20	13								
Buildings and other fixed structures										
Machinery and equipment	20	13								
Software and other intangible assets										
Payments for financial assets	4	7	9							
Total economic classification	53 397	59 339	58,148	95,614	77 582	77 582	77,207	79 627	82 517	

### Explanation of the contribution of resources towards achievement of outputs

The activities detailed above will be achieved through the collective efforts of all the units within Programme 6. The team has a diverse set of skills appropriate to managing and implementing projects in the support of the economy. Key skills include project planning, stakeholder management, project reporting, financial management, marketing, enterprise development, strategic planning, people management, contract management and communications.

The strategic shift towards the role out of the Draft Western Cape Tourism Blueprint 2030 will require resources to be allocated to Programme 6 accordingly to give effect to both Destination Management and Destination Marketing and Product Development objectives to ensure a growth in the visitor economy. The current resource constraints impacts the ability to respond to tourism recovery plans for the industry and our ability to respond. The budget constraints from a COE perspective has a major impact o the programme ito delivering on the strategic priorities as identified in the Tourism Blueprint.

The tourism team have implemented efficiencies such as the launch of an online tourist guide registration portal to improve our service offering and increase efficiencies in our business processes. The teams have adapted to offer services needed based on a changing environment such as destination readiness post Covid-19 and deliver on new needs of the sector which is crucial in the year ahead for the recovery of the industry.

### 10.7 PUBLIC ENTITIES

Name of Public Entity	Mandate	Outputs	Current Annual Budget (R thousand)
Wesgro	Destination Marketing	Tourism Marketing initiatives supported	58 398 (2021/22)







**PROGRAMME 7:  
SKILLS DEVELOPMENT  
AND INNOVATION**

## **11. PROGRAMME 7: SKILLS DEVELOPMENT AND INNOVATION**

### **11.1 PURPOSE**

To facilitate the provisioning of Human Capital and Innovation skills to deliver on the economic Human Resources Development needs of the Western Cape.

In support of the development of Human Capital and the provincial workforce, the programme will champion gender equality and people with disabilities. The Programme further will align and give support to the provincial priorities of Jobs, Safety and Wellbeing of the citizens of the Province.

### **11.2 SUB-PROGRAMME 7.1: PROVINCIAL SKILLS AND PARTNERSHIP**

#### **11.2.1 Purpose**

To coordinate partnerships and collaborations with stakeholders, at a national, provincial and local level to drive systemic changes with the aim to increase the supply of relevant skills aligned to the current and future skills demands of priority growth sectors in the province.

#### **11.2.2 Sub-programme 7.1: Outcomes, Outputs, Performance Indicators and Targets**

Outcome	Outputs	Output Indicators	Annual Targets							
			Audited /Actual Performance			Estimated Performance	MTEF Period			
			2017/18	2018/19	2019/20		2020/21	2021/22	2022/23	2023/24
Improved employability of beneficiaries supported	Skills Intelligence Report produced	7.1 Number of Skills Intelligence Reports produced	New indicator	New indicator	New indicator	4	Indicator discontinued	Indicator discontinued	Indicator discontinued	Indicator discontinued
Improved employability of beneficiaries supported	Partnerships strengthened	7.2 Number of partnerships strengthened	New indicator	New indicator	New indicator	New indicator	4	4	4	4

#### **11.2.3 Sub-programme 7.1: Indicators, Annual and Quarterly Targets**

Output Indicators	Annual Target	Q1	Q2	Q3	Q4
7.1 Number of Skills Intelligence Reports produced	Indicator discontinued	-	-	-	-
7.2 Number of partnerships strengthened	4	1	1	1	1

#### **11.2.4 Explanation of planned performance over the medium-term period**

The Sub-programme will continue to focus on skills planning however will discontinue with the production of skills intelligence reports as a result of the re-prioritisation on the strategic focus of the Programme to increase skills development interventions and workplace opportunities. We will use the skills intelligence gathered from the skills intelligence reports developed in the financial year 2020/21 to shape our strategic focus to strengthening partnerships linked to increase access to skills interventions and workplace initiatives.

Key policy development changes that could arise due to the impact of the pandemic on skills planning

and the delivery of education, training and skills development in the country will impact the quality of supply and the alignment to industry needs in the province. This will require the Programme through the delivery of our skills interventions and Provincial Skills Partnership Sub-programme, to coordinate partnerships and collaborations with stakeholders, at a national, provincial and local level to lobby, influence and advocate to drive systemic changes with the aim to increase the supply of relevant skills aligned to the current and future skills demands of priority growth sectors in the province.

The Covid-19 pandemic has exacerbated the inability of the labour market and skills ecosystem to respond to Industry skills shortages, which negatively impacts investment; erodes business confidence competitiveness; economic growth; and employment creation. Aside from the economic impact of the Covid-19 pandemic, there is still an increase in youth unemployment due to new labour market entrants not demonstrating expected capabilities required to give expression to roles in which the economy is experiencing skills shortages.

Despite these challenges, the Covid-19 pandemic has also presented opportunities for the Education and Training sector. The subsequent disruption of the economy has had an impact in relation to the sectors; jobs; the nature of work and the delivery of skills development in the education and training space across the entire skills supply pipeline and the workplace. Now, more than ever, addressing the immediate skills gaps and preparing the workforce for the future of work are critical factors that must be addressed.

Skills for Industry 4.0 and the world of work, which recognises the need for research into the impact of the digital revolution on South Africa's labour market, notes that the current skills gaps need to be addressed, that the school-leavers need to be equipped with work-ready digital skills. Programmes are required to re-skill those displaced by digital technologies, as well as provide ongoing upskilling in the workplace, including government itself, where transition to digital government requires such upskilling.

Skills gaps among the local market are among the most cited barriers to appropriate technology adoption for many industries. For government and businesses alike, there is a significant opportunity in strengthening cross-sector multi-stakeholder collaboration to promote corporate reskilling and upskilling of employees.

It is becoming increasingly challenging with the severe fiscal constraints across the public sector to provide the fund the entire value chain for the skills development supply pipelines. It will require more partnerships to employment by influencing the quality and the focus of our academic institutions, while at the same partnering with other government, industry and other social partners to work together and financially contribute towards the articulation of youth across the pipeline that will lead to employability.

To address the above challenges and opportunities to strengthen the skills ecosystem, skills development should not be seen, or provided, in isolation, it calls for joint solutions between partners to respond to workplace learning that will support workplace learning (internships, apprenticeships, learnerships and other forms of workplace learning). It is a means to promoting decent work; improving productivity; generating employment growth; and promoting economic and social development.

The Provincial Skills and Partnerships Sub-programme will contribute towards improving the skills ecosystem by strengthening partnerships, delivering through the collaboration with key governmental

and private sector stakeholders and crowding in financial and non-financial resources in support of strengthening the provincial workforce.

The strengthening of partnerships will be realised by driving engagement platforms and collaborations that will crowd-in efforts of role-players across the skills ecosystem to encourage joint planning and mutual problem solving to improve the alignment between the demand and supply of technical and vocational skills to meet the skills needs of prioritised economic growth areas in the Western Cape.

This will be achieved by driving partnerships as a way of “mobilising resources and achieving the biggest possible impact” to boost employment for people without work through accelerating skills supply and work placement initiatives.

We will drive a “partnerships for employment” model to positively contribute towards increasing access to internships and skills programmes and improve access to skills opportunities focused on cross-cutting digital and related skills required across various sectors.

The Programme will strengthen partnerships across the three (3) spheres of government including the National Department of Higher Education and Training (DHET), SETAs, Academia (basic education and post-school education – Higher Educational Institutions, TVET and community colleges) private sector and other key stakeholders to improve the skills ecosystem to promote pathways to employment, addressing workforce challenges that will support economic growth and productivity in the province.

It also requires us to lobby and influence systemic change across the skills supply pipeline to address short, medium and long-term goals of ensuring that supply is aligned to the current and future skills demands of the growth sectors in the province.

Our efforts are aimed towards the supply of skills that aligns to the skills demands and industry requirements of key growth sectors in the province by:

- Centring our efforts across Programmes within the Department and likewise with fellow government departments, industry and regional role players to identify the critical skills needs required across sectors and collectively design and support partners as well innovative and flexible training models to address the skills gaps and systemic change to support growth sectors;
- Leading stakeholder engagement platforms that drive key collaborations between basic education, post-school education and private sector to ensure the supply offerings are aligned to industry requirements, promote the offering of digital skills as well as other key cross-cutting skills to ensure supply is responsive to the future skills demands;
- Strengthening collaborations with other Western Cape Government departments to integrate skills efforts and support programmes that promote workplace experience in the public services to help increase the employability of youth; and
- Addressing blockages and reduce duplication of efforts across partners in the skills ecosystem.

#### **11.2.5 Sub-programme 7.1: Key Risks**

<b>Outcome</b>	<b>Key Risk</b>	<b>Risk Mitigation</b>
Improved employability of beneficiaries supported	Non-commitment of national, provincial and regional stakeholders to address local skills challenges.	<ul style="list-style-type: none"><li>• Collaborate with provincial and regional partners to offer jobs and/or training opportunities on exit of the departmental supported skills interventions.</li><li>• Enter into formal agreements with relevant national, provincial and local stakeholders to confirm financial and non-financial support.</li><li>• Develop a provincial skills ecosystem data repository outlining the current and future skills demand and supply.</li></ul>

## 11.3 SUB-PROGRAMME 7.2: SKILLS PROGRAMMES AND PROJECTS

### 11.3.1 Purpose

To facilitate/support unemployed or underemployed youth to access jobs.

### 11.3.2 Sub-programme 7.2: Outcomes, Outputs, Performance Indicators and Targets

Outcome	Outputs	Output Indicators	Annual Targets						
			Audited /Actual Performance			Estimated Performance	MTEF Period		
			2017/18	2018/19	2019/20		2020/21	2021/22	2022/23
Improved employability of beneficiaries supported	Beneficiaries supported through skills interventions	7.3 Number of beneficiaries supported through skills interventions	New indicator	New indicator	New indicator	1 500	1 400	2 500	4 000

### 11.3.3 Sub-programme 7.2: Indicators, Annual and Quarterly Targets

Output Indicators	Annual Target	Q1	Q2	Q3	Q4
7.3 Number of beneficiaries supported through skills interventions	1 400	300	500	400	200

### 11.3.4 Explanation of planned performance over the medium-term period

The Covid-19 pandemic has significant challenges and opportunities for the education and training sector. The pandemic has disrupted the economy in relation to the sectors; jobs; the nature of work; and employment; and the delivery of skills development in the education and training space across the entire skills supply pipeline impacting basic education; post school education; and the workplace.

4IR skills present challenges as well as opportunities that we need to embrace and address along the skills pipeline from Early Childhood Development (ECD) level as well as upskilling the current workforce to ensure that they have the new skill sets required for the future workforce.

The increase in youth unemployment further supports that new labour market entrants do not demonstrate expected capabilities required to give expression to roles in which the economy is experiencing skills shortages.

Youth unemployment results in delays in affording young people an opportunity to strengthen their existing skill sets and be included into the economy. This has been exacerbated by the inability of youth, even when employed, to display an appropriate level of interpersonal interaction to “fit in” and keep employment. This inability in part stems from being “socially inadequately” prepared youth, in part because of multi-generational unemployment and a lack of crucial parental conditioning. Coupled with low education attainment levels, high secondary school drop-out rates, and being “socially inadequately prepared youth”, there are persistently high unemployment rates in the country and in the Western Cape.

The Sub-programme is geared directly at improving access to skills opportunities, internships and skills programmes that will lead to job creation and boost employment for people without work through accelerating skills supply and work placement initiatives.

The Sub-programme will lead with the rollout of the Regional Skills Fund that aims to enhance the skills eco-system by supporting and increasing the reach and scale of skills interventions. This intervention will target the supply of relevant skills for current and future demands of priority sectors in the Western Cape. The fund will have a regional footprint emanating from our established regional engagement structures, driven by the Provincial Skills Partnership Sub-programme.

The Sub-programme focuses on driving the programmatic short-term interventions that aims to facilitate the Programme's outcome and five-year target by implementing training and work placement opportunities that includes all skills interventions i.e. accredited, non-accredited training, placements, internships, apprenticeships and learnerships that will result in the people becoming employable aligned to the current and future skills demands of industry to improve youth employability and enhance economic productivity.

Skills interventions will be focused on entry to high level skills aligned to sector and catalytic skills requirements aligned to the spatial and regional needs as well as focus on the cross-cutting skills interventions to improve the quality of the supply and academic levels of youth not in employment, education and training (NEETs), to be able to access further learning opportunities so that they are able to gain access to relevant educational qualifications and workplace experience.

The Programme will therefore drive to promote people in the Province to gain to requisite foundational education and skills required to actively participate in, and contribute to, the economy of the Western Cape, especially in various cross-cutting skills like digital skills and technical and vocational skills that prepare youth for the future world of work. These interventions can be aimed at matriculants and graduates to be upskilled in new relevant skill sets as well as providing those youth not in Education, Employment and Training (NEET's) access to vocational training and workplace-based opportunities. Key activities that the Programme will focus on, will include the governance of the fund, sourcing of partnerships and co-funding to contribute to the rollout of the fund.

It also includes the management of the fund activities, project oversight for all successful funded skills initiatives, work closely with the Skills Incentives Sub-programme to crowd in partners including industry for the rollout and support of the project. Project oversight in terms of effective Monitoring and Evaluation (M&E) systems will need to be put in place to management that the outcomes of the fund is achieved in terms of the outcomes measurements.

DEDAT has partnered with the Chrysalis Academy and the Department of Community Safety to collectively contribute to the Vision Inspired Priorities of Growth and Jobs and Safe and Cohesive Communities to facilitate the development of a competitive workforce.

A demand-led model will be co-developed with the "Youth-at-risk Graduate Work Placement programme", so that 80% of graduates (over five years) are taken up into either employment, placement and/or further education opportunities.

### 11.3.5 Sub-programme 7.2: Key Risks

Outcome	Key Risk	Risk Mitigation
Improved employability of beneficiaries supported	Subject choice not appropriate and lack of foundational skills.	Career awareness, subject choice to improve access to technical and vocational skills.
	Lack of industry to support work placement of youth.	Regional approach to skills interventions.
	Covid-19 may impact firm uptake of interns	Increase the number of firms and sectors, within the overall strategy of the department
	Decline in budgets	Increase funding leverging efforts in support of skills development initiatives

## 11.4 SUB-PROGRAMME 7.3: SKILLS INCENTIVES

### 11.4.1 Purpose

To leverage funding opportunities along the skills pipeline.

### 11.4.2 Sub-programme 7.3: Outcomes, Outputs, Performance Indicators and Targets

Outcome	Outputs	Output Indicators	Annual Targets							
			Audited /Actual Performance			Estimated Performance	MTEF Period			
			2017/18	2018/19	2019/20		2020/21	2021/22	2022/23	2023/24
Improved employability of beneficiaries supported	Funds Leveraged	7.4 Value of funds leveraged	New indicator	New indicator	New indicator	R50m	R40m	R50m	R50m	

### 11.4.3 Sub-programme 7.3: Indicators, Annual and Quarterly Targets

Output Indicators	Annual Target	Q1	Q2	Q3	Q4
7.4 Value of funds leveraged	R40m	-	-	-	R40m

### 11.4.4 Explanation of planned performance over the medium-term period

The purpose of the sub-programme Skills Incentives is to attract and access funds to support the jobs and skills eco- system in the economic priority sectors in the province.

The key areas of delivery for the sub-program Skills Incentives are:

- Establishing and co-ordinating relationships for skills funding.
- Leveraging skills funds.

The sub-programme Skills Incentives will also support the envisaged Skills Program's Regional Skills Fund (RSF), through the sourcing of funding from private sector, provincial, national and international funders.

Skills Incentives is linked to the National Development Plan's (NDP) key delivery on Priority 2 around faster and more inclusive economic growth. Key NDP areas Skills Incentives will link to include, amongst others:

- tax incentives and incentives to employers to reduce the initial cost of hiring young labour market entrants;

- access to learning opportunities;
- producing artisans; and
- co-ordinate and collaborate with Business, academia and government to develop proposals to reduce youth unemployment.

The goal of the National Youth Policy (NYP) 2020 is to consolidate youth initiatives that enhance the capabilities of young people to transform the economy and society. Skills Incentives intends striving in the long term, through its funds leveraged for skills interventions, to build the capacity of young people to enable them to take charge of their own well-being by building their assets and realizing their potential.

Collaboration and co-funding around skills initiatives supports DEDAT's Recovery Goal to "create an enabling environment for job creation, primarily through supporting the private sector and markets, thereby improving wellbeing and safety". The funding proposals will be geared towards scaling up work opportunities and skills for mainly people without jobs.

Skills Incentives will facilitate alignment when leveraging funds, to the Department's "Immediate intervention" strategic intent to scaling up work opportunities and skills for people without jobs. Collaboration for the transformation in terms of gender and disability of youth in the various skills programs will be initiated.

The skills funding eco system has diminishing funds as result of the impact of the Covid-19 pandemic and the economic downturn. Prior to Covid-19, the Skills Levy collection for the 2020/21 financial year was estimated to be R19.4 billion. The estimate of the four months Skills Levy holiday was the loss R6.4 billion by the system. The Implications of Covid-19 on funders and possible opportunities for DEDAT to partner to support these, lay in the Skills Incentives drive to continue creating value added co-funded models for collaboration.

In addition, identifying partners across the skills value chain to co-fund critical regional skills programs will be intensified. This will include facilitating innovative micro-enterprise interventions, which could partly capitalise on business opportunities as a result of the pandemic.

#### **11.4.5 Sub-programme 7.3: Key Risks**

<b>Outcome</b>	<b>Key Risk</b>	<b>Risk Mitigation</b>
Improved employability of beneficiaries supported	<p>Sometimes slow uptake of industry/funders to support funding of skills initiatives and placement of youth due to mainly poor economic climate or mismatch in their funding portfolio.</p> <p>The decline in funding sources as a result of the overall economic downturn in South Africa and the impact of Covid-19 Pandemic on job losses.</p>	<p>Data approach to engaging with skills discussions with industry.</p> <p>Focus on tradeable sectors and those requiring scarce and critical skills gaps to be bridged.</p> <p>Regional approach to skills interventions.</p> <p>Co-develop skills interventions with industry and training.</p>

#### 11.4.6 Programme resource considerations

##### Budget Allocation for Programme and Sub-programmes

Sub-programme	Audited			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimate		
	R '000	2017/18	2018/19	2019/20	2020/21	2020/21	2020/21	2021/22	2022/23
1. Provincial Skills and Partnership	17 322	33 258	14 918	7 882	6 980	6 980	4 940	4 931	5 046
2. Skills Programmes and Projects	42 381	35 124	47 875	71 782	69 381	69 381	61 769	67 220	67 427
3. Skills Incentives	1 470	1 740	2 262	4 481	3 558	3 558	3 654	3 728	3 779
Total Payments	61 173	70 122	65 055	84 145	79 919	79 919	70 363	75 879	76 252
Economic classification									
Current payments	50 236	56 746	42 123	22 849	14 043	14 043	18 923	22 930	19 666
Compensation of employees	14 078	15 113	14 969	14 930	10 475	10 475	12 553	11 825	11 769
Goods and services	36 158	41 633	27 154	7 919	3 568	3 568	6 370	11 105	7 897
Interest and rent on land									
Transfer and subsidies to	10 269	12 952	22 873	61 282	65 482	65 482	51 440	52 949	56 586
Provinces and municipalities			164	500	500	500			
Departmental agencies and accounts									
Universities and Technikons		2 000							
Foreign governments and international organisations									
Public corporations and private enterprises									
Non-profit institutions									
Households	10 269	10 952	22 709	60 782	64 982	64 982	51 440	52 949	56 586
Payments for capital assets	654	424	59	14	394	394		-	-
Buildings and other fixed structures									
Machinery and equipment	5	15		14	14	14			
Heritage assets									
Specialised military assets									
Biological assets									
Land and subsoil assets									
Software and other intangible assets	649	409	59		380	380			
Payments for financial assets	14								
Total economic classification	61 173	70 122	65 055	84 145	79 919	79 919	70 363	75 879	76 252

## **Explanation of the contribution of resources towards achievement of outputs**

Skills development has been elevated to a VIP priority and in so doing, programmatic outputs and outcomes related to skills development have significantly expanded over the previous five-year strategic plan. However, budgetary cuts against the previous financial year have resulted in a marginal decline in beneficiaries supported and funding leveraged outputs. The increase in the depth, breadth and sophistication of skills outputs and outcomes require more staff in the expression of higher targets. Within the context of the constrained fiscal environment all of government finds itself in, the Programme will explore creative ways in augmenting its human resource capabilities, which include but is not limited to automation systems, re-evaluating the appropriateness of the current organogram of the Chief Directorate and creatively exploring outsource models that will lead to economic efficiencies.

Budget constraints will have severe impact on the extent to which the programme gives expression to the five-year targets. The programme will increase its efforts to crowd in leveraged funding, but it is not likely that leveraged funding will fill the shortfall in voted funds required to address the skills deficit in our workforce and to address youth unemployment adequately. It is further likely that the reduction in voted funds will negatively impact the extent to which the programme secures leveraged funding.

## **12. UPDATED KEY RISKS AND MITIGATIONS FROM THE STRATEGIC PLAN**

<b>Outcome</b>	<b>Key Risk</b>	<b>Risk Mitigation</b>
Increased Rand value of investment	Economic potential for job creation and GDP growth is not realised due to lack of investors into infrastructure.  Investment climate continues to be conservative or declines due to economic uncertainty and controversial National policy decisions.	Lobby national government to amend investor-unfriendly policy approaches (Ease of doing business).  Promote Western Cape as an investment destination of choice on the African continent.
Increased exports	Misalignment of priorities among stakeholders, government departments, entities and industries.	Monitoring and evaluation, entities oversight and stakeholder management.
	Insufficient professional capacity in terms of sector development.	Increase project management support capacity in the programme.
	System loss of supply due to Covid-19 may worsen a perceived lack of diverse offerings and undeveloped product offerings for the Western Cape which could result in fewer tourists finding the destination attractive and therefore negatively impact on spending.	Audit of all tourism products and services is completed for the entire province, highlighting opportunities, gaps and challenges for increased tourism. Implementation of a tourism recovery plan.
Improved Tourism Safety Perception	There are increased safety concerns with attacks at beaches, mountains, parks and other touristic hotspots. Combined with heightened concerns about personal health and wellbeing may undermine tourism growth.	The Department will be focusing on improving tourist safety with the establishment and operationalisation of a tourism safety unit to improve safety and undertake measures to address the perception of safety risks in the Cape Town CBD and other tourism hotspots. Various interventions relating to tourism safety and visitor impressions will also be implemented to improve the perception of the destination globally. The Department will continue to support the industry in implementing Covid-19 health and safety protocols.
Improved employability of beneficiaries supported	High drop-out rate of beneficiaries results in fewer youth and adults increasing their employability.	Collaborate with companies who offer jobs and/or training opportunities on exit of the work experience component, to increase retention.  Project Managers to monitor the companies and beneficiary's performance. Mentorship by Host Company in the workplace.  Improved match of youth talent and skills sets to industry demand.

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<b>Outcome</b>	<b>Key Risk</b>	<b>Risk Mitigation</b>
Improved ease of doing business	Lack of commitment and/or participation by provincial and national government departments (and their agencies, public entities and regulators) and/or municipalities, either to adopt red tape reduction/promotion of ease of doing business as an imperative for economic growth and job creation, or to action implementation plans to improve business-facing services and the business/regulatory environment within their respective areas of jurisdiction.	Obtain formal commitment through timeous and ongoing consultation with leadership in departments and municipalities.  Regularly communicate with departments and municipalities to keep them abreast of developments.  Give timeous notification of intended implementation and possible changes.
Resource resilience of the economy improved	Despite the fact that the water crisis still exists in the Central Karoo (with a major impact on the agricultural sector & municipalities in the area), the water resilience challenge has, for many, become less of an urgent issue. With the last water crisis hitting in a very short space of time, climate change projections clearly indicating future impacts on the WC and projected population & economic growth, reducing the urgency on water resilience places the economy at risk – in terms of future water supply certainty and water pricing that will affect business investment and confidence in the short term, and business profitability & competitiveness in the short, medium & long term.	Support businesses in their water resilience work to improve the resilience of the economy to future water shortages.  Support the water sector to enable local production & market information & to provide technologies, products & services that would support improved business water resilience and improved municipal water supplies & management.  Support evidence-led research that enables the province to better balance water resilience between agricultural & urban needs; economic & residential needs; and between municipalities.  Work with municipalities, WCG and National Government to understand & build in the impacts of decentralized water supply systems & improved economic water resilience needs on their revenue.
	Despite the recent energy related regulatory landscape changes, municipalities may not be able to take up and drive the new energy opportunities.	Obtain regulatory clarity as relevant and needed from Department of Mineral Resources & Energy (DMRE).  Support municipalities through information sharing and advisory services, partnership agreements where relevant to ensure buy-in and commitment, co-funding to address technical gaps (inclusive of sourcing external funding where possible) as relevant and co-ordination, and support to guide and assist municipalities in their approach and procurement of energy opportunities as allowed by the changing regulations.
Improved financial governance	Inability to achieve an unqualified audit opinion due to material misstatements or material non-compliance in high-risk areas such as Transfer Payments, Human Resource Management, Audit on pre-determined objectives and Supply Chain Management as a result of an ineffective or inadequate control environment.	<ol style="list-style-type: none"> <li>1. An approved departmental financial manual and delegations of authority updated and maintained annually.</li> <li>2. Internal Control audits on transfer payments, pre-determined objectives, financial statements, reconciliations, Supply Chain Management.</li> <li>3. Transaction checklists.</li> <li>4. Financial Management task team for transfer payments and Supply Chain Management transactions.</li> <li>5. Financial Management training to line functions to ensure competency.</li> <li>6. Training for Financial Management staff to ensure competency.</li> <li>7. Standard operating procedures updated annually and as required.</li> <li>8. Establishment of a departmental Governance Committee to ensure sound governance structures.</li> <li>9. Programme monitoring and evaluation frameworks.</li> <li>10. Auditor-General action plan to monitor and manage all auditable and high-risk areas to ensure an unqualified audit opinion.</li> </ol>

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<b>Outcome</b>	<b>Key Risk</b>	<b>Risk Mitigation</b>
Functional 'M&E system' that provides strategic support to the Department	Insufficient demand for the M&E system creates a barrier to the appropriate use of M&E as a tool to improve performance.	Increase the awareness and understanding of M&E tools, techniques and products (technical subject matter) Increase awareness of the uses of M&E and use examples to demonstrate how monitoring information and evaluation can communicate the results of programs we implement.
	Fiscal pressures may lead to limited budget made available in the Department to conduct evaluations of the contributions, results or impact of key programs implemented by the Department.	Programmes may factor in the need for evaluations early in the planning stages and make the necessary budget provision for evaluation as the program is implemented and results are being evinced.  Programmes, could, with support from the M&E Unit, apply for financial support via the Provincial Treasury's Prioritised Evaluations Fund.
	Lack of a department-wide information system that records and tracks progress of key programmatic outcomes over the 5-year period.	Programs implemented should have credible, accessible and available project data systems which allows for performance tracking and progress reporting against our plans, priorities.
An improved environment conducive to fair business practice and informed consumers	Misinfomation/Poor communication.  Lack of access to information.  Capacity constraints.	Consumer Awareness campaign through the various communication channels.  Provide platforms and contact information that is readily available and accessible to consumers.  Allocation of human capital/resources to meet necessary demand.

### **13. PUBLIC ENTITIES**

Reflected under the respective Programmes where applicable – Programmes 3, 5 and 6.

### **14. INFRASTRUCTURE PROJECTS**

Not applicable

### **15. PUBLIC PRIVATE PARTNERSHIPS**

Not applicable







PART D:  
**TECHNICAL INDICATOR  
DESCRIPTIONS (TID)**

## Programme 1: Administration

### Sub-programme 1.2 Financial Management

<b>Indicator number</b>	1.1								
<b>Indicator title</b>	<b>Number of days for the processing of payments to creditors</b>								
<b>Short definition</b>	Paragraph 8.2.3 of the National Treasury Regulations determines that all payments due to creditors are must be settled within 30 days from the date of receipt on the Department.								
<b>Purpose</b>	To enable suppliers with sufficient funding to operate their business and to comply with the PFMA (S30) as well as ensures that there are processes in place to effect payments to creditors within 30 days which will and thereby reduce reputational risk to the department.								
<b>Source of data</b>	Kitso system								
<b>Method of calculation</b>	Kitso Extract Report present the average days from date of receipt of invoice in the department to the payment date. The calculation will be: Action date less source doc received date.								
<b>Calculation type</b>	Cumulative Year-end		Cumulative Year-to-date			Non-cumulative	X		
<b>Reporting cycle</b>	Quarterly	X	Bi-annually		Annually		Biennially		
<b>Desired performance</b>	Higher than target		On target	X	Lower than target				
<b>Indicator responsibility</b>	DD: Financial Accounting								
<b>Spatial Transformation</b>	Spatial transformation priorities		N/A						
	Description of spatial impact		N/A						
<b>Spatial Context</b>	Single location – DEDAT as a delivery point								
<b>Disaggregation of beneficiaries</b>	Target for women		N/A	Target for youth			N/A		
	Target for people with disabilities		N/A	Target for older persons			N/A		
<b>Recovery Plan Focus Areas</b>	Jobs		Safety			Well-being			
<b>Assumptions</b>	None								
<b>Means of verification</b>	1. Provincial Treasury Kitso Extract Report, and 2. Signed departmental excel spreadsheet summarizing the turnaround times.  <i>NOTE: Where minutes and/or reports that need to be approved by an official internal to the Department, acceptable signature formats include manual and digital signatures (i.e. where some form of password or protection on the signature) is applied. Jpeg, gif, tif, or other similar signature file formats that have been inserted into these performance reporting documents will not be accepted.</i>								
<b>Data limitations</b>	None								
<b>Type of indicator</b>	Not a service delivery indicator		Yes, Direct Service Delivery		Yes, Indirect Service Delivery		X		
	Yes, demand driven		No, not demand driven				X		
<b>Strategic link to the PSP</b>	VIP #	5	Focus Area		Governance Transformation				
	Output(s)	TBC	Intervention(s)		Review and rationalising of legislation and institutional policies and procedures to create an enabling environment for service delivery. An innovation hub where people can collaborate, innovate, and design will greatly assist with ensuring success with this intervention				
<b>Covid-19 linkage</b>	Yes			No			X		
	Hotspot Theme	Slowing the spread		Civil Compliance					
		Economic Recovery		Humanitarian Relief & Food Security					
		Communication		Other					
	Hotspot Area	City of Cape Town		Cape Winelands					
		Central Karoo		Garden Route					
		Overberg		West Coast					
<b>AOP Reference</b>	AOP 2020/22 Indicator: 1.1 Number of days for the processing of payments to creditors								

<b>Indicator number</b>	1.2									
<b>Indicator title</b>	<b>Percentage cumulative expenditure achieved (Actual expenditure/Adjusted budget)</b>									
<b>Short definition</b>	This indicator will demonstrate the percentage of final expenditure by the Department in relation to the Adjusted Appropriation Budget.									
<b>Purpose</b>	<b>Effective Expenditure Management:</b> Public financial management entails the effective management of funds by governments. As societal needs will inevitably be greater than the resources available to government, as such all public resources must be used as efficiently and effectively as possible. This indicator will therefore provide an indication of how effectively funds are spent in accordance with the Departments mandate.									
<b>Source of data</b>	BAS System									
<b>Method of calculation</b>	Total expenditure incurred divided by the total adjusted appropriation budget reflected as a percentage. <i>NOTE: Decimals will be rounded off; i.e. any percentage equal and greater than 0,5 will be rounded off to the next percentage point (e.g. 96,6 will be reported as 97% and 96,4 will be reported as 96%).</i>									
<b>Calculation type</b>	Cumulative Year-end		Cumulative Year-to-date			Non-cumulative	X			
<b>Reporting cycle</b>	Quarterly		Bi-annually		Annually	X	Biennially			
<b>Desired performance</b>	Higher than target	X	On target		Lower than target					
<b>Indicator responsibility</b>	DD: Management Accounting									
<b>Spatial Transformation</b>	Spatial transformation priorities		N/A							
	Description of spatial impact		N/A							
<b>Spatial Context</b>	Single location – DEDAT as delivery point									
<b>Disaggregation of beneficiaries</b>	Target for women		N/A	Target for youth			N/A			
	Target for people with disabilities		N/A	Target for older persons			N/A			
<b>Recovery Plan Focus Areas</b>	Jobs		Safety		Well-being		No link			
<b>Assumptions</b>	Information will be obtainable from BAS									
<b>Means of verification</b>	Approved spreadsheet or BAS system report or approved submission, each or any to be signed by the CFO. <i>NOTE: Where minutes and/or reports that need to be approved by an official internal to the Department, acceptable signature formats include manual and digital signatures (i.e. where some form of password or protection on the signature) is applied. Jpeg, gif, tif, or other similar signature file formats that have been inserted into these performance reporting documents will not be accepted.</i>									
<b>Data limitations</b>	None									
<b>Type of indicator</b>	Not a service delivery indicator		Yes, Direct Service Delivery		Yes, Indirect Service Delivery		X			
	Yes, demand driven		No, not demand driven							
<b>Strategic link to the PSP</b>	VIP #	5	Focus Area		Governance Transformation					
	Output(s)	TBC	Intervention(s)		Decisively respond to allegations of fraud, corruption and maladministration					
<b>Covid-19 linkage</b>	Yes		No							
	Hotspot Theme	Slowing the spread		Civil Compliance						
		Economic Recovery		Humanitarian Relief & Food Security						
		Communication		Other						
	Hotspot Area	City of Cape Town		Cape Winelands						
		Central Karoo		Garden Route						
		Overberg		West Coast						
<b>AOP Reference</b>	AOP 2021/22 Indicator: 1.2 Percentage cumulative expenditure achieved (Actual expenditure/Adjusted budget)									

<b>Indicator number</b>	1.3								
<b>Indicator title</b>	<b>Number of financial efficiencies interventions implemented</b>								
<b>Short definition</b>	<p>This indicator will measure the impact of efficiency measures on the Department's ability to improve service delivery through its support function.</p> <p>An efficiency intervention refers to an improvement in a system, process or procedure that is implemented by Financial Management.</p>								
<b>Purpose</b>	This intervention reflects the Unit's efforts to continuously evolve and provide an efficient and effective support service to enable the Department to deliver on its objectives.								
<b>Source of data</b>	Project administration system accessible in the sub programme								
<b>Method of calculation</b>	Simple count								
<b>Calculation type</b>	Cumulative Year-end		Cumulative Year-to-date			Non-cumulative <input checked="" type="checkbox"/>			
<b>Reporting cycle</b>	Quarterly		Bi-annually	Annually <input checked="" type="checkbox"/>	Biennially				
<b>Desired performance</b>	Higher than target <input checked="" type="checkbox"/>	On target		Lower than target					
<b>Indicator responsibility</b>	DD: Internal Control: Assurance Service, Governance, Fraud & Loss Management								
<b>Spatial Transformation</b>	Spatial transformation priorities		N/A						
<b>Spatial Context</b>	Description of spatial impact								
<b>Disaggregation of beneficiaries</b>	Single location – DEDAT as a delivery point								
<b>Recovery Plan Focus Areas</b>	Target for women		N/A	Target for youth		N/A			
	Target for people with disabilities		N/A	Target for older persons		N/A			
<b>Assumptions</b>	Compliance to regulations and prescripts								
<b>Means of verification</b>	<ol style="list-style-type: none"> <li>Report, approved by the Chief Financial Officer, detailing all the financial efficiency interventions implemented in current year and</li> <li>Signed substantiating documents to support the interventions cited in the report</li> </ol> <p><i>NOTE: Where minutes and/or reports that need to be approved by an official internal to the Department, acceptable signature formats include manual and digital signatures (i.e. where some form of password or protection on the signature) is applied. Jpeg, gif, tif, or other similar signature file formats that have been inserted into these performance reporting documents will not be accepted.</i></p>								
<b>Data limitations</b>	None								
<b>Type of indicator</b>	Not a service delivery indicator		Yes, Direct Service Delivery		Yes, Indirect Service Delivery	<input checked="" type="checkbox"/>			
	Yes, demand driven		No, not demand driven						
<b>Strategic link to the PSP</b>	VIP #	5	Focus Area	Governance Transformation					
	Output(s)	TBC	Intervention(s)	Review and rationalising of legislation and institutional policies and procedures to create an enabling environment for service delivery. An innovation hub where people can collaborate, innovate, and design will greatly assist with ensuring success with this intervention					
<b>Covid-19 linkage</b>	Yes			No					
	Hotspot Theme	Slowing the spread		Civil Compliance					
		Economic Recovery		Humanitarian Relief & Food Security					
		Communication		Other					
	Hotspot Area	City of Cape Town		Cape Winelands					
		Central Karoo		Garden Route					
		Overberg		West Coast					
<b>AOP Reference</b>	AOP 2021/22 Indicator: 1.3 Number of financial efficiencies interventions implemented								

<b>Indicator number</b>	1.4									
<b>Indicator title</b>	<b>Number of financial manual training sessions conducted</b>									
<b>Short definition</b>	Training sessions on all applicable financial management policies, processes and procedures are provided to staff to ensure that rules and regulations are communicated and understood.									
<b>Purpose</b>	Training interventions are intended to ensure a better support service, unqualified audits and ultimately for the preservation of sound governance structures.  To encourage and support adherence to various norms and standards, all staff in the Department must be made aware of their roles and responsibilities in terms of financial and corporate governance.									
<b>Source of data</b>	Project administration system accessible in the sub programme									
<b>Method of calculation</b>	Simple count									
<b>Calculation type</b>	Cumulative Year-end		Cumulative Year-to-date			Non-cumulative	<b>X</b>			
<b>Reporting cycle</b>	Quarterly		Bi-annually		Annually	<b>X</b>	Biennially			
<b>Desired performance</b>	Higher than target	<b>X</b>	On target		Lower than target					
<b>Indicator responsibility</b>	DD: Internal Control: Assurance Service, Governance, Fraud & Loss Management									
<b>Spatial Transformation</b>	Spatial transformation priorities		N/A							
	Description of spatial impact		N/A							
<b>Spatial Context</b>	Single location – DEDAT as a delivery point									
<b>Disaggregation of beneficiaries</b>	Target for women		N/A	Target for youth			N/A			
	Target for people with disabilities		N/A	Target for older persons			N/A			
<b>Recovery Plan Focus Areas</b>	Jobs		Safety		Well-being		No link			
<b>Assumptions</b>	Continuous enhancement of processes & procedures									
<b>Means of verification</b>	1. Agenda/Training material/Presentation of training sessions or workshop or meeting and, 2. Signed attendance registers  <i>NOTE: Where minutes and/or reports that need to be approved by an official internal to the Department, acceptable signature formats include manual and digital signatures (i.e. where some form of password or protection on the signature) is applied. Jpeg, gif, tif, or other similar signature file formats that have been inserted into these performance reporting documents will not be accepted.</i>									
<b>Data limitations</b>	None									
<b>Type of indicator</b>	Not a service delivery indicator		Yes, Direct Service Delivery		Yes, Indirect Service Delivery		<b>X</b>			
	Yes, demand driven		No, not demand driven							
<b>Strategic link to the PSP</b>	VIP #	5	Focus Area		Governance Transformation					
	Output(s)	TBC	Intervention(s)		Review and rationalising of legislation and institutional policies and procedures to create an enabling environment for service delivery. An innovation hub where people can collaborate, innovate, and design will greatly assist with ensuring success with this intervention					
<b>Covid-19 linkage</b>	Yes		No							
	Hotspot Theme	Slowing the spread		Civil Compliance						
		Economic Recovery		Humanitarian Relief & Food Security						
		Communication		Other						
	Hotspot Area	City of Cape Town		Cape Winelands						
		Central Karoo		Garden Route						
		Overberg		West Coast						
<b>AOP Reference</b>	AOP 2021/22 Indicator: 1.4 Number of financial manual training sessions conducted									

<b>Indicator number</b>	1.5								
<b>Indicator title</b>	<b>Percentage of customer service satisfaction achieved</b>								
<b>Short definition</b>	This indicator will assist financial management to monitor how its clients (internal clients) perceive the quality of the services they received, with a view of making improvements to those areas where concerns are raised by its clients.								
<b>Purpose</b>	To become an effective service orientated support function, finance should consult with clients, maintain open relations with them, monitor client's needs and expectations as well as undertake continuous monitoring of their level of satisfaction.								
<b>Source of data</b>	Completed Customer Satisfaction Surveys accessible in the Programme's project administration system								
<b>Method of calculation</b>	Customer Satisfaction (CSAT) is calculated by dividing all the positive responses by the total number of responses and multiplying by 100. This results in the CSAT percent achieved.								
<b>Calculation type</b>	Cumulative Year-end		Cumulative Year-to-date		Non-cumulative	X			
<b>Reporting cycle</b>	Quarterly		Bi-annually	Annually	X	Biennially			
<b>Desired performance</b>	Higher than target	X	On target	Lower than target					
<b>Indicator responsibility</b>	DD: Internal Control: Assurance Service, Governance, Fraud & Loss Management								
<b>Spatial Transformation</b>	Spatial transformation priorities		N/A						
	Description of spatial impact		N/A						
<b>Spatial Context</b>	Single location - DEDAT as delivery point								
<b>Disaggregation of beneficiaries</b>	Target for women		N/A	Target for youth		N/A			
	Target for people with disabilities		N/A	Target for older persons		N/A			
<b>Recovery Plan Focus Areas</b>	Jobs		Safety		Well-being	No link			
<b>Assumptions</b>	Mildly satisfied or dissatisfied customers are less likely to complete survey thus skewing the results								
<b>Means of verification</b>	<ol style="list-style-type: none"> <li>1. Signed Customer Satisfaction Survey Report approved by the Chief Financial Officer, providing details as to:           <ul style="list-style-type: none"> <li>• How customer satisfaction was defined for study / survey purposes</li> <li>• Rating scale used to operationalize the term, customer satisfaction</li> <li>• Research method, sampling (if applicable), respondent completion rates</li> <li>• Results and</li> <li>• Recommendations and</li> </ul> </li> <li>2. the results to be supported by the completed (anonymized) respondent questionnaires used to calculate the percentage being reported</li> </ol> <p><i>NOTE: Where minutes and/or reports that need to be approved by an official internal to the Department, acceptable signature formats include manual and digital signatures (i.e. where some form of password or protection on the signature) is applied. Jpeg, gif, tif, or other similar signature file formats that have been inserted into these performance reporting documents will not be accepted.</i></p>								
<b>Data limitations</b>	None								
<b>Type of indicator</b>	Not a service delivery indicator		Yes, Direct Service Delivery		Yes, Indirect Service Delivery	X			
	Yes, demand driven		No, not demand driven						
<b>Strategic link to the PSP</b>	VIP #	5	Focus Area	Governance Transformation					
	Output(s)	TBC	Intervention(s)	Review and rationalising of legislation and institutional policies and procedures to create an enabling environment for service delivery. An innovation hub where people can collaborate, innovate, and design will greatly assist with ensuring success with this intervention					
<b>Covid-19 linkage</b>	Yes		No		X				
	Hotspot Theme	Slowing the spread		Civil Compliance					
		Economic Recovery		Humanitarian Relief & Food Security					
		Communication		Other					
	Hotspot Area	City of Cape Town		Cape Winelands					
		Central Karoo		Garden Route					
		Overberg		West Coast					
<b>AOP Reference</b>	AOP 2021/22 Indicator: 1.5 Percentage of customer service satisfaction achieved								

<b>Indicator number</b>	1.6										
<b>Indicator title</b>	<b>Percentage of Internal Audit recommendations implemented</b>										
<b>Short definition</b>	Internal Audit audits financial and non-financial information against predetermined norms and standards and produces reports with recommendations. The indicator measures the number of internal audit recommendations implemented against total recommendations										
<b>Purpose</b>	To ensure sound governance										
<b>Source of data</b>	Data management system accessible within Internal Control Unit in Programme 1										
<b>Method of calculation</b>	Number of Internal Audit recommendations implemented against total recommendations*100										
<b>Calculation type</b>	Cumulative Year-end		Cumulative Year-to-date			Non-cumulative	X				
<b>Reporting cycle</b>	Quarterly		Bi-annually		Annually	X	Biennially				
<b>Desired performance</b>	Higher than target	X	On target		Lower than target						
<b>Indicator responsibility</b>	Internal Audit (Consolidating of report) DD: Internal Control: Assurance Service, Governance, Fraud and Loss Management (Implement Finance related recommendations) & Programme Managers (Implement Line Function related recommendations)										
<b>Spatial Transformation</b>	Spatial transformation priorities		N/A								
	Description of spatial impact		N/A								
<b>Spatial Context</b>	Single location – DEDAT as delivery point										
<b>Disaggregation of beneficiaries</b>	Target for women		N/A	Target for youth			N/A				
	Target for people with disabilities		N/A	Target for older persons			N/A				
<b>Recovery Plan Focus Areas</b>	Jobs		Safety		Well-being		No link	X			
<b>Assumptions</b>	None										
<b>Means of verification</b>	Shared Audit Committee Report, approved by the Chief Financial Officer, providing feedback on the progress regarding the implementation of the Internal Audit Findings.  <i>NOTE: Where minutes and/or reports that need to be approved by an official internal to the Department, acceptable signature formats include manual and digital signatures (i.e. where some form of password or protection on the signature) is applied. Jpeg, gif, tif, or other similar signature file formats that have been inserted into these performance reporting documents will not be accepted.</i>										
<b>Data limitations</b>	None										
<b>Type of indicator</b>	Not a service delivery indicator		Yes, Direct Service Delivery		Yes, Indirect Service Delivery		X				
	Yes, demand driven		No, not demand driven				X				
<b>Strategic link to the PSP</b>	VIP #	5	Focus Area		Governance Transformation						
	Output(s)	TBC	Intervention(s)		Review and rationalising of legislation and institutional policies and procedures to create an enabling environment for service delivery. An innovation hub where people can collaborate, innovate, and design will greatly assist with ensuring success with this intervention						
<b>Covid-19 linkage</b>	Yes			No				X			
	Hotspot Theme	Slowing the spread		Civil Compliance							
		Economic Recovery		Humanitarian Relief & Food Security							
		Communication		Other							
	Hotspot Area	City of Cape Town		Cape Winelands							
		Central Karoo		Garden Route							
		Overberg		West Coast							
<b>AOP Reference</b>	AOP 2021/22 Indicator: 1.6 Percentage of Internal Audit recommendations implemented										

<b>Indicator number</b>	1.7									
<b>Indicator title</b>	<b>Percentage of External Audit recommendations implemented</b>									
<b>Short definition</b>	External audit audits financial and non-financial information against predetermined norms and standards and produces reports with recommendations. The indicator measures the number of External audit recommendations implemented against total recommendations.									
<b>Purpose</b>	To ensure sound governance and compliance to prescripts and regulations									
<b>Source of data</b>	External Audit Report									
<b>Method of calculation</b>	Number of External Audit recommendations implemented against total recommendations*100									
<b>Calculation type</b>	Cumulative Year-end		Cumulative Year-to-date			Non-cumulative	<b>X</b>			
<b>Reporting cycle</b>	Quarterly		Bi-annually		Annually	<b>X</b>	Biennially			
<b>Desired performance</b>	Higher than target	<b>X</b>	On target		Lower than target					
<b>Indicator responsibility</b>	Internal Audit (Consolidating of report) DD: Internal Control: Assurance Service, Governance, Fraud and Loss Management & Programme Managers (Implementation)									
<b>Spatial Transformation</b>	Spatial transformation priorities		N/A							
<b>Spatial Context</b>	Description of spatial impact									
<b>Disaggregation of beneficiaries</b>	Target for women		N/A	Target for youth			N/A			
	Target for people with disabilities		N/A	Target for older persons			N/A			
<b>Recovery Plan Focus Areas</b>	Jobs		Safety		Well-being		No link			
<b>Assumptions</b>	None									
<b>Means of verification</b>	Shared Audit Committee Report, approved by the Chief Financial Officer, providing feedback on the progress regarding the implementation of the External Audit Findings.  <i>NOTE: Where minutes and/or reports that need to be approved by an official internal to the Department, acceptable signature formats include manual and digital signatures (i.e. where some form of password or protection on the signature) is applied. Jpeg, gif, tif, or other similar signature file formats that have been inserted into these performance reporting documents will not be accepted.</i>									
<b>Data limitations</b>	None									
<b>Type of indicator</b>	Not a service delivery indicator		Yes, Direct Service Delivery		Yes, Indirect Service Delivery		<b>X</b>			
	Yes, demand driven		No, not demand driven							
<b>Strategic link to the PSP</b>	VIP #	5	Focus Area		Governance Transformation					
	Output(s)	TBC	Intervention(s)		Review and rationalising of legislation and institutional policies and procedures to create an enabling environment for service delivery. An innovation hub where people can collaborate, innovate, and design will greatly assist with ensuring success with this intervention					
<b>Covid-19 linkage</b>	Yes			No						
	Hotspot Theme	Slowing the spread		Civil Compliance						
		Economic Recovery		Humanitarian Relief & Food Security						
		Communication		Other						
	Hotspot Area	City of Cape Town		Cape Winelands						
		Central Karoo		Garden Route						
		Overberg		West Coast						
<b>AOP Reference</b>	AOP 2021/22 Indicator: 1.7 Percentage of External Audit recommendations implemented									

## Sub-programme 1.3 Corporate Services

### Departmental Performance Monitoring

<b>Indicator number</b>	1.8								
<b>Indicator title</b>	<b>Number of Outcomes Monitoring Reports produced</b>								
<b>Short definition</b>	Tracks the quantity of reports produced which tracks the progress of departmental interventions against their intended or expected results.								
<b>Purpose</b>	Outcomes monitoring is a core component of the M&E system of a government entity and is a prescribed management tool to measure performance in the public sector.								
<b>Source of data</b>	DEDAT non-financial performance data system; project data systems in Branch.								
<b>Method of calculation</b>	Simple count								
<b>Calculation type</b>	Cumulative Year-end		Cumulative Year-to-date			Non-cumulative	X		
<b>Reporting cycle</b>	Quarterly		Bi-annually		Annually	X	Biennially		
<b>Desired performance</b>	Higher than target	X	On target		Lower than target				
<b>Indicator responsibility</b>	Deputy Director: Monitoring & Evaluation								
<b>Spatial Transformation</b>	Spatial transformation priorities			N/A					
	Description of spatial impact			N/A					
<b>Spatial Context</b>	Single location – DEDAT as delivery point								
<b>Disaggregation of beneficiaries</b>	Target for women			N/A	Target for youth			N/A	
	Target for people with disabilities			N/A	Target for older persons			N/A	
<b>Recovery Plan Focus Areas</b>	Jobs		Safety		Well-being		No link	X	
<b>Assumptions</b>	Project-level data exists, will be accessible. Demand exists in the department for M&E products, tools, approaches.								
<b>Means of verification</b>	Approved Outcomes Monitoring report and; Annexures used to inform report development including approved DEDAT QPR or approved evidence-validation reports or project-level databases. Accessing appropriate data within Programmes. Data accuracy.  <i>NOTE: Where minutes and/or reports that need to be approved by an official internal to the Department, acceptable signature formats include manual and digital signatures (i.e. where some form of password or protection on the signature) is applied. Jpeg, gif, tif, or other similar signature file formats that have been inserted into these performance reporting documents will not be accepted.</i>								
<b>Data limitations</b>	Accessing appropriate data within Programmes. Data accuracy.								
<b>Type of indicator</b>	Not a service delivery indicator		Yes, Direct Service Delivery		Yes, Indirect Service Delivery		X		
	Yes, demand driven		No, not demand driven				X		
<b>Strategic link to the PSP</b>	VIP #	5	Focus Area		Governance transformation				
	Output(s)	TBC	Intervention(s)		Data and knowledge management that informs provincial and municipal decision making				
<b>Covid-19 linkage</b>	Yes			No			X		
	Hotspot Theme	Slowing the spread		Civil Compliance					
		Economic Recovery		Humanitarian Relief & Food Security					
		Communication		Other					
	Hotspot Area	City of Cape Town		Cape Winelands					
		Central Karoo		Garden Route					
		Overberg		West Coast					
<b>AOP Reference</b>	AOP 2021/22 Indicator: 1.8 Number of Outcomes Monitoring Reports produced								

<b>Indicator number</b>	1.9										
<b>Indicator title</b>	<b>Number of Output Monitoring reports produced</b>										
<b>Short definition</b>	Outputs refer to the planned direct results of departmental activities or projects implemented in FY: 2021/22. Monitoring refers to the tracking of actual versus planned performance. An outputs-monitoring report presents a year-to-date, cumulative analysis of the progress of departmental projects or outputs against the planned performance for the current year.										
<b>Purpose</b>	The Accounting Officer and executive management requires a cumulative analysis on the Department's progress, impediments and improvements needed in discharging their executive duties for managing the institution's non-financial performance.										
<b>Source of data</b>	Quarterly performance information approved by Accounting Officer.										
<b>Method of calculation</b>	Simple count										
<b>Calculation type</b>	Cumulative Year-end	X	Cumulative Year-to-date			Non-cumulative					
<b>Reporting cycle</b>	Quarterly	X	Bi-annually		Annually		Biennially				
<b>Desired performance</b>	Higher than target	X	On target		Lower than target						
<b>Indicator responsibility</b>	Deputy Director: Monitoring & Evaluation										
<b>Spatial Transformation</b>	Spatial transformation priorities		N/A								
<b>Spatial Context</b>	Description of spatial impact										
<b>Disaggregation of beneficiaries</b>	Single location - DEDAT as delivery point										
<b>Recovery Plan Focus Areas</b>	Target for women		N/A	Target for youth		N/A					
<b>Assumptions</b>	Target for people with disabilities		N/A	Target for older persons		N/A					
<b>Means of verification</b>	Jobs Safety Well-being No link X Approved Output Monitoring report and; Annexures used to inform report development including approved DEDAT QPR or approved evidence-validation reports or project-level databases.  <i>NOTE: Where minutes and/or reports that need to be approved by an official internal to the Department, acceptable signature formats include manual and digital signatures (i.e. where some form of password or protection on the signature) is applied. Jpeg, gif, tif, or other similar signature file formats that have been inserted into these performance reporting documents will not be accepted.</i>										
<b>Data limitations</b>	Accessing appropriate data within Programmes. Data accuracy.										
<b>Type of indicator</b>	Not a service delivery indicator		Yes, Direct Service Delivery		Yes, Indirect Service Delivery	X					
	Yes, demand driven		No, not demand driven				X				
<b>Strategic link to the PSP</b>	VIP #	5	Focus Area		Governance Transformation						
	Output(s)	TBC	Intervention(s)		Data and knowledge management that informs provincial and municipal decision making						
<b>Covid-19 linkage</b>	Yes		No		X						
	Hotspot Theme	Slowing the spread		Civil Compliance							
		Economic Recovery		Humanitarian Relief & Food Security							
		Communication		Other							
	Hotspot Area	City of Cape Town		Cape Winelands							
		Central Karoo		Garden Route							
		Overberg		West Coast							
<b>AOP Reference</b>	AOP 2021/22 Indicator: 1.9 Number of Output Monitoring reports produced										

<b>Indicator number</b>	1.10									
<b>Indicator title</b>	<b>Number of M&amp;E capacity building sessions conducted</b>									
<b>Short definition</b>	Tracks the quantity of sessions (forums, one on one engagements, awareness-raising or training sessions) with internal or external stakeholders aimed at improving awareness and/or understanding of M&E tools, uses, approaches or concepts.									
<b>Purpose</b>	As per Government Wide Policy Framework for M&E Systems (2007), evaluative and M&E capacity amongst internal staff and external stakeholders should be built.									
<b>Source of data</b>	DEDAT non-financial performance data system; project data systems in Branch.									
<b>Method of calculation</b>	Simple count									
<b>Calculation type</b>	Cumulative Year-end	X	Cumulative Year-to-date			Non-cumulative				
<b>Reporting cycle</b>	Quarterly	X	Bi-annually		Annually		Biennially			
<b>Desired performance</b>	Higher than target	X	On target		Lower than target					
<b>Indicator responsibility</b>	Deputy Director: Monitoring & Evaluation									
<b>Spatial Transformation</b>	Spatial transformation priorities		N/A							
	Description of spatial impact		N/A							
<b>Spatial Context</b>	Single location – DEDAT as delivery point									
<b>Disaggregation of beneficiaries</b>	Target for women		N/A	Target for youth			N/A			
	Target for people with disabilities		N/A	Target for older persons			N/A			
<b>Recovery Plan Focus Areas</b>	Jobs		Safety		Well-being		No link			
<b>Assumptions</b>	Departmental demand for M&E capacity building sessions.									
<b>Means of verification</b>	Signed attendance register or screenshot of screenshot of session's participant's if session is hosted via virtual platform (e.g. MS teams) and Signed minutes of capacity building session and copy of content covered in session.  <i>NOTE: Where minutes and/or reports that need to be approved by an official internal to the Department, acceptable signature formats include manual and digital signatures (i.e. where some form of password or protection on the signature) is applied. Jpeg, gif, tif, or other similar signature file formats that have been inserted into these performance reporting documents will not be accepted.</i>									
<b>Data limitations</b>	Lack of accurate, accessible or quality project-level data collected or available									
<b>Type of indicator</b>	Not a service delivery indicator		Yes, Direct Service Delivery		Yes, Indirect Service Delivery		X			
	Yes, demand driven		No, not demand driven							
<b>Strategic link to the PSP</b>	VIP #	5	Focus Area		Governance Transformation					
	Output(s)	TBC	Intervention(s)		Data and knowledge management that informs provincial and municipal decision making					
<b>Covid-19 linkage</b>	Yes			No						
	Hotspot Theme	Slowing the spread		Civil Compliance						
		Economic Recovery		Humanitarian Relief & Food Security						
		Communication		Other						
	Hotspot Area	City of Cape Town		Cape Winelands						
		Central Karoo		Garden Route						
		Overberg		West Coast						
<b>AOP Reference</b>	AOP 2021/22 Indicator: 1.10 Number of M&E capacity building sessions conducted									

<b>Indicator number</b>	1.11									
<b>Indicator title</b>	<b>Number of strategic economic communication agendas developed</b>									
<b>Short definition</b>	'Strategic economic communications' are defined as the "Western Cape Government's focused efforts to understand and engage key audiences in order to create, strengthen or preserve conditions that contribute to a favourable degree of business confidence".  'Strategic economic communication agendas' are reports which synthesise economic intelligence derived from economic priority areas.									
<b>Purpose</b>	Departmental units, WCG departments and/or other Western Cape economic role-players contribute to the development of narratives, messages or themes needed to support the lobbying and promotion efforts that are needed to reinforce and expand the Western Cape's value proposition as a regional economy.  Strategic economic communication agendas will inform further communications initiatives to be implemented and guide decision making on best channels and media sources to disseminate messages									
<b>Source of data</b>	The agenda's will be informed by research and intelligence reports produced by DEDAT's research unit and/or other priority areas of economic prioritisation (ease of doing, trade and investment and energy resilience). The reports (communication agendas) will be informed by official and reliable data sources including Statistics South Africa, IHS, Quantec Research, IHS Markit, Fitch Solutions, Economist Intelligence Unit (EIU), Bureau for Economic Research (BER), Institute of Race Relations, Econometrica, Euromonitor International, OAG Aviation, STR Global, Trading Economics, Business Day Live, Financial Times, Bloomberg, INFRONT, Intellidex and Conningarth (where relevant)									
<b>Method of calculation</b>	Simple count									
<b>Calculation type</b>	Cumulative Year-end		Cumulative Year-to-date			Non-cumulative	<input checked="" type="checkbox"/>			
<b>Reporting cycle</b>	Quarterly		Bi-annually		Annually	<input checked="" type="checkbox"/>	Biennially			
<b>Desired performance</b>	Higher than target	<input checked="" type="checkbox"/>	On target	<input checked="" type="checkbox"/>	Lower than target					
<b>Indicator responsibility</b>	Deputy Director: Departmental Communications									
<b>Spatial Transformation</b>	Spatial transformation priorities			Yes						
	Description of spatial impact			Improved economic research support to municipalities assisted.						
<b>Spatial Context</b>	Single location - DEDAT as delivery point									
<b>Disaggregation of beneficiaries</b>	Target for women		N/A	Target for youth			N/A			
	Target for people with disabilities		N/A	Target for older persons			N/A			
<b>Recovery Plan Focus Areas</b>	Jobs	<input checked="" type="checkbox"/>	Safety		Well-being		No link			
<b>Assumptions</b>	None									
<b>Means of verification</b>	Copies of approved strategic economic communication agendas (reports) as signed by the Accounting Officer.  <i>NOTE: Accepted signature formats are physical, and password protected electronic signatures.</i>									
<b>Data limitations</b>	None									
<b>Type of indicator</b>	Not a service delivery indicator		Yes, Direct Service Delivery		No, Indirect Service Delivery		<input checked="" type="checkbox"/>			
	Yes, demand driven		No, not demand driven				<input checked="" type="checkbox"/>			
<b>Strategic link to the PSP</b>	VIP #	2	Focus Area		Increasing investment					
	Output(s)	TBC	Intervention(s)		Improved regulatory environment Investment Promotion					
<b>Covid-19 linkage</b>	Yes			<input checked="" type="checkbox"/>	No					
	Hotspot Theme	Slowing the spread			Civil Compliance					
		Economic Recovery		<input checked="" type="checkbox"/>	Humanitarian Relief & Food Security					
		Communication			Other					
	Hotspot Area	City of Cape Town		<input checked="" type="checkbox"/>	Cape Winelands					
		Central Karoo		<input checked="" type="checkbox"/>	Garden Route					
		Overberg		<input checked="" type="checkbox"/>	West Coast					
<b>AOP Reference</b>	AOP 2021/22 Indicator: 1.11 Number of strategic economic communication agendas developed									



## Programme 2: Integrated Economic Development Services

### Sub-programme 2.1: Enterprise Development

<b>Indicator number</b>	2.1							
<b>Indicator title</b>	<b>Number of businesses assisted</b>							
<b>Short definition</b>	<p>Targets businesses (formal or informal) that either in start-up phase and/or operational and established which is assisted by the department, its' partners and/or its implementing agents with requirements relating to running and/or expanding a small business.</p> <p>“Assisted” includes support (individual or group) such as business advice, counselling, mentorship, infrastructure, training, access to government support and/or services and/or information, business development support, funding etc., that has been provided to the business (business owner(s)/management/staff) to address elements of managing or expanding an existing business.</p>							
<b>Purpose</b>	The indicator is one element of the efforts of the department, its implementing agents and or partner/ collaborator to develop and support small businesses. It is important since it tracks the uptake of small business support.							
<b>Source of data</b>	Business information sheets, funding agreements, beneficiary agreements, attendance registers, survey sheets, etc.							
<b>Method of calculation</b>	Simple count (i.e., each unique business assisted in 2021/22 will be counted as one)							
<b>Calculation type</b>	Cumulative Year-end	X	Cumulative Year-to-date			Non-cumulative		
<b>Reporting cycle</b>	Quarterly	X	Bi-annually		Annually	Biennially		
<b>Desired performance</b>	Higher than target	X	On target		Lower than target			
<b>Indicator responsibility</b>	Director: Enterprise Development							
<b>Spatial Transformation</b>	Spatial transformation priorities		Yes					
	Description of spatial impact		Support initiatives will be available directly and or indirectly to small businesses in all municipal areas to access DEDAT funded support programmes that enables businesses to grow the local economy and create jobs.					
<b>Spatial Context</b>	Single Location		Multiple Locations	X	Provincial	X	District	
	Local Municipality		Ward		Address			
	Detail / Address / Coordinates		Cannot specify upfront as businesses elect to attend / participate.					
<b>Disaggregation of beneficiaries</b>	Target for women		Plan to support approximately 10% women-owned businesses					
	Target for youth		Plan to support approximately 10% youth-owned businesses.					
	Target for people with disabilities		Plan to support approximately 1% of businesses owned by people living with disabilities.					
	Target for older persons		N/A					
<b>Recovery Plan Focus Areas</b>	Jobs	X	Safety		Well-being		No link	
<b>Assumptions</b>	Sufficient resources (funding and human resources) available to execute. Quality service providers found and deliver against specification and budget. Uptake of initiatives by businesses and/or business support organisations throughout the Western Cape.							

*Continued on next page*

<b>Means of verification</b>	<ol style="list-style-type: none"> <li>1. Signed excel database and electronic version of the database showing businesses supported. (minimum fields to include, business name, business representative attendee contact details, business date of establishment or registration number, sector business operates in, demographics of attendee or business in terms of women – owned, youth owned or persons with disabilities – owned, town and/or district or geographic area in which the business being supported is based / operates);</li> <li>2. A signed training register for training interventions (business must attend more than 50% of the training offered); and/ or</li> <li>3. Signed funding agreements (loan or grant); and/ or</li> <li>4. Attendance register signed by businesses (or their representatives) or exhibitors at an event; and/ or</li> <li>5. Screenshots and/or other means of verification (e.g., signed attendance register) of participants demonstrating attendance at an event via electronic platforms (e.g. MS Teams or Zoom); and/or</li> <li>6. Signed beneficiary agreements with intermediary organisations, business support organisations, direct businesses, which is supported by signed business information sheets where the intermediary or business support organisation delivers support to businesses on behalf of the Department.</li> <li>8. Signed business-client consulting reports which denotes the nature of support provided to the business; and/ or</li> <li>9. Electronic data/information submitted from assisted businesses.</li> </ol> <p><b>NOTE:</b></p> <ol style="list-style-type: none"> <li>i. Where minutes and/or reports that need to be approved by an official internal to the Department or an external organisation, acceptable signature formats include manual and digital signatures (i.e. where some form of password or protection on the signature) is applied. Jpeg, gif, tif, or other similar signature file formats that have been inserted into these performance reporting documents will not be accepted.</li> <li>ii. Where the Department funds an intermediary (or business support) organisation which in turn uses the Department's funds to deliver interventions to businesses, it must be clear from the supporting information received, how many businesses benefitted using DEDAT's funds and the nature of support.</li> <li>iii. Means of verification (2) to (9) above applies to businesses directly or indirectly supported using Departmental funds.</li> </ol>																																														
<b>Data limitations</b>	<ul style="list-style-type: none"> <li>• Inaccurate or inadequate information provided by the business.</li> <li>• Reluctance of businesses / individuals to divulge information.</li> <li>• Availability of credible data.</li> <li>• Lack of monitoring, evaluation and sound record keeping by ecosystem stakeholders.</li> </ul>																																														
<b>Type of indicator</b>	<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="padding: 2px;">Not a service delivery indicator</td> <td style="padding: 2px;"></td> <td style="padding: 2px;">Yes, Direct Service Delivery</td> <td style="padding: 2px;"></td> <td style="padding: 2px;">Yes, Indirect Service Delivery</td> <td style="padding: 2px; text-align: center;"><b>X</b></td> </tr> <tr> <td style="padding: 2px;">Yes, demand driven</td> <td style="padding: 2px;"></td> <td colspan="3" style="padding: 2px;">No, not demand driven</td> <td style="padding: 2px; text-align: center;"><b>X</b></td> </tr> </table>					Not a service delivery indicator		Yes, Direct Service Delivery		Yes, Indirect Service Delivery	<b>X</b>	Yes, demand driven		No, not demand driven			<b>X</b>																														
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Yes, demand driven		No, not demand driven			<b>X</b>																																										
<b>Strategic link to the PSP</b>	<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="padding: 2px;">VIP #</td> <td style="padding: 2px; text-align: center;">2</td> <td style="padding: 2px;">Focus Area</td> <td colspan="3" style="padding: 2px;">Increasing investment</td> </tr> <tr> <td style="padding: 2px;">Output(s)</td> <td style="padding: 2px; text-align: center;">TBC</td> <td style="padding: 2px;">Intervention(s)</td> <td colspan="3" style="padding: 2px;">Remove obstacles to investment. Investment Promotion and business retention. Attracting investment in catalytic infrastructure.</td> </tr> </table>					VIP #	2	Focus Area	Increasing investment			Output(s)	TBC	Intervention(s)	Remove obstacles to investment. Investment Promotion and business retention. Attracting investment in catalytic infrastructure.																																
VIP #	2	Focus Area	Increasing investment																																												
Output(s)	TBC	Intervention(s)	Remove obstacles to investment. Investment Promotion and business retention. Attracting investment in catalytic infrastructure.																																												
<b>Covid-19 linkage</b>	<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="padding: 2px;">Yes</td> <td style="padding: 2px; text-align: center;"><b>X</b></td> <td style="padding: 2px;">No</td> <td colspan="3" style="padding: 2px;"></td> </tr> <tr> <td style="padding: 2px;">Hotspot Theme</td> <td style="padding: 2px;">Slowing the spread</td> <td style="padding: 2px;"></td> <td colspan="3" style="padding: 2px;">Civil Compliance</td> </tr> <tr> <td></td> <td style="padding: 2px;">Economic Recovery</td> <td style="padding: 2px; text-align: center;"><b>X</b></td> <td colspan="3" style="padding: 2px;">Humanitarian Relief &amp; Food Security</td> </tr> <tr> <td></td> <td style="padding: 2px;">Communication</td> <td style="padding: 2px;"></td> <td colspan="3" style="padding: 2px;">Other</td> </tr> <tr> <td style="padding: 2px;">Hotspot Area</td> <td style="padding: 2px;">City of Cape Town</td> <td style="padding: 2px; text-align: center;"><b>X</b></td> <td colspan="3" style="padding: 2px;">Cape Winelands</td> </tr> <tr> <td></td> <td style="padding: 2px;">Central Karoo</td> <td style="padding: 2px;"></td> <td colspan="3" style="padding: 2px;">Garden Route</td> </tr> <tr> <td></td> <td style="padding: 2px;">Overberg</td> <td style="padding: 2px; text-align: center;"><b>X</b></td> <td colspan="3" style="padding: 2px;">West Coast</td> </tr> </table>					Yes	<b>X</b>	No				Hotspot Theme	Slowing the spread		Civil Compliance				Economic Recovery	<b>X</b>	Humanitarian Relief & Food Security				Communication		Other			Hotspot Area	City of Cape Town	<b>X</b>	Cape Winelands				Central Karoo		Garden Route				Overberg	<b>X</b>	West Coast		
Yes	<b>X</b>	No																																													
Hotspot Theme	Slowing the spread		Civil Compliance																																												
	Economic Recovery	<b>X</b>	Humanitarian Relief & Food Security																																												
	Communication		Other																																												
Hotspot Area	City of Cape Town	<b>X</b>	Cape Winelands																																												
	Central Karoo		Garden Route																																												
	Overberg	<b>X</b>	West Coast																																												
<b>AOP Reference</b>	AOP 21/22 Indicator 2.1 Number of businesses assisted																																														

## Sub-programme 2.2: Regional & Local Economic Development

<b>Indicator number</b>	2.2										
<b>Indicator title</b>	<b>Number of businesses assisted</b>										
<b>Short definition</b>	<p>To promote inclusive economic growth in regions, interventions will be implemented that assist businesses (formal or informal) through municipal ease of doing business (EODB) intervention. Municipal EODB interventions can include initiatives that:</p> <ul style="list-style-type: none"> <li>• increases easier access in performing business activities;</li> <li>• removes obstacles that improves the ability to do business;</li> <li>• supports the development of infrastructure that improves local business environments;</li> <li>• drives the release of public assets and property that improves local business environments; or,</li> <li>• are transformative initiatives to support women, people with disabilities and matured entrepreneurs.</li> </ul>										
<b>Purpose</b>	The indicator is one element of the efforts of the department and its partners/collaborators to develop and support small businesses as part of municipal EODB intervention, that in turn contribute to economic performance across districts.										
<b>Source of data</b>	Data will be collected from final departmental EODB intervention reports. Project reports will reflect data like number of businesses assisted. Data will be stored in hard-copy and/or electronically formatted project files.										
<b>Method of calculation</b>	Simple count										
<b>Calculation type</b>	Cumulative Year-end		Cumulative Year-to-date				Non-cumulative	X			
<b>Reporting cycle</b>	Quarterly		Bi-annually		Annually	X	Biennially				
<b>Desired performance</b>	Higher than target	X	On target		Lower than target						
<b>Indicator responsibility</b>	Sub-Programme Manager										
<b>Spatial Transformation</b>	Spatial transformation priorities		Yes, across the Province.								
	Description of spatial impact		Interventions that assist municipalities with ease of doing business and smme & informal economy local programmes, will make it easier for the private sector to do business and provides women, persons with disabilities and mature entrepreneurs with better access to economic opportunities given improved business environments across the most disadvantaged locations of the metro and districts. This in turn, will contribute to jobs, impact well-being, safety and spatial transformation in province.								
<b>Spatial Context</b>	Not applicable at this stage, new indicator for 2021/22.										
<b>Disaggregation of beneficiaries</b>	Target for women		New indicator, tbc; based on uptake of opportunity								
	Target for youth		N/A								
	Target for people with disabilities		New indicator, tbc; based on uptake of opportunity in this financial year								
	Target for older persons		New indicator, tbc; based on uptake of opportunity in this financial year								
<b>Recovery Plan Focus Areas</b>	Jobs	X	Safety	X	Well-being	X	No link				

**Continued on next page**

<b>Assumptions</b>	Sufficient resources (funding and human resources) available to enable the execution of the programmes and/or projects. Quality service providers deliver against specification and budget. Uptake of initiatives by businesses and/or business development support organisations. That municipal administrative and political environments that buy-in and agree to be supported demonstrates the required commitment to economic plans and action. That municipalities are prepared to work with their local level ecosystem of support;												
<b>Means of verification</b>	1. Signed departmental project report that illustrate financial support and/or non-financial technical advisory support services; and 2. Municipal confirmation of Departmental support related to the target; and 3. Provision of electronic database of businesses assisted (with minimum data captured to included business name, business representative attendee contact details, registration number (where applicable), sector business operates in, demographics of attendee or business in terms of women – owned, youth owned or persons with disabilities – owned, town or geographic area in which the business being supported is based / operates);) and / or 4. Meeting minutes and/or relevant correspondence will form part of the portfolio of evidence required to verify the validity of the data.												
	<i>NOTE: Where minutes and/or reports that need to be approved by an official internal to the Department, acceptable signature formats include manual and digital signatures (ie. where some form of password or protection on the signature) is applied. Jpeg, gif, tif, or other similar signature file formats that have been inserted into these performance reporting documents will not be accepted.</i>												
<b>Data limitations</b>	Availability of credible municipal-sourced data. Lack of monitoring, evaluation and sound record keeping by ecosystem stakeholders.												
<b>Type of indicator</b>	<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="padding: 2px;">Not a service delivery indicator</td> <td style="padding: 2px;">Yes, Direct Service Delivery</td> <td style="padding: 2px;">Yes, Indirect Service Delivery</td> <td style="padding: 2px;"><b>X</b></td> </tr> <tr> <td style="padding: 2px;">Yes, demand driven</td> <td style="padding: 2px;">No, not demand driven</td> <td colspan="2" style="padding: 2px;"><b>X</b></td> </tr> </table>					Not a service delivery indicator	Yes, Direct Service Delivery	Yes, Indirect Service Delivery	<b>X</b>	Yes, demand driven	No, not demand driven	<b>X</b>	
Not a service delivery indicator	Yes, Direct Service Delivery	Yes, Indirect Service Delivery	<b>X</b>										
Yes, demand driven	No, not demand driven	<b>X</b>											
<b>Strategic link to the PSP</b>	VIP #	2	Focus Area	Increasing investment									
	Output(s)	TBC	Intervention(s)	Improved regulatory (processing) environment. Investment Promotion. Removing obstacles to investment.									
<b>Covid-19 linkage</b>	Yes		<b>X</b>	No									
	Hotspot Theme	Slowing the spread		Civil Compliance									
		Economic Recovery		<b>X</b> Humanitarian Relief & Food Security									
		Communication		Other									
	Hotspot Area	City of Cape Town		<b>X</b> Cape Winelands	<b>X</b>								
		Central Karoo		<b>X</b> Garden Route	<b>X</b>								
		Overberg		<b>X</b> West Coast	<b>X</b>								
<b>AOP Reference</b>	AOP 2021/22 - Indicator 2.2 Number of businesses assisted												

<b>Indicator number</b>	2.3									
<b>Indicator title</b>	<b>Number of Municipal EODB interventions supported</b>									
<b>Short definition</b>	<p>To promote inclusive economic growth in municipalities, municipal ease of doing business (EODB) interventions will be implemented that either:</p> <ul style="list-style-type: none"> <li>• increases easier access in performing business activities;</li> <li>• removes obstacles that improves the ability to do business;</li> <li>• supports the development of infrastructure that improves local business environments; drives the release of public assets and property that improves the local business environment; or, are transformative initiatives hindered by red tape for the women, people with disabilities and matured entrepreneurs.</li> </ul>									
<b>Purpose</b>	<p>The indicator advises that municipal EODB support interventions will be developed and implemented through joint planning and execution of enabling initiatives in a manner that stimulates inclusive economic growth and contributes to economic performance across districts and municipal economies that contribute to the provincial economy.</p>									
<b>Source of data</b>	<p>Data will be collected from departmental EODB intervention final reports, that assist businesses. Project reports will always reflect data like number of businesses assisted (where applicable). Data will be stored in hard-copy and/or electronically formatted project files.</p>									
<b>Method of calculation</b>	<p>Each municipal ease of doing business intervention supported will count as one</p>									
<b>Calculation type</b>	Cumulative Year-end	X	Cumulative Year-to-date			Non-cumulative				
<b>Reporting cycle</b>	Quarterly	X	Bi-annually		Annually	Biennially				
<b>Desired performance</b>	Higher than target		On target	X	Lower than target					
<b>Indicator responsibility</b>	Sub-Programme Manager									
<b>Spatial Transformation</b>	Spatial transformation priorities		Yes, across the province.							
	Description of spatial impact		More municipal economies with better business enabling environments results given EODB interventions implemented that translates into improved provincial and municipal service delivery and greater spatial transformation.							
<b>Spatial Context</b>	Interventions are planned for rollout across multiple districts / local municipalities and depending on take up, spatial coverage will be available for reporting at the projects' end.									
<b>Disaggregation of beneficiaries</b>	Target for women		New indicator. TBC since based on uptake in this financial year							
	Target for youth		N/A							
	Target for people with disabilities		New indicator. TBC since based on uptake in this financial year							
	Target for older persons		New indicator. TBC since based on uptake in this financial year							
<b>Recovery Plan Focus Areas</b>	Jobs	X	Safety	X	Well-being	X	No link			

*Continued on next page*

<b>Assumptions</b>	<ul style="list-style-type: none"> <li>Quality service providers that can deliver against specification and budget.</li> <li>Uptake of initiatives by businesses and/or business development support organisations throughout WC. Municipal administrative and political environments that buy-in and agree to be supported demonstrates the required commitment to economic plans and action.</li> <li>Municipalities are prepared to work with their local level ecosystem of support.</li> <li>Appropriate departmental human and financial resource are available to action support interventions.</li> </ul>									
<b>Means of verification</b>	<ol style="list-style-type: none"> <li>Signed departmental project report that illustrate financial support and/or non-financial technical advisory support services; and</li> <li>Meeting minutes and/or relevant correspondence will form part of the portfolio of evidence required to verify the validity of the data.</li> </ol> <p><i>NOTE: Where minutes and/or reports that need to be approved by an official internal to the Department, acceptable signature formats include manual and digital signatures (i.e. where some form of password or protection on the signature) is applied. Jpeg, gif, tif, or other similar signature file formats that have been inserted into these performance reporting documents will not be accepted.</i></p>									
<b>Data limitations</b>										
<b>Type of indicator</b>										
	Not a service delivery indicator		Yes, Direct Service Delivery		Yes, Indirect Service Delivery <b>X</b>					
	Yes, demand driven		No, not demand driven			<b>X</b>				
<b>Strategic link to the PSP</b>	VIP #	2	Focus Area	Increasing investment						
	Output(s)	TBC	Intervention(s)	Improved regulatory Environment. Investment Promotion. Removing obstacles to investment.						
<b>Covid-19 linkage</b>	Yes			<b>X</b>	No					
	Hotspot Theme	Slowing the spread			Civil Compliance					
		Economic Recovery		<b>X</b>	Humanitarian Relief & Food Security					
		Communication			Other					
	Hotspot Area	City of Cape Town		<b>X</b>	Cape Winelands	<b>X</b>				
		Central Karoo		<b>X</b>	Garden Route	<b>X</b>				
		Overberg		<b>X</b>	West Coast	<b>X</b>				
<b>AOP Reference</b>	AOP 2021/22 – Indicator 2.3 Number of Municipal EODB interventions supported									

## Sub-programme 2.4 Red Tape Reduction

<b>Indicator number</b>	2.4							
<b>Indicator title</b>	<b>Number of ease of doing business interventions supported</b>							
<b>Short definition</b>	The unit will support interventions that will increase the ease of doing business and generally improve the business environment in the Western Cape. This will be done by reviewing and analysing factors (policies, legislation, business-facing processes and communication deficiencies and inefficiencies) that compromise ease of doing business in the province and identifying potential high-value or high-return interventions to eliminate or address these.							
<b>Purpose</b>	The indicator addresses the strategic objective of the WCG of improving the business environment by enhancing the ease of doing business in the province. Ease of doing business is the cornerstone for economic growth due to its ability to unlock growth potential through the removal of constraints to growth and job creation.							
<b>Source of data</b>	Project Reports, Records and Correspondence							
<b>Method of calculation</b>	Simple count							
<b>Calculation type</b>	Cumulative Year-end	X	Cumulative Year-to-date		Non-cumulative			
<b>Reporting cycle</b>	Quarterly	X	Bi-annually	Annually	Biennially			
<b>Desired performance</b>	Higher than target		On target	X	Lower than target			
<b>Indicator responsibility</b>	Sub-Programme Manager							
<b>Spatial Transformation</b>	Spatial transformation priorities		Whole of Western Cape					
	Description of spatial impact		Spatial transformation is a fundamental consideration in the design of EoDB interventions. Toward this end, EoDB interventions seek to incorporate or prioritize those actions which (i) benefit and revitalize urban hubs across municipalities, (ii) improve quality and access to business facing services in rural and township locations, and which will (iii) promote greater functionality and efficiency of the provincial ports and logistical networks.					
<b>Spatial Context</b>	Single Location – DEDAT as the delivery point							
<b>Disaggregation of beneficiaries</b>	Target for women		N/A	Target for youth		N/A		
	Target for people with disabilities		N/A	Target for older persons		N/A		
<b>Recovery Plan Focus Areas</b>	Jobs	X	Safety		Well-being	No link		
<b>Assumptions</b>	Commitment to and/or participation interventions by the relevant stakeholders, especially where the interventions are initiated by the unit. Adequate resources (human and financial) being made available.							
<b>Means of verification</b>	1. A signed departmental report indicating (i) the nature of the EoDB intervention supported, (ii) the extent of support provided by the EoDB Unit and (iii) the expected benefit of the intervention and 2. Documentary evidence to substantiate / validate the performance cited in the report which may include; (i) data together with supporting technical analysis, and / or (ii) signed meeting minutes, and/or (iii) attendance registers, and/or (iv) contemporaneous notes, and/or (v) stakeholder correspondence, and/or (vi) photo or audio documentation, and/or (vii) other sources of evidence to substantiate how the Department executed its support.							
	<i>NOTE: Where minutes and/or reports that need to be approved by an official internal to the Department, acceptable signature formats include manual and digital signatures (i.e. where some form of password or protection on the signature) is applied. Jpeg, gif, tif, or other similar signature file formats that have been inserted into these performance reporting documents will not be accepted.</i>							
<b>Data limitations</b>	Availability of credible data from departments							

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<b>Type of indicator</b>	Not a service delivery indicator		Yes, Direct Service Delivery		Yes, Indirect Service Delivery	<b>X</b>
	Yes, demand driven	<b>X</b>	No, not demand driven			
<b>Strategic link to the PSP</b>	VIP #	2	Focus Area	Increasing Investment		
	Output(s)	TBC	Intervention(s)	Removing obstacles to investment		
<b>Covid-19 linkage</b>	Yes			No		<b>X</b>
	Hotspot Theme	Slowing the spread		Civil Compliance		
		Economic Recovery		Humanitarian Relief & Food Security		
		Communication		Other		
	Hotspot Area	City of Cape Town		Cape Winelands		
		Central Karoo		Garden Route		
		Overberg		West Coast		
<b>AOP Reference</b>	AOP 2021/22 – Indicator 2.4 Number of ease of doing business interventions supported					

<b>Indicator number</b>	2.5					
<b>Indicator title</b>	<b>Percentage of enquiries resolved</b>					
<b>Short definition</b>	<p>An “enquiry” is defined as a request for information or assistance from a businessperson or prospective businessperson in relation to, but not necessarily limited to, (i) regulatory requirements for the establishment, operation or financing of a business, (ii) securing of licences, permits, approvals or other forms of authorisations as may be prescribed, (iii) availability of, and/or access to, information and other resources relating to (i) and (ii).</p> <p>This indicator reflects the number of enquiries resolved, expressed as a percentage of the total enquiries received during the reporting period. In this operational definition an enquiry may be marked as “resolved” when either, (i) the client’s request for assistance has been successfully actioned; or (ii) the client’s request for assistance cannot be successfully actioned, due to either an unwillingness or inability on the part of the client; or (iii) the client’s request for assistance cannot be successfully actioned, due to a lack of jurisdiction over a specific area, domain or branch of the public sector; or (iv) the client has requested/indicated that the enquiry be closed, or where (v) the client’s request for assistance remains unresolved, but it can be demonstrated that all reasonable available options toward resolution of the case have been exhausted.</p>					
<b>Purpose</b>	The indicator addresses the strategic objective of the WCG of improving the business environment by enhancing the ease of doing business in the province. This indicator reflects the level of support provided to businesses in the province which request assistance from the unit.					
<b>Source of data</b>	Case management system accessible in the programme					
<b>Method of calculation</b>	Each unique enquiry on the enquiry management system, possessing its own unique enquiry reference number, counts as one. The percentage of enquiries resolved is calculated as the number of enquiries resolved during reporting period divided by number of enquiries received, multiplied by 100.					
<b>Calculation type</b>	Cumulative Year-end		Cumulative Year-to-date		Non-cumulative	X
<b>Reporting cycle</b>	Quarterly		Bi-annually	Annually	X	Biennially
<b>Desired performance</b>	Higher than target	X	On target		Lower than target	
<b>Indicator responsibility</b>	Senior Manager: Red Tape Reduction					
<b>Spatial Transformation</b>	Spatial transformation priorities		Whole of the Western Cape			
	Description of spatial impact		Enquiries received originate from various locations across the Western Cape Province. Consideration for the aggregate enquiry data may inform understanding around systemic constraints across various spatial settings in the Western Cape. This may enable the design of interventions to ensure a more enabling business environment across the Province.			
<b>Spatial Context</b>	Single Location – DEDAT as the delivery point					
<b>Disaggregation of beneficiaries</b>	Target for women			N/A	Target for youth	N/A
	Target for people with disabilities			N/A	Target for older persons	N/A

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Recovery Plan Focus Areas	Jobs	X	Safety		Well-being		No link	
<b>Assumptions</b>	Sufficient resources (human resources) available to enable the investigation of cases; Willingness from other departments to ensure a resolution of matters;							
<b>Means of verification</b>	1. A signed database of enquiries from the senior manager responsible for the unit, reflecting at least the following information: <ul style="list-style-type: none"><li>• Enquiry reference number (unique identifier);</li><li>• Enquiry date of receipt;</li><li>• Enquiry status (in-progress/closed);</li><li>• Client name and surname;</li><li>• Client contact number;</li><li>• Client email;</li><li>• Client location (municipality and suburb);</li><li>• Channel through which the enquiry was received;</li><li>• Nature (i.e. category/sub-category) of the enquiry received;</li><li>• Name of the official to whom the enquiry was assigned;</li></ul> and 2. An electronic (excel based) version of the evidence cited in (1) above.							
	<i>NOTE: Where minutes and/or reports that need to be approved by an official internal to the Department, acceptable signature formats include manual and digital signatures (i.e. where some form of password or protection on the signature) is applied. Jpeg, gif, tif, or other similar signature file formats that have been inserted into these performance reporting documents will not be accepted.</i>							
<b>Data limitations</b>	Inaccurate or inadequate information provided by the business; and Continuous operation of the existing case management system							
<b>Type of indicator</b>	Not a service delivery indicator		Yes, Direct Service Delivery	X	Yes, Indirect Service Delivery			
	Yes, demand driven		No, not demand driven				X	
<b>Strategic link to the PSP</b>	VIP #	2	Focus Area	Increasing Investment				
	Output(s)	TBC	Intervention(s)	Removing obstacles to investment				
<b>Covid-19 linkage</b>	Yes			No				
	Hotspot Theme	Slowing the spread		Civil Compliance				
		Economic Recovery		Humanitarian Relief & Food Security				
		Communication		Other				
	Hotspot Area	City of Cape Town		Cape Winelands				
		Central Karoo		Garden Route				
		Overberg		West Coast				
<b>AOP Reference</b>	AOP 2021/22 – Indicator 2.5 Percentage of cases resolved							

<b>Indicator number</b>	2.6							
<b>Indicator title</b>	<b>Number of regulatory reviews conducted</b>							
<b>Short definition</b>	This indicator reflects the number of reviews conducted on regulations identified as potentially restricting the ease of doing business in the Province.							
<b>Purpose</b>	The improvement of the regulatory environment is seen as important to ensure economic growth in the Province, as reducing the regulatory burden will make it easier to do business, and by implication, create jobs.							
<b>Source of data</b>	Signed commentaries and emails or reports.							
<b>Method of calculation</b>	Each substantiated review will count as one							
<b>Calculation type</b>	Cumulative Year-end	X	Cumulative Year-to-date		Non-cumulative			
<b>Reporting cycle</b>	Quarterly	X	Bi-annually	Annually	Biennially			
<b>Desired performance</b>	Higher than target	X	On target	Lower than target				
<b>Indicator responsibility</b>	Senior Manager: Red Tape Reduction							
<b>Spatial Transformation</b>	Spatial transformation priorities		No					
	Description of spatial impact		N/A					
<b>Spatial Context</b>	Single Location – DEDAT as the delivery point							
<b>Disaggregation of beneficiaries</b>	Target for women		N/A	Target for youth		N/A		
	Target for people with disabilities		N/A	Target for older persons		N/A		
<b>Recovery Plan Focus Areas</b>	Jobs	X	Safety	Well-being	No link			
<b>Assumptions</b>	<ul style="list-style-type: none"> <li>Sufficient resources (human and financial resources) available to conduct such reviews;</li> <li>Willingness by businesses to share information</li> </ul>							
<b>Means of verification</b>	<ol style="list-style-type: none"> <li>A report signed by the senior manager providing information reflecting:           <ul style="list-style-type: none"> <li>The regulation identified;</li> <li>Methodology used to conduct the review;</li> <li>Outcome of the review including the impact on businesses concerned and supported by.</li> </ul> </li> <li>Signed commentaries submitted to Legal Services via the Head of Department and</li> <li>Proof that commentary was submitted to a municipality or department in the form of email correspondence (or other delivery forms) with the regulation identified and the review conducted clearly attached.</li> </ol> <p><i>NOTE: Where minutes and/or reports that need to be approved by an official internal to the Department, acceptable signature formats include manual and digital signatures (i.e. where some form of password or protection on the signature) is applied. Jpeg, gif, tif, or other similar signature file formats that have been inserted into these performance reporting documents will not be accepted.</i></p>							
<b>Data limitations</b>	<ul style="list-style-type: none"> <li>Inaccurate information provided by businesses</li> <li>Limited research available</li> </ul>							
<b>Type of indicator</b>	Not a service delivery indicator		Yes, Direct Service Delivery		Yes, Indirect Service Delivery			
	Yes, demand driven		No, not demand driven			X		
<b>Strategic link to the PSP</b>	VIP #	2	Focus Area	Increasing Investment				
	Output(s)	TBC	Intervention(s)	Removing obstacles to investment				
<b>Covid-19 linkage</b>	Yes		No		X			
	Hotspot Theme	Slowing the spread		Civil Compliance				
		Economic Recovery		Humanitarian Relief & Food Security				
		Communication		Other				
	Hotspot Area	City of Cape Town		Cape Winelands				
		Central Karoo		Garden Route				
		Overberg		West Coast				
<b>AOP Reference</b>	AOP 2021/22 – Indicator: 2.6 Regulatory Reviews Conducted							



## Programme 3: Trade and Sector Development

### Sub-programme 3.1: Trade & Investment Promotion

<b>Indicator number</b>	3.1								
<b>Indicator title</b>	<b>Number of Trade Promotion oversight reports compiled</b>								
<b>Short definition</b>	The oversight reports are linked to Wesgro's Trade and Investment business plans and the 2021/2022 Transfer Payment Agreement (TPA) which will have clearly set out objectives, budgets and deliverables which must be achieved by Wesgro's Trade team as per the signed TPA.								
<b>Purpose</b>	The reports will be used as an oversight tool by the Department in monitoring and ensuring that Wesgro's budget is spent as per the agreed deliverables in the business plans and TPA. The report will require Wesgro to provide updates on its high-level trade targets as well as the deliverables set out in the Trade and Investment Promotion business plan.								
<b>Source of data</b>	Wesgro's quarterly progress reports and minutes of monthly Trade and Investment project meetings.								
<b>Method of calculation</b>	Simple count								
<b>Calculation type</b>	Cumulative Year-end	X	Cumulative Year-to-date			Non-cumulative			
<b>Reporting cycle</b>	Quarterly	X	Bi-annually		Annually	Biennially			
<b>Desired performance</b>	Higher than target		On target	X	Lower than target				
<b>Indicator responsibility</b>	Sub-Programme Manager								
<b>Spatial Transformation</b>	Spatial transformation priorities		N/A						
	Description of spatial impact		N/A						
<b>Spatial Context</b>	Single location - DEDAT as delivery point								
<b>Disaggregation of beneficiaries</b>	Target for women		N/A	Target for youth			N/A		
	Target for people with disabilities		N/A	Target for older persons			N/A		
<b>Recovery Plan Focus Areas</b>	Jobs		Safety		Well-being		No link		
<b>Assumptions</b>	None								
<b>Means of verification</b>	1. Signed Trade Promotion oversight report approved by the Programme Manager and 2. Evidence of the oversight activities cited in the report which can include: 2.1 Signed minutes of monthly project meetings and/ or 2.2 Signed minutes of quarterly bilateral meetings and/ or 2.3 Email communication between DEDAT and Wesgro to verify that the oversight activities cited in the report were executed by the Department								
	<i>NOTE: Where minutes and/or reports that need to be approved by an official internal to the Department, acceptable signature formats include manual and digital signatures (i.e. where some form of password or protection on the signature) is applied. Jpeg, gif, tif, or other similar signature file formats that have been inserted into these performance reporting documents will not be accepted.</i>								
<b>Data limitations</b>	None								
<b>Type of indicator</b>	Not a service delivery indicator		Yes, Direct Service Delivery		Yes, Indirect Service Delivery		X		
	Yes, demand driven		No, not demand driven						
<b>Strategic link to the PSP</b>	VIP #	2	Focus Area		Growing the economy through export growth				
	Output(s)	TBC	Intervention(s)		Export Promotion				
<b>Covid-19 linkage</b>	Yes		No						
	Hotspot Theme	Slowing the spread		Civil Compliance					
		Economic Recovery		Humanitarian Relief & Food Security					
		Communication		Other					
	Hotspot Area	City of Cape Town		Cape Winelands					
		Central Karoo		Garden Route					
		Overberg		West Coast					
<b>AOP Reference</b>	AOP 2021/22 – Indicator 3.1 Number of Trade Promotion oversight reports compiled								

<b>Indicator number</b>	3.2									
<b>Indicator title</b>	<b>Number of Investment Promotion oversight reports compiled</b>									
<b>Short definition</b>	The oversight reports are linked to Wesgro's Trade and Investment business plans and the 2021/2022 Transfer Payment agreement which will have clearly set out objectives, budgets and deliverables which must be achieved by Wesgro's Investment Promotion team as per the signed TPA									
<b>Purpose</b>	The reports will be used as an oversight tool by the Department in monitoring and ensuring that Wesgro's budget is spent as per the agreed deliverables in the business plans and that high-level investment are reported on a quarterly basis									
<b>Source of data</b>	Wesgro's quarterly progress reports and minutes of monthly Trade and Investment project meetings.									
<b>Method of calculation</b>	Simple count									
<b>Calculation type</b>	Cumulative Year-end	X	Cumulative Year-to-date			Non-cumulative				
<b>Reporting cycle</b>	Quarterly	X	Bi-annually		Annually	Biennially				
<b>Desired performance</b>	Higher than target		On target	X	Lower than target					
<b>Indicator responsibility</b>	Chief Director: ESS & Wesgro Senior Manager									
<b>Spatial Transformation</b>	Spatial transformation priorities		No							
	Description of spatial impact		N/A							
<b>Spatial Context</b>	Single location – DEDAT as delivery point									
<b>Disaggregation of beneficiaries</b>	Target for women		N/A	Target for youth			N/A			
	Target for people with disabilities		N/A	Target for older persons			N/A			
<b>Recovery Plan Focus Areas</b>	Jobs		Safety		Well-being		No link			
<b>Assumptions</b>	None									
<b>Means of verification</b>	1. Signed Investment Promotion oversight report approved by the Programme Manager and 2. Evidence of the oversight activities cited in the report which can include: 2.1 Signed minutes of monthly project meetings and/ or 2.2 Signed minutes of quarterly bilateral meetings and/ or 2.3 Email communication between DEDAT and Wesgro to verify that the oversight activities cited in the report were executed by the Department									
	<i>NOTE: Where minutes and/or reports that need to be approved by an official internal to the Department, acceptable signature formats include manual and digital signatures (i.e. where some form of password or protection on the signature) is applied. Jpeg, gif, tif, or other similar signature file formats that have been inserted into these performance reporting documents will not be accepted.</i>									
<b>Data limitations</b>	<ul style="list-style-type: none"> <li>Inaccurate information provided by businesses</li> <li>Limited research available</li> </ul>									
<b>Type of indicator</b>	Not a service delivery indicator		Yes, Direct Service Delivery		Yes, Indirect Service Delivery		X			
	Yes, demand driven		No, not demand driven				X			
<b>Strategic link to the PSP</b>	VIP #	2	Focus Area		Increasing Investment					
	Output(s)	TBC	Intervention(s)		<ul style="list-style-type: none"> <li>Investment Promotion and Business retention</li> <li>Investment Strategy</li> <li>Export Strategy</li> </ul>					
<b>Covid-19 linkage</b>	Yes		X	No						
	Hotspot Theme	Slowing the spread		Civil Compliance						
		Economic Recovery		X	Humanitarian Relief & Food Security					
		Communication		Other						
	Hotspot Area	City of Cape Town		X	Cape Winelands					
		Central Karoo		X	Garden Route					
		Overberg		X	West Coast					
<b>AOP Reference</b>	AOP 2021/22 – Indicator 3.2 Number of Investment Promotion oversight reports compiled									

## Sub-programme 3.2: Sector Development

<b>Indicator number</b>	3.3									
<b>Indicator title</b>	<b>Number of sector initiatives supported</b>									
<b>Short definition</b>	<p>Sector initiatives refer to interventions supported by the Department to develop the tradable sectors and grow exports. Supported is defined as assistance provided by the Department that includes facilitation, coordination, funding or co-funding, leveraging funds, technical support of projects, export development support, addressing red tape issues and skills development initiatives. In response to the facilitation of the key initiatives as part of the Western Cape Government's transversal approach, the Programme will specifically be responsible to facilitate the following initiatives in the 2021/2022 financial year:</p> <ul style="list-style-type: none"> <li>i. Market development strategies for key markets;</li> <li>ii. Increase local value addition to reduce imports;</li> <li>iii. Build capacity in products testing regime for export markets;</li> <li>iv. Catalyst identification and coordination.</li> </ul> <p>Initiatives will be implemented in the following tradable sectors:</p> <ol style="list-style-type: none"> <li>1. Agri-processing</li> <li>2. Manufacturing</li> <li>3. Oceans Economy</li> <li>4. Services Sector</li> </ol>									
<b>Purpose</b>	<p>The purpose of this programme is to stimulate economic growth in tradable sectors through tangible programmes, industry support measures and the implementation of initiatives that will result in economic growth and job creation through growth of export activities and increased investments in tradable sectors of the Western Cape Economy. Through this process, the tradable sectors were identified as having significant opportunities for export growth and employment creation.</p>									
<b>Source of data</b>	Project management system accessible in the programme									
<b>Method of calculation</b>	Simple count									
<b>Calculation type</b>	Cumulative Year-end		Cumulative Year-to-date			Non-cumulative	X			
<b>Reporting cycle</b>	Quarterly		Bi-annually		Annually	X	Biennially			
<b>Desired performance</b>	Higher than target		On target	X	Lower than target					
<b>Indicator responsibility</b>	DD: Oceans Economy, DD: Manufacturing, Director: Agri-processing, DD Finance Business Services Sector, Chief Director: Economic Sector Development (for Tradeable Services)									
<b>Spatial Transformation</b>	Spatial transformation priorities		Yes							
	Description of spatial impact		Across WC province. The small harbours which are the focus of the oceans economy are located within the three Districts and the Metro.							
<b>Spatial Context</b>	Single location – DEDAT as a delivery point									
<b>Disaggregation of beneficiaries</b>	Target for women			N/A	Target for youth		N/A			
	Target for people with disabilities			N/A	Target for older persons		N/A			
<b>Recovery Plan Focus Areas</b>	Jobs	X	Safety		Well-being		No link			
<b>Assumptions</b>	Stakeholder buy in, participation and funding commitments.									
<b>Means of verification</b>	<ol style="list-style-type: none"> <li>1. One Approved Report per each sector development initiative supported and</li> <li>2. Evidence to substantiate the mechanisms by which the sector was supported cited in the report which can include signed minutes, signed attendance registers, signed site visit reports, communications (e.g. emails) reflecting the nature of support Programme 3 officials provided to the sector</li> </ol> <p><i>NOTE: Where minutes and/or reports that need to be approved by an official internal to the Department, acceptable signature formats include manual and digital signatures (i.e. where some form of password or protection on the signature) is applied. Jpeg, gif, tif, or other similar signature file formats that have been inserted into these performance reporting documents will not be accepted.</i></p>									

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<b>Data limitations</b>	None				
<b>Type of indicator</b>	Not a service delivery indicator		Yes, Direct Service Delivery		Yes, Indirect Service Delivery <b>X</b>
	Yes, demand driven		No, not demand driven		
<b>Strategic link to the PSP</b>	VIP #	2	Focus Area	Growing the Economy through Export Growth	
	Output(s)	TBC	Intervention(s)	Tradable sector development Export promotion African trade markets Improved market access Provincial Freight Strategy Investment Strategy Export Strategy	
<b>Covid-19 linkage</b>	Yes			<b>X</b>	No
	Hotspot Theme	Slowing the spread		Civil Compliance	
		Economic Recovery		<b>X</b>	Humanitarian Relief & Food Security
		Communication		<b>X</b>	Other
	Hotspot Area	City of Cape Town		<b>X</b>	Cape Winelands <b>X</b>
		Central Karoo		<b>X</b>	Garden Route <b>X</b>
		Overberg		<b>X</b>	West Coast
<b>AOP Reference</b>	AOP – Indicator 3.3 Number of sector initiatives supported				

## Programme 4: Business Regulation and Governance

### Sub-programme: Consumer Protection

<b>Indicator number</b>	4.1						
<b>Indicator title</b>	<b>Number of consumer education interventions conducted</b>						
<b>Short definition</b>	Tracks the number of interventions to educate consumers which can include; inter alia • Information sessions; • Educational programmes; • Financial literacy workshops; • SMME engagements; • Workshops or community outreach engagements; • Joint campaigns with stakeholders; • Radio adverts, radio talk shows, print and/or other media engagements; • Theatre shows.						
<b>Purpose</b>	The purpose of this indicator is to ensure an environment conducive to fair business practice and informed consumer in the Western Cape.						
<b>Source of data</b>	The source of data may include attendance registers, invitations radio scripts and database of events.						
<b>Method of calculation</b>	Simple count						
<b>Calculation type</b>	Cumulative Year-end	X	Cumulative Year-to-date			Non-cumulative	
<b>Reporting cycle</b>	Quarterly	X	Bi-annually		Annually	Biennially	
<b>Desired performance</b>	Higher than target	X	On target		Lower than target		
<b>Indicator responsibility</b>	Deputy Director: Consumer Education						
<b>Spatial Transformation</b>	Spatial transformation priorities		Yes				
	Description of spatial impact		The initiatives will focus on all the communities and businesses operating across the Western Cape over the five years with a special focus on vulnerable members of the society.				
<b>Spatial Context</b>	Single Location			Multiple Locations			X
	Provincial	X	District		Local Municipality		Ward
	Detail / Address / Coordinates			West Coast, Central Karoo, Garden Route, Overberg, Cape Winelands and City of Cape Town			
<b>Disaggregation of beneficiaries</b>	Target for women			10%	Target for youth		
	Target for people with disabilities			2%	Target for older persons		
<b>Recovery Plan Focus Areas</b>	Jobs		Safety		Well-being		No link
<b>Assumptions</b>	<ul style="list-style-type: none"> <li>• Citizens are willing to attend initiatives.</li> <li>• Partners are willing to work with OCP on joint initiatives.</li> <li>• Resources available to deliver the services.</li> </ul>						

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<b>Means of verification</b>	1. Database (electronic & signed off), listing interventions being reported and the database will have fields such as age, gender, and physical status i.e. disability and 2. Consolidated report approved by the Director, describing interventions and 3. Evidence to support validity of interventions listed in report which can include, signed attendance registers or signed minutes or back to office reports of engagements with community or SMEs or radio scripts from radio talk shows.  <i>NOTE: Where minutes and/or reports that need to be approved by an official internal to the Department, acceptable signature formats include manual and digital signatures (i.e. where some form of password or protection on the signature) is applied. Jpeg, gif, tif, or other similar signature file formats that have been inserted into these performance reporting documents will not be accepted.</i>			
<b>Data limitations</b>	The information submitted is collected from various districts by staff			
<b>Type of indicator</b>	Not a service delivery indicator	Yes, Direct Service Delivery	Yes, Indirect Service Delivery	<b>X</b>
	Yes, demand driven	No, not demand driven		<b>X</b>
<b>Strategic link to the PSP</b>	VIP #	5	Focus Area	Integrated Service Delivery
	Output(s)	TBC	Intervention(s)	An annual integrated Implementation plan will be developed to give effect to the integrated service delivery through the JDA, which will take into account the specific context and objectives of the respective year.
<b>Covid-19 linkage</b>	Yes		No	<b>X</b>
	Hotspot Theme	Slowing the spread		Civil Compliance
		Economic Recovery		Humanitarian Relief & Food Security
		Communication		Other
	Hotspot Area	City of Cape Town		Cape Winelands
		Central Karoo		Garden Route
		Overberg		West Coast
<b>AOP Reference</b>	Draft AOP 2021/22 Indictor: 4.1 Number of consumer education interventions conducted			

<b>Indicator number</b>	4.2								
<b>Indicator title</b>	<b>Percentage of complaints resolved within 90 days (Total complaints resolved within 90 days/Total complaints received)</b>								
<b>Short definition</b>	In the OCP, any consumer query via a 'call received' is used inter-changeably with 'case received' or 'complaint received.' Measures the percentage of complaints resolved within 90 days over the number of complaints received during the reporting period. (90 calendar days excludes the first day the complaint is lodged but includes the last day the complaint is concluded. Complaints can be received and attended to at both the call centre level or physical OCP walk in centers and the format for complaints can be via telephonic calls, physical walk in by consumer, faxes, emails or post.								
<b>Purpose</b>	Managing consumer complaints is a statutory role for the Office of Consumer Protector								
<b>Source of data</b>	WCG's Call Centre - OCP consumer complaints logging system								
<b>Method of calculation</b>	(calculate %) by: Number of unique complaints resolved within 90 calendar days X 100 Total number of unique complaints received over the 90 calendar days + Balance brought forward from the previous quarter  <i>NOTE: Only 'unique' complaint or case numbers (identifiers) are used to assess.</i>								
<b>Calculation type</b>	Cumulative Year-end		Cumulative Year-to-date			Non-cumulative <input checked="" type="checkbox"/>			
<b>Reporting cycle</b>	Quarterly		Bi-annually <input checked="" type="checkbox"/>	Annually <input checked="" type="checkbox"/>	Biennially <input type="checkbox"/>				
<b>Desired performance</b>	Higher than target <input checked="" type="checkbox"/>	On target <input type="checkbox"/>		Lower than target					
<b>Indicator responsibility</b>	Deputy Director: - Complaints Management								
<b>Spatial Transformation</b>	Spatial transformation priorities <input type="checkbox"/>	Yes							
	Description of spatial impact	The initiatives will focus on all the communities and businesses operating across the Western Cape over the five years.							
<b>Spatial Context</b>	Single location – DEDAT as delivery point								
<b>Disaggregation of beneficiaries</b>	Target for women	2021/22 to be used as a baseline year to collect disaggregated data							
	Target for youth	2021/22 to be used as a baseline year to collect disaggregated data							
	Target for people with disabilities	2021/22 to be used as a baseline year to collect disaggregated data							
	Target for older persons	2021/22 to be used as a baseline year to collect disaggregated data							
<b>Recovery Plan Focus Areas</b>	Jobs <input type="checkbox"/>	Safety <input type="checkbox"/>		Well-being <input type="checkbox"/>	No link <input type="checkbox"/>	<input checked="" type="checkbox"/>			
<b>Assumptions</b>	Businesses, consumers, consumer protection agencies willing to work with OCP. Resources available to partner with public & private sectors & deliver the service.								
<b>Means of verification</b>	Signed and electronic database of cases being reported as resolved within 90 calendar days, with minimum fields including, case reference number, name and surname of consumer, date case was received, date case was resolved, category of complaint, name of business and status of the complaint (received and resolved with town/district/geographical location of consumer, age of consumer (youth supported), persons with disabilities, gender, race).  <i>NOTE: Where minutes and/or reports that need to be approved by an official internal to the Department, acceptable signature formats include manual and digital signatures (i.e. where some form of password or protection on the signature) is applied. Jpeg, gif, tif, or other similar signature file formats that have been inserted into these performance reporting documents will not be accepted.</i>								

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<b>Data limitations</b>	Call centre system related errors or deficiencies				
<b>Type of indicator</b>	Not a service delivery indicator		Yes, Direct Service Delivery		Yes, Indirect Service Delivery <b>X</b>
	Yes, demand driven		No, not demand driven		
<b>Strategic link to the PSP</b>	VIP #	5	Focus Area		Integrated Service delivery
	Output(s)	TBC	Intervention(s)		An annual integrated Implementation plan will be developed to give effect to the integrated service delivery through the JDA, which will take into account the specific context and objectives of the respective year.
<b>Covid-19 linkage</b>	Yes			No	<b>X</b>
	Hotspot Theme	Slowing the spread		Civil Compliance	
		Economic Recovery		Humanitarian Relief & Food Security	
		Communication		Other	
	Hotspot Area	City of Cape Town		Cape Winelands	
		Central Karoo		Garden Route	
		Overberg		West Coast	
<b>AOP Reference</b>	AOP 2021/22 Indicator: 4.2 Percentage of complaints resolved within 90 days (Total complaints resolved within 90 days/Total complaints received)				

## Programme 5: Economic Planning

### Sub-Programme 5.1: Economic Planning and Policy and

### Sub-Programme 5.2: Research and Development

<b>Indicator number</b>	5.1									
<b>Indicator title</b>	<b>Number of research reports developed</b>									
<b>Short definition</b>	<p>Evidence based research reports, and other inputs, aimed at providing economic intelligence to guide and shape economic strategy, policy, projects, internal and external economic discourse for strengthening economic strategies and policies.</p> <p>Research reports may analyse global, national and provincial economic performance and trends. Research reports may be desk-top secondary research or primary research conducted by the Department or by service-providers contracted by the Department.</p> <p>Research reports may serve the purpose in identifying potential domestic and foreign economic opportunities with relevant stakeholders.</p>									
<b>Purpose</b>	<p>The development of projects, strategy and policy requires evidence based economic intelligence and analysis. The research reports will provide credible economic intelligence and analysis to support the department in fulfilling its objectives. Furthermore, describing economic trends, performances of regional, national and global economies and identifying potential economic opportunities to relevant stakeholders are important in improving economic outcomes and choices</p>									
<b>Source of data</b>	<p>Data from official and reliable data sources (e.g. Statistics South Africa, IHS, Quantec Research, IHS Markit, Fitch Solutions, Economist Intelligence Unit (EIU), Bureau for Economic Research (BER), Institute of Race Relations, Econometricx, Euromonitor International, OAG Aviation, STR Global, Trading Economics, Business Day Live, Financial Times, Bloomberg, INFRONT, Intellidex and Conningarth, and others)</p>									
<b>Method of calculation</b>	Simple count									
<b>Calculation type</b>	Cumulative Year-end		Cumulative Year-to-date			Non-cumulative	X			
<b>Reporting cycle</b>	Quarterly		Bi-annually		Annually	X	Biennially			
<b>Desired performance</b>	Higher than target	X	On target		Lower than target					
<b>Indicator responsibility</b>	Director: Research, Economic Policy and Planning									
<b>Spatial Transformation</b>	Spatial transformation priorities		Yes							
	Description of spatial impact		Improved economic research support to municipalities assisted.							
<b>Spatial Context</b>	Single location – DEDAT as a delivery point									
<b>Disaggregation of beneficiaries</b>	Target for women		N/A	Target for youth			N/A			
	Target for people with disabilities		N/A	Target for older persons			N/A			
<b>Recovery Plan Focus Areas</b>	Jobs	X	Safety		Well-being	No link				
<b>Assumptions</b>	None									
<b>Means of verification</b>	<p>1. Signed database of research reports, or inputs, completed or drafted and  2. Signed copies of research reports, or inputs,</p> <p><i>NOTE: Accepted signature formats are physical, and password protected electronic signatures.</i></p>									
<b>Data limitations</b>	None									
<b>Type of indicator</b>	Not a service delivery indicator		Yes, Direct Service Delivery		No, indirect Service Delivery		X			
	Yes, demand driven		No, not demand driven							
<b>Strategic link to the PSP</b>	VIP #	2	Focus Area		Growing the economy through export growth					
	Output(s)	TBC	Intervention(s)		Tradable sector development					
<b>Covid-19 linkage</b>	Yes		X	No						
	Hotspot Theme	Slowing the spread		Civil Compliance						
		Economic Recovery		X	Humanitarian Relief & Food Security					
		Communication		Other						
	Hotspot Area	City of Cape Town		X	Cape Winelands					
		Central Karoo		X	Garden Route					
		Overberg		X	West Coast					
<b>AOP Reference</b>	AOP 2021/22 Indicator: 1.5 Number of research reports developed									

### Sub Programme 5.3: Knowledge Management

<b>Indicator number</b>	5.2									
<b>Indicator title</b>	<b>Number of partnerships established/strengthened</b>									
<b>Short definition</b>	“Partnerships” are defined as two or more parties agreeing informally or formally to work together towards developing and/or implementing a common objective or project. “Established” means that a relationship did not previously exist while “strengthened” means that a relationship is maintained and continues.									
<b>Purpose</b>	Economic policy, strategy, project development and implementation often require inter-government (local, provincial and national) co-operation and co-operation between government, societal stakeholders and business. The plethora of stakeholders often experience competing objectives and diverse approaches in achieving similar objectives. In addressing challenges that may arise from these varying approaches and objectives across multiple stakeholders, the Department and supporting entities will establish and strengthen its relationships with business, citizens and other government entities, to facilitate the exchange of information and work towards a common vision and positioning of the Western Cape. It is only with a common purpose and open dialogue that we will achieve economic growth and job creation. The development and maintenance of partnerships also ensures that government is listening to private sector and is accordingly responsive.									
<b>Source of data</b>	Memoranda of Agreements, confirmation letters.									
<b>Method of calculation</b>	Simple count									
<b>Calculation type</b>	Cumulative Year-end		Cumulative Year-to-date			Non-cumulative	X			
<b>Reporting cycle</b>	Quarterly		Bi-annually		Annually	X	Biennially			
<b>Desired performance</b>	Higher than target	X	On target		Lower than target					
<b>Indicator responsibility</b>	Chief Director: EPIC									
<b>Spatial Transformation</b>	Spatial transformation priorities		N/A							
	Description of spatial impact		N/A							
<b>Spatial Context</b>	Single location – DEDAT as delivery point									
<b>Disaggregation of beneficiaries</b>	Target for women		N/A	Target for youth			N/A			
	Target for people with disabilities		N/A	Target for older persons			N/A			
<b>Recovery Plan Focus Areas</b>	Jobs	X	Safety		X	Well-being	X			
<b>Assumptions</b>	N/A									
<b>Means of verification</b>	1. Project database listing the names and nature of partnerships and 2. Memoranda of Agreement signed by all the parties or 3. Confirmation letters signed by all the parties, or 4. Signed Reports, or 5. Signed minutes of engagements between the parties.									
	<i>NOTE: Accepted signature formats are physical, and password protected electronic signatures.</i>									
<b>Data limitations</b>	None									
<b>Type of indicator</b>	Not a service delivery indicator		Yes, Direct Service Delivery		No, indirect Service Delivery		X			
	Yes, demand driven		No, not demand driven				X			
<b>Strategic link to the PSP</b>	VIP #	2	Focus Area		Partnership					
	Output(s)	TBC	Intervention(s)		Develop partnership					
<b>Covid-19 linkage</b>	Yes		X	No						
	Hotspot Theme	Slowing the spread		Civil Compliance						
		Economic Recovery		X	Humanitarian Relief & Food Security					
		Communication		Other						
	Hotspot Area	City of Cape Town		X	Cape Winelands					
		Central Karoo		X	Garden Route					
		Overberg		X	West Coast					
<b>AOP Reference</b>	AOP 2021/22 Indicator: 5.2 Number of partnerships established/strengthened									

## Sub-programme 5.5: Enabling Growth Infrastructure and Initiatives

<b>Indicator number</b>	5.3									
<b>Indicator title</b>	<b>Number of Catalytic Infrastructure Projects supported</b>									
<b>Short definition</b>	<p>Catalytic infrastructure projects are defined as projects which are supported by the Sub-Programme: Strategic Initiatives. These projects may be government funded, private-funded or jointly funded by government and private sector, but the Department or its implementing organisation is the initiator and/or a facilitator in the realisation of the project.</p> <p>The projects drive hard and soft infrastructure towards investment facilitated. Hard Economic Development Infrastructure is defined as:</p> <p>Installations, structures, facilities, systems, activities, services and processes that make business activity possible in the Province, including skills development, trade and investment promotion, advocacy and policy re-alignment, enterprise development, technology support and marketing, and innovation;</p> <p>Soft Infrastructure is defined as the development, coordination and support to the relevant institutions, organisations, programmes, policies and initiatives that are housed by/ drive the sustainability of the hard infrastructure.</p>									
<b>Purpose</b>	<p>The infrastructure seeks to address competitive issues that may affect a targeted industry or across industries. In this sense, the infrastructure seeks to address market failures or develop loss leaders as opposed to developing infrastructure for public good purposes only; and/ or</p> <p>The infrastructure seeks to remove barriers to, and/or catalyse economic growth and development that creates jobs, decreases poverty and thereby reduces inequality.</p> <p>In so doing, the infrastructure drives investment recruitment towards increased exports specifically.</p>									
<b>Source of data</b>	Minutes, attendance registers, site visit reports, proof of communications (email), MOAs or contracts									
<b>Method of calculation</b>	Simple count									
<b>Calculation type</b>	Cumulative Year-end		Cumulative Year-to-date			Non-cumulative	X			
<b>Reporting cycle</b>	Quarterly		Bi-annually		Annually	X	Biennially			
<b>Desired performance</b>	Higher than target		On target	X	Lower than target					
<b>Indicator responsibility</b>	Chief Director: EPIC									
<b>Spatial Transformation</b>	Spatial transformation priorities		1. Saldanha Bay, West Coast 2. Atlantis, Cape Town 3. Ndabeni, Cape Town 4. Districts							
	Description of spatial impact		Saldanha Bay Industrial Zone is located in Saldanha Bay Municipality (West Coast District). Atlantis Special Economic Zone is located in City of Cape Town (North). Biovac expansion is located in City of Cape Town (Ndabeni).							
<b>Spatial Context</b>	Single location – DEDAT as delivery point									
<b>Disaggregation of beneficiaries</b>	Target for women			N/A	Target for youth			N/A		
	Target for people with disabilities			N/A	Target for older persons			N/A		
<b>Recovery Plan Focus Areas</b>	Jobs	X	Safety			Well-being		No link		

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<b>Assumptions</b>	Catalytic Infrastructure is a key driver of economic growth and job creation.				
<b>Means of verification</b>	1. An approved report for each catalytic infrastructure project supported and 2. Evidence to substantiate the mechanisms by which the catalytic infrastructure project was supported as cited in the report which can include signed minutes, signed attendance registers, signed site visit reports, proof of communications (email), MOAs or contracts.				
<i>NOTE: Accepted signature formats are physical, and password protected electronic signatures.</i>					
<b>Data limitations</b>	None				
<b>Type of indicator</b>	<input type="checkbox"/> Not a service delivery indicator <input checked="" type="checkbox"/> Yes, Direct Service Delivery <input type="checkbox"/> No, indirect Service Delivery				
<input checked="" type="checkbox"/> Yes, demand driven <input type="checkbox"/> No, not demand driven					
<b>Strategic link to the PSP</b>	VIP #	2	Focus Area	Increasing investments	
	Output(s)	TBC	Intervention(s)	Attracting investment in catalytic infrastructure	
<b>Covid-19 linkage</b>	<input checked="" type="checkbox"/> Yes		<input checked="" type="checkbox"/>	No	
	Hotspot Theme	Slowing the spread		Civil Compliance	
		Economic Recovery		<input checked="" type="checkbox"/>	Humanitarian Relief & Food Security
		Communication		Other	
	Hotspot Area	City of Cape Town		<input checked="" type="checkbox"/>	Cape Winelands
		Central Karoo		Garden Route	
		Overberg		<input checked="" type="checkbox"/>	West Coast
<b>AOP Reference</b>	AOP 2021/22 Indicator: 5.3 Number of Catalytic Infrastructure Projects supported				

## Sub-programme 5.6: Broadband for the Economy (aka Digital Economy)

<b>Indicator number</b>	5.4						
<b>Indicator title</b>	<b>Number of digital economy projects supported</b>						
<b>Short definition</b>	<p>'Digital Economy projects' refer to projects undertaken or supported by the Department to promote, provide, develop and sustain the digital economy and technology access, readiness and/or usage by citizens, businesses and government in the Western Cape.</p> <p>'Digital Economy' is defined as an interconnected, multi-layered ecosystem of high-capacity communications networks, services, applications, and users. The ecosystem includes the networks that support high-speed data communication and the services these networks provide. It also includes the applications provided by these services and the users who are increasingly creating applications and content. Investments — by public or private investors and agencies—and user demand expand the reach of high-speed networks. These networks increase the availability of high-quality services to both users and application providers. Applications access these services to reach users, who respond to the affordability of the services and relevance of the applications. Users then grow in number and sophistication, demanding and driving greater investments in networks, creating the virtuous circle for broadband. Increasingly this ecosystem is co-created, with users having the ability to consume, create, and share multimedia content in a variety of formats using a growing range of powerful devices.</p> <p>Digital Economy projects may be government funded, private-funded or jointly funded by government and private sector.</p> <p>'Supported' is defined as any assistance provided by the Department in facilitating the progress of the project and support can include</p> <ul style="list-style-type: none"> <li>• Co-ordination amongst relevant stakeholders,</li> <li>• Funding of projects,</li> <li>• Project management,</li> <li>• Undertaking/directing project preparation studies such as feasibility investigations or scoping exercises,</li> <li>• Guiding or overseeing the operations of the project.</li> </ul> <p>This indicator includes projects which have not yet been finalised, implemented or approved and includes transversal support provided by the Department to other WCG departments or spheres of government.</p>						
<b>Purpose</b>	<p>The increased adoption of smart and connected ICT, enabled by broadband access infrastructure, is often referred to as increased digitisation of society. Countries that have achieved advanced levels of digitisation (i.e. the mass adoption of connected digital technologies and applications by consumers, enterprises, and governments) have realized significant benefits in their economies, their societies, and the functioning of their public sectors. Considerable research has been conducted which serves to verify and quantify the positive effect that broadband has on an economy, but perhaps the most frequently cited result stems from the World Bank which calculated that for every 10% increase in broadband penetration in a developing country, there would be a corresponding 1.3% increase in GDP.</p> <p>This indicator therefore tracks the number of Departmental initiatives supported to improve access, skills and usage of technology and digital economy in the Western Cape.</p>						
<b>Source of data</b>	Project implementation documents.						
<b>Method of calculation</b>	Simple count						
<b>Calculation type</b>	Cumulative Year-end		Cumulative Year-to-date		Non-cumulative	X	
<b>Reporting cycle</b>	Quarterly		Bi-annually		Annually	X	Biennially
<b>Desired performance</b>	Higher than target	X	On target		Lower than target		
<b>Indicator responsibility</b>	Chief Director: Digital Economy						
<b>Spatial Transformation</b>	Spatial transformation priorities		Whole of the province.				
	Description of spatial impact		Interventions will assist businesses and citizens across the Province to better navigate the digital world of work, and to experience less friction in their operations due to the ease of doing business activities.				
<b>Spatial Context</b>	Single location – DEDAT as delivery point						
<b>Disaggregation of beneficiaries</b>	Target for women			N/A	Target for youth		N/A
	Target for people with disabilities			N/A	Target for older persons		N/A

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<b>Recovery Plan Focus Areas</b>	Jobs	X	Safety	X	Well-being	X	No link	
<b>Assumptions</b>	None							
<b>Means of verification</b>	1. Signed and verified database of digital economy projects supported and 2. Documentary evidence to support the performance detailed in the report which can include: project preparation or project management activities such as pre-feasibility studies, business case studies, business plans, signed minutes of meetings/forums/workshops, adopted TOR for projects/committees, signed MOAs/signed MOUs/signed co-operation agreements, final research studies, proof of deliverables emanating from projects or promotional materials.  <i>NOTE: Accepted signature formats are physical, and password protected electronic signatures.</i>							
<b>Data limitations</b>								
<b>Type of indicator</b>	Not a service delivery indicator		Yes, Direct Service Delivery		Yes, Indirect Service Delivery		X	
	Yes, demand driven		No, not demand driven				X	
<b>Strategic link to the PSP</b>	VIP #	2	Focus Area		Increasing investment Growing the economy through export growth Creating opportunities for job creation through skills development			
	Output(s)	TBC	Intervention(s)		Removing obstacles to investment Tradeable sector development, Export promotion Youth skills development initiatives			
	VIP #	5	Focus Area		Innovation for Impact			
	Output(s)	TBC	Intervention(s)		Build an innovation for impact initiative to drive service delivery through innovative tools			
<b>Covid-19 linkage</b>	Yes			X	No			
	Hotspot Theme	Slowing the spread			Civil Compliance			
		Economic Recovery		X	Humanitarian Relief & Food Security			
		Communication			Other			
	Hotspot Area	City of Cape Town		X	Cape Winelands		X	
		Central Karoo		X	Garden Route		X	
		Overberg		X	West Coast		X	
<b>AOP Reference</b>	AOP 2021/22 Indicator: 5.4 Number of digital economy projects supported							

## Sub-programme 5.7: Green Economy

<b>Indicator number</b>	5.5								
<b>Indicator title</b>	<b>Number of green economy projects supported</b>								
<b>Short definition</b>	<p>'Green Economy projects' refer to projects undertaken or supported by the Department to promote, provide, develop and sustain the green economy in the Western Cape.</p> <p>A 'green economy' is an economy that uses sustainable and resource efficient practices; and is at the forefront of creating opportunities in the provision of green services and in the research, design, manufacture, use, reuse and trade of innovative green products in a socially inclusive manner.</p> <p>Green Economy projects may be government funded, private-funded or jointly funded by government and private sector.</p> <p>'Supported' is defined as any assistance provided by the Department in facilitating the progress of the project and support can include</p> <ul style="list-style-type: none"> <li>• Co-ordination amongst relevant stakeholders,</li> <li>• Funding of projects,</li> <li>• Project management,</li> <li>• Undertaking/directing project preparation studies such as feasibility investigations or scoping exercises,</li> <li>• Guiding or overseeing the operations of the project.</li> </ul> <p>This indicator includes projects which have not yet been finalised, implemented or approved and includes transversal support provided by the Department to other WCG departments or spheres of government.</p>								
<b>Purpose</b>	<p>The Western Cape, like the rest of South Africa is extremely resource intensive which exposes us to spiralling energy costs, carbon trade barriers and water shortages and places our export competitiveness under pressure. The Green Economy therefore sets out to achieve the triple dividend of optimising green economic opportunities, improving economic resource resilience and enhancing our environmental performance.</p> <p>This indicator therefore tracks the number of Departmental initiatives supported to develop and implement a green growth path for the province</p>								
<b>Source of data</b>	Project implementation documents.								
<b>Method of calculation</b>	Simple count								
<b>Calculation type</b>	Cumulative Year-end		Cumulative Year-to-date			Non-cumulative	X		
<b>Reporting cycle</b>	Quarterly		Bi-annually		Annually	X	Biennially		
<b>Desired performance</b>	Higher than target	X	On target		Lower than target				
<b>Indicator responsibility</b>	Chief Director: Green Economy								
<b>Spatial Transformation</b>	Spatial transformation priorities		Whole of Province						
	Description of spatial impact		All green economy projects do and aim to support businesses, municipalities and households across the whole of the Western Cape						
<b>Spatial Context</b>	Single location – DEDAT as delivery point								
<b>Disaggregation of beneficiaries</b>	Target for women			N/A	Target for youth		N/A		
	Target for people with disabilities			N/A	Target for older persons		N/A		
<b>Recovery Plan Focus Areas</b>	Jobs	X	Safety		Well-being		No link		
<b>Assumptions</b>	None								

*Continued on next page*

<b>Means of verification</b>	1. Signed and verified database of green economy projects supported and 2. Approved project close out or Audit of Performance Information report and 3. Documentary evidence to support the performance detailed in the report which can include: project preparation or project management activities such as pre-feasibility studies, business case studies, business plans, signed minutes of meetings/forums/ workshops, adopted TOR for projects/ committees, signed MOAs/ signed MOUs/ signed co-operation agreements, final research studies, proof of deliverables emanating from projects or promotional materials.			
<i>NOTE: Accepted signature formats are physical, and password protected electronic signatures.</i>				
<b>Data limitations</b>	None			
<b>Type of indicator</b>	Not a service delivery indicator      Yes, Direct Service Delivery      Yes, Indirect Service Delivery			
	Yes, demand driven		No, not demand driven	
<b>Strategic link to the PSP</b>	VIP #	2	Focus Area	Resource resilience
	Output(s)	TBC	Intervention(s)	Energy resilience Economic water resilience
<b>Covid-19 linkage</b>	Yes		No	
	Hotspot Theme	Slowing the spread	Civil Compliance	
		Economic Recovery	Humanitarian Relief & Food Security	
		Communication	Other	
	Hotspot Area	City of Cape Town	Cape Winelands	
		Central Karoo	Garden Route	
		Overberg	West Coast	
<b>AOP Reference</b>	AOP 2021/22 Indicator 5.5 Number of green economy projects supported			

## Programme 6: Tourism, Arts and Entertainment

### Sub-programme 6.1: Tourism Planning

<b>Indicator number</b>	6.1								
<b>Indicator title</b>	<b>Number of tourism sector initiatives reports developed</b>								
<b>Short definition</b>	Following the finalisation of the Draft Tourism Blueprint 2030, this indicator reflects the support of the tourism sector initiatives identified.  “Initiatives supported” refers to <ul style="list-style-type: none"><li>• projects, workshops, engagements,</li><li>• strategy development and</li><li>• related interventions identified by the Department and/or Wesgro.</li></ul>								
<b>Purpose</b>	This indicator monitors the progress of the tourism sector initiatives supported by the Department and/or Wesgro that will ensure alignment to the Tourism Blueprint 2030.								
<b>Source of data</b>	Minutes, attendance registers.								
<b>Method of calculation</b>	Simple count								
<b>Calculation type</b>	Cumulative Year-end	X	Cumulative Year-to-date			Non-cumulative			
<b>Reporting cycle</b>	Quarterly		Bi-annually	X	Annually		Biennially		
<b>Desired performance</b>	Higher than target		On target	X	Lower than target				
<b>Indicator responsibility</b>	DD: Tourism Planning								
<b>Spatial Transformation</b>	Spatial transformation priorities		Yes						
	Description of spatial impact		Tourism Blueprint takes a district focused approach which has spatial implications for each of the 6 regions that implicitly speak to spatial transformation. Future studies will build on this						
<b>Spatial Context</b>	Single location – DEDAT as a delivery point								
<b>Disaggregation of beneficiaries</b>	Target for women			N/A	Target for youth		N/A		
	Target for people with disabilities			N/A	Target for older persons		N/A		
<b>Recovery Plan Focus Areas</b>	Jobs	X	Safety		Well-being		No link		
<b>Assumptions</b>	None								
<b>Means of verification</b>	1. An approved tourism sector initiative report and 2. Evidence to substantiate the mechanisms by which the tourism sector initiatives were supported cited in the report which can include signed minutes, signed attendance registers, signed site visit reports, proof of email or other communications that demonstrate DEDAT support provided.								
	<i>NOTE: Accepted signature formats are physical, and password protected electronic signatures.</i>								
<b>Data limitations</b>	None								
<b>Type of indicator</b>	Not a service delivery indicator		Yes, Direct Service Delivery		Yes, Indirect Service Delivery		X		
	Yes, demand driven		No, not demand driven				X		
<b>Strategic link to the PSP</b>	VIP #	2	Focus Area		Growing the economy through export growth				
	Output(s)	TBC	Intervention(s)		Tradable sector development Export promotion Improved market access				
<b>Covid-19 linkage</b>	Yes			X	No				
	Hotspot Theme	Slowing the spread		X	Civil Compliance				
		Economic Recovery		X	Humanitarian Relief & Food Security				
		Communication			Other				
	Hotspot Area	City of Cape Town		X	Cape Winelands				
		Central Karoo		X	Garden Route				
		Overberg		X	West Coast				
<b>AOP Reference</b>	AOP 2021/22 Indicator: 6.1 Number of tourism sector initiatives reports developed								

## Sub-programme 6.2: Tourism Growth and Development

<b>Indicator number</b>	6.2								
<b>Indicator title</b>	<b>Number of tourism niche marketing initiative reports developed</b>								
<b>Short definition</b>	A niche market is defined as the subset of the market on which a specific product is focussed. The niche market is the product that is aimed at satisfying the specific market's needs. Niche markets are vitally important to the Western Cape economy because although often low in volume, these markets are high in yield in that they tend to spend more, stay longer and are more likely to visit off the beaten track destinations. This report will specify all support provided to market or develop a tourism product or tourism experience.								
<b>Purpose</b>	The purpose of the report is to capture all initiatives supported by the Unit either through marketing or development with the aim to improve our tourism offering and thereby attract more tourists to the Western Cape.								
<b>Source of data</b>	Minutes, attendance registers, site visit reports								
<b>Method of calculation</b>	Simple count								
<b>Calculation type</b>	Cumulative Year-end	X	Cumulative Year-to-date			Non-cumulative			
<b>Reporting cycle</b>	Quarterly	X	Bi-annually		Annually	Biennially			
<b>Desired performance</b>	Higher than target		On target	X	Lower than target				
<b>Indicator responsibility</b>	DD: Tourism Marketing Development								
<b>Spatial Transformation</b>	Spatial transformation priorities		Yes						
	Description of spatial impact		Tourism marketing initiatives are supported across the Western Cape province as and when required / opportunity presents itself.						
<b>Spatial Context</b>	Single location – DEDAT as a delivery point								
<b>Disaggregation of beneficiaries</b>	Target for women		N/A	Target for youth			N/A		
	Target for people with disabilities		N/A	Target for older persons			N/A		
<b>Recovery Plan Focus Areas</b>	Jobs	X	Safety			Well-being			
<b>Assumptions</b>	Assuming niche products will attract more high-yield tourists to the Western Cape								
<b>Means of verification</b>	1. An approved tourism niche marketing initiative report and 2. Evidence to substantiate how and which niche marketing initiatives were supported as cited in the report, which can include signed minutes, signed attendance registers, signed site visit reports, proof of email or other communications that demonstrate DEDAT support provided.								
	<i>NOTE: Accepted signature formats are physical, and password protected electronic signatures.</i>								
<b>Data limitations</b>	None								
<b>Type of indicator</b>	Not a service delivery indicator		Yes, Direct Service Delivery		Yes, Indirect Service Delivery		X		
	Yes, demand driven		No, not demand driven						
<b>Strategic link to the PSP</b>	VIP #	2	Focus Area		Growing the economy through export growth				
	Output(s)		TBC	Intervention(s)		Tradable sector development Export promotion Improved market access			
<b>Covid-19 linkage</b>	Yes			X	No				
	Hotspot Theme	Slowing the spread			Civil Compliance				
		Economic Recovery		X	Humanitarian Relief & Food Security				
		Communication			Other				
	Hotspot Area	City of Cape Town		X	Cape Winelands				
		Central Karoo		X	Garden Route				
		Overberg		X	West Coast				
<b>AOP Reference</b>	AOP 2021/22 Indicator: 6.2 Number of tourism niche marketing initiatives reports developed								

<b>Indicator number</b>	6.3									
<b>Indicator title</b>	<b>Number of progress reports on the implementation of the tourism product development programme</b>									
<b>Short definition</b>	<p>A tourism product is any product/service that is marketed by a country or an institution to attract a visitor to a country as tourists and experience products. It is made up of tangible and intangible components which offer benefits that may draw certain types of tourists as it appeals to their specific travel motivations and needs.</p> <p>Product development programme is defined as any action taken by the Department to aid in facilitating the start-up or progress of the project which may include initiation, co-ordination, project management and/or scoping exercises.</p>									
<b>Purpose</b>	To improve destination access and to enhance destination attractiveness by supporting and developing tourism niche markets. To create an enabling environment for tourists and to improve the tourist product offering in the Western Cape to boost demand and tourist arrivals.									
<b>Source of data</b>	Minutes, attendance registers, site visit reports									
<b>Method of calculation</b>	Simple count									
<b>Calculation type</b>	Cumulative Year-end	X	Cumulative Year-to-date			Non-cumulative				
<b>Reporting cycle</b>	Quarterly		Bi-annually	X	Annually	Biennially				
<b>Desired performance</b>	Higher than target		On target	X	Lower than target					
<b>Indicator responsibility</b>	DD: Tourism Marketing Development									
<b>Spatial Transformation</b>	Spatial transformation priorities		Western Cape							
	Description of spatial impact		Projects funded by the Tourism Product Development Fund stretches across all the regions of the Western Cape, depending on which projects were successful in their application.							
<b>Spatial Context</b>	Single location – DEDAT as a delivery point									
<b>Disaggregation of beneficiaries</b>	Target for women		2021/22 used as baseline year to collect beneficiary level data							
	Target for youth		2021/22 used as baseline year to collect beneficiary level data							
	Target for people with disabilities		2021/22 used as baseline year to collect beneficiary level data							
	Target for older persons		2021/22 used as baseline year to collect beneficiary level data							
<b>Recovery Plan Focus Areas</b>	Jobs	X	Safety		Well-being	No link				
<b>Assumptions</b>	Attract more visitors to the Western Cape by increasing the product offering of the destination									
<b>Means of verification</b>	<p>1. An approved report on the implementation of the tourism product development programme and      2. Evidence to substantiate the mechanisms by which the tourism products developed were supported cited in the report which can include signed minutes, signed attendance registers, signed site visit reports, proof of communications (email).</p> <p><i>NOTE: Accepted signature formats are physical, and password protected electronic signatures.</i></p>									
<b>Data limitations</b>	None									
<b>Type of indicator</b>	Not a service delivery indicator		Yes, Direct Service Delivery		Yes, Indirect Service Delivery		X			
	Yes, demand driven		No, not demand driven							
<b>Strategic link to the PSP</b>	VIP #	2	Focus Area		Growing the economy through export growth					
	Output(s)	TBC	Intervention(s)		<ul style="list-style-type: none"> <li>• Tradable sector development</li> <li>• Export promotion</li> <li>• Improved market access</li> </ul>					
<b>Covid-19 linkage</b>	Yes		X	No						
	Hotspot Theme	Slowing the spread		Civil Compliance						
		Economic Recovery		X	Humanitarian Relief & Food Security					
		Communication		Other						
	Hotspot Area	City of Cape Town		X	Cape Winelands					
		Central Karoo		X	Garden Route					
		Overberg		X	West Coast					
<b>AOP Reference</b>	AOP 2021/22 Indicator: 6.3 Number of progress reports on the implementation of the tourism product development programme									

## Sub-programme 6.3 Tourism Sector Transformation

<b>Indicator number</b>	6.4								
<b>Indicator title</b>	<b>Number of tourist guides developed</b>								
<b>Short definition</b>	<p>Tourist Guides: The development of the tourist guiding sector forms an integral part of the Tourism Act, Act 3 of 2014. The number of tourist guides developed refers to the number of individuals trained as new guides or the up-skilling of existing tourist guides.</p> <p>Training can be accredited or non-accredited courses, information sessions or be practical in nature with clear outcomes. Training can take the form of capacity building to acquire “soft skills” or “technical skills” which are deemed critical skills. The up-skilling programmes for existing tourist guides could include a range of short courses, recognition of prior learning, workshops and info sessions which are aimed at enhancing the existing skills of tourist guides. Tourist guides can be developed both through the attendance of information sessions and/or attendance of training sessions.</p>								
<b>Purpose</b>	Tourist Guides; Training and up-skilling programmes are aimed at enhancing the quality of guiding in the Western Cape. Training is not only a pre-requisite to operate legally as a tourist guide, but it also equips individuals with the necessary knowledge and skills to operate guided tours effectively and professionally.								
<b>Source of data</b>	Attendance registers								
<b>Method of calculation</b>	Simple count								
<b>Calculation type</b>	Cumulative Year-end		Cumulative Year-to-date			Non-cumulative	X		
<b>Reporting cycle</b>	Quarterly		Bi-annually		Annually	X	Biennially		
<b>Desired performance</b>	Higher than target		On target	X	Lower than target				
<b>Indicator responsibility</b>	DD: Tourism Marketing Development								
<b>Spatial Transformation</b>	Spatial transformation priorities		Yes						
	Description of spatial impact		Supporting tourist guides in rural and township contexts						
<b>Spatial Context</b>	Single location – DEDAT as a delivery point								
<b>Disaggregation of beneficiaries</b>	Target for women		N/A	Target for youth			N/A		
	Target for people with disabilities		N/A	Target for older persons			N/A		
<b>Recovery Plan Focus Areas</b>	Jobs	X	Safety		Well-being		No link		
<b>Assumptions</b>	None								
<b>Means of verification</b>	<ol style="list-style-type: none"> <li>1. Signed physical and electronic database of tourist guides developed (minimum database fields to include name of guide, demographic details including tourist guide's age, gender, status as a person with a disability, duration of training session or information session attended, name of training session or information session attended, date of intervention, whether the training was accredited or non-accredited, town where training or information session took place) and</li> <li>2. Signed attendance register (register providing tourist guide name, registration number, name of intervention, contact details and signature).</li> </ol> <p><i>NOTE: Accepted signature formats are physical, and password protected electronic signatures.</i></p>								
<b>Data limitations</b>	Inaccurate or incomplete information supplied by individuals.								
<b>Type of indicator</b>	Not a service delivery indicator		Yes, Direct Service Delivery		Yes, Indirect Service Delivery		X		
	Yes, demand driven		No, not demand driven				X		
<b>Strategic link to the PSP</b>	VIP #	2	Focus Area		Growing the economy through export growth				
	Output(s)	TBC	Intervention(s)		Tradable sector development Improved market access				
<b>Covid-19 linkage</b>	Yes		No				X		
	Hotspot Theme	Slowing the spread		Civil Compliance					
		Economic Recovery		Humanitarian Relief & Food Security					
		Communication		Other					
	Hotspot Area	City of Cape Town		Cape Winelands					
		Central Karoo		Garden Route					
		Overberg		West Coast					
<b>AOP Reference</b>	Draft AOP 2021/22 Indicator: 6.4 Number of tourist guides developed								

<b>Indicator number</b>	6.5									
<b>Indicator title</b>	<b>Number of individuals registered (tourist guides)</b>									
<b>Short definition</b>	<p>According to the Tourism Act, Act 3 of 2014, all tourist guides are expected to register with the National Department of Tourism via the Provincial Registrar. These names are to be part of a database, housed Provincially. Tourist Guides that operate without being registered are operating illegally.</p> <p>The number of individuals registered refers to the number of new tourist guides registered and, or, the number of existing tourist guides, that renew and is regulated through the registration and renewal processes.</p>									
<b>Purpose</b>	<p>One of the core reasons for registering tourist guides is to professionalise the tourist guiding sector and to minimise illegal guiding activities in South Africa. Tourist guides play a pivotal role in the tourism value chain. They are important ambassadors for the country and contribute greatly to the South African economy.</p>									
<b>Source of data</b>	Online Tour Guide Registration system									
<b>Method of calculation</b>	Simple count									
<b>Calculation type</b>	Cumulative Year-end	<input checked="" type="checkbox"/>	Cumulative Year-to-date			Non-cumulative				
<b>Reporting cycle</b>	Quarterly	<input checked="" type="checkbox"/>	Bi-annually		Annually	Biennially				
<b>Desired performance</b>	Higher than target		On target	<input checked="" type="checkbox"/>	Lower than target					
<b>Indicator responsibility</b>	DD: Tourism Regulation									
<b>Spatial Transformation</b>	Spatial transformation priorities		Encouraging regional spread							
	Description of spatial impact		Supporting tourist guides in rural and township contexts							
<b>Spatial Context</b>	Single location - DEDAT as a delivery point									
<b>Disaggregation of beneficiaries</b>	Target for women			N/A	Target for youth		N/A			
	Target for people with disabilities			N/A	Target for older persons		N/A			
<b>Recovery Plan Focus Areas</b>	Jobs		Safety		Well-being	No link	<input checked="" type="checkbox"/>			
<b>Assumptions</b>	<p>The registration office has no control over the number of tourist guides registering and renewing their registration. Inaccurate information could be provided by tourist guides in their application forms and during inspections</p>									
<b>Means of verification</b>	<p>Signed and electronic Tourist guide registration database reflecting names of the new and or renewed tourist guides. Badge numbers will be reflected.</p> <p>Database to also reflect new or renewing tourist guide's status as relates to gender, age, person with a disability and town of residence (to collect information on spatial spread of services offered).</p> <p><i>NOTE: Accepted signature formats are physical, and password protected electronic signatures.</i></p>									
<b>Data limitations</b>	<p>There are several factors that could affect performance negatively. One important factor being that the registration office has no control over the number of tourist guides registering and renewing their registrations. Secondly, inaccurate information could be provided by tourist guides in their application forms and during inspections</p>									
<b>Type of indicator</b>	Not a service delivery indicator		Yes, Direct Service Delivery		<input checked="" type="checkbox"/>	Yes, Indirect Service Delivery				
	Yes, demand driven		No, not demand driven				<input checked="" type="checkbox"/>			
<b>Strategic link to the PSP</b>	VIP #	2	Focus Area		Growing the economy through export growth					
	Output(s)	TBC	Intervention(s)		Tradable sector development					
<b>Covid-19 linkage</b>	Yes			No						
	Hotspot Theme	Slowing the spread		Civil Compliance						
		Economic Recovery		Humanitarian Relief & Food Security						
		Communication		Other						
	Hotspot Area	City of Cape Town		Cape Winelands						
		Central Karoo		Garden Route						
		Overberg		West Coast						
<b>AOP Reference</b>	AOP 2021/22 Indicator: 6.5 Number of individuals registered (Tourist Guides)									

<b>Indicator number</b>	6.6						
<b>Indicator title</b>	<b>Number of individuals/tourism related businesses inspected or monitored (tourist guides)</b>						
<b>Short definition</b>	<p>According to the Tourism Act, Act 3 of 2014, all tourist guides are expected to register with the National Department of Tourism via the Provincial Registrar. Tourist Guides that operate without being registered are operating illegally.</p> <p>A legally operating tourist guide is defined as one who have their valid badge and ID card visibly displayed at the point of the inspection by the Departmental officials.</p>						
<b>Purpose</b>	One of the core reasons for regulating the tourist guiding sector is to minimise illegal guiding activities in South Africa. Tourist guides are important in the tourism value chain and contribute to the positive image of any tourism destination.						
<b>Source of data</b>	Inspection reports						
<b>Method of calculation</b>	Simple count						
<b>Calculation type</b>	Cumulative Year-end	X	Cumulative Year-to-date			Non-cumulative	
<b>Reporting cycle</b>	Quarterly	X	Bi-annually		Annually	Biennially	
<b>Desired performance</b>	Higher than target		On target	X	Lower than target		
<b>Indicator responsibility</b>	DD: Tourism Regulation						
<b>Spatial Transformation</b>	Spatial transformation priorities		Yes.				
	Description of spatial impact		Reduced instances of illegal guiding across the province.				
<b>Spatial Context</b>	Single location						
<b>Disaggregation of beneficiaries</b>	Target for women			N/A	Target for youth		N/A
	Target for people with disabilities			N/A	Target for older persons		N/A
<b>Recovery Plan Focus Areas</b>	Jobs		Safety	X	Well-being		No link
<b>Assumptions</b>	Co-operation from the guides at the inspection points.						
<b>Means of verification</b>	<p>1. Signed database of individuals and businesses inspected and      2. Signed inspection/incident report</p> <p><i>NOTE: Accepted signature formats are physical, and password protected electronic signatures.</i></p>						
<b>Data limitations</b>	Inaccurate information provided by individuals acting as tourist guides during inspections. Refusal of individuals to supply information.						
<b>Type of indicator</b>	Not a service delivery indicator		Yes, Direct Service Delivery		X	Yes, Indirect Service Delivery	
	Yes, demand driven		No, not demand driven				X
<b>Strategic link to the PSP</b>	VIP #	5	Focus Area		Increasing investment		
	Output(s)	TBC	Intervention(s)		Removing obstacles to investment		
<b>Covid-19 linkage</b>	Yes			No			X
	Hotspot Theme	Slowing the spread		Civil Compliance			
		Economic Recovery		Humanitarian Relief & Food Security			
		Communication		Other			
	Hotspot Area	City of Cape Town		Cape Winelands			
		Central Karoo		Garden Route			
		Overberg		West Coast			
<b>AOP Reference</b>	AOP 2021/22 Indicator: 6.6 Number of individuals/tourism related businesses inspected or monitored (tourist guides)						

<b>Indicator number</b>	6.7							
<b>Indicator title</b>	<b>Number of tourism establishments/individuals supported</b>							
<b>Short definition</b>	The Department contributes towards improving and maintaining a tourism enabling environment for organisations, businesses and tourists, through initiative such as Quality Assurance, Tourism Road Signage and Tourism Safety and Support.							
<b>Purpose</b>	Provincial proactive programme to create awareness and to counter the negative perception of safety of the destination, "Demand driven" to create an enabling environment for members and tourists throughout the tourism industry. Demand driven applications for tourism road signage as a part of "access to information" for tourists.							
<b>Source of data</b>	Activation reports, RTLC minutes, signed distribution lists							
<b>Method of calculation</b>	Simple count (each unique tourist business or individual will count as 1)							
<b>Calculation type</b>	Cumulative Year-end	X	Cumulative Year-to-date			Non-cumulative		
<b>Reporting cycle</b>	Quarterly	X	Bi-annually		Annually	Biennially		
<b>Desired performance</b>	Higher than target	X	On target		Lower than target			
<b>Indicator responsibility</b>	Sub-Programme Manager							
<b>Spatial Transformation</b>	Spatial transformation priorities		Yes.					
	Description of spatial impact		Tourist regions accessing DEDAT support.					
<b>Spatial Context</b>	Single Location – DEDAT as delivery point							
<b>Disaggregation of beneficiaries</b>	Target for women		N/A	Target for youth		N/A		
	Target for people with disabilities		N/A	Target for older persons		N/A		
<b>Recovery Plan Focus Areas</b>	Jobs	X	Safety		Well-being	No link		
<b>Assumptions</b>	None.							
<b>Means of verification</b>	1. Signed Activations Reports (which includes a signed database of activation reports by management) clearly showing support/assistance by TSSP, and /or 2. Signed minutes of RTLC meetings reflecting the outcome of applications for tourism road signs or tourism route applications (minutes to include each unique application processed irrespective of the application) and a signed database, and/or 3. Signed distribution list (where the recipient tourist establishment or individual signs receipt), and/ or  For Forums: Signed attendance registers with the agenda for any forum where Tourism Safety information was presented as a topic or tourist safety information brochures were disseminated (includes safety tips pamphlets).							
	<i>NOTE: Accepted signature formats are physical, and password protected electronic signatures.</i>							
<b>Data limitations</b>	None							
<b>Type of indicator</b>	Not a service delivery indicator		Yes, Direct Service Delivery		Yes, Indirect Service Delivery			
	Yes, demand driven		No, not demand driven					
<b>Strategic link to the PSP</b>	VIP #	2	Focus Area		Increasing investment			
	Output(s)	TBC	Intervention(s)		Removing obstacles to investment			
<b>Covid-19 linkage</b>	Yes		X	No				
	Hotspot Theme	Slowing the spread		Civil Compliance				
		Economic Recovery		X	Humanitarian Relief & Food Security			
		Communication			Other			
	Hotspot Area	City of Cape Town		X	Cape Winelands			
		Central Karoo		X	Garden Route			
		Overberg		X	West Coast			
<b>AOP Reference</b>	AOP 2021/22 Indicator: 6.7 Number of tourism establishments/individuals supported							

<b>Indicator number</b>	6.8							
<b>Indicator title</b>	<b>Number of oversight reports on the establishment of the Tourism Safety Law Enforcement Unit</b>							
<b>Short definition</b>	Tourism safety incidents have been increasing in districts in the Western Cape. DEDAT in partnership with the City of Cape Town will be establishing a tourism safety law unit. The unit will be increasing visible policing in key tourism hotspots within the CoCT municipal boundaries.							
<b>Purpose</b>	Provincial proactive programme to create awareness and to counter the negative perception of safety of the destination by increasing the law enforcement ((safety and security) presence in key tourist hotspots.							
<b>Source of data</b>	City of Cape Town's progress reports							
<b>Method of calculation</b>	Simple count							
<b>Calculation type</b>	Cumulative Year-end	X	Cumulative Year-to-date			Non-cumulative		
<b>Reporting cycle</b>	Quarterly	X	Bi-annually		Annually	Biennially		
<b>Desired performance</b>	Higher than target		On target	X	Lower than target			
<b>Indicator responsibility</b>	Chief Director: ESS, Director: Tourism, Deputy Director: Tourism Safety							
<b>Spatial Transformation</b>	Spatial transformation priorities		Cape Town Metro					
	Description of spatial impact		Pre-identified tourism hotspots in the Cape Town CBD					
<b>Spatial Context</b>	Single Location – DEDAT as delivery point							
<b>Disaggregation of beneficiaries</b>	Target for women		N/A	Target for youth		N/A		
	Target for people with disabilities		N/A	Target for older persons		N/A		
<b>Recovery Plan Focus Areas</b>	Jobs	X	Safety	X	Well-being	No link		
<b>Assumptions</b>	None.							
<b>Means of verification</b>	1. Signed Departmental Oversight Report detailing the progress of the establishment and operations of the law enforcement units. Quarterly the City of Cape Town submits its progress reports to the Department's Programme Manager. The Department's Oversight Report will include: <ul style="list-style-type: none"> <li>• Progress regarding implementation,</li> <li>• Financial expenditure and</li> <li>• Incidents responded to during the specific reporting period, and</li> </ul> 2. Documentary evidence to substantiate the oversight activities effected by the Departmental officials.							
	<i>NOTE: Accepted signature formats are physical, and password protected electronic signatures.</i>							
<b>Data limitations</b>	None							
<b>Type of indicator</b>	Not a service delivery indicator		Yes, Direct Service Delivery		Yes, Indirect Service Delivery			
	Yes, demand driven		No, not demand driven			X		
<b>Strategic link to the PSP</b>	VIP #	2	Focus Area		Increasing investment			
	Output(s)	TBC	Intervention(s)		Removing obstacles to investment			
<b>Covid-19 linkage</b>	Yes		X	No				
	Hotspot Theme	Slowing the spread		Civil Compliance				
		Economic Recovery		Humanitarian Relief & Food Security				
		Communication		Other				
	Hotspot Area	City of Cape Town		Cape Winelands				
		Central Karoo		Garden Route				
		Overberg		West Coast				
<b>AOP Reference</b>	AOP 2021/22 Indicator:6.8 Number of oversight reports on the establishment of the Tourism Safety Law Enforcement Unit							

<b>Indicator number</b>	6.9								
<b>Indicator title</b>	<b>Number of Tourism Safety Strategy Implementation Reports</b>								
<b>Short definition</b>	Quarterly reports on the progress of implementation of the Tourism Safety Strategy developed in 2019/20.								
<b>Purpose</b>	Provincial proactive programme to create awareness and to counter the negative perception of safety of the Western Cape as a tourist destination by having a visible law enforcement presence in key tourist hotspots.								
<b>Source of data</b>	Project implementation reports.								
<b>Method of calculation</b>	Simple count								
<b>Calculation type</b>	Cumulative Year-end	X	Cumulative Year-to-date			Non-cumulative			
<b>Reporting cycle</b>	Quarterly		Bi-annually	X	Annually		Biennially		
<b>Desired performance</b>	Higher than target		On target	X	Lower than target				
<b>Indicator responsibility</b>	Chief Director: ESS, Director: Tourism, Deputy Director: Tourism Safety								
<b>Spatial Transformation</b>	Spatial transformation priorities			Yes					
	Description of spatial impact			Safer tourist districts across province					
<b>Spatial Context</b>	Single Location – DEDAT as delivery point								
<b>Disaggregation of beneficiaries</b>	Target for women			N/A	Target for youth		N/A		
	Target for people with disabilities			N/A	Target for older persons		N/A		
<b>Recovery Plan Focus Areas</b>	Jobs	X	Safety		X	Well-being			
<b>Assumptions</b>	None.								
<b>Means of verification</b>	1. Signed progress reports detailing the progress of implementation of the Tourist Safety Strategy which are submitted quarterly to the relevant Departmental Programme Manager of the Department and 2. Evidence to substantiate the progress being cited in the quarterly progress report related to the tourism safety strategy levers.								
<i>NOTE: Accepted signature formats are physical, and password protected electronic signatures.</i>									
<b>Data limitations</b>	None								
<b>Type of indicator</b>	Not a service delivery indicator		Yes, Direct Service Delivery		Yes, Indirect Service Delivery		X		
	Yes, demand driven		No, not demand driven				X		
<b>Strategic link to the PSP</b>	VIP #	2	Focus Area		Increasing investment				
	Output(s)	TBC	Intervention(s)		Removing obstacles to investment				
<b>Covid-19 linkage</b>	Yes			X	No				
	Hotspot Theme	Slowing the spread			Civil Compliance				
		Economic Recovery		X	Humanitarian Relief & Food Security				
		Communication			Other				
	Hotspot Area	City of Cape Town		X	Cape Winelands		X		
		Central Karoo		X	Garden Route		X		
		Overberg		X	West Coast		X		
<b>AOP Reference</b>	AOP 2021/22 Indicator: 6.9 Number of Tourism Safety Strategy Implementation Reports								

<b>Indicator number</b>	6.10									
<b>Indicator title</b>	<b>Number of Tourism Safety Perception Surveys conducted</b>									
<b>Short definition</b>	One report on the findings of the survey undertaken at Cape Town International Airport as well as other areas of interest for tourists.									
<b>Purpose</b>	Provincial proactive programme to create awareness and to counter the negative perception of safety of the destination by increasing the law enforcement presence in key tourist areas where crime occurs frequently.									
<b>Source of data</b>	Completed survey capture sheets.									
<b>Method of calculation</b>	Simple count									
<b>Calculation type</b>	Cumulative Year-end		Cumulative Year-to-date			Non-cumulative	X			
<b>Reporting cycle</b>	Quarterly		Bi-annually		Annually	X	Biennially			
<b>Desired performance</b>	Higher than target		On target	X	Lower than target					
<b>Indicator responsibility</b>	Sub-Programme Manager									
<b>Spatial Transformation</b>	Spatial transformation priorities		No							
	Description of spatial impact		N/A							
<b>Spatial Context</b>	Single Location – DEDAT as delivery point									
<b>Disaggregation of beneficiaries</b>	Target for women		N/A	Target for youth			N/A			
	Target for people with disabilities		N/A	Target for older persons			N/A			
<b>Recovery Plan Focus Areas</b>	Jobs	X	Safety		X	Well-being				
<b>Assumptions</b>	None.									
<b>Means of verification</b>	1. Tourism Safety Perception Survey Report signed by the Programme Manager detailing the survey approach, methodology, results, conclusions and 2. Completed research instruments used where the perception by the tourist interviewed or approached for his/her perception, is reflected & measured.									
	<i>NOTE: Accepted signature formats are physical, and password protected electronic signatures.</i>									
<b>Data limitations</b>	None									
<b>Type of indicator</b>	Not a service delivery indicator		Yes, Direct Service Delivery		Yes, Indirect Service Delivery		X			
	Yes, demand driven		No, not demand driven				X			
<b>Strategic link to the PSP</b>	VIP #	2	Focus Area		Increasing investment					
	Output(s)	TBC	Intervention(s)		Removing obstacles to investment					
<b>Covid-19 linkage</b>	Yes		No							
	Hotspot Theme	Slowing the spread		Civil Compliance						
		Economic Recovery		Humanitarian Relief & Food Security						
		Communication		Other						
	Hotspot Area	City of Cape Town		Cape Winelands						
		Central Karoo		Garden Route						
		Overberg		West Coast						
<b>AOP Reference</b>	AOP 2021/22 Indicator: 6.10 Number of Tourism Safety Perception Surveys conducted									

<b>Indicator number</b>	6.11							
<b>Indicator title</b>	<b>Number of Tourism Destination Marketing Oversight Reports</b>							
<b>Short definition</b>	Report indicating oversight of Wesgro's destination marketing activities. The intent is to ensure that Wesgro's Business Plan outcomes are executed accordingly.							
<b>Purpose</b>	The oversight report is to ensure that Wesgro drives geographic spread, improves seasonality, job creation and the stimulation of economic growth through their various activities relating to the tourism sector.							
<b>Source of data</b>	Minutes.							
<b>Method of calculation</b>	Simple count							
<b>Calculation type</b>	Cumulative Year-end	X	Cumulative Year-to-date		Non-cumulative			
<b>Reporting cycle</b>	Quarterly		Bi-annually	X	Annually	Biennially		
<b>Desired performance</b>	Higher than target		On target	X	Lower than target			
<b>Indicator responsibility</b>	DD: Tourism Marketing Development							
<b>Spatial Transformation</b>	Spatial transformation priorities		Western Cape, SA & International					
	Description of spatial impact		Wesgro DMO focusses on promoting the Western Cape to locals from within the province and South Africa and to encourage the international market to travel to the Western Cape. Wesgro also focuses on regional spread as well as improving air and cruise line accessibility to airports and harbours.					
<b>Spatial Context</b>	Single Location - DEDAT as delivery point							
<b>Disaggregation of beneficiaries</b>	Target for women		N/A	Target for youth		N/A		
	Target for people with disabilities		N/A	Target for older persons		N/A		
<b>Recovery Plan Focus Areas</b>	Jobs	X	Safety		Well-being	No link		
<b>Assumptions</b>	Increase Tourism Numbers and create awareness of the Western Cape as a destination of choice for business							
<b>Means of verification</b>	1. Signed Tourism Destination Marketing Oversight Report approved by the Programme manager and 2. Evidence to substantiate the oversight activities cited in the report which can include, • signed bilateral meeting minutes and/or • signed joint marketing agreements and/or • signed service level agreements and/or • signed bid letters or emails or venue confirmation of bids won and/or • signed event marketing agreements.							
	<i>NOTE: Accepted signature formats are physical, and password protected electronic signatures.</i>							
<b>Data limitations</b>	Dependency on partnerships							
<b>Type of indicator</b>	Not a service delivery indicator		Yes, Direct Service Delivery		Yes, Indirect Service Delivery			
	Yes, demand driven		No, not demand driven		X			
<b>Strategic link to the PSP</b>	VIP #	2	Focus Area		Growing the economy through export growth			
	Output(s)	TBC	Intervention(s)		Tradable sector development and export promotion			
<b>Covid-19 linkage</b>	Yes		X	No				
	Hotspot Theme	Slowing the spread		Civil Compliance				
		Economic Recovery		X	Humanitarian Relief & Food Security			
		Communication		Other				
	Hotspot Area	City of Cape Town		X	Cape Winelands			
		Central Karoo		X	Garden Route			
		Overberg		X	West Coast			
<b>AOP Reference</b>	AOP 2021/22 Indicator: 6.11 Number of Tourism Destination Marketing Oversight Reports							



## Programme 7: Skills Development and Innovation

### Sub-programme 7.1: Provincial Skills and Partnership

<b>Indicator number</b>	7.2						
<b>Indicator title</b>	<b>Number of partnerships strengthened</b>						
<b>Short definition</b>	<p>“Partnerships” is defined as two or more parties agreeing informally or formally to work together towards developing and/or implementing a common objective or project.</p> <p>The support by the Programme is defined as</p> <ul style="list-style-type: none"> <li>• Strengthening or maintaining relationships between the Department and stakeholders and/or</li> <li>• Facilitating linkages between various partners through the coordination of engagements and/or activities that will result in people to gain access to skills interventions and address the systemic skills issues.</li> </ul>						
<b>Purpose</b>	<p>Facilitate closer alignment between skills supply and demand of skills required in the priority growth sectors in the Province by:</p> <p>Ensuring stakeholders' inputs are considered when formulating skills development initiatives.</p> <ul style="list-style-type: none"> <li>• Providing a platform for networking, information sharing, working together and reaching consensus across stakeholders;</li> <li>• Supporting the integration of efforts across all stakeholders and the three spheres of Government to achieve the desired synergy and impact; and</li> <li>• Minimizing the risks of failure and redundancy of skills development efforts.</li> </ul>						
<b>Source of data</b>	Signed partnership agreements / signed letters / signed declarations						
<b>Method of calculation</b>	Simple count						
<b>Calculation type</b>	Cumulative Year-end	X	Cumulative Year-to-date			Non-cumulative	
<b>Reporting cycle</b>	Quarterly	X	Bi-annually		Annually	Biennially	
<b>Desired performance</b>	Higher than target	X	On target		Lower than target		
<b>Indicator responsibility</b>	Director: Provincial Skills and Partnerships						
<b>Spatial Transformation</b>	Spatial transformation priorities		Western Cape Province				
	Description of spatial impact		Building relationships with key stakeholders will support a local skills ecology that promotes access to skills interventions for beneficiaries across the various municipal districts. Greater collaborations will result in improved skills ecosystems in the province.				
<b>Spatial Context</b>	Single location – DEDAT as a delivery point						
<b>Disaggregation of beneficiaries</b>	Target for women			N/A	Target for youth		N/A
	Target for people with disabilities			N/A	Target for older persons		N/A
<b>Recovery Plan Focus Areas</b>	Jobs	X	Safety		Well-being		No link
<b>Assumptions</b>	Increased alignment between the supply of and demand for skills and critically, to drive skills development so that it can play a role in supporting and enabling economic growth in the Province.						

*Continued on next page*

<b>Means of verification</b>	<p>Where the Department signs or concludes formal / informal partnership:            Signed partnership agreement / signed letter / signed declaration from partner/s with whom DEDAT collaborated on skills interventions with, denoting the nature of the collaboration and / or partnership; and/ or</p> <p>Where the Department plays a role in enabling other partnerships to form and is not a signatory on the partnership agreement:            Signed letter from the partner/s or the beneficiary (recipient) of the collaboration, confirming the nature of the support provided by the Department</p> <p><i>NOTE: Accepted signature formats are physical, and password protected electronic signatures.</i></p>												
<b>Data limitations</b>	N/A												
<b>Type of indicator</b>	<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="padding: 2px;">Not a service delivery indicator</td> <td style="padding: 2px;">Yes, Direct Service Delivery</td> <td style="padding: 2px;">Yes, Indirect Service Delivery</td> <td style="padding: 2px; text-align: center;"><b>X</b></td> </tr> <tr> <td style="padding: 2px;">Yes, demand driven</td> <td style="padding: 2px;">No, not demand driven</td> <td style="padding: 2px;"></td> <td style="padding: 2px; text-align: center;"><b>X</b></td> </tr> </table>					Not a service delivery indicator	Yes, Direct Service Delivery	Yes, Indirect Service Delivery	<b>X</b>	Yes, demand driven	No, not demand driven		<b>X</b>
Not a service delivery indicator	Yes, Direct Service Delivery	Yes, Indirect Service Delivery	<b>X</b>										
Yes, demand driven	No, not demand driven		<b>X</b>										
<b>Strategic link to the PSP</b>	VIP #	2	Focus Area	Creating opportunities for job creation through skills development									
	Output(s)	TBC	Intervention(s)	Youth skills development initiatives incl. artisan development, skills for the digital economy, financial and business sector skills, improved quality for maths, science and engineering qualifications, and entrepreneurial skills development. The Apprenticeship Initiative Agricultural Partnership for Youth Development (APRYD) programme Graduate/industry intern programme Emerging Contractor Development Programme									
<b>Covid-19 linkage</b>	Yes			No	<b>X</b>								
	Hotspot Theme	Slowing the spread		Civil Compliance									
		Economic Recovery		Humanitarian Relief & Food Security									
		Communication		Other									
	Hotspot Area	City of Cape Town		Cape Winelands									
		Central Karoo		Garden Route									
		Overberg		West Coast									
<b>AOP Reference</b>	AOP 2021/22 Indicator: 7.2 Number of partnerships strengthened												

## Sub-programme 7.2: Skills Programmes and Projects

<b>Indicator number</b>	7.3						
<b>Indicator title</b>	<b>Number of beneficiaries supported through skills interventions</b>						
<b>Short definition</b>	<p>“Skills interventions” include:</p> <p>“Training opportunities” Where a beneficiary accesses either accredited or non-accredited skills training with the aim of becoming employable or</p> <p>“Work placement” Refers to an incentivised work placement opportunity whereby beneficiaries are placed with host companies for experiential learning with the aim of becoming employable.</p> <p>“Beneficiaries” Are individuals recruited from a demographic group of unskilled, semi-skilled, employed or unemployed not under 16 years.</p> <p>“Beneficiaries supported” Refers to individuals accessing and/or completing the skills interventions implemented or funded by the Department in accordance with the terms and duties prescribed in the Agreements signed by the Department and its implementing agents (host companies or lead employers or service providers).</p>						
<b>Purpose</b>	To measure the number of beneficiaries assisted through skills interventions in order to develop skills with the aim of becoming employable.						
<b>Source of data</b>	Training certificates of completion, Signed Memoranda of Agreement with host companies or lead employers						
<b>Method of calculation</b>	Simple count						
<b>Calculation type</b>	Cumulative Year-end	X	Cumulative Year-to-date			Non-cumulative	
<b>Reporting cycle</b>	Quarterly	X	Bi-annually		Annually	Biennially	
<b>Desired performance</b>	Higher than target	X	On target		Lower than target		
<b>Indicator responsibility</b>	Deputy Director: Provincial Skills Development and Innovation						
<b>Spatial Transformation</b>	Spatial transformation priorities		Yes				
	Description of spatial impact		Citizens across regions accessing skills programmes offered by DEDAT				
<b>Spatial Context</b>	Single location – DEDAT as a delivery point						
<b>Disaggregation of beneficiaries</b>	Target for women			50%	Target for youth		80%
	Target for people with disabilities			N/A	Target for older persons		0%
<b>Recovery Plan Focus Areas</b>	Jobs	X	Safety		Well-being		No link
<b>Assumptions</b>	Experiential learning and training initiatives improves employability of beneficiaries						

*Continued on next page*

<b>Means of verification</b>	<p><b>Where the beneficiary accesses a Training opportunity:</b></p> <ol style="list-style-type: none"> <li>1. Signed beneficiary database to include the following fields: beneficiary's name and surname, ID number, age at the start of training, gender, person with a disability, beneficiary contact telephone number, beneficiaries' contact address including suburb of residence, local municipality and District Municipality, employment status at the time of entering the training intervention, name of training provider, name of training program, accredited or non-accredited nature of training program, alignment to NQF, training start and end dates, duration of the training, and</li> <li>2. A certificate of completion or Statement of Result issued by the training provider.</li> </ol> <p><b>Where the beneficiary accesses a Work Placement opportunity:</b></p> <ol style="list-style-type: none"> <li>1. A signed learner database which includes, the name and surname of the learner, ID number of the learner, age at the start of the placement, gender, person with a disability, beneficiary contact telephone number, beneficiary contact address including suburb of residence, the name of lead and/or host company, the host and/or lead company's address, learners job type, start and end date of work placement as reconciled to the company-signed Memorandum of Agreement, duration of the work placement, and</li> <li>2. A signed Memorandum of Agreement (MOA), between the host or lead company and the Department, and</li> <li>3. Proof of identification, either via a copy of an ID document, temporary ID document, learner's license, driver's license or birth certificate.</li> </ol> <p><b>NOTES:</b></p> <ol style="list-style-type: none"> <li>1. To ensure a wide reach of the beneficiaries the Department assists, the unit of measurement will be on unique beneficiaries. For example, if a beneficiary is known to have benefited from a Departmentally sponsored training initiative with this Programme (e.g. ICT Technical Skills program) and the same beneficiary enters a Departmentally sponsored work placement initiative, then the said beneficiary should be counted once; i.e. as unique.</li> <li>2. An experiential learning beneficiary will be deemed as supported if the Department funded any part of the duration period as stipulated in the MOA.</li> <li>3. Beneficiaries completing one work placement opportunity should be counted once. In other words, where the same beneficiary manages to complete two Programme 7 sponsored work placements in a financial year (e.g. WSP program over 2 separate quarters or a WSP placement with 2 separate host companies), that beneficiary should be counted once in a financial year.</li> <li>4. Certain projects have varying standards for when a beneficiary is considered 'trained.' In most cases the beneficiary will be counted as receiving a training opportunity irrespective of whether that beneficiary 'completed' the planned duration of the training or experiential learning programme. This is due a departmental challenge of being unable to manage attrition or drop off.</li> </ol>											
<b>Data limitations</b>	N/A											
<b>Type of indicator</b>	<table border="1"> <tr> <td>Not a service delivery indicator</td> <td>Yes, Direct Service Delivery</td> <td>Yes, Indirect Service Delivery</td> <td>X</td> </tr> <tr> <td>Yes, demand driven</td> <td>No, not demand driven</td> <td></td> <td>X</td> </tr> </table>				Not a service delivery indicator	Yes, Direct Service Delivery	Yes, Indirect Service Delivery	X	Yes, demand driven	No, not demand driven		X
Not a service delivery indicator	Yes, Direct Service Delivery	Yes, Indirect Service Delivery	X									
Yes, demand driven	No, not demand driven		X									
<b>Strategic link to the PSP</b>	VIP #	2	Focus Area	Creating opportunities for job creation through skills development								
	Output(s)	TBC	Intervention(s)	Youth skills development initiatives (incl. artisan development, skills for digital economy, financial and business sector skills) Apprenticeship initiative Graduate / industry intern programme								
<b>Covid-19 linkage</b>	Yes		No	X								
	Hotspot Theme	Slowing the spread	Civil Compliance									
		Economic Recovery	Humanitarian Relief & Food Security									
		Communication	Other									
	Hotspot Area	City of Cape Town	Cape Winelands									
		Central Karoo	Garden Route									
		Overberg	West Coast									
<b>AOP Reference</b>	AOP 2021/22 Indicator: 7.3 Number of beneficiaries supported through skills interventions											

## Sub-programme 7.3: Skills Incentives

<b>Indicator number</b>	7.4									
<b>Indicator title</b>	<b>Value of funds leveraged</b>									
<b>Short definition</b>	To attract and access funds to support the jobs and skills eco-system in the economic priority sectors of the province. The funds are directed along the skills pipeline and includes, amongst others training, work placement, upskilling, retraining, development of new programs, refining existing programs, subsidies, stipends and co-funding (financial and non-financial) for beneficiaries, in and out of the education system and in companies/organizations requiring assistance.									
<b>Purpose</b>	To facilitate partnerships with stakeholders to access funding (national or provincial or international). Support the integration of effort across relevant stakeholders to achieve the desired synergy and impact.									
<b>Source of data</b>	Signed letters or signed award letters or signed contractual agreements or signed declarations or emails from organisations and partners.									
<b>Method of calculation</b>	Simple count									
<b>Calculation type</b>	Cumulative Year-end		Cumulative Year-to-date			Non-cumulative	X			
<b>Reporting cycle</b>	Quarterly		Bi-annually		Annually	X	Biennially			
<b>Desired performance</b>	Higher than target	X	On target		Lower than target					
<b>Indicator responsibility</b>	Director: Skills Incentives									
<b>Spatial Transformation</b>	Spatial transformation priorities		Skills endeavours to work across the regions in the Western Cape.							
	Description of spatial impact		Improved Employability across the regions of the Western Cape							
<b>Spatial Context</b>	Single Location		Multiple Locations	X	Provincial		X			
	District		Local Municipality		Ward		Address			
	Detail / Address / Coordinates		The demand led skills initiatives makes it difficult to provide co-ordinates in advance							
<b>Disaggregation of beneficiaries</b>	Target for women			N/A	Target for youth					
	Target for people with disabilities			N/A	Target for older persons					
<b>Recovery Plan Focus Areas</b>	Jobs	X	Safety		Well-being		No link			
<b>Assumptions</b>	Indicator contributes to increased alignment between the supply of and demand for skills and, critically, to drive skills development so that it can play a role in supporting and enabling economic growth in the province.									
<b>Means of verification</b>	1. Signed database of funds leveraged and For funds leveraged via stipend income from WSP companies: 2. Signed letter from the organization providing the funds, clearly stating the value of their own, or their respective partners' funds/in kind contributions, towards the skills intervention/s, supported by the department and/or  For other sources of funds leveraged where the Department raises the funds, directly: 3. Signed award letters, signed contractual agreements and/ or signed letters and/or signed declarations and or/ emails from the funders denoting the funds committed and / or  For other sources of funding where the Department provided indirect support in the funds being leveraged 4. Where the Department assisted or supported either the grantee or Grantmaker with raising of the funds and seeks to claim the monetary value of the funds leveraged as performance, the grantee (recipient of the funds) should submit a signed letter confirming the support provided by the Department:  <b>NOTES:</b> 1. Departmental funds may not be included or claimed in the reported value of funds leveraged; as the emphasis will be on reporting funds that was leveraged over and above departmental funds. 2. Where in-kind contributions are reported under the value of funds leveraged, a monetary value must be attached to the in-kind support in the substantiating documentation.									

**Continued on next page**

<b>Data limitations</b>	Even though the funders may commit through, e.g. a signed MOU, the actual funding may only be forthcoming in subsequent financial years.			
	Funding & reporting cycles of various funders in co-funded programs may differ. These can lead to inconsistencies in reporting. This indicator measures both the committed and or actual funds leveraged.			
	Since assistance may be provided in cash and/or "in kind (e.g. expertise, training, facilities, equipment), it is often difficult to quantify and aggregate the monetary value of the 'in-kind' assistance provided.'			
<b>Type of indicator</b>	Not a service delivery indicator		Yes, Direct Service Delivery	
	Yes, demand driven		No, not demand driven	
<b>Strategic link to the PSP</b>	VIP #	2	Focus Area	Creating opportunities for job creation through skills development
	Output(s)		Intervention(s)	Youth skills development initiatives incl. artisan development, skills for the digital economy, financial and business sector skills, improved quality for maths, science and engineering qualifications, and entrepreneurial skills development.  The Apprenticeship Initiative  Agricultural Partnership for Youth Development (APRYD) programme  Graduate/industry intern programme  Emerging Contractor Development Programme
<b>Covid-19 linkage</b>	Yes		No	
	Hotspot Theme	Slowing the spread		Civil Compliance
		Economic Recovery		Humanitarian Relief & Food Security
		Communication		Other
	Hotspot Area	City of Cape Town		Cape Winelands
		Central Karoo		Garden Route
		Overberg		West Coast
<b>AOP Reference</b>	AOP 2021/22 Indicator: 7.4 Value of funds leveraged			

## ANNEXURES TO THE ANNUAL PERFORMANCE PLAN

### **Annexure A: Amendments to the Strategic Plan**

The Departmental Five-Year Strategic Plan (2020-2025) is well aligned to the Western Cape Recovery Plan and will not be revised in the 2021/22 financial year. Revisions to the Strategic Plan may be required in the outer years as both the Recovery Plan and the Strategic Plan are living documents.

The Department responded to Covid-19 through the Immediate Interventions 2020/21 plan, which was the immediate response to job losses as a result of the pandemic, and let initiatives to enable private sector to sustain and create jobs.

### **Annexure B: Conditional Grants**

Not applicable

### **Annexure C: Consolidated Indicators**

Institution	Output Indicator	Annual Target	Data Source
Wesgro	Number of business agreements signed	45-65	Wesgro APP 2021/22
Wesgro	Number of investment projects realised	14-18	Wesgro APP 2021/22
Wesgro	Number of Tourism Destination Marketing Initiatives supported	15	Wesgro APP 2021/22
SBIDZ	Number of signed leases	8	Draft SBIDZ Corporate Plan for 2021/22
ASEZ Entity	Number of signed leases	2	Draft ASEZ Corporate Plan for 2021/22

### **Annexure D: District Development Model**

The Western Cape Government is applying the Joint Metro and District Approach as its response to the District Development Model.

Areas of intervention	Medium Term (3 years – MTEF)					
	Project description	Budget allocation	District Municipality	Location: GPS coordinates	Project leader	Social partners
Ease of Doing Business	Municipal Ease of Doing Business Interventions Demand-driven support for district and local support for municipalities as required	Human resources	All (incl. Cape Town Metro)		Programme 2	Local municipalities; WCG depts.; Organised Business
Ease of Doing Business	Enterprise Development: Booster Fund, Demand-driven support for SMMEs	R26m			Programme 2	Local municipalities; SMME support organisations; tertiary institutions
Agri-processing	Sector Development: Export Capacity Development, Localisation Capacity Development	TBC	All (Including Cape Town Metro)		Programme 3	Municipalities, Industry Bodies, Department of Agriculture, DTI and DAFF.

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Areas of intervention	Medium Term (3 years – MTEF)					
	Project description	Budget allocation	District Municipality	Location: GPS coordinates	Project leader	Social partners
Manufacturing	Competitiveness Improvement Services (CIS) Programme, Localisation Value Chain Development, Export Capacity Development	TBC	All (Including Cape Town Metro)		Programme 3	Development Agencies, Industry Bodies, District Municipalities, DTI and SOEs, and Industry Associations.
Oceans Economy	Industry Partnerships Programme: Provincial Oceans Economy Working Group	TBC	Three Coastal Districts (Including Cape Metro)		Programme 3	Coastal Municipalities, Industry Organisations, Government Agencies, National and Provincial Government Departments.
Oceans Economy	Value-chain Capacity Building Programme	TBC	Three Coastal Districts (Including Cape Metro)		Programme 3	Coastal Municipalities, Industry Organisations, Government Agencies, National and Provincial Government Departments.
Catalytic Infrastructure	Investment attraction to the Atlantis Special Economic Zone	R44 387 000	Atlantis, Cape Town		Programme 5	The DTI, City of Cape Town, Wesgro, PT, DTPW and DEA&DP
Catalytic Infrastructure	Investment attraction to the Saldanha Bay Industrial Development Zone	R40 054 000	Saldanha Bay		Programme 5	The DTI, Saldanha Bay Municipality and PT
Knowledge management	Enabling the economy through the development of strategic partnerships by the Economic Development Partnership	R13 900 000	All (including Cape Town Metro)		Programme 5	DoTP, PT, Local Municipalities, DOCS
Green Economy	Green Economy Leadership and Co-ordination	Human Resources	All (Including Cape Town Metro)		Programme 5	WCG Depts: DoA DTPW, DLG DEADP PT WCED DoH DHS Municipalities, National dti, TIPS, DEFF Businesses Industry associations NGOs Academia

Areas of intervention	Medium Term (3 years - MTEF)					
	Project description	Budget allocation	District Municipality	Location: GPS coordinates	Project leader	Social partners
Green Economy	Green Economy Ecosystem Support	TBC Human Resources	Demand based		Programme 5	WCG Depts: DoA DTPW, DLG DEADP PT WCED DoH DHS Municipalities National dti, TIPS, DEFF Businesses Industry associations NGOs Academia
Green Economy	Energy Resilience Strategic Co-ordination and Implementation	TBC Human Resources	Aimed at all - demand based		Programme 5	WCG Depts: DoA DTPW, DLG DEADP PT WCED DoH DHS Municipalities National DMRE, NERSA, dti, TIPS, DEFF, CSIR Businesses Industry associations NGOs Academia
Green Economy	Economic Water Resilience Strategic Co-ordination and Implementation	TBC Human Resources	Aimed at all - demand based		Programme 5	WCG Depts: DoA DTPW, DLG DEADP PT WCED DoH DHS Municipalities National dti, TIPS, DEFF, DHSWS Businesses Industry associations NGOs Academia
Digital Economy	Connected Citizens: I-CAN Elsies River	R700k	Cape Town Metro		Programme 5	Genesis NPO, CoCT, Google, IBM
Digital Economy	Connected Business: Khayelitsha Bandwidth Barn	R700k	Cape Town Metro		Programme 5	CoCT, CiTi
Tourism Safety and Signage	Tourism Signage: Tourism Signage Skills Development	R0	All (incl. Cape Town Metro)		Programme 6	Local and Regional Tourism Offices; Local Municipalities

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Areas of intervention	Medium Term (3 years – MTEF)					
	Project description	Budget allocation	District Municipality	Location: GPS coordinates	Project leader	Social partners
Tourism Planning	Tourism Planning: Western Cape Tourism Master Plan	Human Resource	All (incl. Cape Town Metro)		Programme	Local and Regional Tourism Offices; Local Municipalities
Tourism Planning	Tourism Planning: Tourism Investment Pipeline	Human Resource	All (incl. Cape Town Metro)		Programme 6	Local and Regional Tourism Offices; Local Municipalities
Tourism Destination Development	Tourism Growth and Development: Niche Tourism Product Development Fund	R5m	All (incl. Cape Town Metro)		Programme 6	NDT, DCAS, Local and Regional Tourism Offices; Local Municipalities
Tourism Destination Development	Tourism Growth and Development: Quality Assurance	R200k	All (incl. Cape Town Metro)		Programme 6	NDT, DCAS, Local and Regional Tourism Offices; Local Municipalities
Tourism Destination Development	Tourism Growth and Development: Marketing Development Support to Regional and Local Tourism Offices.	Human Resources	All (incl. Cape Town Metro)		Programme 6	NDT, DCAS, Local and Regional Tourism Offices; Local Municipalities
Tourism Destination Development	Tourism Growth and Development: Cruise Cape Town	Human Resources	Cape Town		Programme 6	NDT, Wesgro
Tourism Destination Development	Tourism Growth and Development: Visitor Services	Human Resources	All (incl. Cape Town Metro)		Programme 6	Local and Regional Tourism Offices; Local Municipalities
Tourism Destination Development	Tourism Growth and Development: Action Platform	R100k ops budget	All (incl. Cape Town Metro)		Programme 6	Local and Regional Tourism Offices; Local Municipalities
Tourism Destination Development	Tourism Growth and Development: Cape Cycle Routes – App Launch	R150k	All (incl. Cape Town Metro)		Programme 6	Local and Regional Tourism Offices; Local Municipalities
Tourism Destination Development	Tourism Growth and Development: Madiba Legacy Route Development	Human Resource	Drakenstein		Programme 6	NDT, DCAS, Local Municipality
Skills Development & Development	Skills development projects	tbc	All (Including Cape Town Metro)		Programme 7	TVET colleges and municipalities
Consumer Protection Services	Roll out Educational Awareness programmes such as Financial literacy, SMME's, Consumer protection act and complaints resolution	Human resources	Demand based		Programme 4	NCR, FSCA, Department of Local Government, NCC, NCT, DTI, Council for Debt Collectors

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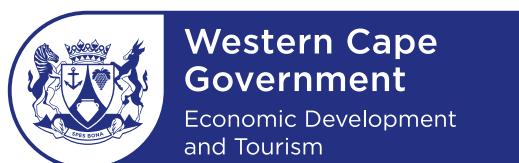
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