



## FOREWORD

Since 1994, the optimal role of all spheres of Government in economic development has been debated without a decisive outcome, until recently.

At its 2005 mid-year lekgotla, national Cabinet made a decisive contribution to that discourse.

It resolved to make growing the economy the highest priority for all spheres of government. What is required is accelerated growth above 6 percent, sustained over the medium term.

Its second priority is intimately linked to the first: the creation of sustainable livelihoods.

For provincial governments, this requires a fundamental re-examination of all our spending to give maximal effect to these imperatives.

The Department of Economic Development & Tourism is placed extraordinarily well at the outset of the 2006/2009 MTEF planning cycle to be able to offer evidence-based and analysis-based policy options and to develop focused interventions to give effect to the national priorities.

The evidence and analysis is contained in the province's first comprehensive Micro-Economic Development Strategy [MEDS]. At present the MEDS consists of three major components:

Some 42 research papers, covering 13 sectors in the economy and 5 major cross-cutting themes, in which researchers were asked, *inter alia*, to offer sector-based or theme-based recommendations to influence the trajectory of the Western Cape economy positively and significantly.

A report by a high-level oversight committee that commented on the researchers recommendations, synthesized their collective findings into a coherent whole analysis of the economic potential and outlook and attempted to prioritize the interventions which Provincial Government

should make in order to achieve maximum growth and job-creation in the medium term.

An implementation plan in terms of which we have prioritised interventions in targeted sectors and cross-cutting themes in the economy which we will finance or co-fund with our social partners, National Government and parastatals.

This is the touchstone for the work of the Department in the medium term.

If we wish to implement all the recommendations that are consistent with the national priorities in all researched sectors and themes, we estimate that an annual amount for interventions and services of the order of R500-million would be required in Vote 12.

However, our historically determined MTEF allocations are much smaller. In this light we have prioritized the following:

Major interventions in the following sectors: Call Centres, Business Process Outsourcing, Tourism, ICT. The Oil and Gas Supply Service Hub with a special focus on the Metals and Engineering sector.

Catalytic, but smaller-scale, interventions in other sectors like agribusiness, cultural and creative industries, crafts, film, clothing & textiles and fishing.

Programmes to deepen the quality and variety of services and access to finance to small, micro and survivalist businesses and potential businesses, particularly for the previously excluded and the presently marginalized, through our RED [Real Enterprise Development] Initiative.

Significantly accelerated and effective provision of appropriate skills at the FET and tertiary level in sectors in which sustainable jobs are likely to be created.

A programme for accelerating Local Economic Development called Die Plek Plan in which we will place well-informed and well-supported economic development agents on the ground in municipalities to work with

local authorities to identify and fast-track economic growth opportunities, particularly for the previously excluded and currently marginalized.

I believe that the appropriate combination of targeted growth supported by the right level of direct intervention in local economic development and enterprise development will contribute considerably to the achievement of our national priorities and lessen dependence on welfare.

**Tasneem Essop**

**MINISTER OF ENVIRONMENTAL AFFAIRS, DEVELOPMENT PLANNING  
AND ECONOMIC DEVELOPMENT**



## FOREWORD

Tourism remains one of the most important growth sectors in the Western Cape and one with the greatest potential for significant job creation.

In terms of the National Growth and Development Strategy and the Accelerated Shared Growth Initiative of South Africa (ASGISA), Tourism has been identified as a priority sector for immediate investment and support. The ASGISA policy document indicates that the tourism industry can contribute to the direct creation of 400 000 jobs nationally over the next five years. A provincial share could be around 80 000 income-earning opportunities given that we host a majority of the most visited sites in the country.

The Micro-economic Development Strategy (MEDS) has identified a number of sectors worthy of support. Tourism is one of the five flagship sectors and the expectation is that it will grow the economy in a demographically and geographically sustainable way.

Given this scenario, and having studied international best practice for government authorities in tourism, my department has as its vision for tourism the growth of a sustainable tourism economy and the spread of benefits to all our citizens.

To give effect to this vision my department has established programmes and projects in a number of work areas to ensure that we do impact on the growth and equity in this sector.

The overarching plan for Tourism is captured in the Integrated Tourism Development Framework (ITDF). This is a plan that has identified eleven nodes and corridors; based on market needs, resource strength, supply of infrastructure and socioeconomic need; which require further investment and development. For the 2006/07 financial year my department will review the detail in this plan and update it. We will also continue to develop localised plans within these nodes and corridors. For the first time we will establish a research unit. My department has also been very active in the Enterprise Development, Empowerment Initiatives and Human Resource Development. In addition we have active efficient units that deal with Tourist safety and security, Tourism Road Signage and Tourist

Guide registration processes. A key area will be to emphasise the implementation of the BEE charter and scorecard for tourism in all of these work areas. All of these programmes, initiatives and services will be further enhanced in the coming financial year

Importantly, my department has also been instrumental in the establishment, development and maintenance of the tourism destination marketing organisation-Cape Town Routes Unlimited (CTRU). Broadly speaking this agency is responsible to grow the tourism traffic to the region and to ensure that we realize the best yields from tourists who visit our shores. For the 2006/07 financial year my department will continue to support CTRU financially, strategically and administratively.

All of these efforts are geared towards ensuring that we grow a sustainable economy in tourism and that ultimately the benefits accrued from the development of this industry are spread through the length and breadth of the Province and to its people.

I trust that I can rely on your support in these endeavours.

**Lynne Brown**  
**MINISTER OF FINANCE AND TOURISM**

## CONTENTS



### PART A: OVERVIEW AND STRATEGIC PLAN UPDATES

	Pages
<b>1. Overview</b>	<b>1-4</b>
<b>2. Strategic plan update analysis</b>	<b>5-15</b>

### PART B: PROGRAMME AND SUB-PROGRAMME PLANS

<b>3. Programme 1: Administration</b>	<b>16-20</b>
i. Situation analysis	
ii. Analysis of constraints and measures planned to overcome them	
iii. Description of planned quality improvement measures	
iv. Specified policies, priorities and strategic objectives	
<b>3.1 SUB-PROGRAMME 1.1: CORPORATE SERVICES</b>	<b>21-29</b>
i. Situation analysis	
ii. Analysis of constraints and measures planned to overcome them	
iii. Description of planned quality improvement measures	
iv. Specified policies, priorities and strategic objectives	

**3.2 SUB-PROGRAMME 1.2: DELIVERY ENABLING SERVICES 30-36**

- i. Specified policies, priorities and strategic objectives
- ii. Specifications of measurable objectives and performance indicators

**3.3 Reconciliation of budget with plan 37**

**4. PROGRAMME 2: ECONOMIC PARTICIPATION 38-47**

- i. Situation analysis
- ii. Analysis of constraints and measures planned to overcome them
- iii. Description of planned quality improvement measures
- iv. Policies, priorities and strategic objectives

**4.1 SUB-PROGRAMME 2.2: ENTERPRISE DEVELOPMENT 48-56**

- i. Policies, priorities and strategic objectives
- ii. Specifications of measurable objectives and performance indicators

**4.2 SUB-PROGRAMME 2.3: LOCAL ECONOMIC DEVELOPMENT 57-64**

- i. Specified policies, priorities and strategic objectives
- ii. Specifications of measurable objectives and performance indicators

**4.3 SUB-PROGRAMME 2.4: ECONOMIC EMPOWERMENT 65-70**

- i. Specified policies, priorities and strategic objectives
- ii. Specifications of measurable objectives and performance indicators

**iii. Reconciliation of budget with plan 71**

**5. PROGRAMME 3: FAIR BUSINESS ENVIRONMENT 72-76**

- i. Situation analysis
- ii. Analysis of constraints and measures planned to overcome them
- iii. Description of planned quality improvement measures
- iv. Specified policies, priorities and strategic objectives

**5.1 SUB-PROGRAMME 3.2: OFFICE OF THE CONSUMER  
PROTECTOR 77-83**

- i. Specified policies, priorities and strategic objectives
- ii.

**5.2 SUB-PROGRAMME 3.3 WESTERN CAPE LIQUOR BOARD 84-95**

- i. Specified policies, priorities and strategic objectives
- ii. Specification of measurable objectives and performance indicators

**iii. Reconciliation of budget with plan 96**

**6. PROGRAMME 4: ECONOMIC SECTOR DEVELOPMENT 97-103**

- i. Situation analysis
- ii. Analysis of constraints and measures planned to overcome them
- iii. Description of planned quality improvement measures
- iv. Specified policies, priorities and strategic objectives

**6.1 SUB-PROGRAMME 4.2: INDUSTRY DEVELOPMENT 104-134**

- i. Specified policies, priorities and strategic objectives
- ii. Specification of measurable objectives and performance indicators

**6.2 SUB-PROGRAMME 4.3: STRATEGIC SECTOR SUPPORT 135-153**

- i. Specified policies, priorities and strategic objectives
- ii. Specification of measurable objectives and performance indicat

**iii. Reconciliation of budget with plan 154**

**7. PROGRAMME 5: TOURISM 155-161**

- i. Situation analysis  
Specified policies, priorities and strategic objectives
- ii. Analysis of constraints and measures planned to overcome
- iii. Description of planned quality improvement measures
- iv. Specified policies, priorities and strategic objectives

**7.1 SUB-PROGRAMME 5.2: TOURISM INDUSTRY DEVELOPMENT 162-167**

- i. Specified policies, priorities and strategic objectives
- ii. Specification of measurable objectives and performance indicators

<b>7.2</b>	<b>SUB-PROGRAMME 5.3: TOURISM STRATEGIC IMPLEMENTATION</b>	<b>168-186</b>
i.	Specified policies, priorities and strategic objectives	
ii.	Specification of measurable objectives and performance indicators	
iii.	<b>Reconciliation of budget with plan</b>	<b>187</b>
<b>8.</b>	<b>Medium Term Revenue</b>	<b>188</b>
<b>9.</b>	<b>Details of Public Entities</b>	<b>189</b>
<b>10.</b>	<b>Financial Management</b>	<b>190</b>



### 1. Overview of Strategic Plan

Finally, we are in the era of the first full-blooded Micro-economic Development Strategy [MEDS] for the Western Cape. From now on, citizens and potential investors will have the comfort of knowing that the department's economic development interventions are based on a solid foundation of considered evaluation of the facts and deep, serious analysis.

There will be certainty about Provincial Government's view of the trajectory of the economy as a whole and of the development of most sectors. Likewise, our view of the development of crosscutting themes like HRD, Small Business Development, Transport and Energy and the impact of such developments will be known.

All of this will be carefully presented in the form of our annually updated Ten-Year MEDS Implementation Plan combined with an annually up-dated MTEF budget.

This development could not be timelier. The July 2005 National Cabinet Lekgotla placed raising trajectory of economic growth and development at the top of the list of its priorities.

Provincial Government is responding by:

- Putting in place the critical foundations required to change the trajectories of a number of sectors and themes which have been identified by the MEDS as requiring relatively low investment by the social partnership to obtain high impact in GDP growth, job creation, enterprise development and broad-based black economic empowerment. The selected areas for priority intervention are tourism, BPO & call centres, ICT, the supply and servicing of the West African oil & gas market and small business development. Clothing & textiles, agri-business, crafts, film, cultural industries and metals & engineering constitute the next priority group. HRD and small business development will be the highest priority themes. Both of these require substantive integration of efforts by Provincial departments and other spheres of government.

- Expanding the geographic spread, programmes and quality of service of our major Enterprise Development programme, the RED Initiative to cater for startup survivalist, micro and small businesses in the first instance. We will lay the foundation for the second phase of the RED Initiative in which we deal with improving the quality of post-startup small and small-medium-sized businesses. This phase will focus much more on efficiency, productivity and global competitiveness.
- Intensifying delivery of Die Plek Plan, our Local Economic Development [LED] fast-tracking strategy. Die Plek Plan translates the MEDS into municipal IDPs, places operatives on the ground in municipalities [other than in the Unicity] to actively identify, define, shape and unlock economic opportunities in a way that can be taken up by citizens with the full support of the RED Door.
- Giving effect to a wide-ranging, broad-based Black Economic Empowerment Implementation Plan, rooted in economic sectors and benefiting previously disadvantaged and presently marginalized black people with a particular focus on women, youth, the disabled, rural-dwellers and workers.

We will be able to demonstrate the impact of The RED Initiative and Die Plek Plan through our detailed record of all transactions with enterprises and potential enterprises used by the RED Door and through a careful project progress report of our LED initiatives through our Departmental Operations Project Management System [DOPMS].

### **Where we want to be in 10 years**

We are not simply “doing our best” and hoping for a good outcome.

In 10 years time we hope to see the following impact as a result of our policy choices, use of public and private funding and the collective human resources of all social partners:

- Number of jobs created: between 200,000 to 450,000.

- Number of enterprises created: between 15,000 to 30,000.
- Entrepreneurs/business operators enskilled: between 10,000 to 12,000.
- The PGWC will have developed a strong capacity to pick winning sectors
- Existing sectors with strong growth potential will have been strengthened to operate optimally from a global perspective
- New sectors would have been established and will be growing
- Sunset sectors given softest possible landing as they fade out and workers re-skilled for employment or entrepreneurship in growth sectors
- Significant reduction of core unemployed through unconventional employment
- Unemployment under 20 percent
- A workforce which is regarded as highly attractive to global manufacturing and service sector investors

The second priority of the Cabinet Lekgotla is to improve the capacity of government to carry out its mandate. To give effect to this we have put in place our new structure in full to give effect to our strategy to be a department which researches, analyses, shapes and outsources interventions, monitors and evaluates impacts and has detailed knowledge of the dynamics and players of sectors and local government.

National Cabinet has said that what is required in the current epoch is both focus and decisiveness on behalf of Government and the need to accept that it has to make trade-offs in a country without bottomless pits of money. The Department of Economic Development & Tourism is ready to respond to the call for accelerated shared growth.



**Brendon Roberts**

**ACCOUNTING OFFICER**

## 2. Strategic plan update analysis

The Department of Economic Development and Tourism's vision is encapsulated in the vision of the National Growth and Development Strategy, Home for All vision and the strategy of iKapa Elihlumayo.

National Growth and Development Strategy Vision – a South Africa, which is:

- The leading emerging market and destination of first choice for investors while retaining and expanding social equity and fair labour standards.
- A productive economy with high levels of service, a highly skilled workforce, and modern systems of work organisation and management.
- A society in which there are economic opportunities for all, poverty is eradicated, income inequalities are reduced and basic services are available to all.
- A society in which our people, our most precious resource, are given the opportunity and support to develop to their fullest potential.
- A society that promotes the values of social equity, fairness, and human dignity in the global economy.

iKapa Elihlumayo Strategy:

Our vision is one of a Western Cape which offers dignity, equity and prosperity to all those who make it their home.

In essence, the Department's vision is one of a shared, sustainable, growing, labour-absorbing, and globally competitive economy.

The Department 's mission is a commitment to drive key economic sectors that will grow the economy in a manner that will create decent work for entrants into the labour market and to ensure that we reduce the number of people dependent on social welfare. We aim to grow and transform our economy through micro-economic interventions and to ensure we meet social, economic and environmental equity outcomes.

## The Macro Framework

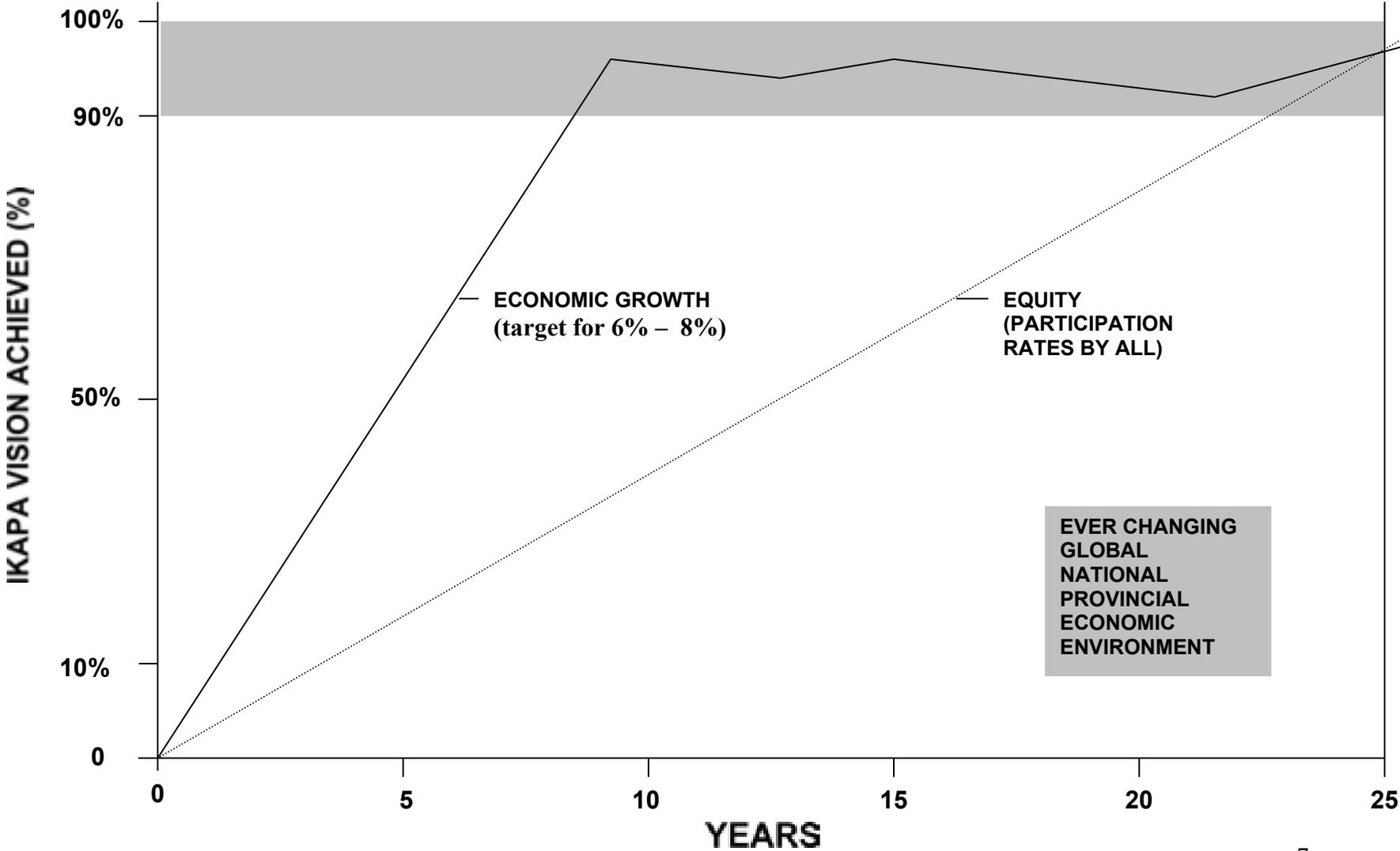
The Department of Economic Development and Tourism (DEDT) operates in an environment characterised by the following *two distinguishing framework conditions* that shape the scope, form and direction of its work:

- President Mbeki, in his 2004 State of the Nation Address, highlighted the necessity for state intervention in economic affairs of the country while emphasising the specifically developmentalist nature of our state formation and function.
- The new Constitution and post 1994 Legislation make provision for 3 spheres of government – National, Provincial and Local – each with specific powers, competencies and responsibilities.

The substantive content and modalities of state intervention are determined by constitutional and policy imperatives of poverty reduction, inequality reduction, and equitable development growth.

The Western Cape's strategy, iKapa Elihlumayo (also refer to **Figure 1**), captures these macro policy imperatives and sets the stage for the Department's role as a Provincial organ of the developmentalist state.

Figure 1: Vision for achieving growth and equity over the next 25 years



... the two key issues confronting our people: creating work and fighting poverty

Premier Ebrahim Rasool, April 2004

In the light of the vision, the Department examined national policies, strategies, mandates, Cabinet Lekgotla outcomes, and speeches of the President and National Ministers, and combined these with the Provincial political imperatives of iKapa Elihlumayo.

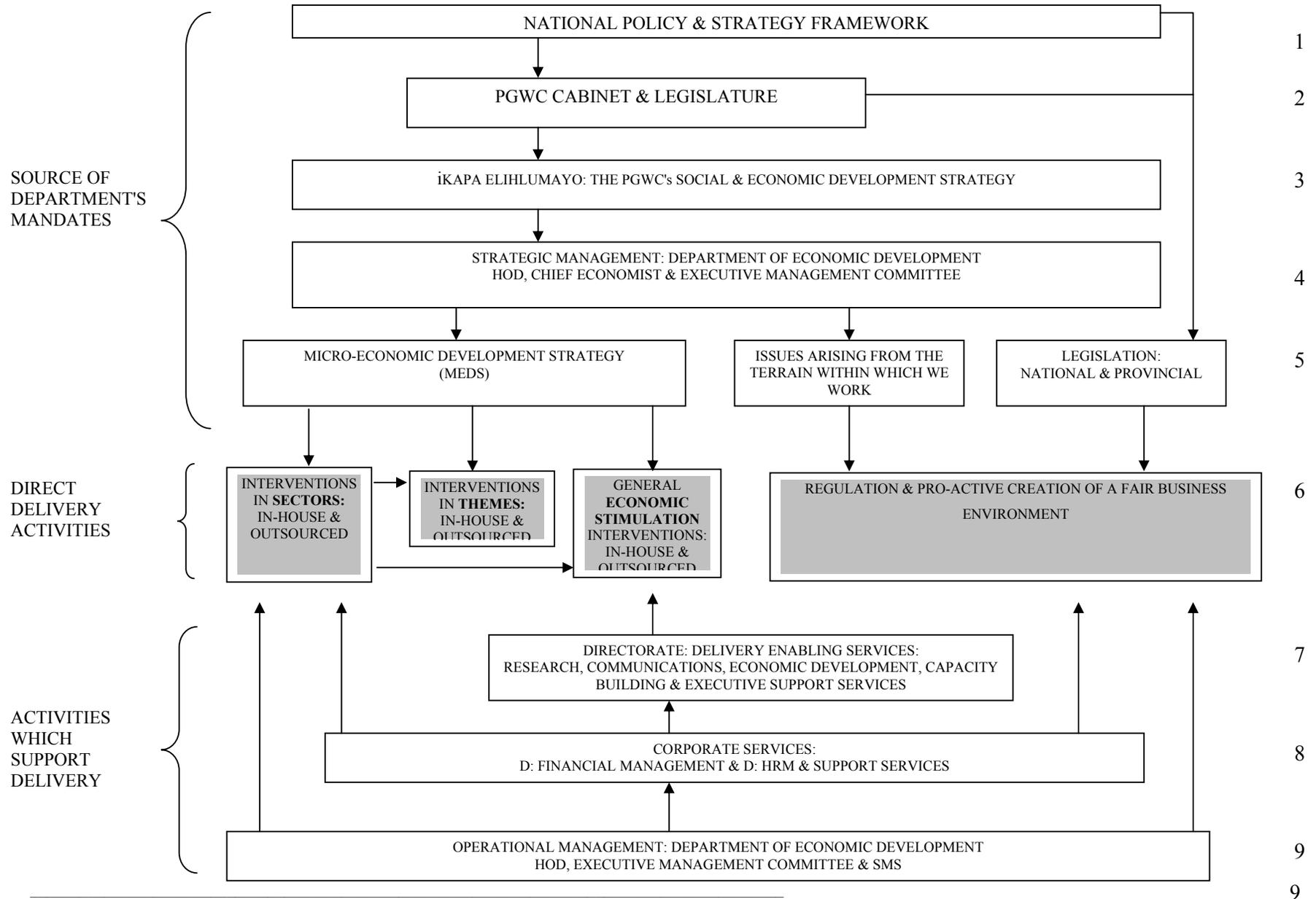
The Department, over the next five years, will focus on the following overall strategic goals:

- Promoting and mobilising investment and creating decent work for all
- Ensuring economic empowerment for all, especially for black people, workers people with disabilities, women and youth
- Eradicating poverty and addressing the legacy of under-development.
- Strategically engaging globalisation to the best advantage of the Province.

These strategic goals will be underpinned by the following six strategic objectives, which are:

- To ensure good **corporate governance** within the Department.
- To **enhance** the delivery of services provided by the Department
- To **grow** the economy in a sustainable manner, for the benefit of all who make the Western Cape their home.
- To create **employment**, especially for the presently unemployed.
- To make **ownership** of the economy representative of the demography of the Province.
- To increase levels of **participation** in the economy by all, especially by the previously excluded and presently marginalised.
- To make citizens and their enterprises effective players in the **global** economy.
- To create a fair, effective and conducive **business environment** for enterprises and consumers.

**Figure 2: Structure of the reorganised Department to meet delivery against set mandates**



... the two key issues confronting our people: creating work and fighting poverty

Premier Ebrahim Rasool, April 2004

## Service Demand

The following dimensions and features of the Western Cape's socio- economic landscape impact significantly on the interventionist and servicing challenges:

- Traditional, low skills absorbing economic sectors and sub-sectors are shedding labour and/or resorting to the "casualisation" of employment contracts.
- Intra-sectoral, value chain fragmentation – agriculture/agri-business; clothing/textiles; and steel/metals – result in diseconomies which impact adversely on optimising resource use of potentials and global competitiveness.
- Mis-alignment, poor integration and blunt targeting of HRD service providers impact adversely on the supply of intermediate and high-end labour market skill bands required in niche market growth sectors and sub-sectors.
- The Provincial economy lacks a robust, innovative, middle layer of SMMEs to support broad based economic growth, job creation, and BBBEE.
- The Western Cape is one of the few provinces, which is a "net importer" of labour (mainly low skill labour from the Eastern Cape).
- The Western Cape is the second least poor province in South Africa.
- The Western Cape heads-up the provincial inequality league in the country with an embedded, racially skewed distribution of enterprise ownership, management, employment, and unemployment profile.

In addition, socio-spatial marginalisation, information asymmetries, and capacity deficits create vicious circles of inequitable growth that fuel migration, skills mismatches and heightened inequalities, while constraining optimal utilisation of local resources or potentials.

The menu of challenges highlighted above is indicative of structural fault lines endemic to the landscape. The scale, scope and intensity of these economic fault lines are suggestive of demand side impulses that will remain over the medium to long term since they are structurally embedded and not cyclic swings.

The Department re-evaluates its services and interventions throughout the 2005/06 financial year by the introduction of an Executive Management Committee Strategy (EMC-Strat.) Meeting. During this re-evaluation process, the management of the Department constantly evaluates and aligns the broad

strategic direction of the Department to strategies and interventions identified through the MEDS processes and social partners.

To achieve its mandates, the Department having introduced four new units, namely, economic participation, fair business environment, economic sector development and tourism, to better align its servicing portfolio to demand side impulses and requirements. Each of the new units comprise between 5 to 6 specialised sub-units, and will ensure (together with institutions) the implementation of several key interventions in order to produce enterprises and to create jobs (refer to **Figure 3**). The organisational arrangement accommodates a broad operational constellation of specialised fields and activities.

The Department is faced with gargantuan constraints in terms of human, financial and intellectual capacity that will be geared at meeting and successfully addressing the ever-changing demands placed on the Western Cape economy. To significantly improve the impact on service delivery, greater financial resources need to be leveraged and the Department will need to fundamentally increase and improve its intellectual capacity by employing suitably qualified and skilled human capital.

The nature and substantive content of the demand side frame necessitate alignment between different service providers, as a single department cannot command all the capabilities or services required. HRD; technology development and transfer; physical and communications infrastructure; spatial planning; local economic development; environmental and land use planning and monitoring; trade policies; regimes and incentives; and investment policies and incentives all number amongst the extra-departmental institutional mixes / stakeholders involved.

The above highlights the strategic and integrative leadership function, where the Department is required to expeditiously facilitate, manage and monitor pro-active and interventionist servicing of programmes. Strategic leadership, smart organisation, effective resource pooling efficient, appropriate and inclusive institutional delivery are all primary requirements of the new brand of pro-active servicing which includes building empowering partnerships with end-users.

Service delivery and intervention capabilities of the type required are not readily available on the market. It is imperative that intra-departmental institutional learning be cultivated as a conscious, regular and formalised practice in order to develop the Department's institutional memory and knowledge base as

mechanisms to enhance service efficacy and efficiency as well as extra departmental sustainability of service offerings.

## **Strategic Plan Process**

The Department's strategic planning process can be separated in three distinct but interlinked phases.

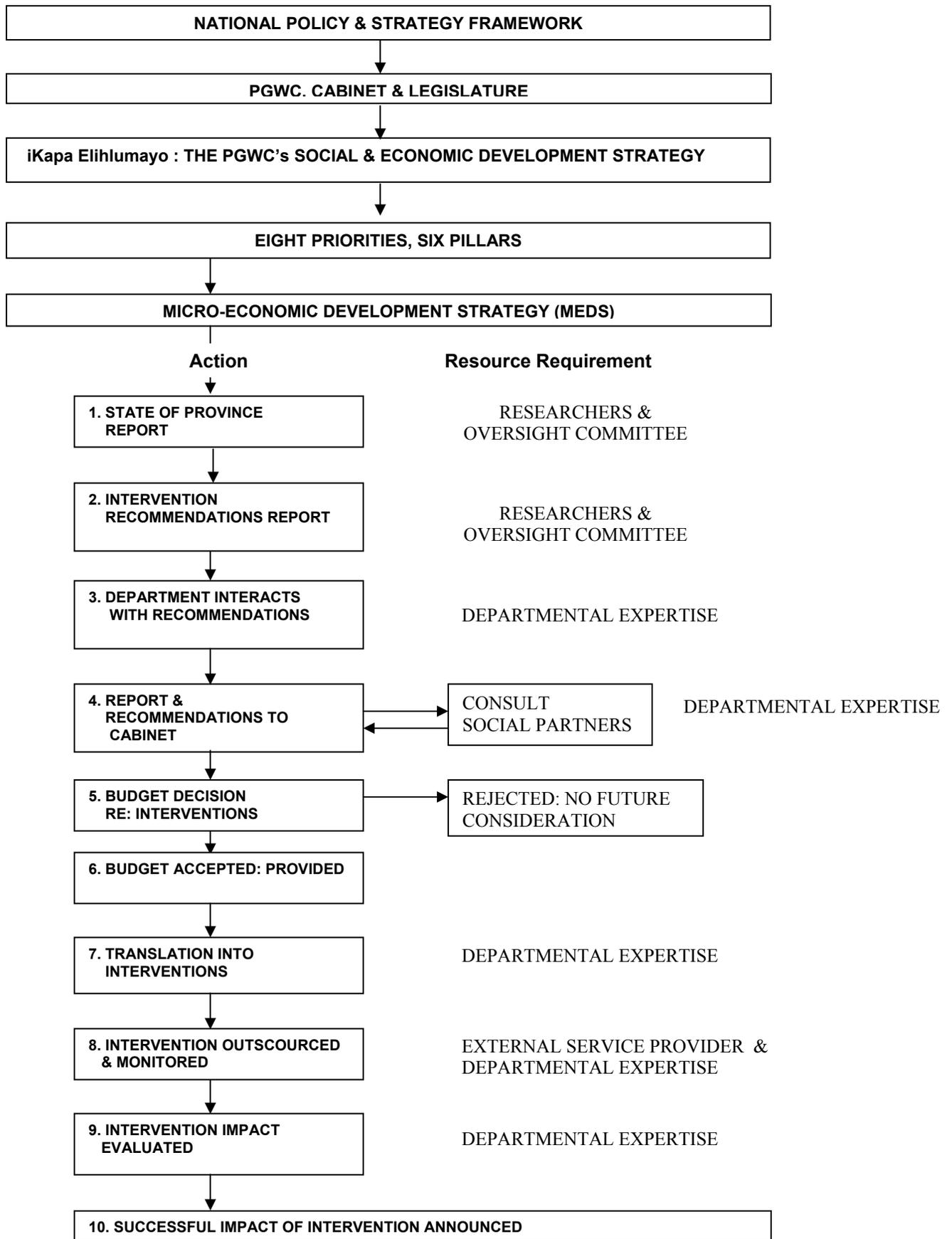
The first phase of the strategic planning process can best be described as the "setting the scene" phase, where the Provincial cabinet along with the MEC, set broad strategic goals for the Province. These goals were then communicated to the Department, via the MEC.

The second phase of the Strategic Planning process setting of broad strategic goals by the Accounting Officer and Top Management of the Department. These goals were aligned to the vision of creating a Home for All, the iKapa Elihlumayo strategy as well as recommendations arising through processes such as the MEDS.

The third phase in the process was the breakaway session of the management echelon where the focus was on developing a 10-year vision and the strategy to achieve the said vision. In this phase, specific plans and measurable objectives were discussed and agreed upon by the full compliment of the Top Management. It must be noted that within certain programmes, the measurable objectives of some units as the specific sector interventions have not yet been finalised by the Micro-economic Development Strategy (MEDS).

The Department's mandate is derived from the context within which it operates, both at a national and a provincial level. This mandate guides the MEDS process, and implementation of strategic interventions arises from the MEDS (refer to **Figure 4**). Furthermore, both sector- and theme-based interventions are derived from the MEDS. At a municipal level, these interventions are aimed at informing and strategically impacting on Municipal IDPs (refer to **Figures 5 & 6**).

**Figure 4: Critical path to successful economic development interventions**



**Figure 5: Matrix representation of sector- and theme-based interventions**

Summary Sheet 1										
Year One	Municipality 1	Municipality 2	Municipality 3			Municipality 24	Unicity District 1	Unicity District 2	District 1	All Localities
Sector 1	See Summary Sheet 2									
Sector 2										
Theme 1										
Theme 2										

**Figure 6: Matrix representation of MEDS interventions in a single municipality over more than one budget year**

Year: One		Municipality 1					Year Two	
		WCPG	Municipality	Partner 1	Partner 2	Total	Intervention	Total
<b>Sector 1 Fishing</b>	Intervention 1: SMME			IDC	FABCOS			
		R10 - m	R1 - m	R12 - m	R1 - m	R30 - m		R12 - m
	Intervention 2: BEE							
		R2 - m	R2 - m	-	-	R4 - m		R8 - m
	Intervention 3: Regulation/Legislation							
		R5 - m	-	-	-	R5 - m		R2 - m
<b>Sector 2 Agriculture</b>	Intervention 1: HRD			Dept of Labour				
		R10 - m	R3 - m	R30 - m	-	R43 - m		R13 - m
	Intervention 2: Infrastructure			DBSA	Land Bank			
		R20 - m	R2 - m	R22 - m	R22 - m	R66 - m		R22 - m



## PART B: PROGRAMME AND SUB-PROGRAMME PLANS

### 3. Programme 1: Administration

The main aims of Administration are to conduct the overall management of the Department; to provide support to the Executive Management of the Department; and to provide economic statistics and research to inform policy development.

The programme has been structured as follows:

- Management: Administration
- Corporate Services
- Delivery Enabling Services

#### 3.1 Situation Analysis

##### 3.1.1 Progress Analysis:

**Financial Management**, continues to be highly successful in the implementation of systems surrounding its core functions of budget administration; the rendering of a departmental accounting service; the management of a provisioning and procurement section; and the management of an internal and risk management unit.

Successes for the unit are:

- The efficient management of the Department's budgeted expenditure to be within the 1% of its adjusted appropriation;
- An unqualified audit report received for the 2004/05 financial year.

In terms of **Human Resource Management**, the department has successfully implemented the first phase of its restructuring.

In terms of **Research Support** the following progress has been made with regard to the Micro-economic Development Strategy (MEDS):

*MEDS entails a number of sector-specific and theme-based studies. The first phase of the MEDS was concluded in December 2004. The desired positioning of the sectors and themes, with an identification of major policy implications has been completed. The key sectors and themes researched during the first phase included: agriculture and aquaculture; fishing and mari-culture; clothing and textiles; metals and engineering; tourism; ICT; SMMEs; and human resources development.*

Aligned to the first phase of the MEDS, was a MEDS training programme that addressed the racial and gender composition of the research teams engaged in the MEDS. The MEDS training programme intended to restore a more equitable and broader based skills-pool of researchers equipped to engage in strategic socio-economic work of the MEDS. The purpose of the MEDS training programme was to provide selected trainees with practical experience in the formulation of provincial economic development interventionist strategies.

The second phase of the MEDS included research of the following identified sectors and themes: oil and gas; electronics; biotechnology; crafts; cultural industries; film; financial services; call centres/BPO; energy; and transport. The second phase of the MEDS was completed in June 2005.

The ultimate product of the MEDS will be an important tool for the Department, as this will form the initial point of reference from which all projects and programmes will be evaluated. The MEDS is part of a set of provincial strategies, which are being developed simultaneously as a common point of departure for provincial government and will assist in providing a common understanding the regional economic context. The MEDS will provide a broad depiction of the critical factors and the important trends, which affect our economy in its regional, national and global milieu. It would also guide and direct provincial involvement and engagement with the private sector.

The monitoring and evaluation of the Department's programmatic work, which is done through an evaluation of all programmes, services and initiatives being logged onto the Departmental Operations Performance Management System (DOPMS), is based in the newly formed **Departmental Operations Performance Management** unit. To date, DOPMS (operational) meetings have been held on a continuous basis with the Chief Directorates and Divisions within the Department. These meetings ensure that projects are continuously updated

on the system; and more importantly that project performance is continually monitored and evaluated.

For the first time the Department is able to quality control its events, communications and corporate image branding through **Communications**. To date systems in the form of internal circulars and extensive quality control mechanisms with regard to any form of external communication to ensure professional and standardised imaging have been implemented. For example, interim measures have been put in place with regard to standardised business cards, letterheads, etc.

For the first time, there is a pre-determined strategy with regard to an annual Calendar of Events and integrated media campaigns for the Department's programmatic work, thereby contributing to a continued external awareness of projects, services or initiatives offered by the Department. In addition, Events Management has been outsourced to a single Events Management Service Provider (for a 12-month period, whereafter services will once again be sourced from the market place) in order to ensure consistent, efficient and co-ordinated management, presentation and oversight of all events run by the Department

### **3.1.2 Analysis of constraints and measures planned to overcome them**

Departmental policies will be reviewed regularly in an attempt to not only streamline the Financial and HR processes, but also to enhance services such as accounting services; supply chain management; budgeting; recruitment and selection; and human resource development.

In certain units, the necessary information management systems must be developed to ensure:

- The appropriate management of relevant information; and
- That reliable, accurate and up-to-date information is available for reporting and decision-making.

### **3.1.3 Description of planned quality improvement measures**

Financial Management has identified the following quality improvement measures as critical to the achievement of its goals and objectives:

- The need for Service Level Standards to be entered into with all units in the Department; and
- An increased staff complement, together with an increase in intellectual capacity.

The Development of a structured service delivery improvement strategy will include the following interventions:

- Increase staff capacity;
  - Identify and address training needs of all staff;
  - Assess staff performance and address under-performance;
- and
- Assess clients' perception of service delivery.

The current personnel management practices will be reviewed to ensure that:

- Sufficiently competent staff are appointed;
- Appointments support the Department's transformation agenda; and
- Personnel management processes are flexible enough to address the challenges of an ever-changing environment in which the Department is expected to deliver.

**Delivery Enabling Services** will implement systems to ensure improvement with regard to quality, especially in the areas of Executive Management of the Department, research, monitoring and evaluation, and communications and corporate image management. Essentially, Delivery Enabling Services will serve as a support service to ensure that key departmental outputs are delivered.

In terms of **Research Support**, research of sectors/themes as identified in the 3<sup>rd</sup> Round of the Micro-economic Development Strategy (MEDS) will take place in this fiscal year. In addition, the development of the MEDS Implementation Plan will ensure the identification of key interventions across the sectors and themes which will inform 90% the Department's work.

In terms of the **Departmental Operations Performance Management (DOPM)** unit, monitoring and evaluation, a gap analysis will be undertaken with regard to the terrain being covered by the Department and the terrain not being covered by the Department.

The above monitoring and evaluation will be firmly based in the context of the DOPMS (Departmental Operations Performance Management System), which is the current database used as a reporting mechanism to log all projects/services/initiatives undertaken by the Department and to fully describe the impact on the economy.

Furthermore, for effective implementation, monitoring and evaluation of all the interventions identified by the Micro-economic Development Strategy, the Department is in the process of developing a monitoring and evaluation system which will incorporate a standardised framework for the Department in terms of planning, monitoring and evaluation of all projects. The Department's monitoring and evaluation system, which is currently being developed, will include the development of departmental indicators, and matrices for stakeholder analysis and indicator protocol that will feed into an integrated monitoring and evaluation plan for the Department. The Department's Monitoring and Evaluation system includes alignment to the Provincial Wide Monitoring and Evaluation System (PWMES) and the development of high-level transversal indicators. In addition, the Department's monitoring and evaluation system aims to monitor project development, implementation, and progress; and evaluate (at various levels), the effectiveness, efficiency, impact and sustainability of all interventions.

The **Departmental Operations Performance Management (DOPM)** unit will also ensure through economic development capacity building that dedicated independent observers and testers will be responsible for monitoring and evaluating the efficacy of what we are doing in terms of economic development capacity building with regard to the workshops (including review and update of manuals, workbooks, etc.).

With regard to **Communications**, external designers will design the standards for departmental events and all related materials (corporate imaging). In addition, staff will be trained to manage events.

### **3.1.4 Specified policies, priorities and strategic objectives**

The programme's mandate is derived from the need to ensure sound corporate governance. Noting the afore-mentioned, the Administration Programme has been structured to include a Corporate Services component responsible for the provision of the traditional in-house services of Financial Management and Human Resource Management and Support Services and a Delivery Enabling Services component responsible for the rendering of services that enhance the delivery of the Department's programs.

### 3.1.4.1 Sub Programme 1.2 Corporate Services

#### Measurable objectives, performance indicators and targets

#### Financial Management

Strategic Objective:		To ensure good corporate governance within the Department							
Measurable Objective	Performance Measure Indicator	Base Year 2005/06	Year 1 2006/07)	Quarter 1	Quarter 2	Quarter 3	Quarter 4	Year 2 2007/08	Year 3 2008/09)
Rendering an effective budget management system	Strategic plan and budget approved by the Executive Authority (EA) and tabled in the Provincial Legislature	Annual revision and alignment to changing needs of the Department  Measurable objectives for each programme were also developed	Approved Strategic Plan for Department	Planning for Strategic Planning process	Submission of first draft APP to Provincial treasury	Submission of second draft APP to Provincial treasury	Approval of coming financial years APP by executive authority and in legislature	Approved Strategic Plan for Department	Approved Strategic Plan for Department
	Monthly IYM reports submitted to Treasury	IYM reports submitted to Provincial Treasury on a monthly basis.	Monthly budget meetings held with programme managers and other management staff	3 meeting with each programme	3 meeting with each programme	3 meeting with each programme	3 meeting with each programme	12 meetings	12 meetings

<b>Strategic Objective:</b>		<b>To ensure good corporate governance within the Department</b>							
<b>Measurable Objective</b>	<b>Performance Measure Indicator</b>	<b>Base Year 2005/06</b>	<b>Year 1 2006/07)</b>	<b>Quarter 1</b>	<b>Quarter 2</b>	<b>Quarter 3</b>	<b>Quarter 4</b>	<b>Year 2 2007/08</b>	<b>Year 3 2008/09)</b>
	Submission to PT of Quarterly and annual performance reports published	Annual report submitted to Provincial Treasury on prescribed timeframe and format. Approved by Legislature.  Quarterly Performance Reports submitted to Provincial Treasury in prescribed format and timeframe	Timeous submission of Quarterly Performance Reports and Annual Report	Preparation of Previous years Annual Report and submission of previous years 4 <sup>th</sup> Quarterly Performance Report	Submission of Annual Report to Provincial Treasury and Legislature and the 1 <sup>st</sup> Quarters Performance Report	Submission of 2 <sup>nd</sup> Quarterly performance Report	Submission of 3 <sup>rd</sup> Quarterly performance Report	Submission to PT of Quarterly and annual performance reports published	Submission to PT of Quarterly and annual performance reports published
To provide and maintain a procurement and provisioning system in the Department	Compliance with the AO system	Updated AO System	100% compliance to AO System	100% compliance to AO System	100% compliance to AO System	100% compliance to AO System	100% compliance to AO System	Compliance with the AO system	Compliance with the AO system

<b>Strategic Objective:</b>		<b>To ensure good corporate governance within the Department</b>							
<b>Measurable Objective</b>	<b>Performance Measure Indicator</b>	<b>Base Year 2005/06</b>	<b>Year 1 2006/07)</b>	<b>Quarter 1</b>	<b>Quarter 2</b>	<b>Quarter 3</b>	<b>Quarter 4</b>	<b>Year 2 2007/08</b>	<b>Year 3 2008/09)</b>
To provide assurance that financial risks are minimised and managed effectively	Number of cases addressed in Internal Audit reports	Reduction in cases	Reduction in cases	Conducting inspections of various units in line with inspection plan and instituting corrective action	Conducting inspections of various units in line with inspection plan and instituting corrective action	Conducting inspections of various units in line with inspection plan and instituting corrective action	Conducting inspections of various units in line with inspection plan and instituting corrective action	Reduction in cases	Reduction in cases
	Auditor-General and Internal Audit reports dealt with and remedial steps initiated	Audit reports Internal audit findings Inspection reports	Auditor-General and Internal Audit reports dealt with and remedial steps initiated					Auditor-General and Internal Audit reports dealt with and remedial steps initiated.	Auditor General and Internal Audit reports dealt with and remedial steps initiated.

<b>Strategic Objective:</b>		To ensure good corporate governance within the Department							
<b>Measurable Objective</b>	<b>Performance Measure Indicator</b>	<b>Base Year 2005/06</b>	<b>Year 1 2006/07)</b>	<b>Quarter 1</b>	<b>Quarter 2</b>	<b>Quarter 3</b>	<b>Quarter 4</b>	<b>Year 2 2007/08</b>	<b>Year 3 2008/09)</b>
To deliver of an efficient and effective financial accounting service in the department and the alignment of financial prescripts to achieve sustainable service delivery by the public sector	Annual reporting: Annual Financial Statements submitted timeously for audit purposes Unqualified audit report	Annual reporting: Annual Financial Statements submitted timeously for audit purposes Unqualified audit report	Annual reporting: Annual Financial Statements submitted timeously for audit purposes Unqualified audit report					Annual reporting: Annual Financial Statements submitted timeously for audit purposes	Annual reporting: Annual Financial Statements submitted timeously for audit purposes

## Human Resource Management and Support Services

Strategic Objective:		To ensure good corporate governance within the Department							
Measurable Objective	Performance Measure Indicator	Base Year 2005/06	Year 1 2006/07)	Quarter 1	Quarter 2	Quarter 3	Quarter 4	Year 2 2007/08	Year 3 2008/09)
To render a support function i.t.o. recruitment and selection, HRM information system, maintenance of the establishment and staff performance management	Filling of vacancies	75% of vacancies filled						80% of vacancies filled	80% of vacancies filled
	Review of staff establishment	90% correctly updated Persal system						90% correctly updated Persal system	90% correctly updated Persal system
	Review and assessment of staff performance rewards	Incentives allocated within 1.5% as prescribed						Incentives allocated within 1.5% as prescribed	Incentives allocated within 1.5% as prescribed
Ensuring appropriate staff behaviour through	Management of misconduct and grievances	Misconduct and grievances below 15%						Misconduct and grievances below 10%	Misconduct and grievances below 10%

<b>Strategic Objective:</b>		To ensure good corporate governance within the Department							
<b>Measurable Objective</b>	<b>Performance Measure Indicator</b>	<b>Base Year 2005/06</b>	<b>Year 1 2006/07)</b>	<b>Quarter 1</b>	<b>Quarter 2</b>	<b>Quarter 3</b>	<b>Quarter 4</b>	<b>Year 2 2007/08</b>	<b>Year 3 2008/09)</b>
establishment of departmental labour relations policies; managing transformation issues, misconduct and grievances and disputes; and the management of departmental collective bargaining	Managing transformation issues (HIV/Aids, Gender, Disability, etc.)	Proper Constitution of HRFU, with draft strategies for HIV/Aids, Gender & Disability						Formally approved strategies for HIV/Aids, Gender & Disability, and implementation	Implementation of strategies, monitoring impact, review, and updating of strategies
Support line managers and employees in the management of performance, identification of	Manage SPMS	Incentives allocated within 1.5% as prescribed. Review implementation for improvements						Alignment of performance management system with SDIP	WSP drafting processes refined

<b>Strategic Objective:</b>		<b>To ensure good corporate governance within the Department</b>							
<b>Measurable Objective</b>	<b>Performance Measure Indicator</b>	<b>Base Year 2005/06</b>	<b>Year 1 2006/07)</b>	<b>Quarter 1</b>	<b>Quarter 2</b>	<b>Quarter 3</b>	<b>Quarter 4</b>	<b>Year 2 2007/08</b>	<b>Year 3 2008/09)</b>
training and development needs in accordance with Department's strategy and management of employee assistance initiatives which reflect values and concerns of the Department	Manage drafting and implementation of WSP (bursaries, learnerships, internships and training)	WSP drafted and submitted to PSETA / DPSA – at least 1% allocated for HRD						Manager/Supervisors capacitated	
	Ensure appropriate and relevant policies	Quarterly WSP implementation – reports submitted to PSETA / DPSA						All staff assessed on annual basis – Incentives not exceeding 1.5%	
		Assessment of need for HRD policies						Fully consulted (DTC) WSP drafted and submitted to PSETA / DPSA – at least 1% allocated	Fully consulted (DTC) WSP drafted and submitted to PSETA / DPSA – at least 1% allocated for HRD

<b>Strategic Objective:</b>		<b>To ensure good corporate governance within the Department</b>							
<b>Measurable Objective</b>	<b>Performance Measure Indicator</b>	<b>Base Year 2005/06</b>	<b>Year 1 2006/07)</b>	<b>Quarter 1</b>	<b>Quarter 2</b>	<b>Quarter 3</b>	<b>Quarter 4</b>	<b>Year 2 2007/08</b>	<b>Year 3 2008/09)</b>
								Quarterly report on all HRD (WSP & others) submitted to PSETA / DPSA	Previous year's policies approved and implemented
								Prioritisation of essential HRD policies and drafts submitted	Further prioritisation of essential HRD policies and drafts submitted
Management of employee assistance initiatives	Improving quality of work life for employees	Drafting of strategy for improving employee quality of work life						Assessment of organisational climate and recommendation of interventions	Implementation of interventions and continual assessment of organisational climate
Rendering of effective information and records management	Ensure appropriate record management	Drafting and submission of filing strategy for the Department						Implementation, monitoring, and review of filing strategy	Continuous updating of filing strategy

<b>Strategic Objective:</b>		To ensure good corporate governance within the Department							
<b>Measurable Objective</b>	<b>Performance Measure Indicator</b>	<b>Base Year 2005/06</b>	<b>Year 1 2006/07)</b>	<b>Quarter 1</b>	<b>Quarter 2</b>	<b>Quarter 3</b>	<b>Quarter 4</b>	<b>Year 2 2007/08</b>	<b>Year 3 2008/09)</b>
support services; and addressing issues of occupational health and safety	Ensure safe and healthy work environment for staff	Drafting and submission of Occupational Health and Safety Plan						Review of Occupational Health and Safety Plan	Review of Occupational Health and Safety Plan



## PART B: PROGRAMME AND SUB-PROGRAMME PLANS

### 3.2 Sub-programme 1.2: Delivery Enabling Services

#### 3.2.1 Specified policies, priorities and strategic objectives

Delivery Enabling Services will provide support to the **Office of the HoD**, which will include:

- Managing administrative and operational functions of the Office of the HoD;
- Managing the HoD's strategic and operational work programme, including: strategic and operational work agenda; secretariat support to meetings chaired by HoD and meetings attended by the HoD; and establishing and longer-term support of running all the new Economic Advisory Councils and sub-councils linked to the work of the Department;
- Undertaking specific projects related to the HoD's work at strategic level, including management of the Ministerial Projects Portfolio;
- Managing the External Relations Portfolio, including: High level communication and interaction on behalf of the HoD with Premier/Ministers/Members of the Standing Committee/Senior Government officials/etc; strategic partnership management targeting key role-players; and funding recruitment management.

In order to achieve its strategic goals and to be able to deliver on its essential mandate, the Department needs to have a clear understanding of the economy of the Western Cape. Its interventions need to be based on evidence and analysis. The research aims to identify the desired medium-term repositioning of the economic sector in the Western Cape. The MEDS will identify policy levers and projects to achieve such a repositioning and inform the work of the Department. This process will begin with research work that will identify key sectors of the economy and sketch the main regional, national and international developmental trends.

In developing the Micro-economic Development Strategy (MEDS), baseline data will be generated through research on the state of the key sectors of the province. The **Research Support** unit will be responsible for:

- Translating research outcomes into policy options with which decision-makers can engage;
- Research support for the development and ongoing review of the Provincial Micro-economic Development Strategy (MEDS);
- Providing in-house research;
- Developing departmental position papers; and
- Managing all matters related to the contractual agreements of the Chief Economist.

The **Departmental Operations Performance Management (DOPM)** unit is responsible for

- Oversight of M&E for the Department.
- The Departmental Operations Performance Management System (DOPMS), including:
  - Providing staff training on operating the system;
  - Managing the updating and extraction of reports;
  - Coordinating DOPMS (operational) meetings with the Chief Directorates and Divisions, providing a secretariat function and ensuring that follow-up actions are undertaken by the respective units; and
  - Coordinating all technical matters related to the system.
- Delivery Impact Evaluation.
- Development of OD initiatives for discussion by Senior Management.
- Oversight of Organisational Systems Management.
- The Department's Resource Centre.
- Economic Development Capacity Building Workshops.
- Compilation and publishing of departmental strategic documents (excluding the annual report, the strategic plan and the MEDS document).

Economic development capacity building, based in the Departmental Operations Performance Management and the Communications units, will be responsible for promoting economic development by facilitating workshops for taverners, DLOs (designated liquor officials), Consumer Advice Officers and provincial and local

officials directly involved in economic development have been designed in order to enhance skills in the respective areas of operation.

Economic development capacity building aims to:

- Empower people to become economically independent;
- Build capacity of all stakeholders to manage economic development;
- Facilitate participatory support in economic development; and
- Create a positive attitude towards sustainable economic development.

Currently the manual entitled *Introduction to Economic Development in the Western Cape*, together with the workbook and workshop evaluation forms have been completed. Workshops will be conducted in at least two municipalities, as well as with staff from the Department of Economic Development and Tourism.

**Communications** will provide a cohesive support service to all departmental units with regard to communication and corporate image enhancement. Communications will be responsible for managing the Department's communications, including a media briefing newsletter; general media briefings; internal newsletter; departmental events calendar, events management, and public exhibitions and stands. Corporate Image will be responsible for corporate image design; developing media plans per departmental unit; integrating and overseeing delivery on the total departmental media strategy and the design of the media strategy per event or campaign. This includes the monitoring and evaluation component of internal and external communications; corporate image; and events.

### 3.2.1.1 Measurable objectives, performance indicators and targets

Strategic Objective:		To enhance the delivery of services provided by the Department.							
Measurable Objective	Performance Measure Indicator	Base Year 2005/06	Year 1 2006/07)	Quarter 1	Quarter 2	Quarter 3	Quarter 4	Year 2 2007/08	Year 3 2008/09)
To develop and implement the Department's Time for Work	A fully implemented time for work volunteerism campaign	Conceptualisation of the Time for Work volunteerism campaign	Implementation of Time for Work volunteerism campaign, including successful sourcing of volunteers, and the development of different scenarios for the manner in which expertise is provided.	Conceptualisation of Time for Work campaign	Launch and implementation of Time for Work campaign	Implementation of Time for Work campaign.	Implementation of Time for Work campaign.	Review	Review

<b>Strategic Objective:</b>		To enhance the delivery of services provided by the Department.							
<b>Measurable Objective</b>	<b>Performance Measure Indicator</b>	<b>Base Year 2005/06</b>	<b>Year 1 2006/07)</b>	<b>Quarter 1</b>	<b>Quarter 2</b>	<b>Quarter 3</b>	<b>Quarter 4</b>	<b>Year 2 2007/08</b>	<b>Year 3 2008/09)</b>
To ensure the co-ordination of the Micro-economic Development Strategy (MEDS)	Completion of phased research across the identified sectors and themes	Completed Micro-economic Development Strategy (MEDS) (outcomes of phases 1 & 2)	Further MEDS research in identified sectors and themes for phase 3 Development and Implementation of MEDS 10-year Implementation Plan	Appointment of researchers and oversight committee Finalisation of research for 3 <sup>rd</sup> Round.	Coordination of 3 <sup>rd</sup> Round of the MEDS.	Coordination of 3 <sup>rd</sup> Round of the MEDS.	Finalisation of 3 <sup>rd</sup> Round of the MEDS. Commencement of 4 <sup>th</sup> Round of the MEDS.	Updated MEDS	Updated MEDS
Effective development and implementation of a departmental Communications and Corporate Image strategy	Implementation of Communication and Corporate Image strategy	Development of strategy	Refinement and implementation of strategy	Refinement and implementation of strategy	Implementation of strategy	Implementation of strategy	Implementation of strategy	Review of strategy	Review of strategy

<b>Strategic Objective:</b>		To enhance the delivery of services provided by the Department.							
<b>Measurable Objective</b>	<b>Performance Measure Indicator</b>	<b>Base Year 2005/06</b>	<b>Year 1 2006/07)</b>	<b>Quarter 1</b>	<b>Quarter 2</b>	<b>Quarter 3</b>	<b>Quarter 4</b>	<b>Year 2 2007/08</b>	<b>Year 3 2008/09)</b>
Development and implementation of an M&E system for the Department	A fully implementable Monitoring and evaluation system.	Conceptualising the M&E framework for the Department	Implementation of the M&E framework for the Department, including capacitating all staff in applying a standardised framework for planning, monitoring and evaluation of departmental projects.	Conceptualisation of M&E system for the Department. Participation at the PWMES committee and inputs on the development of provincial indicators.	Conceptualisation of M&E system for the Department. Participation at the PWMES committee and inputs on the development of provincial indicators.	Development of departmental indicators for evaluation of performance.	Implementation of departmental M&E system, aligned to the DOPMS.		

Strategic Objective:		To enhance the delivery of services provided by the Department.							
Measurable Objective	Performance Measure Indicator	Base Year 2005/06	Year 1 2006/07)	Quarter 1	Quarter 2	Quarter 3	Quarter 4	Year 2 2007/08	Year 3 2008/09)
To effectively deliver economic development capacity building workshops to various stakeholders	Number of Capacity building skills development workshops to targeted groups	Development of workshop materials and implementation of at least three Economic Development capacity building workshops	Implementation of Economic Development capacity building workshops	Conceptualisation of workshops design of workshop manual.	Implementation of x 2 pilot economic development capacity workshops to external stakeholders.	Implementation of economic development capacity workshops to departmental staff members.	Review of workshop content, manual and workshops conducted . Improvements for further implementation.	Economic Development capacity building workshops	Economic Development capacity building workshops

### 3.2.2 Reconciliation of budget with plan

#### Programme 1: Programme budget by sub-programme (R '000)

Sub-programme	Year -2 2003/04 (actual)	Year -1 2004/05 (actual)	Base Year 2005/06 (estimate)	Average annual change (%)	Year 1 2006/07 (budget)	Year 2 2007/08 (MTEF projection)	Year 3 2008/09 (MTEF projection)	Average annual change (%)
Management Administration			4123	-	6151	5 814	6 596	10.13
Corporate Services	8 977	11 554	8687	5.44	15 160	15 948	16 456	8.23
Delivery Enabling Services	2 020	3 336	5 334	79.58	7 191	7 574	7 761	1.18
<b>Total</b>	<b>10 997</b>	<b>14 890</b>	<b>18 144</b>	<b>32.39</b>	<b>28 502</b>	<b>29 336</b>	<b>30 813</b>	<b>6.80</b>



## **PART B: PROGRAMME AND SUB-PROGRAMME PLANS**

### **4. Programme 2: Economic Participation**

The purpose of Economic Participation is to improve the economy and to entrench the participation of HDI's through enterprise development, local economic development and economic empowerment.

The unit has been structured as follows:

- Management: Economic Participation
- Enterprise Development
- Local Economic Development
- Economic Empowerment

#### **4.1 Situation Analysis**

##### **4.1.1 Progress Analysis**

In evaluating the progress that the sub-programme Enterprise Development has made toward realising its strategic objectives, the following has thus far been achieved:

- Alignment of the sub-programme's strategy with that of national small business strategy coupled with significant partnerships with national government agencies (e.g. Khula, Umsobomvu Youth Fund, national Productivity Institute, CSIR);
- Close working relationships with local authorities in the planning and implementation of the one-stop-shop support centres for small business;
- Sustained collaborative initiatives with other provincial government departments (e.g. Public Works and Transport);

- A comprehensive small business support programme providing both financial and non-financial services seamlessly to ‘unbankable’ entrepreneurs;
- A tender advice programme that has expanded beyond the borders of the main metropolitan areas;
- Continued partnerships with tertiary institutions;
- Strong linkages with business chambers, especially black business associations and forums;
- Increasing good linkages with the province’s largest commercial financial institutions;
- Business information points at more than 35 rural libraries;
- Continued support of the hugely successful small business annual exhibition where service providers, private sector institutions, finance institutions and parastatals, bring together opportunities for SMME’s;
- Continuing to build linkages at a local level with private sector, NGOs and local authorities in an effort to support SMME’s.

To start addressing some of the challenges facing municipalities, the department has developed strategy and intervention to fast track support at local level.

DIE PLEK PLAN programme is a comprehensive intervention programme to promote local economic development.

The strategy to support local economic development has included targeting the lack of organisational skills and capacity in economic development within the municipalities. The department has assisted in establishing economic development units (EDU’s) at district municipal level. The EDU’s provide in-house capacity to municipalities in delivering on their regional economic responsibility. An EDU or LED division in a municipality will promote the increased alignment of, activities with the other spheres of government and the external environment, that impact on LED in a municipal region. To date funding constraints has allowed for the support of EDUs at district municipal level, only.

The unit has embarked on road shows, which comprised a series of workshops throughout the province, through the course of the year. The workshops create awareness; build better participation; and assist the launch and roll-out of departmental programmes like Die Plek Plan, and national support programmes and benefits, for example, one-stop-shop advice and business support centres and co-operatives development. Further, the unit proactively supported increasing the alignment of departmental programme implementation with

national and provincial objectives and programmes like, the ISRDP and URP and Project Consolidate.

Progress on the development and implementation of a broad based black economic empowerment strategy in the province is underway. The following sets out the unit's progress thus far, and the measure that will be taken to achieve the identified strategic objectives:

- Engagement with the BBEE implementation strategy in order to address the provincial inequalities resulting from the past policies. The unit will ensure that the strategy is aligned with that of national government. This relationship will be further developed to include the Enterprise Development, Local Economic and Co-operatives units at the **dti**.
- Since November 2003, there has been intense consultation and co-operation with the partners of the provincial Growth and Development Summit, business, labour, government (local) and civil society. This engagement has laid a firm foundation for Provincial Government's efforts in not only obtaining buy-in and support from these important role-players, but also fully understanding the issues underlying economic empowerment of the targeted groups. The unit has already delivered on its undertaking at the Summit to produce a comprehensive Broad Based Black Economic Empowerment Strategy for the Province. In further building relationship, the unit will continue to work closely with these provincial partners.
- The lack of adequate information informing policies regarding the targeted groups has placed a serious constraint on policy development and implementation. The unit will commission relevant research in order to plan, implement and monitor, and evaluate its policy decisions.
- As economic empowerment needs to impact on those that most need it, the critical role of local municipalities cannot be over-emphasised. Currently, local municipalities have capacity problems in terms of enterprise development and economic empowerment. The unit needs to actively engage local municipalities on a more regular basis. Therefore, as a priority, the unit will embark on a pro-active campaign to capacitate local municipalities around economic empowerment issues.

In addition, the unit has started to play a leading role in facilitating BEE deals, as an evident gap exists in the need for an independent intermediary to broker BEE deals between financial institutions, black entrepreneurs and white corporate. Its first success in this area has been a transaction that not only saved more than 300 jobs, but also put the ownership of the corporation into black hands. The unit will expand on this role, by including mentorship and other forms of assistance to black entrepreneurs and interacting regularly with organised business, chambers of commerce, farmer's organisations, and co-operatives.

Structural Unemployment has conceptualised and developed its operational framework albeit it is still being critiqued and redefined. The unit has also begun to reach out to other units internally as well other departments to identify their projects and programs so as to avoid duplication and promote co-operation instead.

#### **4.1.2 Analysis of constraints and measures planned to overcome them**

In most local authorities there exists little support for small businesses. A combination of inadequate resources (both financial and human) and poor understanding of small business development has resulted in the stifling of enterprise development. These local authorities, especially those in the rural areas, look to national and provincial government to assume the responsibility for small business development. This “responsibility” on provincial government (the sub-programme) poses further significant challenges.

Support for small business, especially those owned by historically disadvantaged individuals, has thus far been inadequate. Commercial banks, clinging to lending criteria that discriminate against the resource-poor (typically black), have tacitly and explicitly “red lined” entrepreneurs who are unable to provide suitable collateral. Obviously, without access to finance even the keenest entrepreneur has little chance of starting a business. Although banks have alluded to addressing the needs of the “unbankable”, real proof of their commitment has been slow.

The existence of a reliable network of competent service providers that offer the full range of advice, information and other services are key to an environment that stimulates and enhances enterprise development. Unfortunately, support services for small businesses has been fragmented, not comprehensive with about 80% of all services of a generic training nature, dispensed by poorly qualified and experienced service providers and severely biased towards the metropolitan areas (resulting in little or no rural reach).

In dealing with identified constraints, the following will be undertaken by the Enterprise Development:

- The intensification of the sub-programmes’ drive to cement significant partnerships with the private sector, especially with the banking sector. Government resources will be used to leverage private sector support. This should result in the private sector being “crowded” into the investment in “unbankable” entrepreneurs;

- The active development and maintenance of reliable network of competent service providers so that services offered to entrepreneurs are comprehensive, affordable, relevant and convenient to access;
- The continued establishment and maintenance of a network of one-stop-shop advice and support centres for entrepreneurs, across the province. These centres are conveniently located around potential and existing entrepreneurs and staffed by competent personnel.

A major constraint faced by Local Economic Development, is the lack of resources and capacity of implementing partners and local municipalities, especially those located within the rural municipalities. This challenge can be overcome by the willingness and enthusiasm of partners to align their programmes with national and provincial programmes in order to maximise integrated government impact. The unit will focus on interventions targeted at local level to promote increased economic participation. This will require both a financial and human-resource capacity as indicated by the demand at municipal level. To address this, the unit will crowd in partnerships and ensure active alignment of provincial, national and local government programmes, which result in integrated government impact.

To overcome the above obstacles, intensive engagement with all partners will be required. This will assist us in both understanding the problems experienced by stakeholders and, in designing appropriate support measures to address these problems. Again, emphasis will be on providing sustainable support to rural municipalities. Implementing partners will be carefully selected on the basis of proven expertise. All projects and programmes will be subject to a system of monitoring and evaluation measures.

Economic Empowerment has only been in operational since March of 2004. The unit is new and is faced with a lack of human and financial resources. Also, there is limited industry/sector-specific research available. This problem cuts across broad-based black economic empowerment, women-, youth- and disabled-empowerment. Although the Broad-based Black Economic Empowerment Strategy of National government is in place, many Provincial and Local authorities have yet to identify clear policies and strategies. The same applies to the targeted groups of women and the disabled.

The unit will overcome the identified constraints by firstly, implementing the strategies as identified in the Provincial Strategic Framework for Broad Based Black Economic Empowerment and by secondly, forging partnerships with all relevant role-players, from business chambers to government departments.

Structural Unemployment is a newly established unit and is faced with a lack of human and financial resources. In addition, the unit is faced with limited information on the current extent and future trends of structural unemployment as well as clear role definition. The unit will overcome the identified constraints by conducting a situational analysis of the current extent and future trends of structural unemployment so that it can be able to develop informed and appropriate strategies and interventions. It will furthermore on an ongoing basis seek clarity on its actual role. It will also forge partnerships with all relevant role-players, from all social sector partners namely government departments, educational and research institutions.

#### **4.1.3 Description of planned quality improvement measures**

For optimal success of Economic Participation, it is essential to forge and maintain close links with both local and national government. There are definite synergies within programmes from both spheres of government.

On the local authority front, for its programmes to have impact, the support and assistance of the local authorities will be paramount. Ongoing and strong working relations will be maintained with local authorities through the Department's Economic Development Units (a Local Economic Development project).

The establishment of the RED Door Operations and RED Communication sub-directorates will ensure that across all one-stop-shop (covering the entire province); services points' information is available to all entrepreneurs. This unit will ensure that all distributed information has been checked, is relevant, available in the languages of the regions and in user-friendly formats (appropriate to level of sophistication of the entrepreneur). Currently, 8 RED Door centres are operational and a ninth is to be launched imminently.

The measuring of the impact of programmes and projects has always been a challenge in not only determining the continuation of the intervention, but also the gaps that exist in the range of services that need to be provided. Since the one-stop-shop centres will be the main delivery points for the sub-programmes offerings, a sophisticated system of tracking every entrepreneur that has been assisted, is currently implemented at each RED Door and is being refined to the specific needs of the Department. In this way the impact of all interventions on individual entrepreneurs, from basic advice and information to training to provision of finance, can be measured. In addition, the system will also measure

the effectiveness and efficiency of all support service providers that are linked to these centres.

An absolute necessary quality improvement, for the sub-programme's one-stop-shop centres to have impact, is that staff is well qualified, competent and sensitive to needs of entrepreneurs. To this end, the recruitment and selection process of staff is rigorous. Staff at these centres undergoes on-going training and capacity-building. Awareness building programmes are also an imperative as the staff at the centres must be equipped to have a general understanding of programmes and projects undertaken by government, partner organisations and particularly the sector initiatives which offer specialized advice.

Local Economic Development will provide strategic direction to municipalities on the development of LED strategies, and establish a key programme that will refine targeted interventions to promote greater economic participation across the geographic spread of the province.

DIE PLEK PLAN programme aims to identifying economic opportunities that local people can take up in their regions. It also intends to assist the local municipalities to far more articulately define their local economic development strategies and the implementation plans. The unit will 'parachute' fully trained and equipped staff into municipalities, with a full 'head office' support to get high quality LED initiatives going in all municipalities over the next three years.

The application of a matrix approach by a local Plek Plan office will use the sector direction provided by the Micro Economic Development Strategy and a comprehensive economic municipal baseline study, to:

- Inform a local Plek Plan office in terms of economic opportunity identification
- Provide relevant inputs that will inform local municipal LED strategies and integrated development plans (IDPs) in a far more strategic and integrated fashion; and
- Allow for benchmarking of performance and impact.

The further support of Economic Development Units (EDUs) at District Municipal Level will ensure that municipalities, especially in the rural areas, are provided with quality information and assistance. The unit will also increase alignment of activities with other spheres of government.

Our ever-increasing relationship building and collaboration with municipalities should ensure selection of well-planned, appropriate interventions to deliver successful implementation. The key to identifying and designing LED strategies and targeted interventions will be a combination of:

- The Department's Micro-economic Development Strategy (MEDS); and
- The application of a "matrix" approach in tracking key economic variables; targeting key priority sectors; identifying theme-based interventions; and targeting specific regional locations given municipal data.

The matrix will allow a more strategic and integrated approach to local economic development, and will allow performance benchmarking of impacts.

Efforts will be focused on pioneering pilot projects to establish and grow community-based business organisations and co-operatives.

The above interventions will be underpinned by the unit's efforts to assist local government in delivering effective services to communities, and in supporting community-based and owned enterprises to promote greater economic participation.

Economic Empowerment will implement systems that facilitate the empowerment process from both supply and demand perspectives. The unit will acquire and access expertise that will be able to make a meaningful impact on broad based economic empowerment (including women and the disabled). This should result in the unit being a credible resource and source of, inter alia:

- Research;
- Advice and information (including facilitation); and
- Databases of black enterprises and enterprises seeking to be empowered (matchmaking role).

Economic Empowerment, in fulfilling its facilitating, advisory and advocacy roles will form strong partnerships with organisations and agencies such as the National Empowerment Fund, Industrial Development Corporation, the **dti** and chambers of commerce.

In following this approach, the unit will achieve the following objectives:

- Align its policies and strategies with that of National Department of Trade and Industry;
- Obtain critical and important buy-in from the private sector, labour and civil society;

- Become a credible source of information, advice and a role-player of note; and
- Give direction to the strategies and policies of local authorities regarding the targeted groups.

Structural Unemployment will promote co-operation and integration with other social sector partners so as to eliminate duplication. It will also work closely with research institutions to ensure quality and up to date information. Furthermore it will document experiences and lessons gained for developing best practices and institutional memory.

#### **4.1.4 Specified policies, priorities and strategic objectives**

For Economic Participation, the main aim of **Enterprise Development** is to create and maintain an environment conducive to the development and growth of small, medium and micro enterprises (SMME's), both formal and informal. This will be accomplished through:

- The promotion of access to information, opportunities and resources;
- The co-ordination of a reliable network of competent small business support service providers; and
- The stimulation of an entrepreneurial culture amongst the people of the Western Cape.

The main thrust of the unit's interventions will be the establishment and maintenance of a number of conveniently located one-stop-shop advice and business support centres across the province.

**Local Economic Development (LED)** is committed to providing a coherent, integrated framework and environment in which to achieve local economic development, by focussing on HDI ownership and the geographic spread of economic activity in the province. The main aim of the unit's strategy will be strengthening support of local municipalities through interventions such as the DIE PLEK PLAN.

**Economic Empowerment** will provide a strategic direction for empowerment and transformation of the economy of the province. The process of empowerment of the Historically Disadvantaged Persons include elements of human resource development, employment equity, enterprise development, preferential procurement, as well as investment, ownership and control of

enterprises and economic assets. The unit will focus on the key elements underpinning the targeted groups of women, the disabled, youth and the rurally located. The reasoning behind the concept of a Structural Unemployment unit, as part and parcel of Economic Empowerment, has been to establish the extent and location of structural unemployment, constantly monitoring the trends and development programs as well project interventions to reduce structural unemployment. This objective is inextricably linked to the initiatives of empowerment in all spheres of government.

Economic Participation's objectives and strategies will be delivered in the context of iKapa Elihlumayo. In aligning its objectives and strategies with that of national government, it will base these on policy documents and programmes such as the National Small Business Act (amended 2004), the Broad Based Black Economic Empowerment Strategy, the ISRP, Urban Renewal Programme and the Micro Reform Strategy. The provincial Growth and Development Strategy and the Department's MEDS, will form the platform upon which the unit's objectives will be based.



## **PART B: PROGRAMME AND SUB-PROGRAMME PLANS**

### **4.2 Sub-programme 2.2: Enterprise Development**

#### **4.2.1 Policies, priorities and strategic objectives**

The sub-programme will undertake to create and maintain an environment conducive for the growth and development of small businesses, both formal and informal, through the promotion of access to information, advice, opportunities and resources, the co-ordination of a reliable network of competent small business support service providers and the stimulation of an entrepreneurial culture among the people of the Western Cape.

The policies and strategies of the sub-programme have been planned and decided upon after thoroughly interrogating key national and provincial policy documents and frameworks. These include the National Small Business Act (as amended in 2003), the National Small Business Strategy, the Broad-based Black Economic Empowerment Strategy and the Micro-economic Reform Strategy. Documents such as the Integrated Manufacturing Strategy, the Advanced Manufacturing and Development Strategy (national and provincial) have also tempered the strategy of the sub-programme.

In contributing to integrated provincial economic development and growth, the agreements reached between social partners at the provincial Growth and Development Summit has been infused into the strategy of the unit. The very recently produced provincial Micro Economic Development Strategy has further undoubtedly guided the strategy for enterprise development in the Western Cape. Of equal importance is that the strategy is guided and underpinned by the principles as enshrined in iKapa Elihlumayo.

The core elements of SMME development strategies around the world include 6 key elements, which has been incorporated into the RED (Real Enterprise Development) Strategy of the Department.

These are:

- Entrepreneurs need to be able to access business support services in close to where they are situated therefore it is spatially located,
- Entrepreneurs need to have a tight and reliable community of business support service providers, who can assist them,
- Entrepreneurs need to be able to access work opportunities, be it through procurement opportunities or links with big business,
- Entrepreneurs may require assistance to develop their assets and access resources, and,
- Entrepreneurs need to be skilled and human resource development needs to occur. HRD will occur not only at school level but also amongst the unemployed and
- Entrepreneurs require access to trading sites and infrastructure.

#### 4.2.1.1 Specification of measurable objectives and performance indicators

##### Sub-Programme: Enterprise Development - Measurable objectives, performance indicators and targets

<b>Strategic Objective:</b>		To increase the levels of participation in the economy by all, especially the previously excluded and presently marginalized.							
		To create employment, especially for the presently unemployed.							
<b>Measurable Objective</b>	<b>Performance Measure Indicator</b>	<b>Base Year 2005/06</b>	<b>Year 1 2006/07)</b>	<b>Quarter 1</b>	<b>Quarter 2</b>	<b>Quarter 3</b>	<b>Quarter 4</b>	<b>Year 2 2007/08</b>	<b>Year 3 2008/09)</b>
Establishment and maintaining of existing conveniently located SMME Service support centres.	Number of conveniently located SMME Support Service Centres <u>newly established</u> and number of assisting entrepreneurs with advice.	3 SMME Support Service Centres assisting 1 000 entrepreneurs with advice, information, etc.	3 SMME Support Service Centres assisting 1 000 entrepreneurs with advice, information, etc.	Preparation to establish new centres.	Open centre 1	Open centre 2	Open centre 3	3 SMME Support Service Centres assisting 1 000 entrepreneurs with advice, information, etc.	3 SMME Support Service Centres assisting 1 000 entrepreneurs with advice, information, etc.
Maintenance and monitoring of <u>existing</u> conveniently located SMME Service support centres.	Number of conveniently located SMME Support Service Centres <u>Operating</u> (additional to those newly established) and number of assisting entrepreneurs	8 SMME Support Service Centres assisting 1 000 entrepreneurs with advice, information, etc.	11 SMME Support Service Centres assisting 1 500 entrepreneurs with advice, information, etc.	375 entrepreneurs assisted	375 entrepreneurs assisted	375 entrepreneurs assisted	375 entrepreneurs assisted	14 SMME Support Service Centres assisting 2 000 entrepreneurs with advice, information, etc.	17 SMME Support Service Centres assisting 2 500 entrepreneurs with advice, information, etc.

<b>Strategic Objective:</b>		To increase the levels of participation in the economy by all, especially the previously excluded and presently marginalized. To create employment, especially for the presently unemployed.							
<b>Measurable Objective</b>	<b>Performance Measure Indicator</b>	<b>Base Year 2005/06</b>	<b>Year 1 2006/07)</b>	<b>Quarter 1</b>	<b>Quarter 2</b>	<b>Quarter 3</b>	<b>Quarter 4</b>	<b>Year 2 2007/08</b>	<b>Year 3 2008/09)</b>
	with advice.								
Establishment <u>new</u> mobile SMME support services	Number of mobile RED Doors.	1 pilot mobile/satellite SMME Support Service Centre.	1 mobile/pilot satellite SMME Support Service Centre.	100 SMME's assisted	100 SMME's assisted	100 SMME's assisted	100 SMME's assisted	2 pilot satellite SMME Support Service Centre.	4 pilot satellite SMME Support Service Centre.
Programmes and projects which address the needs of small businesses, business associations, and entrepreneurs in local areas and communities.	The number of projects/programmes implemented.		11 mentorship programmes assisting at least 200 entrepreneurs each.	11 x 50 entrepreneurs assisted	14 mentorship programmes assisting at least 300 entrepreneurs.	17 mentorship programmes assisting at least 400 entrepreneurs.			
	Number of entrepreneurs receiving capacity building and training.		11 programmes of capacity building and training for at least 500 entrepreneurs.	125 entrepreneurs assisted	125 entrepreneurs assisted	125 entrepreneurs assisted	125 entrepreneurs assisted	To be taken up through Red Campus.	To be taken up through Red Campus.

<b>Strategic Objective:</b>		To increase the levels of participation in the economy by all, especially the previously excluded and presently marginalized. To create employment, especially for the presently unemployed.							
<b>Measurable Objective</b>	<b>Performance Measure Indicator</b>	<b>Base Year 2005/06</b>	<b>Year 1 2006/07)</b>	<b>Quarter 1</b>	<b>Quarter 2</b>	<b>Quarter 3</b>	<b>Quarter 4</b>	<b>Year 2 2007/08</b>	<b>Year 3 2008/09)</b>
	The number of projects/programmes implemented.		10 entrepreneurship programmes directed.	2 entrepreneurship programmes.	2 entrepreneurship programmes.	3 entrepreneurship programmes.	3 entrepreneurship programmes.	14 entrepreneurship programmes.	14 entrepreneurship programmes.
	Regular updated website and Resource Centre.	Website established and resource centres equipped.	Provision of business information via a dedicated website and 10 physical locations.	Monthly review and update of resources.	Monthly review and update of resources.	Monthly review and update of resources.	Monthly updating of website and resource centre.	Provision of business information via a dedicated.	
	Number of vouchers issued for business support.	60 vouchers issued (since November 2005).	400 vouchers issued	100 vouchers issued	100 vouchers issued	100 vouchers issued	100 vouchers issued	600 vouchers issued	800 vouchers issued
Monitoring, Evaluation and Impact study of RED Initiative.	Annual report on the impact of Red initiative interventions.		Carry out independent research study (including monitoring and evaluation)	Formulate terms of reference for study and appoint consultants.	Study underway	Study complete and report finalised	Preparation for new years study	Monitoring and evaluation into the Real Enterprise Development strategy regarding SMME Support	Monitoring and evaluation into the Real Enterprise Development strategy regarding SMME Support Centres.

<b>Strategic Objective:</b>		To increase the levels of participation in the economy by all, especially the previously excluded and presently marginalized. To create employment, especially for the presently unemployed.							
<b>Measurable Objective</b>	<b>Performance Measure Indicator</b>	<b>Base Year 2005/06</b>	<b>Year 1 2006/07)</b>	<b>Quarter 1</b>	<b>Quarter 2</b>	<b>Quarter 3</b>	<b>Quarter 4</b>	<b>Year 2 2007/08</b>	<b>Year 3 2008/09)</b>
			into the Real Enterprise Development strategy regarding SMME Support Centres.					Centres.	
Co-host an Annual collaborative event with private and public sector partners showcasing real business opportunities and linkages (Small Business Week).	Number of attendees and number of exhibitors.	1 Small Business Week in partnership with City of Cape Town attracting at least 4 000 attendees.	1 Small Business Week in partnership with City of Cape Town attracting at least 4500 attendees & 60 exhibitors.	Preparation for event.	Event occurs.	Evaluation of impact.	Preparation for event of next year.	1 Small Business Week in partnership with City of Cape Town attracting 5000 attendees & 65 exhibitors.	1 Small Business Week in partnership with City of Cape Town attracting 5000 attendees & 65 exhibitors.
	Number of business to business linkages made.							600 business linkages	700 business linkages
Design and implement	Number of outreach		11 outreach plans	3 x 11 outreach	3 x 11 outreach	3 x 11 outreach	3 x 11 outreach	11 outreach plans	11 outreach plans containing specific

<b>Strategic Objective:</b>		To increase the levels of participation in the economy by all, especially the previously excluded and presently marginalized. To create employment, especially for the presently unemployed.							
<b>Measurable Objective</b>	<b>Performance Measure Indicator</b>	<b>Base Year 2005/06</b>	<b>Year 1 2006/07)</b>	<b>Quarter 1</b>	<b>Quarter 2</b>	<b>Quarter 3</b>	<b>Quarter 4</b>	<b>Year 2 2007/08</b>	<b>Year 3 2008/09)</b>
outreach activities from each SMME support centre <i>(RED Outreach)</i>	programmes undertaken to introduce the notion of entrepreneurship and provide advice.		containing specific outreach programmes.	programmes	programmes	programmes	programmes	containing specific outreach programmes.	outreach programmes.
Conceptualisation and identification of infrastructure for SMME trading and manufacturing <i>(RED Trading places)</i>	Implementation plan completed.		Conceptualisation and planning the project.	Preparation of project outline.	Preparation of project outline.	Consultation with district municipalities and metro.	Consultation with district municipalities and metro.	Identify and establish suitable sites in each municipal district & metro.	Expand identification of sites in the municipal districts & metro.
Design and Implement an initiative to improve the competitiveness of enterprises	Implementation plan completed.		Design and plan for the implementation of a enterprise competitiveness	Preparation of project.	Preparation of project.	Preparation of project.	Preparation of project.	Implement an enterprise competitiveness intervention.	Expand on the enterprise competitiveness intervention.

<b>Strategic Objective:</b>		To increase the levels of participation in the economy by all, especially the previously excluded and presently marginalized. To create employment, especially for the presently unemployed.							
<b>Measurable Objective</b>	<b>Performance Measure Indicator</b>	<b>Base Year 2005/06</b>	<b>Year 1 2006/07)</b>	<b>Quarter 1</b>	<b>Quarter 2</b>	<b>Quarter 3</b>	<b>Quarter 4</b>	<b>Year 2 2007/08</b>	<b>Year 3 2008/09)</b>
(C RED)			intervention.						
Establish and implement a structured curriculum of accredited business training courses available through the SMME support centres. Red campus	Design & implement accredited business-training curriculum.		Accredited training courses provided through SMME support centres.	Design accredited training curriculum	Design accredited training curriculum	Prepare for implementation of the training curriculum	Implement accredited training curriculum	Expansion of the training curriculum.	Specialized accredited training curriculum linked to sectoral focus.
Dedicated fund to assist entrepreneurs considered "unbankable.	Number of entrepreneurs assisted by fund.	150 entrepreneurs assisted.	Directly financing at least 150 entrepreneurs.	37 entrepreneurs assisted.	38 entrepreneurs assisted.	37 entrepreneurs assisted.	38 entrepreneurs assisted.	Directly financing at least 150 entrepreneurs.	Directly financing at least 150 entrepreneurs.
Design and implement an intervention to construct business	Implementation plan completed.		Design and plan for the implementation of a 'enterprise	Preparation of project.	Preparation of project.	Preparation of project.	Preparation of project.	Establish the 'enterprise shop'	Maintain and improve 'enterprise shop'

<b>Strategic Objective:</b>		To increase the levels of participation in the economy by all, especially the previously excluded and presently marginalized. To create employment, especially for the presently unemployed.							
<b>Measurable Objective</b>	<b>Performance Measure Indicator</b>	<b>Base Year 2005/06</b>	<b>Year 1 2006/07)</b>	<b>Quarter 1</b>	<b>Quarter 2</b>	<b>Quarter 3</b>	<b>Quarter 4</b>	<b>Year 2 2007/08</b>	<b>Year 3 2008/09)</b>
plans from viable business opportunities <i>(Enterprise Shop)</i>			shop' intervention.						
Design and implement a provincial Co-operatives development strategy.	Provincial Strategy Document.	Workshops held with districts and metro for consultation on the strategy.	Co-operative Strategy document completed.	Consultation with stakeholders.	Consultation and strategy preparation.	Strategy completed.	Begin with strategy implementation planning.	Co-operative Strategy implementation.	Co-operative Strategy implementation.



## PART B: PROGRAMME AND SUB-PROGRAMME PLANS

### 4.3 Sub-programme 2.3: Local Economic Development

#### 4.3.1 Specified policies, priorities and strategic objectives

The sub-programme Local Economic Development is committed to providing a coherent and integrated environment in which to achieve local economic development, by focusing on HDI ownership and geographic spread of economic activity in the province.

The Municipal Systems Act, 2000, set in motion a process of transformation for municipalities and the adoption of a developmental approach in delivering services. Promoting economic development at the local level is a challenging constitutional responsibility for local authorities, as all municipalities are required to strategically plan for their developmental interventions.

The key strategic objective of the sub-programme Local Economic Development is to provide through identifying and facilitating economic opportunities for local government and people, support in achieving local economic development.

Planning will direct all strategies, plans, practices, procedures and resources in achieving the Department's core service delivery objectives. With this in mind, the unit has identified the following objectives that are aimed on delivering on *iKapa Elihlumayo* in a meaningful way.

Local Economic Development intends to ensure the establishment of effective economic development at local (municipal) level, by:

- Providing guidance, support and capacity to municipalities in achieving economic development, through the EDUs; IDP assessments and reviews; and strengthening of the institutional capacity of municipalities.
- Providing a municipal baseline data study, via the MEDS, which will inform local LED strategies and plans; and will guide and support the performance of local government in achieving increased economic participation.

- Ensuring practical alignment of departmental programmes with national and provincial objectives (for example, the PGDS); through regional development initiatives (for example, ISRDP, URP, and Project Consolidate), and actively maximising provincial government's spending.

Furthermore, Local Economic Development intends to promote increased targeted economy activity, by:

- Assisting in the development of targeted interventions for local areas based on sector-specific profiles, theme-based interventions, global intelligence and partnerships.
- Facilitating and implementing pioneering projects with municipalities that will increase black ownership, women's participation, and opportunities for the disabled and the youth.

Finally, Local Economic Development will ensure that citizens of the province are fully informed of the offerings of all 3 spheres of government, by:

- Creating awareness and providing access for urban, rural and township communities to, departmental and national support programmes and benefits, this means, one-stop-shop advice and business support centres, co-operative development, and incentives programmes.

#### 4.3.1.1 Specifications of measurable objectives and performance indicators

<b>Strategic Objective:</b>		To increase the levels of participation in the economy by all who make the Western cape their home.							
<b>Measurable Objective</b>	<b>Performance Measure Indicator</b>	<b>Base Year 2005/06</b>	<b>Year 1 2006/07)</b>	<b>Quarter 1</b>	<b>Quarter 2</b>	<b>Quarter 3</b>	<b>Quarter 4</b>	<b>Year 2 2007/08</b>	<b>Year 3 2008/09)</b>
To provide guidance, support and capacity to municipalities through the Plek Plan Programme (the economic development units & IDP assessments & reviews) to strengthening the economic development capacity of municipalities	Number of local Plek Plan offices. Established and operationalised.	Intervention planning complete to establish the first 5 Plek Plan offices at municipal level.	5 Plek Plan offices rolled out, and operationalised at municipal level.	Memorandums of agreement in place to secure partnerships that supports the roll-out and establishment phase of the programme.	5 Plek Plan managers and offices established and in place.	5 Plek Plan managers and offices operationalised and engaging with local municipalities on current status of LED and its capacity in the region.	First set of meds driven proposals initiated in each of the 5 regions.	10 Plek Plan offices established at municipal level.	15 Plek Plan offices established at municipal level.

<b>Strategic Objective:</b>		<b>To increase the levels of participation in the economy by all who make the Western cape their home.</b>							
<b>Measurable Objective</b>	<b>Performance Measure Indicator</b>	<b>Base Year 2005/06</b>	<b>Year 1 2006/07)</b>	<b>Quarter 1</b>	<b>Quarter 2</b>	<b>Quarter 3</b>	<b>Quarter 4</b>	<b>Year 2 2007/08</b>	<b>Year 3 2008/09)</b>
Through the Plek Plan programme inform local LED strategies and plans (IDPs) that will guide and support the performance of local government in achieving increased Economic participation.	No of municipal economic profiles established.  Number of matrix sheets populated and interventions/ or opportunities identified.	The first economic municipal baseline study completed for all municipalities to be used as inputs to the application of a "matrix" approach.	(Phase 1) Based on PER&O 2006 establish the foundations of the economic profiles of municipalities.	(Phase 2) Planning and tender process initiated for compilation additional data required establishing economic profiles.	First official economic baseline studies completed and made available for to municipalities.	10 municipal profiles established.	9 Municipal profiles established.	Update on 29 municipal economic profiles established that will inform municipal LED strategies and implementation plans.	Update on municipal economic profiles and baseline established that will inform municipal LED strategies and implementation plans.
	Number. of local municipal LED strategies supported and assisted with.	All municipalities informed as to the sector outcomes of the MEDS in order to contribute to the development of local matrices.	Development of local matrices that will be used to inform municipal LED strategy.	Based on the matrix development 5 LED strategy development initiatives supported and assisted at local level.	Based on the matrix development 5 LED strategy development initiatives supported and assisted at local level.	Based on the matrix development 5 LED strategy development initiatives supported and assisted at local level.	Based on the matrix development 5 LED strategy development initiatives supported and assisted at local level.		

<b>Strategic Objective:</b>		To increase the levels of participation in the economy by all who make the Western cape their home.							
<b>Measurable Objective</b>	<b>Performance Measure Indicator</b>	<b>Base Year 2005/06</b>	<b>Year 1 2006/07)</b>	<b>Quarter 1</b>	<b>Quarter 2</b>	<b>Quarter 3</b>	<b>Quarter 4</b>	<b>Year 2 2007/08</b>	<b>Year 3 2008/09)</b>
Implementation of pioneering pilot projects that will increase community-based ownership & participation in line with the vision of iKapa Elihlumayo.	Based on local Plek plan economic opportunities identified - No. of project opportunities submitted to other departmental sub-directorates for further support	4 local business opportunities	8 local business opportunities	2 local business opportunities	2 local business opportunities	2 local business opportunities	4 local business opportunities	10 local business opportunities	12 local business opportunities
	Number of. Projects developed based on identified economic opportunities.	2 business development projects.	2 business projects.		1business project.	1business project.	4-business project.	4-business project.	6-business project.
	Based on local Plek plan economic opportunities identified and No. of projects supported by the Economic Assistance Fund.	3 projects	3 projects		2 project identified for feasibility study.	2 project for feasibility study.	2 project for feasibility study.	3 projects	5 projects

<b>Strategic Objective:</b>		To increase the levels of participation in the economy by all who make the Western cape their home.							
<b>Measurable Objective</b>	<b>Performance Measure Indicator</b>	<b>Base Year 2005/06</b>	<b>Year 1 2006/07)</b>	<b>Quarter 1</b>	<b>Quarter 2</b>	<b>Quarter 3</b>	<b>Quarter 4</b>	<b>Year 2 2007/08</b>	<b>Year 3 2008/09)</b>
	Based on local Plek Plan economic opportunities identified the amount of community assistance required  The number of engagements to provide expert advice & non-financial support.	50 engagements	50 engagements	10 engagements	20 engagements	29 engagements	10 engagements	50 engagements	50 engagements
To ensure practical alignment of departmental programmes with national and provincial objectives (e.g. PGDS) through regional development initiatives (e.g. ISRDP,	Number of identified interventions that offer economic opportunity for projects that can be supported that impact on ISRDP, URP and Project Consolidate).	Development of the first local matrices that start identifying interventions for economic opportunity.	(Number of opportunities identified)	1 opportunity identified	1 opportunity identified	1 opportunity identified	1 opportunity identified	(Number of opportunities identified)	(Number of opportunities identified)

<b>Strategic Objective:</b>		To increase the levels of participation in the economy by all who make the Western cape their home.							
<b>Measurable Objective</b>	<b>Performance Measure Indicator</b>	<b>Base Year 2005/06</b>	<b>Year 1 2006/07)</b>	<b>Quarter 1</b>	<b>Quarter 2</b>	<b>Quarter 3</b>	<b>Quarter 4</b>	<b>Year 2 2007/08</b>	<b>Year 3 2008/09)</b>
URP, and Project Consolidate), and actively maximising provincial government's spending.									
Project Consolidate), and actively maximising provincial government's spending.	Number of projects impacted on through collaboration with other departments.	Number of opportunities identified for joint project development per region.	1 joint project established per region.	1 project in region 1.	1 project in region 2.	2 project each in region 3 and 4.	1 project in region 5.	3 joint projects established per region.	5 projects established per region.
	Number of provincial wide roadshows and workshops.	Bi-annual, provincial-wide road-shows & workshops	Bi-annual, provincial - wide road-shows & workshops		Roadshow	Workshop	Workshop	Quarterly, provincial-wide Road shows & workshops.	Quarterly, provincial-wide Road shows & workshops.

<b>Strategic Objective:</b>		To increase the levels of participation in the economy by all who make the Western cape their home.							
<b>Measurable Objective</b>	<b>Performance Measure Indicator</b>	<b>Base Year 2005/06</b>	<b>Year 1 2006/07)</b>	<b>Quarter 1</b>	<b>Quarter 2</b>	<b>Quarter 3</b>	<b>Quarter 4</b>	<b>Year 2 2007/08</b>	<b>Year 3 2008/09)</b>
To create/build awareness and provide access to urban, rural and township communities to departmental, provincial & national support programmes and benefits at local level  For example, updates on MEDS, Die Plek Plan, Red Doors, etc.	Number of awareness programme implemented.	2 reports on bi-annual road-shows & workshops;  to include recommendations made to programme drivers.	2 reports on bi-annual road shows & workshops;  to include recommendations made to programme drivers.			1 report on bi-annual roadshow.	1 report on workshops .	4 reports on the quarterly road-shows & workshops; to include recommendations made to programme drivers.	4 reports on the quarterly road-shows & workshops; to include recommendations made to programme drivers.
				Ongoing updates to municipalities.					



## **PART B: PROGRAMME AND SUB-PROGRAMME PLANS**

### **4.4 Sub-programme 2.4: Economic Empowerment**

#### **4.4.1 Specified policies, priorities and strategic objectives**

The main aim of the Economic Empowerment is to provide strategic direction for empowerment and transformation of the Western Cape's economy. The process of the empowerment of Historically Disadvantaged Individuals (HDIs) include elements of human resource development, employment equity, enterprise development, preferential procurement, as well as investment, ownership and control of enterprises and economic assets. Empowerment is viewed as economic enablement of the targeted groups comprising black people, women, youth, the disabled and rural communities.

The three main documents, strategies and agreements that will be informing the objectives, strategies and activities of the unit are the National Broad-Based Black Economic Empowerment Strategy, the Provincial Micro-economic Development Strategy (MEDS) and the Provincial Growth and Development Summit Framework Agreement.

The empowerment charters of especially, the “seven strategic economic industries” will guide the unit’s interventions. These are the industries that government has encouraged to have empowerment charters because it views them as priority sectors that have a strategic influence in the country and could have a significant impact in the transformation of the economy. These sectors comprise agriculture, financial services, transport services, automobile, information and communications technology, engineering services and the construction sector. Also, special cognisance will be taken of the provincial priority sectors as identified at the Growth and Development Summit.

Economic Empowerment will collectively deliver on its strategic goals and objectives, in order to monitor, evaluate and report on interventions and activities.

The Provincial BBBEE framework will provide the overarching structure within which all economic empowerment issues are addressed. The unit's support in the implementation of the policy will ensure that economic empowerment is co-ordinated within the province. Also, this will ensure that the sector charters contribute to fulfilling the objectives of BBBEE.

The environment surrounding EE has hardly been conducive to the development of real economic empowerment. As part of its strategic role, the unit will be a key source of information, facilitation and advice regarding BBBEE. In fulfilling this role, it will build and co-ordinate a network of support structures (both financial and non-financial), and provide support to local government and business (small and large).

The role of provincial governments in giving meaning to BBBEE cannot be underestimated. The unit will:

- Ensure that EE policies of provincial departments are aligned with that of national government;
- Actively work with provincial departments on preferential procurement and human resources issues; and
- Monitor and evaluate the progress of provincial departments in delivering on BBBEE.

The targeted groups of women, youth, the disabled and the rurally located deserve special attention in ensuring that they substantially increase their contribution and participation in the economy. Therefore, the unit will facilitate and promote programmes that will facilitate and ease entry into the mainstream economy, and will increase the contribution and participation of all in the economy of the Western Cape.

The work of the Structural Unemployment unit and its interventions are informed by the national and provincial strategy and policy frameworks and programs namely National Growth and Development Summit, Provincial Growth and Development Summit Agreement, iKapa Elihlumayo, Provincial Micro-economic Development Strategy, National Skills Development Act, Human Resource Development Strategy, Employment Strategy Framework as well as the Expanded Public Works Programme.

The unit's interventions will be based on identifying relevant social sector partners that are involved in income-generation and poverty reduction and skills development programmes and establish working relations with them to develop

joint interventions so as to avoid duplication. In addition the unit will facilitate programme and project interventions for structurally unemployed.

The unit will facilitate projects and programmes that will match the structurally unemployed with the relevant job opportunities and re-skill them so as to facilitate their re-entry into the mainstream economy. The main focus of the unit will be the structurally unemployed youth as well as the retrenched workers.

#### 4.4.1.1 Specifications of measurable objectives and performance indicators

<b>Strategic Objective:</b>		To make ownership of the economy representative of the demography of the Province.							
<b>Measurable Objective</b>	<b>Performance Measure Indicator</b>	<b>Base Year 2005/06</b>	<b>Year 1 2006/07)</b>	<b>Quarter 1</b>	<b>Quarter 2</b>	<b>Quarter 3</b>	<b>Quarter 4</b>	<b>Year 2 2007/08</b>	<b>Year 3 2008/09)</b>
Provide a strategic framework for the promotion of Economic Empowerment in the Western Cape.	Fully developed and implemented framework.		Completion of strategy document.	Publish Strategy.	Sensitize adherence and awareness.	Monitor and evaluate.	Monitor and evaluate.	Critically evaluate and review strategy.	BEE conference
To ensure that the component is a credible source of information regarding Economic Empowerment issues.	Number of information sessions on charter.  Number of BBBEE businesses updated on database.		To give advice on Empowerment deals and facilitate access to funding. To provide information on BEE charters and scorecards.	Workshop EE unit and directorate	Host a tourism charter workshop.	Host an agri BEE charter workshop.	Host an ICT workshop.	To give advice on Empowerment deals and facilitate access to funding. To provide information on BEE charters and scorecards.	Monitor and evaluate to ensure compliance.
	A fully developed and implemented communication strategy	Inter-departmental consultation.	Creation of newsletter and information booklet. Directory of youth and women in business	Develop communication strategy.	Design and launch	Distribute	Distribute	Review and improve	Newsletter Ongoing

<b>Strategic Objective:</b>		<b>To make ownership of the economy representative of the demography of the Province.</b>							
<b>Measurable Objective</b>	<b>Performance Measure Indicator</b>	<b>Base Year 2005/06</b>	<b>Year 1 2006/07)</b>	<b>Quarter 1</b>	<b>Quarter 2</b>	<b>Quarter 3</b>	<b>Quarter 4</b>	<b>Year 2 2007/08</b>	<b>Year 3 2008/09)</b>
			Strategy of showcasing youth success stories.						
To facilitate access to finance for economic empowerment opportunities and the monitoring and evaluation thereof.	Number of black businesses that access funding and business opportunities and the develop and evaluate system.	OMAM BEE Fund launch  Funding of the trading portal proposed by WECBOF.	At least 10 economic empowerment opportunities directed at targeted groups.	2 economic empowerment opportunities.	3 economic empowerment opportunities.	3 economic empowerment opportunities.	3 economic empowerment opportunities.	Monitoring BBBEE deals funded and ensure compliance with scorecards.	
The establishment and operationalisation of advisory councils.	4 advisory councils established			Launch women advisory forum.	Launch youth advisory forum.	Launch people living with disabilities advisory forum	Launch rural women advisory forum		
Provide information on access to technology to women in rural areas.	An increase in participation of women in the economy of the Western Cape.	Workshop focusing technology in rural areas with TWIB and ICT sector.	Provide access to information on technology to women in rural areas Develop program in support of	Needs assessment and consultation with TWIB and ICT sector.	Review results and develop program if so required.	Implement	Ongoing and showcasing	Monitor and evaluate	Ongoing

<b>Strategic Objective:</b>		<b>To make ownership of the economy representative of the demography of the Province.</b>							
<b>Measurable Objective</b>	<b>Performance Measure Indicator</b>	<b>Base Year 2005/06</b>	<b>Year 1 2006/07)</b>	<b>Quarter 1</b>	<b>Quarter 2</b>	<b>Quarter 3</b>	<b>Quarter 4</b>	<b>Year 2 2007/08</b>	<b>Year 3 2008/09)</b>
			women in technology						
To ensure that the Provincial Government Policies (eg. Procurement) contribute to the furthering of BEE in the Western Cape.	Preferential Procurement policy is 100% aligned to BBBEE.	Draft new preferential procurement policy for the Western Cape Government.	To have final Preferential Procurement Policy which is aligned to BBBEE framework and is implemented in all Provincial Government Departments.	Consultation with various departments.	Finalise the document and distribute.	Monitoring and evaluation	Monitoring and evaluation	To ensure that all Provincial Government Departments increase their Preferential Procurement by 10%.	To ensure that all Provincial Government Departments increase their Preferential Procurement by 10%.

#### 4.4.2 Reconciliation of budget with plan

##### Programme 2: Programme budget by sub-programme (R '000)

Sub-programme	Year - 2 2003/04 (Actual)	Year - 1 2004/05 (Actual)	Base year 2005/06 (Estimate)	Average Annual Change (%)	Year 1 2006/07 (Budget)	Year 2 2007/08 (MTEF projection)	Year 3 2008/09 (MTEF projection)	Average Annual Change (%)
Management Economic Participation	1 733	2 766	1 401	5.14	4 013	4 547	4 688	8.41
Enterprise Development	30 548	17 098	26 669	(9.30)	30646	31 306	33 234	6.26
Local Economic Development	9 234	8 941	6 431	(16.25)	13 345	13 655	13 771	1.60
Economic Empowerment	1 175	12 025	4 468	88.09	1 590	2 743	2 909	41.48
<b>Total</b>	<b>42 690</b>	<b>40 830</b>	<b>38 969</b>	<b>(7.55)</b>	<b>49 594</b>	<b>52 251</b>	<b>54 602</b>	<b>6.31</b>



## **PART B: PROGRAMME AND SUB-PROGRAMME PLANS**

### **5. Programme 3: Fair Business Environment**

The purpose of Fair Business Environment is to ensure an equitable, socially responsible business environment within the Western Cape through general intervention within the trading environment, and through specific interventions mandated by the Constitution; National Legislation and Policies; and Provincial legislation and policies.

The programme is structured as follows:

- Management: Fair Business Environment
- Office of the Consumer Protector
- Western Cape Liquor Board

#### **5.1 Situation Analysis**

##### **5.1.1 Progress analysis**

Fair Business Environment was established during 2004/5 as part of the Department's restructuring process. Since then, the divisions dealing with tourist guide registration, tourism safety and tourism road signage have been relocated to the Economic Sector Development unit.

The period under review will see a major restructuring with regard to the Liquor Board, which will, in accordance with the soon to be promulgated provincial Liquor Act, be established as a fully independent public entity outside of the public service, and accountable to the relevant Minister. The functions of the various sub-programmes related to the liquor industry in the province, including mandatory training of liquor retailers; addressing the negative consequences of the industry, and sectoral support to promote growth in exports within the wine

industry will form part of the mandate of the Liquor Board as a public entity, and due provision will be made for this in the structures of the Board. We believe that these measures will develop the functionality required to delivery on the strategic objectives of the unit.

The other remaining unit that of the Office of the Consumer Protector, has the basic structure in place for delivering on its core mandate. Provision will however have to be made for additional mandates that are to be imposed by new national legislation during the review period, as well as through the devolution of parts of existing and proposed legislation. Excluding the new legislative mandates referred to above, the main thrust of this unit over the review period will be the operationalisation of the Consumer Tribunal and aggressive branding to raise the profile of the unit in the public mind as an effective regulator.

### **5.1.2 Analysis of constraints and measures planned to overcome them**

The Department is precluded from a robust approach to harmonisation of policies and legislation that may be required to ensure a fair and equitable trading environment, due to:

- The lack of harmony within national, provincial and local government policies and legislation; and
- The constraints that the Constitutional arrangement of the 3 spheres of government places on any single sphere of government to intervene in policies and legislation outside its direct mandate.

The Department will have to develop a multi-dimensional approach of vigorous advocacy and persuasion in those areas outside its particular mandate and interpret its specific mandate in a broader manner.

The implementation of the new provincial liquor legislation requires the co-operation of the municipalities. Training and capacity building of the responsible municipal officials, and to a lesser extent of the public entity and the SAPS, all of whom are role-players in ensuring the successful implementation of the new legislation, will have to be provided.

The financial implications of the new provincial liquor legislation are discussed in the Provincial Liquor Policy document. It is envisaged that the public entity will be funded, in total, by revenue from the licensing fees, which are to be increased substantially from the current, outdated levels determined in terms of the Liquor Act, No 27 of 1989.

The key challenges faced by Office of the Consumer Protector unit are:

- Geographical separation between it and rural advice offices, resulting in ineffective service provision to and monitoring and evaluation (M&E) of them;
- Lack of capacity of on the part of the advice offices, and of appropriate training programmes;
- Lack of commitment of other government departments, particularly those benefiting from the services rendered by the advice offices; and
- General ignorance, low levels of literacy and apathy on the part of consumers.

The geographic distance issue will, to a certain extent, be addressed by a fully operational complaints management system, integrating the OCP's Cape Town operation with the advice offices, while at the same time enhancing communication across all the divisions in the unit.

Establishing inter-governmental partnerships and programmes remains a problem, but limited successes achieved form a basis from which to work and will be exploited to its full potential in negotiations with other government departments. There are indications that municipalities are starting to see the value of well resourced, fully functioning advice offices within their towns and this apparent shift in perceptions of the advice offices will be pursued for mutual benefit of the partners. Ministerial support will be sought with regard to other provincial government departments.

Further constraints include consumer apathy and a lack of a culture of consumer rights awareness, which has its origins in the low priority that consumer rights had under apartheid. This increases the need for the establishment of a culture of consumer awareness through effective education and awareness programmes.

### **5.1.3 Description of planned quality improvement measures**

The structural adjustments involving the establishment of the Liquor Board as a public entity and the transfer of the tourism-related units to Economic Sector Development will result in the Fair Business Environment unit consisting only of the Office of the Consumer Protector, with an expanded mandate to provide assistance to small business and franchises, with regard to unfair business practices, including ant-competitive behaviour. This creates an opportunity for the

unit to focus on its core functions of consumer and small business protection in the marketplace.

The greater use of a computerised data base, and electronic communication with partners will ensure an increase in efficiency, for example, the implementation of a web-based database of all consumer and small business complaints lodged anywhere in the province, whilst at the same time drawing on the advantages of a database shared with other related units in the department.

Business process outsourcing through the use of the Cape Gateway Call Centre has improved service delivery and case management in the Office of the Consumer Protector and will be expanded where appropriate. An increase in bandwidth for electronic communication between the Department and the call centre should result in enhanced response times and a reduction in 'down-time' that occasionally occurs. Provision is to be made for access by the public to a web-enabled data basis to allow for ease of access to information while the use of more traditional means of communication and awareness-raising, such as print media campaigns, mass commuter-targeted information and marketing initiatives and industrial theatre will continue so as to ensure accessibility by communities and individuals without internet access.

#### **5.1.4 Specified policies, priorities and strategic objectives**

The programme's mandates are established as part of the concepts contained in iKapa Elihlumayo. These are reflected in the following manner:

- To create a fair, effective and conducive **business environment** for enterprises and consumers. Most of the policies, legislative interventions, and strategic interventions within this programme are within this objective of iKapa Elihlumayo, which include:
  - Provincial liquor policy and legislation; and
  - Consumer protection legislation.
- To create **employment**, especially for the presently unemployed, to make **ownership** of the economy representative of the demography of the Province and to increase levels of **participation** in the economy by all, especially by the previously excluded and presently marginalized.

Participation in the economy can be evidenced by:

- Interventions within the liquor industry through entry of unlicensed liquor traders into the regulatory framework; and
- Efforts to transform the liquor manufacturing sector;
- To make citizens and their enterprises effective players in the **global** economy;
- The support for the liquor industry development is seen as a strategic intervention to expand the competitiveness of the wine industry in its traditional and non-traditional export markets; and
- Empowering consumers by providing effect channels for redress and raising awareness to create assertive, demanding and street-smart consumers able to protect themselves against abuse and exploitation.



## PART B: PROGRAMME AND SUB-PROGRAMME PLANS

### 5.2. Sub programme 3.2: Office of The Consumer Protector (OCP)

#### 5.2.1. Specified policies, priorities and strategic objectives

The unit's strategic priorities are derived from the departmental objectives, which are:

- Promotion of a fair, efficient and transparent market place for consumers and business (providing protection to all economic citizens, including small businesses);
- Provision of a consistent, predictable and effective regulatory framework, which fosters consumer confidence, and at the same time recognises the developmental imperatives of the South African economy;
- Provision of access to effective redress for consumers as economic citizens (including enforcement of legislation and application of sanctions); and
- Promotion of consumer rights awareness, by disclosure and access to information by consumers, and recognition and support of the role of activist and confident consumers in promoting a competitive economy.

Apartheid had left South Africa with a legacy of poor, illiterate or semi-literate and compliant consumers who were ignorant of their important role as drivers of the economy, and who were consequently prepared to accept poor service, inferior products of and the lack of or inadequate provision of redress. Base-line research carried out by the OCP in 1999 revealed that the consumer complaints and advice service offered by the OCP were not easily accessible to poor, and more particularly, rural, consumers for a variety of reasons. Accordingly, the OCP set about establishing a network of advice offices as walk-in service points throughout the province where consumers could lodge their consumer-related complaints in a face-to-face environment. Furthermore, the accessibility to the unit's internal a complaints management mechanism was improved though the establishment of a call centre that can be accessed toll-free.

The strategic priorities of the Directorate, in terms of the Consumer Protector, are drawn to a large extent from the following, namely, to increase levels of participation in the economy by all, particularly the previously excluded and presently marginalised, to make citizens and their enterprises effective players in the global economy and to create a fair, effective and conducive business environment for enterprises and consumers. These priorities will ultimately promote a fair, efficient and transparent market place for consumers and business (providing protection to all economic citizens, including small businesses), provide a consistent, predictable and effective regulatory framework that fosters consumer confidence, which at the same time recognises the developmental imperatives of the South African economy, provide access to effective redress for consumers as economic citizens (including enforcement of legislation and application of sanctions) and promote consumer rights awareness, disclosure and access to information.

### 5.2.1.1 Specification of measurable objectives and performance indicators

Strategic Objective:		To create a fair and conducive business environment for enterprises and consumers.							
Measurable Objective	Performance Measure Indicator	Base Year 2005/06	Year 1 2006/07)	Quarter 1	Quarter 2	Quarter 3	Quarter 4	Year 2 2007/08	Year 3 2008/09)
Implementation of existing provincial consumer protection legislation, including establishment of the Consumer Tribunal.	Fully operational Act and Consumer Tribunal.	Regulations to Act approved; additional staff approved and appointed; Tribunal members and staff trained; Consumer Tribunal commences operation.	Consumer Tribunal fully operational.	Monthly sittings by Tribunal.  Publication of rulings.	Fortnightly sittings by Tribunal.	Fortnightly sittings continued.	First Tribunal hearing outside Cape Town.	Number of cases referred to and finalised by Tribunal increased by 25% over Year 1.	Number of cases referred to and finalised by Tribunal increased by 25% over Year 2.
Provision and maintenance of effective and appropriate internal systems that enable	Fully functional and effective systems for receipt, recording, management and finalisation of consumer complaints.	All systems installed and operationalised.	All internal systems fully operational.	Initiation of process to refine and enhance systems.	Engaging service provider to affect improvements to systems.	Implementing suggestions for improvement of systems.	Finalising implementation.	Review of systems, based on experience in Year 1.	Ongoing review and improvement of systems based on Year 2 reviews.

<b>Strategic Objective:</b>		<b>To create a fair and conducive business environment for enterprises and consumers.</b>							
<b>Measurable Objective</b>	<b>Performance Measure Indicator</b>	<b>Base Year 2005/06</b>	<b>Year 1 2006/07)</b>	<b>Quarter 1</b>	<b>Quarter 2</b>	<b>Quarter 3</b>	<b>Quarter 4</b>	<b>Year 2 2007/08</b>	<b>Year 3 2008/09)</b>
consumers to lodge their complaints and queries with the OCP.	Increase in number of complaints handled at OCP.	Baseline data collected on number of complaints received via new systems.	Number of complaints handled increased by 10% over Base Year.	Monitoring of complaint statistics.	Monitoring of complaint statistics.	Implementing advertising/marketing to raise number of complaints, if necessary.	10% rise in number of complaints.	Number of complaints handled increased by 10% over Year 1.	Number of complaints handled increased by 10% over Year 2.
Providing support to advice offices funded by the department.	Well-equipped and resourced advice offices.	Evaluation of electronic complaints management system piloted in previous year.  Provision of appropriate training to advice office staff to deal with consumer complaints.	Fully functional electronic complaints management system (ECMS) installed and operationalised at all funded advice offices.  Accredited training provided to all consumer	Extension of existing ECMS or piloting of alternative to 25% of advice offices.  Training courses designed and accredited	Extension of ECMS (existing or new) to 40% of advice offices.  Training provided to 25% of	Extension of ECMS to 75% of advice offices.  Training provided	Extension of ECMS to all funded advice offices & establish baseline data on complaints handled through ECMS.  Training provided to 75% of advice	Increase number of complaints handled via ECMS by 10% on Year 1.	Increase number of complaints handled via ECMS by 10% on Year 2.

<b>Strategic Objective:</b>		<b>To create a fair and conducive business environment for enterprises and consumers.</b>							
<b>Measurable Objective</b>	<b>Performance Measure Indicator</b>	<b>Base Year 2005/06</b>	<b>Year 1 2006/07)</b>	<b>Quarter 1</b>	<b>Quarter 2</b>	<b>Quarter 3</b>	<b>Quarter 4</b>	<b>Year 2 2007/08</b>	<b>Year 3 2008/09)</b>
	Well-trained advice office staff and management.		complaints handling staff at advice offices and to management committee members.	, training material developed training course.	advice office staff and management.	to 50% of advice office staff and management.	office staff and management.	Training provided to all advice office staff and management.	
Establishing advice offices as a brand.	A province-wide network of advice offices enjoying a high level of recognition in local communities.	A network of twenty-eight advice offices funded and supported.	Advice offices established as a trusted service delivery point for consumers in province, recognised by at least 25% population in province.	Tender for branding of advice offices designed and placed, and awarded.	Baseline data gathered on recognition of advice offices as a brand.	Review and initial implementation of consultant's recommendations.	Survey on brand recognition of advice offices.	Increase brand recognition by 25% over Year 1 baseline (independently determined).  Production of 1 <sup>st</sup> annual report on advice offices.	Increase brand recognition by 25% over Year 2 (independently determined).  Production of 2 <sup>nd</sup> annual report on advice offices.

<b>Strategic Objective:</b>		<b>To create a fair and conducive business environment for enterprises and consumers.</b>							
<b>Measurable Objective</b>	<b>Performance Measure Indicator</b>	<b>Base Year 2005/06</b>	<b>Year 1 2006/07)</b>	<b>Quarter 1</b>	<b>Quarter 2</b>	<b>Quarter 3</b>	<b>Quarter 4</b>	<b>Year 2 2007/08</b>	<b>Year 3 2008/09)</b>
Monitoring and evaluating levels of service delivery, and implementing constant improvement strategies.	Effective monitoring and evaluation (M&E) system in place to measure and improve service delivery by OCP and advice offices, measured against external benchmark (international best practice).	Engaging external agency to evaluate and benchmark service delivery by OCP and advice offices and to produce report and recommendations.	Implementing of accepted recommendations.	Review of report and recommendations by consultant and completion of implementation plan.	Completion of phase 1 of accepted recommendations by consultants (25%).	Completion of phase 2 of accepted recommendations by consultants (50%).	Completion of implementation of recommendations.	Study and report on impact of M & E system & monitoring of improvement in terms of benchmark (determined in terms of recommendations).	10% improvement in service according to benchmark.

<b>Strategic Objective:</b>		To create a fair and conducive business environment for enterprises and consumers.							
<b>Measurable Objective</b>	<b>Performance Measure Indicator</b>	<b>Base Year 2005/06</b>	<b>Year 1 2006/07)</b>	<b>Quarter 1</b>	<b>Quarter 2</b>	<b>Quarter 3</b>	<b>Quarter 4</b>	<b>Year 2 2007/08</b>	<b>Year 3 2008/09)</b>
Identifying, devising and implementing appropriate and effective measures to raise awareness of the existence of the OCP and the services offered by it.	At least three major brand awareness campaigns undertaken and research study completed on their effect and impact on OCP brand.	Baseline information gathered on brand awareness of consumers in respect of OCP.	Increasing awareness of OCP as a brand by 50% amongst population of province.	Tender issued for marketing plan, incorporating branding campaigns.	Review of recommendations by service provider and completion of branding implementation plan.	Completion of phase 1 of implementation plan (50%).	Completion of 2 <sup>nd</sup> and final phase of implementation plan.  Completion of independent survey on OCP brand recognition.	Increase brand recognition by 20% on Year 1 (independently determined).	Increase brand recognition by 20% on Year 2 (independently determined).



## PART B: PROGRAMME AND SUB-PROGRAMME PLANS

### 5.3 Sub-programme 3.3: Western Cape Liquor Board

#### 5.3.1 Specified policies, priorities and strategic objectives

This unit will operate as part of the independent Liquor Board, but we include this discussion here to provide a background. Whilst the Board will determine its functions, its envisaged objectives at the time of its conception within the department were to attend to all aspects of the liquor industry within the Western Cape, whilst developing measures to address the negative consequences of the liquor trade. Some of its objectives were derived from the regulatory mandate, which stipulates that the provincial sphere of government has to licence the liquor trade as prescribed in Schedule 5 part A of the Constitution.

The following key priorities have been identified:

- Liquor industry development;
- Transformation of the sector;
- Addressing the negative aspects of the liquor trade; and
- Establishing the unit as the primary driver of a culture of responsible liquor trade and consumption in the province and beyond.

The liquor industry must be developed in a responsible manner to ensure the achievement of economic growth, transformation and job creation, whilst simultaneously addressing the negative aspects of the liquor industry, whether real or perceived.

Economic growth in the sector must be in support of the promotion of international competitiveness of high quality wine exports, both through entering new markets and through increasing the market share within existing markets.

The unit will address the following key deliverables:

- The reduction and eventual elimination, through regulation and other measures, of the supply of low quality wine (particularly white wine) that is associated with undesirable social practices (such as bulk wine in unsuitable containers), which adds to the negative perception of the South African wine industry.
- The development of independent breweries as small businesses to ensure diversification of the local beer market. This has the potential to contribute to job creation and tourism. This will be investigated and if feasible, be supported.
- Ensuring the entry of suitable existing trading establishments within the regulated trade through the new provincial liquor legislation, as well as the provision of training and non-financial support.
- Ensuring the entry of black manufacturers as micro-manufacturers within the wine industry, particular at the higher value end of the industry.
- Establishment of an outreach programme to ensure the entry of suitable unlicensed traders into the regulatory regime.
- Development of a culture of responsible use of liquor to combat and replace the existing culture of misuse. This is to be achieved through the education of the liquor manufacturers and retailers and raising the awareness on the part of the consumers of liquor of the harm associated with abuse, in line with international best practice. Mandatory training programmes are to be developed, the implementation of which that will require that liquor retailers, in particular, to be aware of and comply with their legal and social responsibilities in this regard. In raising awareness of the general public in terms of an ethos of responsible consumption, the focus will be on groups at risk, such as pregnant women and juveniles.

The new National Liquor Act, No 59 of 2003 that came into operation on 13 August 2004, has imposed a new regulatory environment on the liquor industry. The Act provides for a three-tier system of distributor, retailer and manufacturer and allows for the regulation of manufacturers and distributors by the National Liquor Authority. The retail and micro-manufacturing tiers are to be regulated in terms of the Liquor Act, No 27 of 1989 ("the old Liquor Act") as default legislation until the new provincial liquor legislation is in place. The unit is responsible for the administration of the old Liquor Act and the transition to the newly promulgated provincial liquor legislation once this becomes operational.

In terms of the Liquor Act, No 27 of 1989, the provincial Liquor Board consists of a chairperson and deputy chairperson, who are departmental officials, and are also responsible for the administrative functions of the unit. Administrative support is provided from within the Department.

The unit further provides for monitoring and compliance by liquor license holders with the provisions of the Liquor Act and the liquor licence conditions. Officials tasked with this duty are responsible for regular inspections of licensed premises in collaboration with the designated police officers. Where license holders are in transgression of the regulatory requirements, corrective measures are implemented, and if justified, action is instituted before the Board to withdraw the licenses concerned. The Enforcement and Compliance division of the unit provides prosecutorial services to assist complainants in cases where license holders are summoned before the Board to respond to charges of misconduct.

Assistance will be further provided with the training of officials of other departments that are involved in aspects of the implementation of liquor legislation. Training of municipal officials, designated liquor officers and officials from the Department of Justice on aspects of the new provincial legislation is foreseen.

5.3.1.1

Specification of measurable objectives and performance indicators

Strategic Objective:		To grow the economy in a sustainable manner, for all who make the Western Cape their home. To create a fair and conducive business environment for enterprises and consumers.							
Measurable Objective	Performance Measure Indicator	Base Year 2005/06	Year 1 2006/07)	Quarter 1	Quarter 2	Quarter 3	Quarter 4	Year 2 2007/08	Year 3 2008/09)
Finalisation and promulgation of provincial liquor legislation.	Enactment and implementation of Western Cape Liquor Act.	Western Cape Liquor Bill approved by Cabinet, Bill published for public comment.	Legislation fully operational, conversion of existing licences initiated.	Public comments on Bill summarised and public hearings held.	Comments on Bill processed and accepted recommendations incorporated, Bill passed into law, regulations to Act published and approved and Act promulgated.	(For implementation, see next MO).	Finalised	Research study on effectiveness and impact of legislation.	Review of study findings and recommendations and implementing of accepted recommendations.

Strategic Objective:		To grow the economy in a sustainable manner, for all who make the Western Cape their home. To create a fair and conducive business environment for enterprises and consumers.							
Measurable Objective	Performance Measure Indicator	Base Year 2005/06	Year 1 2006/07)	Quarter 1	Quarter 2	Quarter 3	Quarter 4	Year 2 2007/08	Year 3 2008/09)
Management of implementation of new legislation and transition of Liquor Board to public entity.	Fully operational structure in accordance with the legislation.	Western Cape Liquor Bill published for comment and regulations drafted.	Western Cape liquor legislation passed, and Act and regulations thereto promulgated.  Liquor Board operational and administrative staff, Designated Police Officers (DPOs) and municipal officials capacitated.	Tender placed for appointment of change manager, and change manager appointed.	Change manager briefed and work commenced in anticipation of passing of legislation.	Liquor Board established and existing staff seconded.  <b>Posts in Finance and HR divisions of LB advertised and shortlisting finished.</b>  Finance and HR functions fully esta-	Budget process and revenue projections on new fee structures finalised.  First annual report by Liquor Board as public entity prepared.	Publication of first annual report by Liquor Board as public entity.  Review of structure and report with recommendations (by independent agency/consultant).	Implementation of recommendations.

<b>Strategic Objective:</b>		To grow the economy in a sustainable manner, for all who make the Western Cape their home. To create a fair and conducive business environment for enterprises and consumers.							
<b>Measurable Objective</b>	<b>Performance Measure Indicator</b>	<b>Base Year 2005/06</b>	<b>Year 1 2006/07)</b>	<b>Quarter 1</b>	<b>Quarter 2</b>	<b>Quarter 3</b>	<b>Quarter 4</b>	<b>Year 2 2007/08</b>	<b>Year 3 2008/09)</b>
						lished and independent budget process as public entity commenced.			
Maintaining an effective and socially responsible liquor licensing system.	Reduced waiting periods for liquor licenses.	Finalisation of internal review of procedure, completion of report with recommendations for improvement.	Elimination of backlog of applications.  Reduction of waiting time for consideration of new applications to 4 months from date of receipt at Liquor Board.	Assessment of extent of and reasons for backlog, and fast tracking of 20% of identified applications.  Implementation of recommen	Fast tracking of identified applications (40% finalised).  Further implementation of recommendations.  Monitoring of use and impact of	Fast tracking of identified applications (40% finalised).  Review of new procedures in terms of impact and speed.	Finalised  All applications considered within 4 months.  Implementation of improved system.	Independent review of systems and implementing of recommendations for improvement thereof.  Maintaining or improving upon standard of 4 month waiting period.  Finalised	Review of systems  Reduction of waiting period to 3 months.  Finalised

<b>Strategic Objective:</b>		To grow the economy in a sustainable manner, for all who make the Western Cape their home. To create a fair and conducive business environment for enterprises and consumers.							
<b>Measurable Objective</b>	<b>Performance Measure Indicator</b>	<b>Base Year 2005/06</b>	<b>Year 1 2006/07)</b>	<b>Quarter 1</b>	<b>Quarter 2</b>	<b>Quarter 3</b>	<b>Quarter 4</b>	<b>Year 2 2007/08</b>	<b>Year 3 2008/09)</b>
			Operationalisation of new information management system.  Operationalisation of new liquor licensing system.	-dations in report.  System installed and training provided to staff.  System piloted and staff trained to use it.	system on query management.  Monitoring of use of system.	Recommendations to supplier on enhancement of system.  Modification of system in line with staff input.	Implementation of improved system.	Finalised	Finalised
Development and implementation of an enforcement and compliance protocol for Inspectorate division of the Liquor Board.	Fully implemented enforcement and compliance protocol.	Completion of information gathering to draft protocol.  Liaison with similar regulators on protocol issues.	Conduct at least 300 inspections in terms of protocol.	Complete draft protocol for conducting routine and specified inspections of liquor	Workshop protocol with staff and SAPS.	Implement protocol and conduct 100 inspections.	Conduct 200 inspections.	Increase the number of annual inspections 1000.	Increase the number of inspections to 3000.

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				licensed premises.  Appoint additional staff to give effect to protocol.					
Development and implementation of a Liquor Product Safety (LPS) plan.	Fully implemented Liquor Product Safety plan.	Analysis of reports and finalisation of basic action plan.	Fully implementable Liquor Product Safety developed with other industry role-players.	Establish a Liquor Product Safety Forum with industry and regulatory stakeholders.	Developing action/business plan for liquor product safety campaign.	Implementation of first phase 1 of liquor product safety plan.	Evaluation of implementation of phase 1 and realignment of action plan, if necessary.	Implementation of phase 2 of LPS plan.	Implementation of 3 <sup>rd</sup> and final phase of LPS plan and rendering of report.

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<b>Measurable Objective</b>	<b>Performance Measure Indicator</b>	<b>Base Year 2005/06</b>	<b>Year 1 2006/07)</b>	<b>Quarter 1</b>	<b>Quarter 2</b>	<b>Quarter 3</b>	<b>Quarter 4</b>	<b>Year 2 2007/08</b>	<b>Year 3 2008/09)</b>
Support to WIETA to ensure that suitable standards are maintained for the export quality of wines.	Increase in export of quality wine and increase in accreditation certification of SA wine.	SWOT analysis, base line determination and project identification.	Roll out of identified projects, monitoring and evaluation.	Development of business plan for export growth, aligned with other initiatives.	Implementation of first phase of export growth plan.	Implementation of first phase of export growth plan (continued).	Monitoring & evaluation of implementation of phase 1 and preparation for phase 2.	Re-evaluation and realignment of projects, monitoring and evaluation of roll out.	Re-evaluation and realignment of projects, monitoring and evaluation of roll out.
Transformation of the liquor industry.	Increased number of retail outlets owned and managed by HDI owners.	Establishment of baseline data on HDI ownership.	Increase HDI ownership by 20% over baseline.	Establishment of forum with role-players and initiation of business plan to increase ownership by HDIs.	Finalisation of business plan.	Implementation of phase 1 of business plan.	Monitoring of increase in HDI ownership (independent survey).	20% increase in HDI ownership on Year 1.	20% increase in HDI ownership on Year 2.

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Roll out of mandatory training programme on responsible liquor trading.	All new and existing liquor licence owners and establishment managers trained on responsible liquor trading.	Curriculum developed and accredited and training material developed.	20% of existing liquor licence holders (1200) and all new licence holders (estimate: 800) trained.	Course and training material fully accredited stock of training material produced and training commenced (200 trained).	400 more licence holders trained.	500 more licence holders trained.  Impact analysis completed on 1 <sup>st</sup> and 2 <sup>nd</sup> quarter training (by independent service provider).	900 more licence holders trained.	Accredited training provided to at least 2000 licence holders.	Accredited training provided to at least 2000 licence holders.
Support for projects that raises awareness of FAS in targeted areas.	FAS awareness projects conducted on an ongoing basis in all regions of the province.	Finalisation of phase 2 of FASFacts project in Breede River Valley and monitoring and evaluation (in	Roll out of FAS awareness projects beyond Breede River Valley (particularly in Cape Winelands,	Finalisation of agreement with FASFacts for roll-out in Overberg region and initial	FASFacts projects rolled out to West Coast (250 learners and 50 adults) (Breede	Roll-out of FASFacts project or similar on West Coast (250 learners and 50 adults)	Roll-out of FASFacts project or similar on West Coast (250 learners and 50 adults)	Continuation of project, scaled-down to reach 4000 learners and 500 adults.  Independent evaluation	Continuation of project, scaled-down to reach 4000 learners and 500 adults.  Independent evaluation

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		excess of 4 000 learners reached).	Overberg and West Coast), target of 5 000 learners and 1 000 adults.	outreaches done (250 learners) and 50 adults) (Breede Valley: 1000/100).	Valley: 1000/100).	(Breede River Valley: 1000/100).	(Breede River Valley: 1000/100).  Evaluation of impact (independent) and planning for Year 2.		
Support for responsible liquor consumption awareness project.	At least two major responsible liquor consumption awareness campaign(s) implemented across the province.	Basic awareness plan and specifications compiled, ready for tender placement.	750 000 people reached through campaign.	Tender placed and service provider appointed.	Roll-out of phase 1 of 1st campaign – at least 100 000 opportunities to see provided.	Roll-out of phase 2 of 1st campaign – at least 250 000 opportunities to see provided.	Roll-out of 2nd campaign – at least 400 000 opportunities to see provided.  Evaluation of projects (independent).	Campaign(s) repeated, target audience size up to 1 m.	Campaign(s) repeated, target audience size 1 m.

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<b>Strategic Objective:</b>		To grow the economy in a sustainable manner, for all who make the Western Cape their home. To create a fair and conducive business environment for enterprises and consumers.							
<b>Measurable Objective</b>	<b>Performance Measure Indicator</b>	<b>Base Year 2005/06</b>	<b>Year 1 2006/07)</b>	<b>Quarter 1</b>	<b>Quarter 2</b>	<b>Quarter 3</b>	<b>Quarter 4</b>	<b>Year 2 2007/08</b>	<b>Year 3 2008/09)</b>
Training of law enforcement and justice officials for more effective enforcement of liquor legislation.	400 targeted officials trained in liquor legislation.	Completion of negotiations with SAPS on need and format of training.	50% (approx. 180) of DPOs and at least 50 prosecutors trained on existing and/or new liquor legislation.	Completion of training manual.	Piloting of training – first 40 DPOs trained.	60 more DPOs and 15 prosecutors trained.	180 more DPOs and 35 more prosecutors trained.	Remaining 50% of DPOs trained and 50 more prosecutors trained.  Impact assessment of training intervention (by independent agency).	Review of training  Additional training interventions as indicated by review.

### 5.3.4 Reconciliation of budget with plan

<b>Sub-programme</b>	<b>Year - 2 2003/04 (Actual)</b>	<b>Year - 1 2004/05 (Actual)</b>	<b>Base year 2005/06 (Estimate)</b>	<b>Average Annual change (%)</b>	<b>Year 1 2006/07 (Budget)</b>	<b>Year 2 2007/08 (MTEF projection)</b>	<b>Year 3 2008/09 (MTEF projection)</b>	<b>Average Annual change (%)</b>
Management Fair Business Environment	1 602	1 742	741		920	1 056	1 293	8.41
Office Of the Consumer	6 139	3 813	3 982		6 055	6 848	7 620	6.26
Western Cape Liquor Board		4 235	4 208	(16.25)	8 205	8 437	8 680	1.60
<b>Total</b>	<b>7 741</b>	<b>9 790</b>	<b>8 931</b>	<b>(7.55)</b>	<b>15 180</b>	<b>16 341</b>	<b>17 593</b>	<b>69.97</b>



## **PART B: PROGRAMME AND SUB-PROGRAMME PLANS**

### **6. Programme 4: Economic Sector Development**

In fulfilling the mandate as set out in the strategic goals of the Department, the main objective of Economic Sector Development is to develop, strengthen and promote key sectors; and to implement strategic interventions within and across sectors and industries using the Micro-economic Development Strategy studies as the guiding framework.

Economic Sector Development has been structured as follows:

- Management: Economic Sector Development
- Industry Development
- Strategic Sector Support
- Western Cape Trade and Promotion Agency (WESGRO)

#### **6.1 Situation analysis**

##### **6.1.1 Progress analysis**

Framed within the National Growth and Development Strategy vision and the iKapa Elihlumayo vision and goals, the Micro Economic Development Strategy underpins and is underpinned by the Department of Economic Development and Tourism's (DEDT) economic sectoral and thematic strategies. Contextualised by a stable macro-economic environment, the Micro Economic Development sector and thematic strategies within the Department seeks to accelerate growth, create employment, increase ownership of the economy and ensure that industries are increasingly globally competitive in line with the overall goals of iKapa Elihlumayo.

In fulfilling the objectives of the Department through the development and growth of sectors, the overall approach includes the following components of the core sector framework brief:

- **Strategy Development:** Developing the overarching framework, vision and strategy as guided by iKapa Elihlumayo and informed by the MEDS sectoral research. This includes:
  - Global, national and provincial situation analysis of trends, policy alignment and delineation (including detailed analysis of trends, strengths, opportunities, constraints and blockages).
  - The information and outcomes stemming from the Micro-economic Development Strategy (MEDS).
  - The development of a spatial-economic map across the Province, together with the specific sector industry architecture and institutions.
- **Prioritisation of Sectors:** Sectors will be prioritised based on the outcomes of Micro- economic Development Strategy and selection of sectors will be guided and shaped by the objectives and goals of the Provincial Government and takes into account provincial stakeholders such as the Provincial Development Council. Principles of selection will include:
  - Regularly assessing sectors to ensure that the sectors and interventions are robust, flexible and able to adjust to global trends and opportunities.
  - Allocating resources appropriately and prudently to the sectors that afford the stronger opportunities for growth and job creation.
- **Overarching policy and interventions:** developing and managing policies and interventions which include:
  - The identification, implementation and management of cross-cutting interventions which impact on a number of sectors and industries
  - The development and implementation of crosscutting policies in line with provincial and national objectives and strategies.
- **Sector and opportunity monitoring and watching:** monitoring and evaluating sector developments, research, opportunities, policy, and interventions; and measuring these against the goals of

the Department and iKapa Elihlumayo and with a view to alignment, periodically reviewed against sector strategies.

### **6.1.2 Analysis of constraints and measures planned to overcome them**

Previously, the major impediment had been a lack of detailed sector specific information because the MEDS research process was still underway. This no longer is a constraint. With the recent completion of the 42 MEDS reports covering 14 sectors and 4 cross-cutting themes, which had identified over 100 interventions, the current challenge that faces Economic Sector Development is ensuring there is sufficient financial and human capacity to develop and effect the sector strategies and sector interventions.

Currently the budget envelope will mean that the province's ability to develop a number of sectors and develop them well will be constrained due to financial resources. Also, in the selection of the flagship and prioritised sectors, cognizance has been taken of existing industry-government co-operation and organizational structures, as this means that the sector can possibly leverage funds from sources other than the provincial government. However, even with external funding, the nature of the interventions will require significant financial input from government.

The interventions also require human resources to initiate, implement, and manage the programmes, and the current personnel gaps within the Department present a constraint in the refinement of strategies and their rapid implementation, particularly with respect developing, implementing and supporting the interventions identified within the sector strategies. Certain sector initiatives also require specialist knowledge, and the department does not have this type of expertise in-house.

The domestic and international business environment is constantly changing, and impacts and may change growth prospects on sectors that the MEDS and stakeholders have analysed, assessed and ranked. In some cases, the prospects of a high growth industry may experience a fundamental downturn in growth, while sectors that the MEDS have placed in the third tier ranking may begin to show considerable scope for growth and job creation. It is therefore imperative that the Department introduces a system to monitor and evaluate the sectors, to ensure that the province can rapidly respond to and take advantage of the changing environment.

### 6.1.3 Description of planned quality improvement measures

As the Department is embarking on a new set of strategies, the first year will be used to benchmark quality measures. Amongst other factors, the following will be addressed:

- **Focus:** The bulk of available resources will be focused on the most important interventions and/or the sectors that offer the strongest growth and impact. Too many areas of involvement and too many objectives with too few resources significantly dilute influence and impact, leading to an inability to deliver in a scenario where external expectations have been heightened.
- **New Human Resource Capacity:** Filling the current vacancies in the divisions and identifying additional staff requirements will be prioritized as a matter of urgency. The appointment of experienced, specialised staff to the proposed positions would be a very important determinant in the quality of the services rendered by the unit. A rapid induction and training of new staff will ensure that we are able to implement the strategies as rapidly as possible.
- **Training and developing existing staff:** Staff in the unit may require training within the context of the MEDS sector strategies for example, training in facilitation and project management.
- **Utilisation of outsourced expertise and capacity:** Using outside expertise to fast track critical initiatives and interventions that may be too time-consuming or expensive to develop in-house, or where the intervention requiring specialist expertise will have a short life span.
- **Stakeholder relationships/partnerships:** Aligning the work of different role-players, such as national, provincial and local government, institutions, parastatals, business organisations, organised labour, civil society and communities toward a common vision and agreed plans for each sub-sector.
- **Communication with stakeholders within any particular industry:** Communicating effectively the goals and the content of the work of the Department as this will contribute tremendously towards managing the

expectations of stakeholders and will enable officials to effectively execute their work commitments.

- **Developing and implementing a monitoring and evaluation system:** Developing a system where developments within sectors and the economy are regularly monitored and evaluated against which the prioritisation of the sectors can be verified.

#### 6.1.4 Specified policies, priorities and strategic objectives

Economic Sector Development will undertake a prioritisation of sectors where the bulk of the resources will be channelled to foster flagship and promote priority sectors.

The Micro-economic Development Strategy research, which informs sector prioritisation within Economic Sector Development, has assessed and prioritised sectors in accordance with the iKapa Elihlumayo growth strategy, and have evaluated the sectors against two sets of criteria. The first set attempts to evaluate the potential that particular sectors offer for growth, employment expansion and broad-based black economic empowerment. The second set looks at the relative cost and the likely impact of a combination of proposed interventions within a sector on the economy as a whole. Through a process of filters and using a variety of assessment models, the MEDS has assessed and categorised each sector in terms of its potential impact on the Western Cape economy. These sectors fall within the broad categories

- **First-tier sectors**, which reflect sectors that have high impact in terms of growth and job creation, and in which the Department will initiate and implement proactive and significant interventions.
- **Second-tier sectors**, which reflect a range of sectors that have a medium impact on the provincial economy in terms of growth and job stabilisation and creation, and in which the Department will implement catalytic proactive measures and interventions to ensure realisation of potential or stability of the particular industry.
- **Third-tier sectors**, which encompass a range of industries that currently do not offer significant impact in terms of growth and employment or where provincial government interventions will not have much of an influence. The Department's assistance and interventions in these industries will be reactive and within the confines of the budget. Mindful that opportunities may arise or the business environment may change, the Department will periodically review the 'watch-list sectors'.

- For each sector of focus within Economic Sector Development, there will be a MEDS strategy that will include a long-term vision, long-term job targets and a set of interventions to realise the vision and targets. These interventions may be housed within the Department or outsourced.

These sector strategies will in turn provide guidance and direction to other stakeholders such as the Special Purpose Vehicles and public entities in respect to their role in the value-chain and in terms of the implementation of the interventions.

Economic Sector Development is structured in units. Each unit consists of industries that tend to share strong synergies along points in the value-chain and/or crosscutting strategic input factors, and may share common constraints within their respective industries. For example, the need for robust, cost-effective telecommunications is pertinent to both the BPO and ICT industries within the services industries cluster. The clustering ensures maximum benefit can be obtained through co-ordination between affected industries. New sectors within the clusters may be included as more information and new MEDS research becomes available.

Each cluster comprises sectors and from each sector emanates an interventionist strategy. The MEDS provides the core information and guiding interventions to the sector strategies. Other stakeholders and partners, such as the PDC and National Government, will contribute and shape the sector strategies and interventions. Major interventions for the development and promotion of key sector clusters over the next five years, include:

**Resource beneficiation industry cluster:**

- Agri-processing interventions
- Aquatic industries interventions
- New potential industries such food-processing

**Manufacturing industry cluster**

- Clothing and textiles
- Oil and gas, metals & engineering, Ship-repair, tooling, foundries
- Electronics
- Boat-building

### **Services Industries Cluster**

- Information Technology and communications
- Business Process Outsourcing

### **Creative Industries Cluster**

- Film
- Crafts
- Cultural industries
- Jewellery,
- Music
- Printing and Publishing
- Visual arts
- Fashion



## **PART B: PROGRAMME AND SUB-PROGRAMME PLANS**

### **6.2 Sub-programme 4.2: Industry Development**

#### **6.2.1 Specified policies, priorities and strategic objectives**

The Unit's goal is to promote key resource sectors.

The unit's programmatic work will be informed by the recommendations of the Micro-economic Development Strategy (MEDS) and the requirements of iKapa Elihlumayo. The sectors that have been thus far identified are agri-processing and fishing. The unit will utilise the vehicle provided by the Provincial Growth and Development Summit (PGDS) processes in terms of shaping sector strategies and interventions. In addition, the MEDS process will provide supplementary and complimentary interventions to reposition sectors to achieve growth and equity objectives.

The modus operandi will be to develop appropriate networks with global entities that have a common interest in beneficiation activities. The development and mobilisation of partnerships will further enable specialised research to establish new opportunities in, for example the Fynbos industry. The commitment of partners will be crucial to implement priority projects. Such partnerships will also enable the effective monitoring and evaluation of processes that will lead to growth and equity.

Additional considerations regarding the manufacturing sectors, and impacting on the policies of the Department include: the Provincial Development Council process, that has highlighted 12 sectors for intervention, the DTI's customised sector programme (CSP's) that is currently in process, the Provincial Advanced Manufacturing and Technology Strategy (PAMTS) that was completed in September 2005, and research that is being undertaken by the provincial treasury. The MEDS however provides the primary guidance to the Department's sectoral strategies.

The various sub-sectors are fragmented, both in the number of government entities that are involved as well as the stakeholders within the industries. The main focus in developing the industries will be to engage with other governmental partners with a view to co-ordinating government's approach and strategies towards the various sub-sectors, and establishing formal or informal forums with players and stakeholders within each sub-sector to allow for dialogue and interventions. Once these processes are undertaken, Economic Sector Development will formulate a sub-sector strategy that identifies and addresses its strengths and weaknesses, skills development, SME development, BEE development, funding, and the importance of the sub-sector relative to others. Finally, the Department will establish partnerships with international agencies with experience in the sector.

**6.2.1.1 Specification of measurable objectives and performance indicators**

<b>Strategic Objective:</b>		To grow the economy in a sustainable manner, for the benefit of all who make the Western Cape their home. To make citizens and the enterprises effective players in the global economy.							
<b>Measurable Objective</b>	<b>Performance Measure Indicator</b>	<b>Base Year 2005/06</b>	<b>Year 1 2006/07)</b>	<b>Quarter 1</b>	<b>Quarter 2</b>	<b>Quarter 3</b>	<b>Quarter 4</b>	<b>Year 2 2007/08</b>	<b>Year 3 2008/09)</b>
Managing the development, performance and funding of the SPV and facilitating relationships within the oil and gas industry.	a successfully governed SPV;	Allocated funding successfully transferred, SPV governance levels high, levels of trust low.	Ongoing support for the SA Oil and Gas Alliance, funding successfully transferred, and levels of trust improved. Ensuring the relationship between the Alliance and the Ship Repair Alliance is mutually supportive.	85% Corp Gov rating-	90% Corporate Governance Rating.	Funding allocated.	95% Corporate Governance.	Ongoing funding, support of the SPV and management of relationships within the industry.	Ongoing funding, support of the SPV and management of relationships within the industry.

<b>Strategic Objective:</b>		To grow the economy in a sustainable manner, for the benefit of all who make the Western Cape their home. To make citizens and the enterprises effective players in the global economy.							
<b>Measurable Objective</b>	<b>Performance Measure Indicator</b>	<b>Base Year 2005/06</b>	<b>Year 1 2006/07)</b>	<b>Quarter 1</b>	<b>Quarter 2</b>	<b>Quarter 3</b>	<b>Quarter 4</b>	<b>Year 2 2007/08</b>	<b>Year 3 2008/09)</b>
Supporting the growth of the oil and gas industry through developing a major Oil and Gas service hub in Cape Town and Saldanha, and ensuring that key investments into the sector are realised through Wesgro and SAOGA.	Development of a internationally recognised Oil and Gas Servicing hub in Cape Town and rig construction facility in Saldanha	Conceptualisation of vision, and recognition of the need for significant investment in facilities. Facilitating major investments into the province.	Developing the plans and partnerships necessary for the Cape Town servicing hub to be realised. Construction of the Saldanha facility to begin.		App. DD for marine clusters.	TOR and project manager app. To drive project.	Initial visioning workshops held with industry.	Initiation of the feasibility studies for the Cape Town servicing hub, and identification of funding partners. Full operation of phase one of the Saldanha Rig fabrication facility.	Commencement of the construction of the Cape Town oil rig try dock, Implementation of phase II of the Saldanha Rig fabrication facility.

<b>Strategic Objective:</b>		To grow the economy in a sustainable manner, for the benefit of all who make the Western Cape their home. To make citizens and the enterprises effective players in the global economy.							
<b>Measurable Objective</b>	<b>Performance Measure Indicator</b>	<b>Base Year 2005/06</b>	<b>Year 1 2006/07)</b>	<b>Quarter 1</b>	<b>Quarter 2</b>	<b>Quarter 3</b>	<b>Quarter 4</b>	<b>Year 2 2007/08</b>	<b>Year 3 2008/09)</b>
Managing the development, performance and funding of the SPV and facilitating relationships within the industry.	a successfully governed SPV;	Allocated funding successfully transferred, SPV governance levels high, levels of trust low.	Formalisation of the CSI, formal appointment of board and CEO, attendance and direction at regular board meetings.	Formalisation of cluster. App. Of Exec director	Funding transferred.	Levels of trust from 50% to 75%.	Relationships brokered between key stakeholders.	Ongoing funding, support of the SPV and management of relationships within the industry.	Ongoing funding, support of the SPV and management of relationships within the industry.
Supporting the growth in the industry through the establishment of a major dedicated ship repair facility that will have close links to the oil and gas hub.	Construction and establishment of the ship repair facility.	Conceptualisation of potential project and intervention, with initial meetings being undertaken with key stakeholders.	Carry out feasibility and economic impact studies, and ensuring that key players are brought on board.	Visioning of opportunity. Meetings and workshop with key role-players.	App. Of project manager to drive through project.	Feasibility studies carried initiated	Feasibility studies completed .	Construction of ship repair facility begins.	Ongoing development of the facilities.

<b>Strategic Objective:</b>		To grow the economy in a sustainable manner, for the benefit of all who make the Western Cape their home. To make citizens and the enterprises effective players in the global economy.							
<b>Measurable Objective</b>	<b>Performance Measure Indicator</b>	<b>Base Year 2005/06</b>	<b>Year 1 2006/07)</b>	<b>Quarter 1</b>	<b>Quarter 2</b>	<b>Quarter 3</b>	<b>Quarter 4</b>	<b>Year 2 2007/08</b>	<b>Year 3 2008/09)</b>
Managing the development, performance and funding of the SPV and facilitating relationships within the industry.	A successfully governed SPV;	Allocated funding successfully transferred. SPV formally established.	Ensuring that corporate governance is effective, and that the body achieves recognition by all stakeholders.	Putting in place all corporate governance systems.	App. Of Exec. Director.	Funding levels and projects secured		Ongoing funding, support of the SPV and management of relationships within the industry.	Ongoing funding, support of the SPV and management of relationships within the industry.
	A successfully governed SPV;	Allocated funding successfully transferred. SPV formally established.	Ensuring that corporate governance is effective, and that the body achieves recognition by all stakeholders.	Attend 1 board meeting.	Attend 1 board meeting	Attend 1 board meeting. Funding transferred/	Attend 1 board meeting	Ongoing funding, support of the SPV and management of relationships within the industry.	Ongoing funding, support of the SPV and management of relationships within the industry.

<b>Strategic Objective:</b>		To grow the economy in a sustainable manner, for the benefit of all who make the Western Cape their home. To make citizens and the enterprises effective players in the global economy.							
<b>Measurable Objective</b>	<b>Performance Measure Indicator</b>	<b>Base Year 2005/06</b>	<b>Year 1 2006/07)</b>	<b>Quarter 1</b>	<b>Quarter 2</b>	<b>Quarter 3</b>	<b>Quarter 4</b>	<b>Year 2 2007/08</b>	<b>Year 3 2008/09)</b>
Provide ongoing support to the foundry industry, automotive components sector and fabricated metals sector. Fund and manage benchmarking programmes through above sectors.	Establishment of benchmarking clubs. No. of companies signing up for the clubs	Initial discussions held with the autos and foundry sectors.	Launching auto's benchmarking club process.					Ongoing support for auto club. Initiation of foundry benchmarking club.	Ongoing support for autos and foundries, and investigation into opportunities arising from the fabricated metals sector.

<b>Strategic Objective:</b>		To grow the economy in a sustainable manner, for the benefit of all who make the Western Cape their home. To make citizens and the enterprises effective players in the global economy.							
<b>Measurable Objective</b>	<b>Performance Measure Indicator</b>	<b>Base Year 2005/06</b>	<b>Year 1 2006/07)</b>	<b>Quarter 1</b>	<b>Quarter 2</b>	<b>Quarter 3</b>	<b>Quarter 4</b>	<b>Year 2 2007/08</b>	<b>Year 3 2008/09)</b>
Managing the development, performance and funding of the clothing SPV's and facilitating relationships within the industry,	A successfully governed SPV;	Allocated funding successfully transferred. Establishment of WC Fashion Council underway.	Ensuring that corporate governance is effective, and that the bodies are accepted and recognised by all stakeholders.	Fashion council formally established.	Formal launch of council.  Transfers made to Clotex, Cape Clothing and textile Cluster	Funding secured for fashion council.	Funding and input made to the SACTWU fashion festival.	Ongoing funding, support of the SPV and management of relationships within the industry.	Ongoing funding, support of the SPV and management of relationships within the industry.

<b>Strategic Objective:</b>		To grow the economy in a sustainable manner, for the benefit of all who make the Western Cape their home. To make citizens and the enterprises effective players in the global economy.							
<b>Measurable Objective</b>	<b>Performance Measure Indicator</b>	<b>Base Year 2005/06</b>	<b>Year 1 2006/07)</b>	<b>Quarter 1</b>	<b>Quarter 2</b>	<b>Quarter 3</b>	<b>Quarter 4</b>	<b>Year 2 2007/08</b>	<b>Year 3 2008/09)</b>
Managing the development and performance of the SPV and facilitating relationships within the industry.	A well governed SPV;	Strong strategic guidance and direction has been given to ensure that the SPV is embedded in the region.	Ensuring that corporate governance is effective, and that the body is accepted and recognised by all stakeholders.					Ongoing support of the SPV and management of relationships within the industry.	Ongoing support of the SPV and management of relationships within the industry.

<b>Strategic Objective:</b>		To grow the economy in a sustainable manner, for the benefit of all who make the Western Cape their home. To make citizens and the enterprises effective players in the global economy.							
<b>Measurable Objective</b>	<b>Performance Measure Indicator</b>	<b>Base Year 2005/06</b>	<b>Year 1 2006/07)</b>	<b>Quarter 1</b>	<b>Quarter 2</b>	<b>Quarter 3</b>	<b>Quarter 4</b>	<b>Year 2 2007/08</b>	<b>Year 3 2008/09)</b>
Maximise the growth potential and transformation of the Food Processing Sectors through the establishment of 6 high-priority food processing sub-sectoral initiatives.	Number of high-priority food processing sub-sectoral initiatives.	Initial investigation has begun.	Develop a strategy for Food processing.  Implement action of 2-sub-sectoral initiatives.	Finalisation of initial approach	2 cluster processes launched.	Research and consultation regarding 2 sub-clusters	Launch of 2 food clusters	As per detail emerging from sub-sectoral strategy and the MEDS.	As per detail emerging from sub-sectoral strategy and the MEDS.
Maximise the growth potential and transformation of the non-priority sectors inc. furniture, electronics and printing, though minor interventions	No. of interventions initiated in these sectors	Initial work has been done on the printing and packaging industries regarding dumping of printed materials.	Fund intervention in each of the non-priority sectors.	1 project initiated	1 project initiated	1 project initiated	Ongoing work regarding projects.	As per detailed strategies emanating from the MEDS	As per detailed strategies emanating from the MEDS

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<b>Measurable Objective</b>	<b>Performance Measure Indicator</b>	<b>Base Year 2005/06</b>	<b>Year 1 2006/07)</b>	<b>Quarter 1</b>	<b>Quarter 2</b>	<b>Quarter 3</b>	<b>Quarter 4</b>	<b>Year 2 2007/08</b>	<b>Year 3 2008/09)</b>
To support WESGRO and other programmes to promote the <b>ICT</b> industry through <i>investment recruitment</i>	Amount of investment recruited.	Consulted with CITI regarding interest and potential of local investment sources, mainly from corporates in financial sector.	Consultation with relevant stakeholders to establish potential investment sources and implementation activities.  Assist, guide and record widespread local and international sources for investment, including venture capital sources .	Monthly one on one consultation including feedback report	Monthly one on one consultation including feedback report	Monthly one on one consultation including feedback report	Summary meeting with stakeholders to confirm activities undertaken and outcomes thereof	Expand initiatives through increasing support for CITI as the investment and marketing agent.	Expand initiatives through increasing support for CITI as the investment and marketing agent.

<b>Strategic Objective:</b>		To grow the economy in a sustainable manner, for the benefit of all who make the Western Cape their home. To make citizens and the enterprises effective players in the global economy.							
<b>Measurable Objective</b>	<b>Performance Measure Indicator</b>	<b>Base Year 2005/06</b>	<b>Year 1 2006/07)</b>	<b>Quarter 1</b>	<b>Quarter 2</b>	<b>Quarter 3</b>	<b>Quarter 4</b>	<b>Year 2 2007/08</b>	<b>Year 3 2008/09)</b>
To collaborate with WESGRO and other programmes to develop a comprehensive approach for the <b>export</b> of the ICT industry's <i>services</i> and products and ICT outsourcing potential.	ICT Export Comprehensive Approach compiled.	No collaborations conducted as yet.	Comprehensive information searches regarding all aspects of export abilities, capacity, and readiness.  Ongoing consultation with relevant stakeholders to collate export development research into recommendable interventions for action.	Monthly consultations with relevant stakeholders.  Conduct information searches	Monthly consultations with relevant stakeholders.  Conduct information searches	Monthly consultations with relevant stakeholders.  Conduct information searches	Summary meeting with stakeholders to confirm activities undertaken and outcomes thereof	Management and monitoring of the initiatives developed in the export approach.	Management and monitoring of the initiatives developed in the export approach.

<b>Strategic Objective:</b>		To grow the economy in a sustainable manner, for the benefit of all who make the Western Cape their home. To make citizens and the enterprises effective players in the global economy.							
<b>Measurable Objective</b>	<b>Performance Measure Indicator</b>	<b>Base Year 2005/06</b>	<b>Year 1 2006/07)</b>	<b>Quarter 1</b>	<b>Quarter 2</b>	<b>Quarter 3</b>	<b>Quarter 4</b>	<b>Year 2 2007/08</b>	<b>Year 3 2008/09)</b>
To develop a comprehensive provincial approach regarding the role of PGWC in infrastructure enhancement , within the ICT industry.	Comprehensive approach regarding the PGWC's role in Infrastructure Enhancement developed.	Consulted with telecommunications industry experts, via the attendance of conferences, regarding telecommunications aspect of infrastructure enhancement .	Comprehensive information gathering regarding infrastructure enhancement initiatives as outlined in the KMO, leading to the development of an implementation plan.  Ongoing consultation with relevant stakeholders, including national Dept of Science	Consultations with relevant stakeholders.  Conduct information searches.	Consultations with relevant stakeholders.  Conduct information searches.	Consultations with relevant stakeholders.  Conduct information searches.	Comprehensive meeting with feedback report of outputs from consultations.	Management of the data gathering and consultations leading to development of the approach.	Management of the initiatives and intervention  Management and Evaluation of the recommendations for action derived from the infrastructure enhancement approach.

<b>Strategic Objective:</b>		<p>To grow the economy in a sustainable manner, for the benefit of all who make the Western Cape their home.</p> <p>To make citizens and the enterprises effective players in the global economy.</p>							
<b>Measurable Objective</b>	<b>Performance Measure Indicator</b>	<b>Base Year 2005/06</b>	<b>Year 1 2006/07)</b>	<b>Quarter 1</b>	<b>Quarter 2</b>	<b>Quarter 3</b>	<b>Quarter 4</b>	<b>Year 2 2007/08</b>	<b>Year 3 2008/09)</b>
			and Technology, provincial government departments, telecommunications providers, ICT specific stakeholders, etc.						

<b>Strategic Objective:</b>		To grow the economy in a sustainable manner, for the benefit of all who make the Western Cape their home. To make citizens and the enterprises effective players in the global economy.							
<b>Measurable Objective</b>	<b>Performance Measure Indicator</b>	<b>Base Year 2005/06</b>	<b>Year 1 2006/07)</b>	<b>Quarter 1</b>	<b>Quarter 2</b>	<b>Quarter 3</b>	<b>Quarter 4</b>	<b>Year 2 2007/08</b>	<b>Year 3 2008/09)</b>
To develop a comprehensive approach in terms of <b>skills development</b> in the ICT industry, which may include the funding of the Learning initiatives	Skills Development Approach developed.	No consultations as of yet conducted.	Comprehensive information gathering and collation regarding skills development in ICT industry  Ongoing consultation with relevant stakeholders.	Consultations with relevant stakeholders.  Conduct information searches.	Consultations with relevant stakeholders.  Conduct information searches.	Consultations with relevant stakeholders.  Conduct information searches	Comprehensive meeting with feedback report of outputs from consultations.	Management of the data gathering and consultations leading to development of the approach.	Management of the initiatives and intervention  Management and Evaluation of the recommendations for action derived from the infrastructure enhancement approach.

<b>Strategic Objective:</b>		To grow the economy in a sustainable manner, for the benefit of all who make the Western Cape their home. To make citizens and the enterprises effective players in the global economy.							
<b>Measurable Objective</b>	<b>Performance Measure Indicator</b>	<b>Base Year 2005/06</b>	<b>Year 1 2006/07)</b>	<b>Quarter 1</b>	<b>Quarter 2</b>	<b>Quarter 3</b>	<b>Quarter 4</b>	<b>Year 2 2007/08</b>	<b>Year 3 2008/09)</b>
To develop and promote the ICT industry through <b>enterprise development</b> , including the funding and direction of Business development projects.	Number of projects successfully funded, launched and implemented.	Conducted several consultations with CITI regarding its prioritized programmes and projects for 2006 as a means to streamlining it to PGWC's prioritized interventions for the ICT industry.	Consultation with relevant stakeholders  Obtain funding for development of initiative, else postpone until next financial year.  Management of the initiatives and interventions.	Consultations with CITI regarding relevant project priority areas of Govt. and CITI.	Ongoing consultations with CITI regarding the relevance of CITI's projects to the ICT industry.  Review CITI quarterly reports for monitoring purposes.	Review CITI quarterly reports for monitoring purposes.	Review CITI quarterly reports for monitoring purposes.	Management of the initiatives and interventions.  Evaluation of interventions' effectiveness to improve, roll-out or modify if relevant.	Management of the initiatives and interventions.  Evaluation of interventions' [effectiveness] to improve, roll-out or modify if relevant.

<b>Strategic Objective:</b>		To grow the economy in a sustainable manner, for the benefit of all who make the Western Cape their home. To make citizens and the enterprises effective players in the global economy.							
<b>Measurable Objective</b>	<b>Performance Measure Indicator</b>	<b>Base Year 2005/06</b>	<b>Year 1 2006/07)</b>	<b>Quarter 1</b>	<b>Quarter 2</b>	<b>Quarter 3</b>	<b>Quarter 4</b>	<b>Year 2 2007/08</b>	<b>Year 3 2008/09)</b>
To develop a comprehensive approach in terms of the role of the PGWC with regard to the <b>transformation and BBEE</b> within the ICT industry.	Comprehensive Transformation and BBEE approach compiled.	Number consultations or areas of intervention as yet conducted.	Comprehensive information gathering regarding skills development in ICT industry. Consultation with relevant stakeholders and management of the collation of the research into an implementable approach.	Consultations with relevant stakeholders. Conduct information searches. Review progress of funded projects.	Consultations with relevant stakeholders. Conduct information searches. Review progress of funded projects.	Consultations with relevant stakeholders. Conduct information searches. Review progress of funded projects.	Comprehensive meeting with feedback report of outputs from consultations. Review progress of funded projects.	Management of the initiatives and interventions. Evaluation of interventions' effectiveness to improve, roll-out or modify if relevant.	Management of the initiatives and interventions. Evaluation of interventions' effectiveness to improve, roll-out or modify if relevant.

<b>Strategic Objective:</b>		To grow the economy in a sustainable manner, for the benefit of all who make the Western Cape their home. To make citizens and the enterprises effective players in the global economy.							
<b>Measurable Objective</b>	<b>Performance Measure Indicator</b>	<b>Base Year 2005/06</b>	<b>Year 1 2006/07)</b>	<b>Quarter 1</b>	<b>Quarter 2</b>	<b>Quarter 3</b>	<b>Quarter 4</b>	<b>Year 2 2007/08</b>	<b>Year 3 2008/09)</b>
Develop and grow the <b>BPO</b> industry through investment recruitment and marketing.	Amount of investment recruited and jobs created.	To support Calling the Cape (CtC) to promote and facilitate foreign outsourcing and investment into Cape Town.	Expand support for CtC as the investment and marketing agent.	Consult, guide and support CtC to realize success.	Consult, guide and support CtC to realize success.	Consult, guide and support CtC to realize success.	Consult, guide and support CtC to realize success.	Expand initiatives through increased support for CtC as the investment and marketing agent.	Expand initiatives through increased support for CtC as the investment and marketing agent.
To develop and grow the BPO industry through facilitating an enabling infrastructure.	A reliable & safe 24/7 Public Transport System.	Consultation with relevant stakeholders.  Develop and establish plan for initiative.	Implementation and management of an interim 24/7 (or approximately close to 24/7) transport measure e.g. Jammie Shuttle.	Consultation with relevant stakeholders.	Consultation with relevant stakeholders.  Facilitate the development and establishment of plan for initiative	Consultation with relevant stakeholders.  Facilitate the development and establishment of plan for initiative	Facilitate the development and establishment of plan for initiative.  Facilitate the implementation and management of	Facilitate the interim 24/7 transport measure.  Assessment of effectiveness of intervention in order to improve or modify if relevant.	Facilitate the interim 24/7 transport measure.  Assessment of effectiveness of intervention in order to improve or modify if relevant.

<b>Strategic Objective:</b>		<p>To grow the economy in a sustainable manner, for the benefit of all who make the Western Cape their home.</p> <p>To make citizens and the enterprises effective players in the global economy.</p>							
<b>Measurable Objective</b>	<b>Performance Measure Indicator</b>	<b>Base Year 2005/06</b>	<b>Year 1 2006/07)</b>	<b>Quarter 1</b>	<b>Quarter 2</b>	<b>Quarter 3</b>	<b>Quarter 4</b>	<b>Year 2 2007/08</b>	<b>Year 3 2008/09)</b>
							interim 24/7 (or approximately close to 24/7) transport measure e.g. Jammie Shuttle.		

<b>Strategic Objective:</b>		To grow the economy in a sustainable manner, for the benefit of all who make the Western Cape their home. To make citizens and the enterprises effective players in the global economy.							
<b>Measurable Objective</b>	<b>Performance Measure Indicator</b>	<b>Base Year 2005/06</b>	<b>Year 1 2006/07)</b>	<b>Quarter 1</b>	<b>Quarter 2</b>	<b>Quarter 3</b>	<b>Quarter 4</b>	<b>Year 2 2007/08</b>	<b>Year 3 2008/09)</b>
Develop and grow the <b>BPO</b> industry through facilitating competitiveness improvements	<p>Number of initiatives which increase the industry's competitiveness, including:</p> <p>(i) Establishing best practice showcase centre;</p> <p>(ii) Developing new technologies initiatives; and</p> <p>(iii) Reducing telecommunications pricing &amp; improving quality.</p>	Consultation with relevant stakeholders regarding feasibility of initiatives	<p>Consultation with relevant stakeholders regarding feasibility of initiatives.</p> <p>If feasible and supported by stakeholders &amp; industry, facilitate proposal and plan for initiatives.</p> <p>Secure funding for initiatives.</p>	Establishing best practice showcase centre.	Developing new technologies initiatives.	Reducing telecommunications pricing & improving quality.		<p>Management of the initiatives and interventions</p> <p>Evaluation of interventions' effectiveness to improve, roll-out or modify if relevant.</p>	<p>Management of the initiatives and interventions</p> <p>Evaluation of interventions [effectiveness] to improve, roll-out or modify if relevant.</p>

<b>Strategic Objective:</b>		To grow the economy in a sustainable manner, for the benefit of all who make the Western Cape their home. To make citizens and the enterprises effective players in the global economy.							
<b>Measurable Objective</b>	<b>Performance Measure Indicator</b>	<b>Base Year 2005/06</b>	<b>Year 1 2006/07)</b>	<b>Quarter 1</b>	<b>Quarter 2</b>	<b>Quarter 3</b>	<b>Quarter 4</b>	<b>Year 2 2007/08</b>	<b>Year 3 2008/09)</b>
Develop and promote <b>BPO</b> industry through Skills Development	Number of establishment of initiatives, which improve skills development.	<p>Consultation with relevant stakeholders regarding feasibility of initiatives.</p> <p>If feasible and supported by stakeholders &amp; industry, facilitate proposal and plan for initiatives.</p> <p>Secure funding for initiatives.</p>	<p>Secure funding for initiative</p> <p>Establish the training centre.</p>	<p>Develop the proposal and plan for training centre</p> <p>Secure funding</p>	Establish the training centre	Establish the training centre	Management of the initiatives and interventions	<p>Management of the initiatives and interventions.</p> <p>Evaluation of interventions' effectiveness to improve, roll-out or modify if relevant.</p>	<p>Management of the initiatives and interventions.</p> <p>Evaluation of interventions [effectiveness to improve, roll-out or modify if relevant].</p>

<b>Strategic Objective:</b>		To grow the economy in a sustainable manner, for the benefit of all who make the Western Cape their home. To make citizens and the enterprises effective players in the global economy.							
<b>Measurable Objective</b>	<b>Performance Measure Indicator</b>	<b>Base Year 2005/06</b>	<b>Year 1 2006/07)</b>	<b>Quarter 1</b>	<b>Quarter 2</b>	<b>Quarter 3</b>	<b>Quarter 4</b>	<b>Year 2 2007/08</b>	<b>Year 3 2008/09)</b>
Develop and grow the <b>film</b> industry through marketing the industry internationally and through recruiting investment into the industry.	Number of international film shoots and events hosted in Cape Town.  Number of local films funded.	Through the Cape Film Commission, promote the Western Cape as a location to shoot national and foreign films.  Support and assist indigenous films.	Expand support for CFC as the investment and marketing agent.  Consultation with relevant stakeholders regarding feasibility and impact of initiatives.  If feasible and supported by stakeholders & industry, facilitate proposal					Expand initiatives through increase support for CFC as the investment and marketing agent.	Expand initiatives through increase support for CFC as the investment and marketing agent.

<b>Strategic Objective:</b>		To grow the economy in a sustainable manner, for the benefit of all who make the Western Cape their home. To make citizens and the enterprises effective players in the global economy.							
<b>Measurable Objective</b>	<b>Performance Measure Indicator</b>	<b>Base Year 2005/06</b>	<b>Year 1 2006/07)</b>	<b>Quarter 1</b>	<b>Quarter 2</b>	<b>Quarter 3</b>	<b>Quarter 4</b>	<b>Year 2 2007/08</b>	<b>Year 3 2008/09)</b>
			and plan for each initiative.  re funding resources for initiative.  Implement programme						
Facilitate the development and growth of the film industry through facilitating the <i>competitiveness of the industry</i>	The establishment of initiatives, which improve the competitiveness of the industry.	Consultation with relevant stakeholders	Consultation with relevant stakeholders regarding feasibility and impact of initiatives. If feasible and supported by stakeholders & industry, facilitate	Consultation with relevant stakeholders regarding feasibility of initiatives	Consultation with relevant stakeholders regarding feasibility of initiatives.  If feasible and supported by stakeholders & industry.	Consultation with relevant stakeholders regarding feasibility of initiatives.  If feasible and supported by stakeholders & industry.	Consultation with relevant stakeholders regarding feasibility of initiatives.  If feasible and supported by stakeholders & industry.	Management of the initiative and intervention.  Evaluation of intervention's effectiveness to improve, roll-out or modify if relevant.	Management of the initiative and intervention.  Evaluation of intervention's effectiveness to improve, roll-out or modify if relevant.

<b>Strategic Objective:</b>		To grow the economy in a sustainable manner, for the benefit of all who make the Western Cape their home. To make citizens and the enterprises effective players in the global economy.							
<b>Measurable Objective</b>	<b>Performance Measure Indicator</b>	<b>Base Year 2005/06</b>	<b>Year 1 2006/07)</b>	<b>Quarter 1</b>	<b>Quarter 2</b>	<b>Quarter 3</b>	<b>Quarter 4</b>	<b>Year 2 2007/08</b>	<b>Year 3 2008/09)</b>
			proposal and plan for each initiative.  Secure funding and resources for each initiative.  Implement Programme		Facilitate proposal and plan for initiatives.	Facilitate proposal and plan for initiatives.  Secure funding for initiatives.	Facilitate proposal and plan for initiatives.  Secure funding for initiatives.		

Facilitate the development	Number of initiatives which lead to	Consultation with relevant	Consultation with	Consultation with	Consultation with	If feasible and	re funding resources	Expand initiatives	Expand initiatives through increase
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<b>Strategic Objective:</b>		To grow the economy in a sustainable manner, for the benefit of all who make the Western Cape their home. To make citizens and the enterprises effective players in the global economy.							
<b>Measurable Objective</b>	<b>Performance Measure Indicator</b>	<b>Base Year 2005/06</b>	<b>Year 1 2006/07)</b>	<b>Quarter 1</b>	<b>Quarter 2</b>	<b>Quarter 3</b>	<b>Quarter 4</b>	<b>Year 2 2007/08</b>	<b>Year 3 2008/09)</b>
and growth of the creative industry through investment recruitment and marketing	increased investment and exports of the industry, including:	stakeholders	relevant stakeholders regarding feasibility and impact of initiatives  If feasible and supported by stakeholders & industry, facilitate proposal and plan for each initiative.  re funding resources for initiative Implement programmes, if relevant.	relevant stakeholders regarding feasibility and impact of initiatives	relevant stakeholders regarding feasibility and impact of initiatives  If feasible and supported by stakeholders & industry, facilitate proposal and plan for each initiative	supported by stakeholders & industry, facilitate proposal and plan for each initiative  re funding resources	each initiative  Implement programme	through increase support for investment and marketing	support for investment and marketing

<b>Strategic Objective:</b>		To grow the economy in a sustainable manner, for the benefit of all who make the Western Cape their home. To make citizens and the enterprises effective players in the global economy.								
<b>Measurable Objective</b>	<b>Performance Measure Indicator</b>	<b>Base Year 2005/06</b>	<b>Year 1 2006/07)</b>	<b>Quarter 1</b>	<b>Quarter 2</b>	<b>Quarter 3</b>	<b>Quarter 4</b>	<b>Year 2 2007/08</b>	<b>Year 3 2008/09)</b>	
Facilitate the development and growth of the creative industry through infrastructure enhancement	Increase audience infrastructure in PDI areas.	Consultation with relevant stakeholders.	Conduct feasibility study on sustainability of infrastructure. Implementation of pilot projects.	Consultation with relevant stakeholders regarding feasibility and impact of initiatives	Consultation with relevant stakeholders regarding feasibility and impact of initiatives  If feasible and supported by stakeholders & industry, facilitate proposal and plan for each initiative	If feasible and supported by stakeholders & industry, facilitate proposal and plan for each initiative  Secure funding and resources for each initiative	If feasible and supported by stakeholders & industry, facilitate proposal and plan for each initiative  Secure funding and resources for each initiative	Implement programme	Assessment of effectiveness of intervention in order to improve or modify if relevant.	Assessment of effectiveness of intervention in order to improve, roll-out or modify if relevant.
Facilitate the development and growth of creative	Number of initiatives facilitated, developed and supported.	Consultation with relevant stakeholders.	Consultation with relevant stakeholder	Consultation with relevant stakehold	If feasible and supported by	Secure funding and resources	Implement programmes, if relevant.	Management of the initiative and intervention	Management of the initiative and intervention.	

<b>Strategic Objective:</b>		To grow the economy in a sustainable manner, for the benefit of all who make the Western Cape their home. To make citizens and the enterprises effective players in the global economy.							
<b>Measurable Objective</b>	<b>Performance Measure Indicator</b>	<b>Base Year 2005/06</b>	<b>Year 1 2006/07)</b>	<b>Quarter 1</b>	<b>Quarter 2</b>	<b>Quarter 3</b>	<b>Quarter 4</b>	<b>Year 2 2007/08</b>	<b>Year 3 2008/09)</b>
industries through improving strategic competitiveness			s regarding feasibility and impact of initiatives.  If feasible and supported by stakeholders & industry, facilitate proposal and plan for each initiative.	ers regarding feasibility and impact of initiatives	stakeholders & industry, facilitate proposal and plan for each initiative.	for each initiative.		Evaluation of intervention's effectiveness to improve, roll-out or modify if relevant.	Evaluation of intervention's effectiveness to improve, roll-out or modify if relevant.
			re funding resources for initiative.						

<b>Strategic Objective:</b>		To grow the economy in a sustainable manner, for the benefit of all who make the Western Cape their home. To make citizens and the enterprises effective players in the global economy.							
<b>Measurable Objective</b>	<b>Performance Measure Indicator</b>	<b>Base Year 2005/06</b>	<b>Year 1 2006/07)</b>	<b>Quarter 1</b>	<b>Quarter 2</b>	<b>Quarter 3</b>	<b>Quarter 4</b>	<b>Year 2 2007/08</b>	<b>Year 3 2008/09)</b>
			Implement programmes, if relevant.						
Facilitate the development and growth of Creative industry through Skills Development	Number of training programmes developed and facilitated.	Consultation with relevant stakeholders.		Consultation with relevant stakeholders regarding feasibility and impact of initiatives	Consultation with relevant stakeholders regarding feasibility and impact of initiatives.  If feasible and supported by stakeholders & industry, facilitate proposal and plan for each initiative	If feasible and supported by stakeholders & industry, facilitate proposal and plan for each initiative	If feasible and supported by stakeholders & industry, facilitate proposal and plan for each initiative	Management of the initiative and intervention.  Evaluation of intervention's effectiveness to improve, roll-out or modify if relevant.	Management of the initiative and intervention.  Evaluation of intervention's effectiveness to improve, roll-out or modify if relevant.

<b>Strategic Objective:</b>		To grow the economy in a sustainable manner, for the benefit of all who make the Western Cape their home. To make citizens and the enterprises effective players in the global economy.							
<b>Measurable Objective</b>	<b>Performance Measure Indicator</b>	<b>Base Year 2005/06</b>	<b>Year 1 2006/07)</b>	<b>Quarter 1</b>	<b>Quarter 2</b>	<b>Quarter 3</b>	<b>Quarter 4</b>	<b>Year 2 2007/08</b>	<b>Year 3 2008/09)</b>
Facilitate the development and growth of the craft industry through investment recruitment and marketing.	No of WC companies assisted.  No of export orders.	Use CCDI to promote and facilitate foreign outsourcing into the Cape Town.	Expand support for CCDI as the investment and marketing agent, including promoting outsourcing to the Western cape					Expand initiatives through increase support for CCDI as the investment and marketing agent.	Expand initiatives through increase support for CCDI as the investment and marketing agent.
Develop and promote the craft industry through Skills Development .	Develop and facilitation of training programs including:  Implementation of training programs in particular for youth, retrenched, etc.	Consultation with relevant stakeholders Assist with development and establishment of plan for initiative through establishing pilot.	Consultation with relevant stakeholders regarding feasibility and impact of initiatives.  If feasible and supported					Assessment of effectiveness of intervention in order to improve or modify if relevant.	Assessment of effectiveness of intervention in order to improve or modify if relevant.

<b>Strategic Objective:</b>		To grow the economy in a sustainable manner, for the benefit of all who make the Western Cape their home. To make citizens and the enterprises effective players in the global economy.							
<b>Measurable Objective</b>	<b>Performance Measure Indicator</b>	<b>Base Year 2005/06</b>	<b>Year 1 2006/07)</b>	<b>Quarter 1</b>	<b>Quarter 2</b>	<b>Quarter 3</b>	<b>Quarter 4</b>	<b>Year 2 2007/08</b>	<b>Year 3 2008/09)</b>
			by stakeholders & industry, facilitate proposal and plan for each initiative.  Secure funding and resources for each initiative.  Implement programmes, if relevant						
Facilitate the development and growth of the <b>craft</b> industry through improving	Enhance competitiveness of industry through facilitating, developing and supporting initiatives such as:			Consultation with relevant stakeholders regarding feasibility	Consultation with relevant stakeholders regarding	If feasible and supported by stakeholders & industry,	If re funding resources each tive  Implement	Management of the initiative and intervention.  Evaluation of intervention's	Management of the initiative and intervention  Evaluation of intervention's effectiveness to

<b>Strategic Objective:</b>		To grow the economy in a sustainable manner, for the benefit of all who make the Western Cape their home. To make citizens and the enterprises effective players in the global economy.							
<b>Measurable Objective</b>	<b>Performance Measure Indicator</b>	<b>Base Year 2005/06</b>	<b>Year 1 2006/07)</b>	<b>Quarter 1</b>	<b>Quarter 2</b>	<b>Quarter 3</b>	<b>Quarter 4</b>	<b>Year 2 2007/08</b>	<b>Year 3 2008/09)</b>
strategic competitiveness.	(i). Establishment of Craft Precinct and a Centre for Innovation.  (ii). Implementation of mentorship and export program.  (iii). Facilitate and support the establishment of a centre of innovation.			and impact of initiatives	feasibility and impact of initiatives  If feasible and supported by stakeholders & industry, facilitate proposal and plan for each initiative	facilitate proposal and plan for each initiative  Secure funding and resources for each initiative.	programme.	effectiveness to improve, roll-out or modify if relevant.	improve, roll-out or modify if relevant.



## **PART B: PROGRAMME AND SUB-PROGRAMME PLANS**

### **6.3 Sub-programme 4.3: Strategic Sector Support**

#### **6.3.1 Specified policies, priorities and strategic objectives**

The thrust of the new unit is to enhance and support competitiveness within each of the prioritised sectors, as well as to facilitate a optimally-conducive economic environment for the development and growth of sectors and businesses. The HRD strategy carried out by the Workforce Development Unit underpins the transformation of our society towards a more knowledge-based society, with access to ICT applications being a critical mechanism to ensure access. Firms are actively competing in the international arena and require assistance and support in a global environment where there is not necessarily a level-playing field. In moving the economy towards a new trajectory, technology becomes increasingly important, and the Department needs to ensure that the services to a modern economy are in line with the demands of its firms and citizens.

It should be recognised that this is largely a new function. Some elements of this unit have been carried out in the past through sector work, but the strategic objectives will be further deepened and refined through more detailed research.

The main policy documents informing the work of the unit are the national and provincial Micro-economic Strategies. The national Micro-economic Strategy (MES) emphasises the need for strong crosscutting interventions and co-ordination to ensure sustained growth. This is first articulated in the National cabinet document the "Integrated Action Plan to accelerate growth, employment and investment" (2001). It focuses on the three supply-side support areas underpinning competitiveness, which are:

- Investment in infrastructure;
- Investment in technology and R&D; and
- Implementation of the HRD Strategy.

The above was further explained in the national MES that was launched in 2003, and will be further explored in the Provincial Micro-economic Development

Strategy (MEDS). Other important documents that will inform the activities of the unit are the Integrated Manufacturing Strategy (IMS); the Advanced Manufacturing and Development Strategy (AMTS) that is being taken forward at a provincial level; and the **dti**-driven Technological Trends Initiative.

The above documents are reflected in the iKapa Elihlumayo principles and the strategic priorities of the Department.

The priorities of the **Workforce Development** unit will be to overcome the fragmentation of service providers and to develop mechanisms that will ensure a more responsive approach by the education and training sector. The main interventionist functions will be:

- Increase employment skills which are valued by economic sectors: This will increase employment and self-employment potential by strengthening the competences valued in the market, and customized for target groups as is appropriate:
- Generic contextual pre-employment interventions: The Department will work in partnership with the FET colleges and sector bodies to establish assessment and skills development centres as a short term pre-employment bridging package of interventions for generic employability skills customized for specific contexts like the service sector [BPO's, ICT], the technical sector [OGSS, tooling] and the creative sector [craft, cultural, film, design];
- Build partnerships for skills development initiatives: Partnerships with the private sector will harness investment and financial support but will also lead to an increase in workplace experience opportunities. Partnerships with education & training NGOs will focus on assisting and supporting their effective functioning; and
- Promote and market the value of skills development through increasing awareness of learning and work opportunities. This might effectively be achieved through the Learning Cape Festival, for example.

The **Knowledge Economy** unit will prioritise the use of ICT and e-commerce in business and in society. To increase job creation, access new opportunities, and to overcome barriers to entry (especially small firms in using ICT), the strategic focus will be placed on:

- E-enabling the SMME sector, which reflects low levels of ICT adoption;
- ensuring that firms obtain the full benefit of being able to access the opportunities and benefits through ICT and the web.

Closely aligned interventions to ensure easier access to the telecoms infrastructure, through targeted campaigns and the lobbying of National government, will be implemented. The Telecommunication Act and Conveyance Bill will be important documents underlying interventions by the Department. In addition, the unit will need to work closely with the Centre for e-innovation. As outlined in the MEDS, the potential exists for the unit to drive forward a major ICT infra-structure related project in the province. An example may be investing an estimated R100 million to implement a broadband network that could be accessed by firms and citizens in communities and non-metro areas.

The **High Technology and Innovation** unit will target various technology areas, such as advanced materials, nano-technology, robotics, bio-technology and electronics that have become critical in modern production, and that have at their core, the integration of complex systems.

Of importance are the institutions that feed or facilitate new thinking and skills through the innovation pipeline, such as scientific institutions, councils, higher education institutions, and firms. A more developmental approach to encourage and support innovation will be developed through an integrated regional system of innovation. An important focus will be to support new ideas and to ensure the sustainability of firms. This may warrant the development of an Innovation Support Centre, and new regional incentives to overcome initial start-up hurdles. Currently South Africa is achieving well below its potential in terms of the commercialisation of new concepts, thereby limiting growth and job creation potential.

There may be further crosscutting themes that emerge, such as productivity enhancement, which emerge as important issues within competitiveness. Programmes and incentives will be developed and marketed, both generically and through more sector-focused interventions.

The main strategic goal of the unit is to maximise the competitiveness of sectors and industries, and in particular, those sectors and industries which have been prioritised by MEDS, through innovation and technology.

The planning of this unit will direct and facilitate all innovation and technology strategies, plans, practices, procedures and resources in achieving the

Department's core service delivery objectives. With this in mind, the unit has identified the following strategic objectives that are aimed at delivering on iKapa Elihlumayo in a meaningful way:

- Develop mechanisms and fund interventions to improve the articulation between the current and the future demand for skills, and the supply of education and training.
- Identify and develop interventions to improve the adoption of ICT, and e-commerce across all firms and to all citizens.
- Identify and develop programmes to promote innovative practises, and adoption of globally competitive technologies within sectors, firms and institutions.
- Develop programmes to drive productivity, growth and industrial upgrading within and across sectors.

Economic Spatial and Infrastructure Initiatives will assist in the provision of an environment that promotes the coherent development of key economic spatial and infrastructure initiatives. This will include catalytic mega projects, which will stimulate a positive economic climate in line with the growth and development plan for the province.

The unit will promote the development of catalytic mega projects, by:

- Accelerating the conceptualisation of catalytic mega projects;
- Facilitating the implementation of mega projects;
- Developing a detailed understanding of the spatial layout of the province, and identifying the key factors impacting on the success of localities;
- Developing relationships with the relevant stakeholders in terms of spatial development; and
- Assisting with the development of sectors and industries through addressing the infrastructural requirements of those sectors.

**6.3.1.1 Specification of measurable objectives and performance indicators**

<b>Strategic Objective:</b>		To grow the economy in a sustainable manner, for the benefit of all who make the Western Cape their home. To make citizens and the enterprises effective players in the global economy.							
<b>Measurable Objective</b>	<b>Performance Measure Indicator</b>	<b>Base Year 2005/06</b>	<b>Year 1 2006/07)</b>	<b>Quarter 1</b>	<b>Quarter 2</b>	<b>Quarter 3</b>	<b>Quarter 4</b>	<b>Year 2 2007/08</b>	<b>Year 3 2008/09)</b>
To facilitate the establishment of the Western Cape Innovation Initiative (WCII).	number of science, technology and other centers locally and nationally in the work of the innovation fraternity. number of innovation policies developed for the Western Cape economy.		3 workshops to establish an innovation fraternity.	Discussions to be held with relevant stakeholders and role-players	Hold meetings with key stakeholders. 3 workshops to be held Workshops with relevant roleplayers	Ongoing	Ongoing	Evaluation of interventions effectiveness to improve or modify if relevant	
	Number of implementation strategies developed across sectors.		Through the WCII, start the process of developing innovation policies for						

<b>Strategic Objective:</b>		To grow the economy in a sustainable manner, for the benefit of all who make the Western Cape their home. To make citizens and the enterprises effective players in the global economy.							
<b>Measurable Objective</b>	<b>Performance Measure Indicator</b>	<b>Base Year 2005/06</b>	<b>Year 1 2006/07)</b>	<b>Quarter 1</b>	<b>Quarter 2</b>	<b>Quarter 3</b>	<b>Quarter 4</b>	<b>Year 2 2007/08</b>	<b>Year 3 2008/09)</b>
			two broad sectors. Start the Implementation of innovation interventions according to the MEDS for selected sectors.						
To facilitate the development of a Provincial Innovation System (PIS) through the WCII.	The number of science and technology bodies across sectors involved in the initiative.		3 workshops to establish buy-in and the process towards a PIS.		Hold meetings with key stakeholders			Management of the intervention	
Facilitate the introducing of R&D and innovation	Funding the IAT to supply services to the Tooling sector.		Assist 20 tooling companies through the		Ongoing	Ongoing	Ongoing		

<b>Strategic Objective:</b>		To grow the economy in a sustainable manner, for the benefit of all who make the Western Cape their home. To make citizens and the enterprises effective players in the global economy.							
<b>Measurable Objective</b>	<b>Performance Measure Indicator</b>	<b>Base Year 2005/06</b>	<b>Year 1 2006/07)</b>	<b>Quarter 1</b>	<b>Quarter 2</b>	<b>Quarter 3</b>	<b>Quarter 4</b>	<b>Year 2 2007/08</b>	<b>Year 3 2008/09)</b>
services in the tooling sector.			IAT.						
To facilitate the development of an implementation strategy for the Provincial Advanced Manufacturing Technology Strategy (PAMTS).	Number of sector strategies developed.		To determine how many sectors will have an implementation plan with costs.  To Establish a budget and then commission the development of the strategy.	Discussions to be held with relevant stakeholders and role-players	Ongoing	Ongoing	Ongoing		
Through the WCII and the Western Cape	The development of a comprehensive policy to develop		2 workshops with relevant	Discussions to be held with relevant stakeholder		Establish a team to work on policies	Ongoing		

<b>Strategic Objective:</b>		To grow the economy in a sustainable manner, for the benefit of all who make the Western Cape their home. To make citizens and the enterprises effective players in the global economy.							
<b>Measurable Objective</b>	<b>Performance Measure Indicator</b>	<b>Base Year 2005/06</b>	<b>Year 1 2006/07)</b>	<b>Quarter 1</b>	<b>Quarter 2</b>	<b>Quarter 3</b>	<b>Quarter 4</b>	<b>Year 2 2007/08</b>	<b>Year 3 2008/09)</b>
Beneficiation Initiative (WCBI), establish policies for the sustainable development of biodiversity industries e.g. Agrifibres.	the biodiversity sector.		national and international stakeholders to start the process of developing policy.	s and role-players					
Through the WCII and the WCBI, establish policies for the development of Indigenous Knowledge Systems (IKS) and the integration of IKS into the economy.	The development of a comprehensive policy to the environmental economy.		2 workshops with relevant national and international stakeholders to start the process of developing policy.	Discussions to be held with relevant stakeholders and role-players	Continued workshop with stakeholders	Ongoing during the development of the WCII	ongoing	Evaluation of interventions effectiveness to improve or modify if relevant	

<b>Strategic Objective:</b>		To grow the economy in a sustainable manner, for the benefit of all who make the Western Cape their home. To make citizens and the enterprises effective players in the global economy.							
<b>Measurable Objective</b>	<b>Performance Measure Indicator</b>	<b>Base Year 2005/06</b>	<b>Year 1 2006/07)</b>	<b>Quarter 1</b>	<b>Quarter 2</b>	<b>Quarter 3</b>	<b>Quarter 4</b>	<b>Year 2 2007/08</b>	<b>Year 3 2008/09)</b>
Through the WCII, facilitate the development of an R&D network and various hi-tech and knowledge intensive activities e.g. new materials, technology, instrumentation, automation, calibration and biotechnology	The number and depths of networks established.		Establishment of a network for at least one of the activities mentioned.	Discussions to be held with relevant stakeholders and role-players	Continued workshop with stakeholders	Ongoing during development of WCII	Ongoing		
Perform research and identify key cross-cutting issues impacting on	Proposals taken forward into defined projects, with timelines, deliverables and milestones. (Productivity benchmarking)		1 project developed					2 projects developed	2 projects developed

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competitiveness	ramme).								
Provide the appropriate human resource profiles in support of job targets set & projected by sectors.	No. of sectors analysed.	Develop a strategy derived from quantitative data and supported with qualitative firm level data  Appoint consultant.	4 sectors scoped.	Peer review of methodology & confirmed, sector 1 scoped.	Sector 2 scoped.	Sector 3 & 4 scoped	Strategy developed for scoped sectors.	Apply methodology to additional sectors.  Develop strategy.	Apply methodology to all sectors.  Develop strategy.
Increase sector & skill specific training such as, toolmakers, fabricators, clothing sector technicians, marine-	No. of training provided per sector.	Currently identified MEDS sector skill needs listed.	Training initiated in one skill area.	Select and confirm skill area with stakeholders.	Course material & facilities available.	Learners selected.	Training commences.	At least 25% of additional identified skill areas implemented.	50% of skills needs identified for job targets implemented.

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<b>Measurable Objective</b>	<b>Performance Measure Indicator</b>	<b>Base Year 2005/06</b>	<b>Year 1 2006/07)</b>	<b>Quarter 1</b>	<b>Quarter 2</b>	<b>Quarter 3</b>	<b>Quarter 4</b>	<b>Year 2 2007/08</b>	<b>Year 3 2008/09)</b>
focused engineers.									
Increase demand-led workplace learning in line with work re-organisation, technology changes and work opportunities.	No. of training of currently employed.	Strategy for re-skilling, multi-skilling and fast tracking more generally developed for currently employed in MEDS sectors.	Implement strategy with one industry and provider in agreed on skill area.	Select and confirm skill area with stakeholders.	Course material, resources & facilities available	Learners selected.	Training commences.	At least 25% of methodologies implemented	50% of fast tracking methodologies integrated into all programmes.
Increase employability through increased participation in HE & FET programmes aligned to MEDS sectors - anticipated & unanticipated	No. of programmes available, student uptake and employment.	Strategy of engagement & collaboration with HEIs & FET colleges within PGDS framework.	Participate and inform PGWC-HE Summit; PGWC-SETA Summit; and FET colleges summit.	Monthly CHEC meeting; Meet with DoL.	Monthly CHEC meeting; Meet with DoL.	HE Summit.  Seta Summit.	Plan implementation of summit agreements; 25% increase in programmes linked	80% increase in programmes linked to MEDS sectors.	

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needs within and across sectors, equity, technology transfer & innovation.							to MEDS-sectors		
Workforce development to improve competitiveness through education, training & skills supply.	Number of centers established.	Consult & develop a strategy with sector clusters (services, technical, creative) to plan for generic-contextual assessment &/or training.	Establish one center, Calling the Cape.	Model & linkages developed ; Public FETs consulted.	Apply & monitor.	Initiate in 2 <sup>nd</sup> cluster.	Resources identified, 2 <sup>nd</sup> cluster.	Establish 2 <sup>nd</sup> centre.	Establish 3 <sup>rd</sup> centre.
Communicate MEDS- & economic sector skill	Design and implement a communication strategy of supply of E&T with	Develop a strategy with education & training organisations	Identify, customise and align communication	Establish allied communication.	Disaggregate the strategy for target groups/for	Launch 1 medium of communication.	Monitor use & modify.	Extend to 2 additional media; Monitor use.	Extend to all media; Monitor impact and use.

<b>Strategic Objective:</b>		To grow the economy in a sustainable manner, for the benefit of all who make the Western Cape their home. To make citizens and the enterprises effective players in the global economy.							
<b>Measurable Objective</b>	<b>Performance Measure Indicator</b>	<b>Base Year 2005/06</b>	<b>Year 1 2006/07)</b>	<b>Quarter 1</b>	<b>Quarter 2</b>	<b>Quarter 3</b>	<b>Quarter 4</b>	<b>Year 2 2007/08</b>	<b>Year 3 2008/09)</b>
requirements.	demand side opportunities.	to support career guidance, throughput & retention of learners.	ion.	tools; Appoint expertise.	ms.	strategy; Monitor use.			
To improve enterprise competitiveness by developing & implementing HIV/AIDS prevention and awareness programmes.	Number of enterprises that have developed & adopted HIV/AIDS policies and programmes.	Consult with relevant stakeholders and develop a plan.	Apply as a pilot in one sector, BPO industry & potentially with Tourism and Fishing sectors. The methodology will then be applied in the other sectors.					Expand implementation	Expand implementation

<b>Strategic Objective:</b>		To grow the economy in a sustainable manner, for the benefit of all who make the Western Cape their home. To make citizens and the enterprises effective players in the global economy.							
<b>Measurable Objective</b>	<b>Performance Measure Indicator</b>	<b>Base Year 2005/06</b>	<b>Year 1 2006/07)</b>	<b>Quarter 1</b>	<b>Quarter 2</b>	<b>Quarter 3</b>	<b>Quarter 4</b>	<b>Year 2 2007/08</b>	<b>Year 3 2008/09)</b>
To facilitate and promote the fishing and aquaculture industry through investment opportunities.	Amount of Investment Recruitment and incomes created.		Identify, recruit and shape investment opportunities.  Conduct widespread local and international searches for investment.	No of stakeholders engage in support of the initiative.	Workshop with stakeholders.			Management of the initiative and intervention.  Evaluation of intervention's effectiveness to improve or modify if relevant.	Management of the initiative and intervention.  Evaluation of intervention's effectiveness to improve or modify if relevant.
Facilitate the improvement of urban infrastructure of fishing villages.	No. of facilitation sessions.	New initiative, no facilitation process.	Consultation with relevant stakeholders for improved urban infrastructure of fishing villages.	No of fishing villages identified.	3 Workshops in 3 coastal districts.			Management of the initiative and intervention.	Management of the initiative and intervention.

<b>Strategic Objective:</b>		<p>To grow the economy in a sustainable manner, for the benefit of all who make the Western Cape their home.</p> <p>To make citizens and the enterprises effective players in the global economy.</p>							
<b>Measurable Objective</b>	<b>Performance Measure Indicator</b>	<b>Base Year 2005/06</b>	<b>Year 1 2006/07)</b>	<b>Quarter 1</b>	<b>Quarter 2</b>	<b>Quarter 3</b>	<b>Quarter 4</b>	<b>Year 2 2007/08</b>	<b>Year 3 2008/09)</b>
	Establishment of fishing forums in fishing villages		Implementation of improvement and upgrading					Evaluation of intervention's effectiveness to improve or modify if relevant	Evaluation of intervention's effectiveness to improve or modify if relevant

<b>Strategic Objective:</b>		To grow the economy in a sustainable manner, for the benefit of all who make the Western Cape their home. To make citizens and the enterprises effective players in the global economy.							
<b>Measurable Objective</b>	<b>Performance Measure Indicator</b>	<b>Base Year 2005/06</b>	<b>Year 1 2006/07)</b>	<b>Quarter 1</b>	<b>Quarter 2</b>	<b>Quarter 3</b>	<b>Quarter 4</b>	<b>Year 2 2007/08</b>	<b>Year 3 2008/09)</b>
Initiate and support intensive research and development. In fishing and aqua culture.  Development of a fishing and aquaculture strategy with consultation to stakeholders.	Completed strategy	Programme initiated.	Consultation with relevant stakeholders regarding unexplored resources, beneficiation of existing and new resources, develop sustainable and best practice Aquaculture & strengthening the fishing and tourism	Creation of a high profile task team and secure the financial support for the project.				Management of the initiative and intervention.	Management of the initiative and intervention.

<b>Strategic Objective:</b>		To grow the economy in a sustainable manner, for the benefit of all who make the Western Cape their home. To make citizens and the enterprises effective players in the global economy.							
<b>Measurable Objective</b>	<b>Performance Measure Indicator</b>	<b>Base Year 2005/06</b>	<b>Year 1 2006/07)</b>	<b>Quarter 1</b>	<b>Quarter 2</b>	<b>Quarter 3</b>	<b>Quarter 4</b>	<b>Year 2 2007/08</b>	<b>Year 3 2008/09)</b>
			Engage relevant stakeholders to embark on an international research programme in support of a credible fishing and aquaculture strategy.					Evaluation of intervention's effectiveness to improve or modify if relevant.	Evaluation of intervention's effectiveness to improve or modify if relevant.
Identify, design, facilitate programmes and project interventions for re-skilling and skills development in fishing, aquaculture and	Number of projects undertaken and persons trained in entrepreneurial skills development.	Ad Hoc projects Identified i.e., Cape Olive Trust, Traditional Linefishers Engine, Ostrich Beneficiation, Hands-on-fishing,	Consultation with relevant stakeholders.					Management of the initiative and intervention.	Management of the initiative and intervention.

<b>Strategic Objective:</b>		<p>To grow the economy in a sustainable manner, for the benefit of all who make the Western Cape their home.</p> <p>To make citizens and the enterprises effective players in the global economy.</p>							
<b>Measurable Objective</b>	<b>Performance Measure Indicator</b>	<b>Base Year 2005/06</b>	<b>Year 1 2006/07)</b>	<b>Quarter 1</b>	<b>Quarter 2</b>	<b>Quarter 3</b>	<b>Quarter 4</b>	<b>Year 2 2007/08</b>	<b>Year 3 2008/09)</b>
agriculture.			Support the development of a skills development programme in farming, beneficiation and export.					Evaluation of intervention's effectiveness to improve or modify if relevant.	Evaluation of intervention's effectiveness to improve or modify if relevant.

<b>Strategic Objective:</b>		<p>To grow the economy in a sustainable manner, for the benefit of all who make the Western Cape their home.</p> <p>To make citizens and the enterprises effective players in the global economy.</p>							
<b>Measurable Objective</b>	<b>Performance Measure Indicator</b>	<b>Base Year 2005/06</b>	<b>Year 1 2006/07)</b>	<b>Quarter 1</b>	<b>Quarter 2</b>	<b>Quarter 3</b>	<b>Quarter 4</b>	<b>Year 2 2007/08</b>	<b>Year 3 2008/09)</b>
			Identify, rank, and engage public and social sector partners involved in skills development, programmes w.r.t, agribusiness; and aquaculture						

### 6.3.3 Reconciliation of budget with plan

Sub-programme	Year-2 2003/04 (Actual)	Year-1 2004/5 (Actual)	Base year 2005/06 (Estimate)	Average Annual Change (%)	Year 1 2006/07 (budget)	Year 2 2007/08 (MTEF projectio n)	Year 3 2008/09 (MTEF projectio n)	Average Annual Change (%)
Management Economic Development	1 790	2 612	3 363	43.94	2 855	3 273	3 381	9.21
Industry Development	22 347	6 095	25 285	20.71	30 738	42 978	43 355	22.58
Strategic Sector Support	5 241	3 870	3 235	(19.14)	7 527	8 007	8 172	4.28
GRO	7 501	21 889	9 500	13.32	9 900	9 900	10 100	1.01
<b>Total</b>	<b>36 879</b>	<b>34 466</b>	<b>41 383</b>	<b>7.89</b>	<b>51 020</b>	<b>64 158</b>	<b>64 808</b>	<b>6.31</b>



## **PART B: PROGRAMME AND SUB-PROGRAMME PLANS**

### **7. Programme 5: Tourism**

The purpose of this programme is to ensure tourism strategic planning and good governance in order to ensure geographic and demographic spread of benefits associated with the industry.

The programme is structured as follows:

- Management: Tourism
- Tourism Industry Development
- Tourism Strategic Implementation
- Destination Marketing Organisation (DMO)

#### **7.1 Situation analysis**

##### **7.1.1 Progress analysis**

Tourism contributes 9.8 % to the provincial GDP. As such tourism is seen as one of the major sectors driving the economy of the Western Cape.

Overseas tourist arrivals are up from 810 000 (in 2000) to in excess of 1.5 million arrivals for 2004.

As tourism begins to challenge the hegemony of the traditional sectors of agriculture, manufacturing and trade (old economy sectors) this new economy industry is seen by both the private and public sectors as providing a basis for future economic growth. This is also a key sector for job creation and wealth creation.

However, the Western Cape experience has shown that economic growth from tourism has not been accompanied by enough specific interventions to address the ever-widening gap between rich and poor.

*Investment in any sector therefore has to address two issues:*

- The need for economic growth
- The need to bridge the gap between rich and poor

With this in mind the Tourism Programme has a vision of “...**growing a sustainable tourism economy and spreading the benefits to all inhabitants of the Western Cape...**”

In order to achieve this vision we not only need to look at economic growth but also the spread of benefits to all communities. Primarily we are looking at two kinds of distribution: The first being spatial or geographic distribution of benefits and the second being demographic distribution.

The plan for developing the industry is contained in the Integrated Tourism Development Framework (ITDF).

This framework reviews tourism potential, supply patterns, possible product portfolios and routes and tries to match these with the demand from primary and secondary international and domestic markets servicing the destination.

*The plan identifies 11 nodes and corridors (called tourism development areas) worthy of further development in the province. These areas were chosen on the basis of:*

- Product and resource strength;
- Supply of infrastructure;
- Market requirements and trends; and
- Socio-economic need

The strategy is to look at where potential demand may go, to assess product and resource strength, to ascertain supply of infrastructure to understand the market requirements and trends and to map all of this taking into account the socio-economic need of various communities across the province.

The department views the ITDF as its guiding document over the next 10 years in the field of tourism industry development. The key approach in our work over the last year has been to leverage support, commitment and adoption of the plan by other agencies impacting on tourism. To a large extent this approach has been successful as other programmes like provincial transport plans, provincial environmental plans and IDPs are beginning to take cognisance of the ITDF and integrate it into their work.

*In total the following 11 areas have been identified on the basis of the strategy and approach outlined above:*

Cape Town Foreshore

Cape Flats

Stellenbosch-Paarl-Franschhoek

Langebaan-Velddrif

Overstrand

L'Agulhas

George-Mossel Bay-Oudtshoorn

Eastern gateway (Plett-Knysna-Wilderness)

Beaufort West

Cederberg gateway

Route 62

In the past plans for the Agulhas Area, Cape Flats, Northern Gateway, Eastern Gateway, Western Gateway were developed. Projects in each of the ITDF areas were identified and supported. The focus for 2006/07 will be on a review of the ITDF and alignment with additional trends in the various regions of the province.

Policy development in the areas of BEE, HRD, Safety and Security, and Road Signage were completed in the 2005/06 fiscal year. The focus for 2006/07 will be on the development of research indicators in all areas of work, the extension of existing programmes and projects – especially in the areas of tourism enterprise development, the development of a social tourism policy, geographic expansion of the tourism safety and security plan, the roll out of the BEE charter and scorecard strategy and a review of the ITDF.

In 2002 a historical agreement was signed between the city and province aimed at ensuring co-operation in marketing the city and province. A strategic marketing framework was finalized and the Western Cape Tourism Act of 2004 was legislated which has given rise to the establishment of the DMO now trading as Cape Town Routes Unlimited (CTRU). In its first year of formal operation, the focus for 2005/06 was on operationalising CTRU's mandate in terms of the Western Cape Tourism Act of 2004. The focus for 2006/07 will be on extending the global and domestic marketing campaigns, improving the leisure-business tourism ratio, extending the e-business services network and developing a plan to ensure that the challenge of seasonality is mitigated.

### **7.1.2 Analysis of constraints and measures planned to overcome them**

Tourism is a broad based industry and its success is dependent on partnerships and collaborations with other government departments, private sector and non-governmental sectors. In order for this to happen one needs to engage in consultative processes, which at times take longer than envisaged and thus have an impact on performance and delivery.

Most of the strategic frameworks that are developed by the department are implemental at local level, and therefore imposes added responsibility on local government, which in most cases, result in stagnation due to structural and financial problems.

Some of the responsibilities that will lead to infrastructure support, reside in other departments e.g. Implementation of tourism signage in terms of planning phases, manufacturing and erection of signs is the responsibility of Transport Department, Although there is commitment on their part, implementation of signage framework, is not their priority as it is to tourism

Measures to overcome them are the establishment of different multi-sectoral committees and forums to look at fast tracking processes and;

Programmes to market and communicate the essence of some of the strategic framework have been developed to get buy in from stakeholders. Regular meetings and events are held to promote the spirit of co-operative governance

The key constraint for new entrants into tourism remains market access. Success in this area can only be achieved through strong partnerships and networking. Programmes to develop these strong links with the private sector will be pursued.

The efficacy of the ITESP programme will be closely monitored to ensure a massive roll out based on success factors. For the first time government programmes in this area are not only looking at supplying services but also demand factors by ensuring that market access is achieved through a network of agents who are remunerated on the basis of success

Lack of access to funding sources are also a major impediment and the departments future interventions will be geared to not only looking for other sources of income, but in harnessing these sources into a massive Community Tourism Development Fund from which funds can be disbursed according to the framework plan of the ITDF

As air access remains a constraint the department will look to intervene in these areas by encouraging other sectors to invest in the Western Cape Economy. Airlines will invest in a destination based not only on its leisure offerings but also other economic sectors, as it is the corporates from other sectors, which fill the business class and first class seats thereby stimulating airline investment. These interventions, to provide investment friendly proposals will be done in partnership with WESGRO.

A key area of constraint is the extent to which the broad public understands its role in tourism. Targeted partnership programmes with the private sector aimed mainly at schools (tourists of the future) will look at subsidizing social tourism programmes in off-peak periods and especially in tourism month – September of each year.

### **7.1.3 Description of planned quality improvement measures**

Amongst other factors, the following quality improvement measures are planned:

- **Focus:** The bulk of the available resources will be focused on the most important interventions. Too many areas of involvement and too many objectives dilute influence and may result in lower impact.
- **New Human Resource Capacity:** Filling the current vacancies in the divisions and identifying additional staff requirements as a matter of urgency and training new staff to ensure that we are able to implement the strategies as rapidly as possible.

- **Training and developing existing staff:** staff in the unit need training in facilitation, areas of sector development, and other practical skills pertaining to the functions of the unit. The appointment of good staff to the proposed positions would be a very important determinant in the quality of the services rendered by the unit.
- **Stakeholder relationships/partnerships:** align the work of different role-players, for example, national, provincial and local government, institutions, parastatals, business organisations, organised labour, and communities toward a common vision and agreed plans for each sub-sector.
- **Communication with stakeholders within any particular industry:** being able to communicate effectively the goals and the content of the work of the chief directorate would contribute tremendously toward managing the expectations of stakeholders and will enable officials to effectively execute their work commitments.
- **Developing and implementing a monitoring and evaluation system:** Developing a system where developments within tourism are regularly monitored and evaluated and reported

#### 7.1.4 Specified policies, priorities and strategic objectives

The ITDF remains the major planning tool for Tourism and will inform all other interventions in this sector. Key priorities for the 2006/07 period include the following:

- Attracting sufficient resources and partnerships to implement the integrated tourism development framework and extend the marketing footprint through the work of CTRU;
- Reviewing the depth and reach of the ITDF;
- Integrating the ITDF into local government IDPs and lobbying to ensure that both national and other provincial government departments take the ITDF into account when making tourism based investment decisions;

- Developing partnerships with the private sector in order to promote access to the market place, access to capital and access to expertise for new entrants and previously excluded communities;
- Developing an extensive plan to ensure that the region is an all year round destination with the necessary funding and buy in from all role players and stakeholders; and
- Active promotion of the BEE charter and scorecard

## **7.2 Sub-programme: 5.2 Tourism Industry Development**

### **7.2.1 Specified policies, priorities and strategic objectives**

Tourism industry development's main priority is to ensure that strategic direction is given to growth and equity in the industry through the following objectives:

- To facilitate the implementation of the Integrated Tourism Development Framework (ITDF) and develop appropriate tourism policy and research,
- To develop and implement projects arising from the Human Resource Development Framework, To ensure effective institutional arrangements with partners in the industry and promote effective marketing of the industry. The development of a tourism spatial and economic plan to ensure geographic and demographic spread of benefits associated with the industry is largely achieved via the further expansion of the Integrated Tourism Development Framework (ITDF). In terms of developing the industry, and in matching supply and demand proper research needs to be conducted in this sector. Industry research therefore forms a large part of the work in this area. Arising from the research and planning as contained in the ITDF, various policy developments and interventions arise. In particular, policy development areas for 2006/07 include tourist-guiding, policy on sport and cultural tourism, development of a social tourism policy and revision of existing strategies including BEE, HRDS (Human Resources Development Strategy), RSF (Road Signage Framework), and Tourism Safety and Security.

Human Resource Development remains an important part of tourism development and this unit will implement various education, skills and training programmes associated with tourism industry development.

In terms of the White Paper on sustainable tourism promotion and development and the Western Cape Tourism Act of 2004, the marketing function of tourism has been outsourced to a Destination Marketing Organisation Cape Town Routes Unlimited (CTRU). CTRU is responsible for areas of Leisure Marketing, New Product Development, Visitor Services, Conventions and Events. The Department is responsible for ensuring that the CTRU delivers on targets set in these five areas of work.

### 7.2.1.1 Specification of measurable objectives and performance indicators

<b>Strategic Objective:</b>		<p>To grow the economy in a sustainable manner, for the benefit of all who make the Western Cape their home.</p> <p>To increase the levels of participation in the economy by all, especially the previously excluded and presently marginalized.</p> <p>To make citizens and the enterprises effective players in the global economy.</p>							
<b>Measurable Objective</b>	<b>Performance Measure Indicator</b>	<b>Base Year 2005/06</b>	<b>Year 1 2006/07</b>	<b>Quarter 1</b>	<b>Quarter 2</b>	<b>Quarter 3</b>	<b>Quarter 4</b>	<b>Year 2 2007/08</b>	<b>Year 3 2008/09)</b>
Developing, updating and evaluating tourism spatial development and investment framework (ITDF).	No. of plans developed.	Localised plans developed in 5 Areas: Northern and Western Gateways, the Southern Most Tip of Africa, Route 62 and the Cape Flats Study. 4 of the above-mentioned initiatives have received funding for infrastructure development.	Development of localised plans for the following areas: Overstrand (Rooi Els to Pearly Beach) and the Southern Cape Triangle.  (Mossel Bay, Oudtshoorn and George).  Review of the ITDF.	Securing of partnerships.  Start of review process.	Development of terms of reference and awarding of tenders.	Receipt of first draft plans.	Finalisation of plans and review.	Implementation of recommendations of localised plans developed during 2006 / 2007 and the changes recommended in the review.	Aggressive marketing, review and project cycle evaluation and renewal.

<b>Strategic Objective:</b>		<p>To grow the economy in a sustainable manner, for the benefit of all who make the Western Cape their home.</p> <p>To increase the levels of participation in the economy by all, especially the previously excluded and presently marginalized.</p> <p>To make citizens and the enterprises effective players in the global economy.</p>							
<b>Measurable Objective</b>	<b>Performance Measure Indicator</b>	<b>Base Year 2005/06</b>	<b>Year 1 2006/07</b>	<b>Quarter 1</b>	<b>Quarter 2</b>	<b>Quarter 3</b>	<b>Quarter 4</b>	<b>Year 2 2007/08</b>	<b>Year 3 2008/09)</b>
Facilitating the development of tourism investment packages in consultation with WESGRO.	No. of tourism investment packages facilitated.	Develop framework in consultation with WESGRO and related structures.	Development of strategic tourism investment framework.	Development of terms of reference.	Awarding of tender.	First draft	Finalisation. Packages facilitated.	Communication, monitoring and evaluation of framework.	Evaluation and review of programme.
Conducting tourism research in consultation with the Research and Management Unit	No. of topics researched	Identification of necessary industry indicators and niche research requirements.	Publication, communication and evaluation of research with annual review process.	Identification of indicators	Conduct research	Conduct research	Conduct research	Ongoing publication, evaluation and review.	Ongoing publication, evaluation and review.
Monitoring and Evaluating tourism programmes	No. of Tourism programs Monitored and evaluated.	Develop, Implement and Maintain Monitoring and Evaluation	Identification of indicators.	Conduct research	Conduct research	Conduct research	Implement and Maintain Monitoring and	Implement and Maintain Monitoring and Evaluation system, and use	

<b>Strategic Objective:</b>		<p>To grow the economy in a sustainable manner, for the benefit of all who make the Western Cape their home.</p> <p>To increase the levels of participation in the economy by all, especially the previously excluded and presently marginalized.</p> <p>To make citizens and the enterprises effective players in the global economy.</p>							
<b>Measurable Objective</b>	<b>Performance Measure Indicator</b>	<b>Base Year 2005/06</b>	<b>Year 1 2006/07</b>	<b>Quarter 1</b>	<b>Quarter 2</b>	<b>Quarter 3</b>	<b>Quarter 4</b>	<b>Year 2 2007/08</b>	<b>Year 3 2008/09)</b>
		system, and use it to refine policy development .					Evaluation system, and use it to refine policy development.	it to refine policy development.	
Developing policy in the various sub-sectors of tourism.	No. of policies developed.	Development of policy in conjunction with BEE and HRD and sector development.	Development of policy on policing the industry, sport tourism, cultural tourism and Social tourism.	Terms of reference	1stt draft	2 <sup>nd</sup> draft	Final document and publication of policies.	Monitoring, evaluation and review of all policy and legislation.	Monitoring, evaluation and review of all policy and legislation.
To ensure good governance by	Management of service level Agreement of	Management of service level Agreement of	Management of service level Agreement of	Quarterly reporting mechanis	Quarterly reporting mechanis	Quarterly reporting mechanis	Quarterly reporting mechanis	Management of service level Agreement of	Management of service level

<b>Strategic Objective:</b>		<p>To grow the economy in a sustainable manner, for the benefit of all who make the Western Cape their home.</p> <p>To increase the levels of participation in the economy by all, especially the previously excluded and presently marginalized.</p> <p>To make citizens and the enterprises effective players in the global economy.</p>							
<b>Measurable Objective</b>	<b>Performance Measure Indicator</b>	<b>Base Year 2005/06</b>	<b>Year 1 2006/07</b>	<b>Quarter 1</b>	<b>Quarter 2</b>	<b>Quarter 3</b>	<b>Quarter 4</b>	<b>Year 2 2007/08</b>	<b>Year 3 2008/09)</b>
the DMO	Destination Marketing Organisation. Annual review and evaluation.	Destination Marketing Organisation. Annual review and evaluation.	Destination Marketing Organisation. Annual review and evaluation.	m implemented	m implemented	m implemented	m implemented	Destination Marketing Organisation. Annual review and evaluation.	Agreement of Destination Marketing Organisation Annual review and evaluation.
Implementing the Tourism HRD Strategy in partnership with the tourism industry.	Number of projects and partnerships initiated.	Finalisation of the Tourism Human Resource Development Framework.	Implementation of 5 pilot projects as recommended in the final framework.	Identification of projects and partnerships.	2 projects initiated	5 projects initiated	Evaluation of projects	10 projects	15 projects
Establishing and maintaining a provincial HRD forum.	Fully operational HRD Forum that meets quarterly.	Reference group established and maintained.	HRD Forum that is fully operational.	1 <sup>st</sup> quarter meeting	2 <sup>nd</sup> quarter meeting	3 <sup>rd</sup> quarter meeting	4 <sup>th</sup> quarter meeting	HRD Forum meeting once a quarter – 4 times a year.	HRD Forum meeting once a quarter – 4 times a year.

<b>Strategic Objective:</b>		<p>To grow the economy in a sustainable manner, for the benefit of all who make the Western Cape their home.</p> <p>To increase the levels of participation in the economy by all, especially the previously excluded and presently marginalized.</p> <p>To make citizens and the enterprises effective players in the global economy.</p>							
<b>Measurable Objective</b>	<b>Performance Measure Indicator</b>	<b>Base Year 2005/06</b>	<b>Year 1 2006/07</b>	<b>Quarter 1</b>	<b>Quarter 2</b>	<b>Quarter 3</b>	<b>Quarter 4</b>	<b>Year 2 2007/08</b>	<b>Year 3 2008/09)</b>
Conducting tourism education, training and skills programmes in the six regions (short term interventions) in consultation with workforce development.	Number of training sessions in 6 regions of the province.	Identification of education, skills and training programmes to be conducted in consultation with Workforce Development.	Implementation of training in 2 pilot sites linked to ITDF.	Identification of pilot sites.	Terms of reference	Project implementation in the 2 regions	Evaluation	Implementation of training in 3 regions of the province linked to ITDF.	Implementation of training programmes in all 6 regions of Western Cape, linked to ITDF.



## PART B: PROGRAMME AND SUB-PROGRAMME PLANS

### 7.3 Sub-programme: 5.3 TOURISM STRATEGIC IMPLEMENTATION

#### 7.3.1 Specified policies, priorities and strategic objectives

Tourism strategic implementation's main priority is to ensure that all tourism policy is implemented through the following objectives:

- To design and implement a tourism entrepreneurship development programme (including the BEE charter) To develop and implement tourism empowerment initiative To oversee and promote effective implementation of tourism road signage To promote tourism safety and security To regulate and maintain the tourist guide industry.

All the work of this directorate takes place within the framework of the ITDF.

The implementation and maintenance of a comprehensive tourism enterprise development support system is a critical priority for tourism industry development: This system is powered by several programmes such as the tourism help desks and red doors, awareness, beginners, intermediate and advanced training programmes; fast track, the Tourism Mentorship Programme, TEP scheme and market access programme (Cape Tourism Showcase, Indaba and International Trade Fairs) and the pinnacle of the efforts in this area: the Integrated Tourism Entrepreneurship Support Programme (ITESP). These programmes are under the strategic direction of Tourism Business Forum partnership (chaired by the Department of Economic Development) and they are being monitored by the Monitoring and Evaluation Programme put in place. A key initiative in this area will be the implementation of the tourism BEE scorecard and charter.

Tourism Empowerment Initiatives are an important part of tourism and this area of work seeks to implement community based initiatives with a strong focus on infrastructure development which results in the development of social capital, the funding of business plan development, marketing strategies and feasibility studies, training and capacity building of youth, disabled and women in particular, tourism awareness via strategic programmes such the Provincial Tourism Schools Competition, the Access to the Cape Campaign and the Tourism Youth Indaba. These initiatives are funded via the units Development Fund and projects are directly linked to the Provincial Integrated Tourism

Development Framework and local and district municipalities Integrated Development Plans.

Tourism Road Signage is an important component of the visitor experience in the destination. The key priority for the department in this area of work is to ensure the efficient and effective application of the Road signage procedures as detailed in the RSF and the integration of the needs of product owners and transport authorities.

Tourism safety and security remains the number one priority for tourists in all international studies, the key thrust of our efforts in this area are to ensure adequate proactive and reactive measures are put in place to prevent and/or mitigate the effects of incidents. The roll out of a victim support programme remains a key priority in this area of work.

Tour guide registration is a function devolved from national government to the Province in terms of the 2<sup>nd</sup> Amendment Tourism Act. The key priorities in this area of work include the implementation of an efficient and effective system of tour guide registration, the mitigation of illegal guiding, the training – with placement of new tourist guides and the restructuring of the tour guiding industry into a Western Cape Tourist Guiding Association.

For 2006/07 the following is of importance:

- To amend the Tourism Second Amendment Act 2000 to take account of illegal guiding;
- Introduction of a forum that represents all of the stakeholders in the Guiding sector;
- Roll out of educationalist for tourist guides and the community during off-peak season;
- Expand and further develop the training workshops and courses;
- Establish a procedure to monitor and evaluate tourist guides;
- To make ownership of the guiding industry representative of the demography of the Western Cape Province via the establishment of the Western Cape Tourist Guide Association; and
- Ensure that plans and procedures are developed in preparation for the 2010 Football World Cup.

### 7.3.2 Specification of measurable objectives and performance indicators

<b>Strategic Objective:</b>		<p>To grow the economy in a sustainable manner, for the benefit of all who make the Western Cape their home.</p> <p>To increase the levels of participation in the economy by all, especially the previously excluded and presently marginalized.</p> <p>To make citizens and the enterprises effective players in the global economy.</p>							
<b>Measurable Objective</b>	<b>Performance Measure Indicator</b>	<b>Base Year 2005/06</b>	<b>Year 1 2006/07)</b>	<b>Quarter 1</b>	<b>Quarter 2</b>	<b>Quarter 3</b>	<b>Quarter 4</b>	<b>Year 2 2007/08</b>	<b>Year 3 2008/09)</b>
Establishment of various Tourism Related Bursary Funds  In partnership with industry.	Number of successful bursary recipients.	Continued support to existing 2 Bursary Funds with the University of Stellenbosch and the Cape Peninsula University of Technologies.	Establish and maintain 8 bursary funds.	2 bursary recipients	5 bursary recipients	8 bursary recipients	8 bursary recipients	12 bursary recipients	16 bursary recipients
Facilitating stakeholder interaction and networking.	Number of meetings and networking sessions organised for	Engagement of THETA, SATI, DEAT and other regional bodies like	Monthly meetings with stakeholders with bi-monthly networking	3 meetings	6 meetings	9 meetings	12 meetings	4 networking sessions facilitated for industry each year.	4 networking sessions facilitated for industry each year.

<b>Strategic Objective:</b>		<p>To grow the economy in a sustainable manner, for the benefit of all who make the Western Cape their home.</p> <p>To increase the levels of participation in the economy by all, especially the previously excluded and presently marginalized.</p> <p>To make citizens and the enterprises effective players in the global economy.</p>							
<b>Measurable Objective</b>	<b>Performance Measure Indicator</b>	<b>Base Year 2005/06</b>	<b>Year 1 2006/07)</b>	<b>Quarter 1</b>	<b>Quarter 2</b>	<b>Quarter 3</b>	<b>Quarter 4</b>	<b>Year 2 2007/08</b>	<b>Year 3 2008/09)</b>
	industry.	SATSA, FEDHASA, Municipalities, RTOs and LTAs.	sessions.						
Establishing and maintaining of network of tourism helpdesks.	Number of THD's capacitated.	Ongoing training and capacitating of THDs in all 6 regions of the province and integration with RED Door.	Review, monitoring and re-evaluation to assess impact.	2 regions	2 regions	1 region	1 region	Ongoing maintenance of assistance programme in all 6 regions, based on outcome of impact assessment.	Ongoing maintenance of assistance programme in all 6 regions, based on outcome of impact assessment.
Implementing and maintaining tourism entrepreneur-ship training	No. of entrepreneurs trained.	Implementation of training programmes in Unicity, Cape Winelands, West Coast,	Maintenance, evaluation and refinement of programme.	2 regions	2 regions	1 region	1 region	Maintenance, evaluation and refinement of programme.	Maintenance, evaluation and refinement of programme.

<b>Strategic Objective:</b>		<p>To grow the economy in a sustainable manner, for the benefit of all who make the Western Cape their home.</p> <p>To increase the levels of participation in the economy by all, especially the previously excluded and presently marginalized.</p> <p>To make citizens and the enterprises effective players in the global economy.</p>							
<b>Measurable Objective</b>	<b>Performance Measure Indicator</b>	<b>Base Year 2005/06</b>	<b>Year 1 2006/07)</b>	<b>Quarter 1</b>	<b>Quarter 2</b>	<b>Quarter 3</b>	<b>Quarter 4</b>	<b>Year 2 2007/08</b>	<b>Year 3 2008/09)</b>
programme.		Overberg, Central Karoo and Eden.							
Managing the Integrated Tourism Entrepreneurs Support Programme (ITESP).	Number of entrepreneurs assisted in the six regions of the province.	Expansion of programme to all six regions of the province, monitoring and performance evaluation, 50 beneficiaries.	Maintenance of programme in all six regions of the province, monitoring and performance evaluation, 80 beneficiaries.	2 regions	1 region	1 region	2 regions	Maintenance of programme in all six regions of the province, monitoring and performance evaluation, 100 beneficiaries.	Maintenance of programme in all six regions of the province, monitoring and performance evaluation, 100 beneficiaries.
Establishing and maintaining tourism enterprise development	No. of mentees assisted.	12 Mentees and mentors appointed to the programme, performance management	15 Mentees and mentors appointed to the programme, performance	Selection process	Matching of mentees and mentors	Development of plans.	Evaluation	18 Mentees and mentors appointed to the programme, performance	22 Mentees and mentors appointed to the programme, performance

<b>Strategic Objective:</b>		<p>To grow the economy in a sustainable manner, for the benefit of all who make the Western Cape their home.</p> <p>To increase the levels of participation in the economy by all, especially the previously excluded and presently marginalized.</p> <p>To make citizens and the enterprises effective players in the global economy.</p>							
<b>Measurable Objective</b>	<b>Performance Measure Indicator</b>	<b>Base Year 2005/06</b>	<b>Year 1 2006/07)</b>	<b>Quarter 1</b>	<b>Quarter 2</b>	<b>Quarter 3</b>	<b>Quarter 4</b>	<b>Year 2 2007/08</b>	<b>Year 3 2008/09)</b>
mentorship programme.		and evaluation.	management and evaluation.					management and evaluation.	management and evaluation.
Implementing an entrepreneurship Fast Track Programme.	Number of entrepreneurs assisted.	Assess, refine and maintain Fast Track Programme.	Assess, refine and maintain Fast Track Programme.	Selection process	Matching of mentees and mentors.	Development of plans	Evaluation	Assess, refine and maintain Fast Track Programme.	Assess, refine and maintain Fast Track Programme.
Implementing ITDF projects in key Tourism Development Areas.	Number of projects in identified areas.	Continued implementation of localised plans.	The development of projects in key tourism areas.	1 tda	1 tda	1 tda	1 tda	Implementation of recommendations of localised plans developed during 2006 / 2007.	Aggressive marketing, review and project cycle evaluation and renewal.
Implementing community	Number of community	Implementation of 6 community	Identify new community	2 projects	2 projects	1 project	1 project	Review funded	Identify new community

<b>Strategic Objective:</b>		<p>To grow the economy in a sustainable manner, for the benefit of all who make the Western Cape their home.</p> <p>To increase the levels of participation in the economy by all, especially the previously excluded and presently marginalized.</p> <p>To make citizens and the enterprises effective players in the global economy.</p>							
<b>Measurable Objective</b>	<b>Performance Measure Indicator</b>	<b>Base Year 2005/06</b>	<b>Year 1 2006/07)</b>	<b>Quarter 1</b>	<b>Quarter 2</b>	<b>Quarter 3</b>	<b>Quarter 4</b>	<b>Year 2 2007/08</b>	<b>Year 3 2008/09)</b>
tourism projects.	projects.	projects	based projects and provide support.					projects and provide interventions were necessary.	based projects and provide support.
Implementing and maintaining social tourism projects	Number of social tourism projects	Implementation of 3 Social programmes, namely: Access to the Cape, Tourism Schools Competition and the Tourism Youth Indaba.	Continued support to already established programmes.	Planning For 3 projects	Stakeholder consultation.	Implementation	Evaluation	Continued support to already established programmes. Programmes annually reviewed and amended.	Continued support to already established programmes. Programmes annually reviewed and amended.
Implementing and maintaining a	A fully implemented monitoring and	Revise existing monitoring and	Establishment of terms of reference,	Terms of reference	First draft	2 <sup>nd</sup> draft	Implementation	Maintenance, monitoring and evaluation	Maintenance, monitoring and evaluation of

<b>Strategic Objective:</b>		<p>To grow the economy in a sustainable manner, for the benefit of all who make the Western Cape their home.</p> <p>To increase the levels of participation in the economy by all, especially the previously excluded and presently marginalized.</p> <p>To make citizens and the enterprises effective players in the global economy.</p>							
<b>Measurable Objective</b>	<b>Performance Measure Indicator</b>	<b>Base Year 2005/06</b>	<b>Year 1 2006/07)</b>	<b>Quarter 1</b>	<b>Quarter 2</b>	<b>Quarter 3</b>	<b>Quarter 4</b>	<b>Year 2 2007/08</b>	<b>Year 3 2008/09)</b>
project monitoring and evaluation programme.	evaluation system	evaluation	development of system.					of system.	system.
Keep an accurate and accessible register of qualified tourist guides within the province in accordance with the legislation.	Number of new and re-registered tourist guides on the database.	Approximately 3500 tourist guides in the database.	Increase of approximately 1000 re-registrations and 500 new registrations.	250 Of new & 125 registration	500 Of new & 250 registration	750 Of new & 325 registration	1000 Of new & 500 registration	Increase of approximately 1500 re-registrations and 1000 new registrations.	Increase of approximately 2000 re-registrations and 1500 new registrations.
Deal with complaints against tourist guides through the exercise of disciplinary	Number of complaints recorded and attended to.	Approximately 20 complaints of misconduct received.	Implement process for addressing complaints on misconduct.	Discussions with DEAT & the Provincial	Submit letter of concern input from all	Meet with DEAT and legal advisors	Have a response and draft from DEAT	Amended National legislation becomes operational.	Implement National legislation.  Continue with

<b>Strategic Objective:</b>		<p>To grow the economy in a sustainable manner, for the benefit of all who make the Western Cape their home.</p> <p>To increase the levels of participation in the economy by all, especially the previously excluded and presently marginalized.</p> <p>To make citizens and the enterprises effective players in the global economy.</p>							
<b>Measurable Objective</b>	<b>Performance Measure Indicator</b>	<b>Base Year 2005/06</b>	<b>Year 1 2006/07)</b>	<b>Quarter 1</b>	<b>Quarter 2</b>	<b>Quarter 3</b>	<b>Quarter 4</b>	<b>Year 2 2007/08</b>	<b>Year 3 2008/09)</b>
powers.				Registrars	Registrar			<p>Continue with non-legislative provincial measures.</p> <p>On-going process to address complaints on misconduct.</p>	<p>non-legislative provincial measures.</p> <p>On-going process to address complaints on misconduct.</p>
To minimise the utilisation of illegal tourist guides through increased public awareness.	Number of public awareness interventions.	<p>1500 pamphlets printed and disseminated.</p> <p>2 Bi-annual presentations to tour operators.</p>	2000 pamphlets printed and disseminated.	Print pamphlets	<p>Devise a awareness drive.</p> <p>Meet with TOACT</p>	Implement the awareness drive.	Implement the awareness drive.	<p>2500 pamphlets printed and disseminated.</p> <p>Bi-annual presentations</p>	<p>3000 pamphlets printed and disseminated.</p> <p>Bi-annual presentations</p>

<b>Strategic Objective:</b>		<p>To grow the economy in a sustainable manner, for the benefit of all who make the Western Cape their home.</p> <p>To increase the levels of participation in the economy by all, especially the previously excluded and presently marginalized.</p> <p>To make citizens and the enterprises effective players in the global economy.</p>							
<b>Measurable Objective</b>	<b>Performance Measure Indicator</b>	<b>Base Year 2005/06</b>	<b>Year 1 2006/07)</b>	<b>Quarter 1</b>	<b>Quarter 2</b>	<b>Quarter 3</b>	<b>Quarter 4</b>	<b>Year 2 2007/08</b>	<b>Year 3 2008/09)</b>
			Bi-annual presentations to tour operators.	Discuss with TOACT & SATSA.	and SATSA			to tour operators.	to tour operators.
Disseminate information about registered tourist guides within the province and associations of tourist guides.	<p>Number of tour operators utilising registered guides on database.</p> <p>No of presentations held to promote guiding sector</p>	Basic electronic database established.	<p>Database modified and upgraded for effective public use.</p> <p>Presentations done to SATSA and TOACT.</p>	Effect changes to the database.	Effect changes to the database.	Changes implemented	Constantly in use	Database maintained for effective public dissemination.	Database maintained for effective public dissemination.

<b>Strategic Objective:</b>		<p>To grow the economy in a sustainable manner, for the benefit of all who make the Western Cape their home.</p> <p>To increase the levels of participation in the economy by all, especially the previously excluded and presently marginalized.</p> <p>To make citizens and the enterprises effective players in the global economy.</p>							
<b>Measurable Objective</b>	<b>Performance Measure Indicator</b>	<b>Base Year 2005/06</b>	<b>Year 1 2006/07)</b>	<b>Quarter 1</b>	<b>Quarter 2</b>	<b>Quarter 3</b>	<b>Quarter 4</b>	<b>Year 2 2007/08</b>	<b>Year 3 2008/09)</b>
	Number Newsletters distributed per quarter.	4 Newsletters distributed per year	4 Newsletters distributed per year	1 <sup>st</sup> quarter	2nd quarter	3 <sup>rd</sup> quarter	4 <sup>th</sup> quarter	4 Newsletters distributed per year	4 Newsletters distributed per year
Maintaining a co-operative relationship within the tourism industry in consultation with National Government.	Number of stakeholder meetings attended.	<p>Forged relationships with relevant stakeholders.</p> <p>Financial and non-financial support for establishment of National Federation of Tourist Guides Association</p>	<p>Maintain and build on existing relationships.</p> <ul style="list-style-type: none"> <li>• Ensure provincial support towards attaining national objectives of</li> </ul>	Quarterly SATSA meetings	Quarterly SATSA meetings	Quarterly SATSA meetings	Quarterly SATSA meetings	<p>Maintain and build on existing relationships</p> <p>Continued support and inputs towards attaining national objectives of NFTGA</p>	<p>Maintain and build on existing relationships.</p> <p>Continued support and inputs towards attaining national objectives of NFTGA</p>

<b>Strategic Objective:</b>		<p>To grow the economy in a sustainable manner, for the benefit of all who make the Western Cape their home.</p> <p>To increase the levels of participation in the economy by all, especially the previously excluded and presently marginalized.</p> <p>To make citizens and the enterprises effective players in the global economy.</p>							
<b>Measurable Objective</b>	<b>Performance Measure Indicator</b>	<b>Base Year 2005/06</b>	<b>Year 1 2006/07)</b>	<b>Quarter 1</b>	<b>Quarter 2</b>	<b>Quarter 3</b>	<b>Quarter 4</b>	<b>Year 2 2007/08</b>	<b>Year 3 2008/09)</b>
		(NFTGA).	NFTGA	Discussion					
To promote and encourage transformation within the Tour Guiding industry.	Increase number of Black tourist guides.  Number of training and upskilling interventions for HDI tourist guides.	Approximately 350 Black guides on database  22 HDI learners trained as tourist guides.	Increase number of Black guides by 25%  Presentation of an upskilling program to existing HDI guides	5% Training programmes for Tourist Guides  1Upskilling programme implemented	5% Training programmes for Tourist Guides  1Upskilling programme implemented	5% Training programmes for Tourist Guides  1Upskilling programme implemented.	5% Training programmes for Tourist Guides  1Upskilling programme implemented	Increase number of Black guides by 25%  Presentation of an upskilling program to existing HDI guides.	Increase number of Black guides by 25%  Presentation of an upskilling program to existing HDI guides.

<b>Strategic Objective:</b>		<p>To grow the economy in a sustainable manner, for the benefit of all who make the Western Cape their home.</p> <p>To increase the levels of participation in the economy by all, especially the previously excluded and presently marginalized.</p> <p>To make citizens and the enterprises effective players in the global economy.</p>							
<b>Measurable Objective</b>	<b>Performance Measure Indicator</b>	<b>Base Year 2005/06</b>	<b>Year 1 2006/07)</b>	<b>Quarter 1</b>	<b>Quarter 2</b>	<b>Quarter 3</b>	<b>Quarter 4</b>	<b>Year 2 2007/08</b>	<b>Year 3 2008/09)</b>
	Number of Black guides on guiding structures and associations to drive transformation agenda.	<p>Establishment of Western Cape Chapter of NFTGA, Western Cape Tourist Guide Association (WCTGA).</p> <p>Improved representatively in W Cape Tourist Guides Association (CTGA).</p>	<p>WCTGA fully established with a committee and a constitution.</p> <p>25% of WCTGA executive committee to be constituted of Black</p>	Planning	Consultative workshops with tourist guides	Consultative workshops continue	Launch and implementation	<p>30-40% of WCTGA executive committee to be constituted of Black guides.</p> <p>Conditional support of NFTGA on promotion of transformation</p>	<p>50% of WCTGA executive committee to be constituted of Black guides.</p> <p>Conditional support of NFTGA on promotion of transformation</p>

<b>Strategic Objective:</b>		<p>To grow the economy in a sustainable manner, for the benefit of all who make the Western Cape their home.</p> <p>To increase the levels of participation in the economy by all, especially the previously excluded and presently marginalized.</p> <p>To make citizens and the enterprises effective players in the global economy.</p>							
<b>Measurable Objective</b>	<b>Performance Measure Indicator</b>	<b>Base Year 2005/06</b>	<b>Year 1 2006/07)</b>	<b>Quarter 1</b>	<b>Quarter 2</b>	<b>Quarter 3</b>	<b>Quarter 4</b>	<b>Year 2 2007/08</b>	<b>Year 3 2008/09)</b>
			guides.  Conditional support of NFTGA on promotion of transformation.					Continue the process of implementation of the WCTGA.	Continue the process of implementation of the WCTGA.
To promote Tourism Safety and Security awareness through special programmes.	No of Awareness programmes	Publication of brochures and safety tips for tourists for distribution throughout the hospitality industry.  Maintain	Distribution of the brochure and safety tips programme.  Maintenance of Tourism Safety & Security Forum.	20% distribution and networking	Maintain Tourism Safety & Security Forum  Maintain proactive programme.	Maintain Tourism Safety & Security Forum  Maintain proactive programme.			

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		<p>Tourism Safety &amp; Security Forum.</p> <p>Maintain pro-active programme.</p>	<p>Maintain pro active programme.</p> <p>Development of regional liaison officers at LTB's.</p> <p>Draft plans for roll out to regions.</p>					<p>Maintenance of the brochure distribution programme.</p> <p>Development of ICT communications technology and a web site.</p> <p>Maintenance of regional liaison officers at LTB.</p> <p>Implement</p>	<p>Maintenance of the brochure distribution programme.</p> <p>Maintenance of ICT communications technology and a web site.</p> <p>Maintenance of regional liaison officers at of regional liaison officers at LTB.</p> <p>Implement plans for</p>

<b>Strategic Objective:</b>		<p>To grow the economy in a sustainable manner, for the benefit of all who make the Western Cape their home.</p> <p>To increase the levels of participation in the economy by all, especially the previously excluded and presently marginalized.</p> <p>To make citizens and the enterprises effective players in the global economy.</p>							
<b>Measurable Objective</b>	<b>Performance Measure Indicator</b>	<b>Base Year 2005/06</b>	<b>Year 1 2006/07)</b>	<b>Quarter 1</b>	<b>Quarter 2</b>	<b>Quarter 3</b>	<b>Quarter 4</b>	<b>Year 2 2007/08</b>	<b>Year 3 2008/09)</b>
								plans for regions and provide training	regions and provide training
To provide a high level response capability through the Tourism Victim Support Programme in consultation with CTRU	Number of Effective, efficient responses to incidents.	Develop procedures and responding to 80% of incidents. Update database.	Responding to 80% of incidents. Update database	80% response	80% response	80% response	80% response	Implement pro-active responses to incidents – ongoing. Finalise major events plan (especially for World Cup Soccer 2010). Implement stakeholder data bank.	Implement pro-active responses to incidents – ongoing. Implement major events plan for World Cup Soccer 2010. Maintain stakeholder data bank 90% response to incidents.

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<b>Measurable Objective</b>	<b>Performance Measure Indicator</b>	<b>Base Year 2005/06</b>	<b>Year 1 2006/07)</b>	<b>Quarter 1</b>	<b>Quarter 2</b>	<b>Quarter 3</b>	<b>Quarter 4</b>	<b>Year 2 2007/08</b>	<b>Year 3 2008/09)</b>
Facilitate implementation of tourism road signage framework.	Identify and facilitate signage for Tourism Route/Area and gateway development  No of tourist routes signed.	Development of road signage for Cape-Namibia Tourism Route  Development of road signage for Overberg tourism routes.  Development of road signage for Eastern, Western and Northern	Continued development of road signage for Cape-Namibia Tourism Route  Continued development of road signage for of Overberg tourism routes.  Continued development of road signage for of Eastern, Western and	Planning	1 x project finalised	1 X project finalised	1 x project finalised	Review existing road signage on Tourism Routes.  Consolidation of Tourism Routes.	Review existing road signage on Tourism Routes.  Consolidation of Tourism Routes.

<b>Strategic Objective:</b>		<p>To grow the economy in a sustainable manner, for the benefit of all who make the Western Cape their home.</p> <p>To increase the levels of participation in the economy by all, especially the previously excluded and presently marginalized.</p> <p>To make citizens and the enterprises effective players in the global economy.</p>							
<b>Measurable Objective</b>	<b>Performance Measure Indicator</b>	<b>Base Year 2005/06</b>	<b>Year 1 2006/07)</b>	<b>Quarter 1</b>	<b>Quarter 2</b>	<b>Quarter 3</b>	<b>Quarter 4</b>	<b>Year 2 2007/08</b>	<b>Year 3 2008/09)</b>
		Gateways	Northern Gateways as required - ongoing						
To facilitate the provision of appropriate tourism road signage in accordance with the approved frame work.	Number of RTALC fully functional meetings  Number of meetings held.	5 Regional Tourism Liaison Committees fully functional meet on scheduled basis	5 Regional Tourism Liaison Committees fully functional meet on scheduled basis.	5 meetings held in regions	5 meetings held in regions	5 meetings held in regions	5 meetings held in regions	5 Regional Tourism Liaison Committees fully functional meet on scheduled basis.	5 Regional Tourism Liaison Committees fully functional meet on scheduled basis.
Facilitate the removal of illegal tourism related road signage.	No. of illegal signs removed.	Facilitate review of Illegal signage policy and procedures.	Facilitate the development of an effective illegal road signage removal	Identificati on of illegal signs	Systemati c removal of 10%	Removal of 10% of illegal signs	Removal of 10% of illegal signs	Implement illegal signage strategy	Follow up on removal of tourism signs

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			protocol						

## 7.3.3

## Reconciliation of budget with plan

Sub-programme	Year-2 2003/04 (Actual)	Year- 2004/05 (Actual)	Base year 2005/06 (Estimate)	Average Annual change (%) <sup>2</sup>	Year 1 2006/07 (Budget)	Year 2 2007/08 (MTEF projection)	Year 3 2008/09 (MTEF projection)	Average annual change (%)
Management Tourism		649	711	(5.89)	2 891	3 287	3 096	3.55
Tourism Industry Development	5 699	3 092	2 568	(25.57)	3 268	6 946	8 528	15.92
Tourism Strategic Implementation	4 008	2 190	5 849	24.59	15 078	10 490	10 409	27.42
DMO	14 741	20 532	25 850	122.31	22 900	23 900	24 900	0.39
<b>Total</b>	<b>24 448</b>	<b>26 463</b>	<b>34 978</b>	<b>49.75</b>	<b>44 137</b>	<b>44 623</b>	<b>46 933</b>	<b>8.31</b>



## PART B: PROGRAMME AND SUB-PROGRAMME PLANS

### 8. MEDIUM TERM REVENUES

#### *Summary of revenue*

The following sources of funding are used for the Vote:

**Table 1: Summary of revenue: Economic Development**

	2003/04 (actual)	2004/05 (actual)	2005/06 (estimate)	2006/07 (budget)	2007/08 (MTEF projection)	2008/09 (MTEF projection)
	R'000	R'000	R'000	R'000	R'000	R'000
Voted by legislature	118 715	120 502	138 405	173 433	187 709	195 749
Conditional grants						
Other (specify)						
<b>Total revenue</b>	<b>118 715</b>	<b>120 502</b>	<b>138 405</b>	<b>173 433</b>	<b>187 709</b>	<b>195 749</b>

### **Departmental revenue collection**

The table below gives a summary of the revenue the programme is responsible for collecting.

**Table 2: Departmental revenue collection:**

	<b>2003/04 (actual)</b>	<b>2004/05 (actual)</b>	<b>2005/06 (estimate)</b>	<b>2006/07 (budget)</b>	<b>2007/08 (MTEF projection)</b>	<b>2008/09 (MTEF projection)</b>
	<b>R'000</b>	<b>R'000</b>	<b>R'000</b>	<b>R'000</b>	<b>R'000</b>	<b>R'000</b>
Current revenue	359	284	270	270	270	270
Tax revenue	3 681	3 781	3 730	14 730	18 730	18 730
Non-tax revenue		1 872				
Capital revenue						
<b>Departmental revenue</b>	<b>4 040</b>	<b>5 937</b>	<b>4 000</b>	<b>15 000</b>	<b>19 000</b>	<b>19 000</b>

### **9. Table 9.1: Details of public entities**

<b>Name of public entity</b>	<b>Main purpose of public entity</b>	<b>Transfers from the programmeal budget</b>		
		<b>2006/07 MTEF R'000</b>	<b>2007/08 MTEF R'000</b>	<b>2008/09 MTEF R'000</b>
<b>WESGRO</b>	Promote Trade And Investment in the Western Cape	<b>R 9 900</b>	<b>R 9 900</b>	<b>R 10 100</b>
<b>DMO</b>	To market the province as a world-class tourist destination. Managing the integrated tourism entrepreneurship support programme (ITESP)	<b>R 25 900</b>	<b>R 25 900</b>	<b>R 26 100</b>



## **PART B: PROGRAMME AND SUB-PROGRAMME PLANS**

### **10. FINANCIAL MANAGEMENT**

#### **10.1 Strategies to address audit queries**

##### **10.1.1 Completeness Of Liquor License Income**

The drafting of the Western Cape liquor legislation will commence upon the approval of the draft policy document by the Cabinet. The policy document was approved in October 2005 and it is envisaged that the legislation submitted to the Provincial Parliament will be enacted in the first quarter of 2006/07 financial year.

The administration will continue in its efforts to ensure that it is able to reconcile the receipts received from the SARS with the expected income raised by the liquor licensing system upon the issue of licences and renewal notices. Without the necessary source documents or statements that reflect the composition of bulk payments made by the SARS Head office to the Department of Economic Development and Tourism the Department is unable to reconcile the payments with the receipts received from the regional SARS offices.

#### **10.2 Implementation of PFMA**

The Department regards compliance with the PFMA Act as a priority. The Department has a structured implementation plan and reports regularly to Provincial Treasury regarding progress made with the implementation of the Public Finance Management Act.