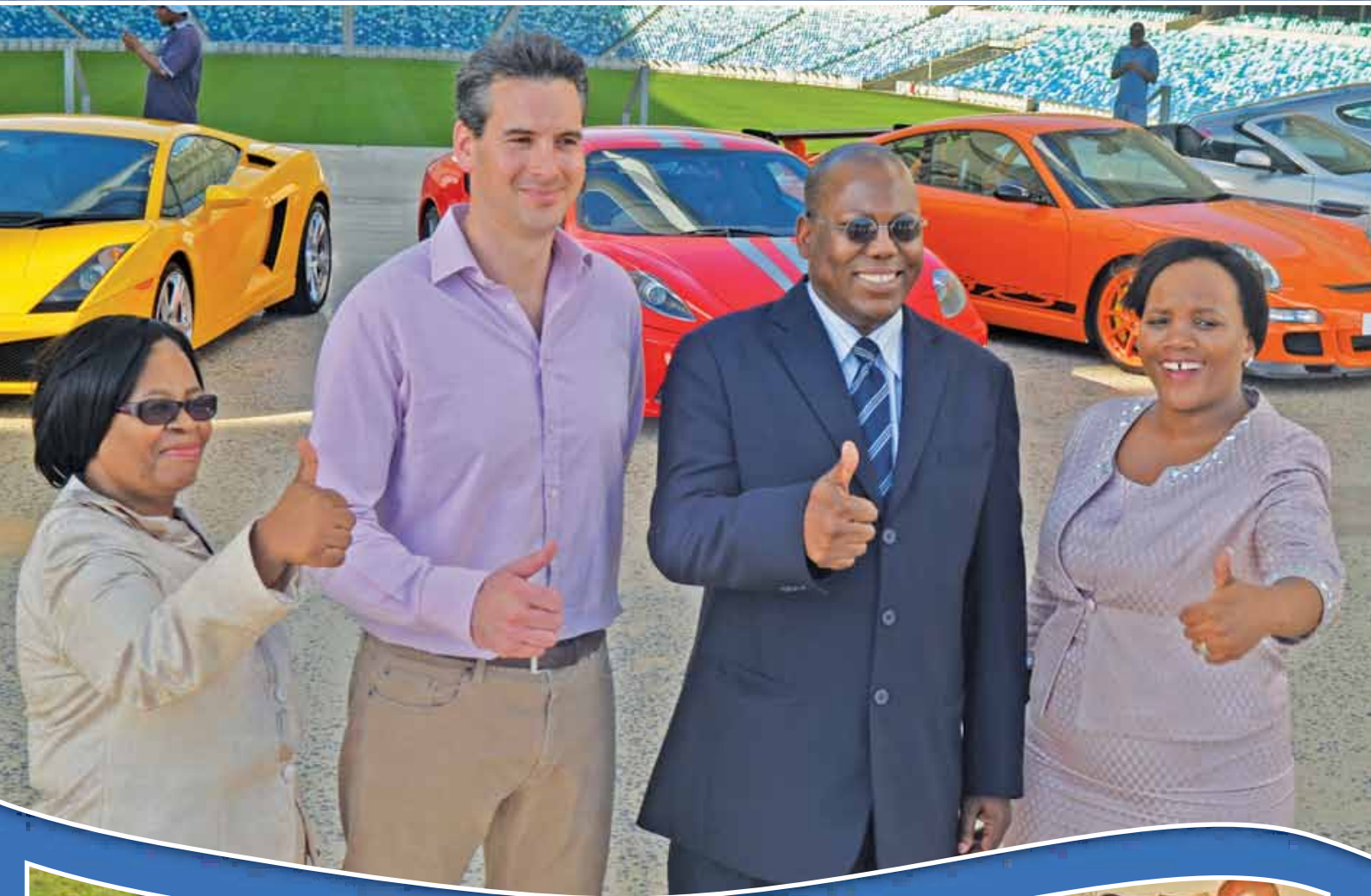




economic development & tourism

Department:
Economic Development & Tourism
KWAZULU-NATAL PROVINCIAL GOVERNMENT



ANNUAL PERFORMANCE PLAN 2012 - 2013





Mr Michael Mabuyakhulu, MPP
Executive Authority of the
KwaZulu-Natal Department of
Economic Development and
Tourism

FOREWORD

The integration of our country's economy to the world markets makes us less immune to the volatility in the global economy.

This, therefore, implies that our planning moving forward should be influenced by the awareness of what is happening in the global market by ensuring that the province focuses on sectors that are resilient to economic turbulence.

The financial meltdown that hit most of the developed economies of the western world adversely affected KwaZulu-Natal, resulting in thousands of jobs being lost. In an attempt to navigate this economic storm, we had no option, but to adopt a cautious approach when deploying our allocated resources. This involved tightening our belts as the Department of Economic Development and Tourism in line with the directive from the provincial and national governments.

However, this exercise in reprioritisation meant working smartly by rationalising our limited resources whilst yielding optimal service delivery.

Our mission remains ensuring that the province is competitive and able to generate and attract investment essential for the creation of employment opportunities.

As we venture into the 2012/2013 financial year, we are confident that the lessons learnt from the most recent years when the country was exposed to global recessionary conditions has fortified our capabilities to carve a sustainable niche in the highly competitive global trade market. The advent of new markets in the developing world has created a space for us to explore and exploit new frontiers of growth. The Department and its strategic partners that include statutory organisations under its administrative purview will continue promoting growth in diverse sectors that have potential to transform the province into a serious regional economic player.

In this regard, we believe that our strategic location on the eastern sea board of our country, coupled with our highly advanced logistics platforms, set us on a better pedestal to unleash our potential.

This document has been carefully crafted to speak to the Department's strategic vision while also taking into account the realities in the global economy where some of our traditional markets are still not yet out of the woods. This plan also reflects the province's and national socio-economic parameters such as the new Provincial Growth and Development Strategy and IPAP2 respectively that have been conceptualised to stimulate growth through various sectors.

In view of the fact that our social partners in the private sector continue to collaborate with us in most socio-economic programmes directed at elevating the province's economic performance to greater heights, we are determined to capitalize on the massive investment announced by national government towards infrastructure development to boost growth and the creation of jobs.

However, we are acutely aware that the success of the implementation of the content of this Annual Performance Plan will hinge on the personnel of the Department and our social partners working together.





As a member of the provincial executive responsible for leading the province's strategic mandate to fast-track growth, I am optimistic that the province will turn the corner and begin to see an upsurge in its economic performance.

We have already witnessed the spin-offs from government's investment in infrastructure development project in the form of the multi-billion rand Dube Trade Port – anchored by the new King Shaka International Airport on the northern fringes of Durban. We, therefore, have every reason to be bullish about our economic prospects going forward.

As stated above, we have learnt from the global experience that as we want to claim our space in the highly competitive world of trade we have to be innovative. This document is, therefore, designed to serve as a guide towards a sustainable economic future.

We, therefore, urge all our social partners to play an active role in the process of implementing the content of this document as we want to ensure that the province lives up to its ambition of becoming the regional economic hub and the gateway to the African continent.

Through collective work with our partners in the private sector and other structures of our society, we believe we have good prospect in attracting more investment to our province.

The R2, 003 billion allocated for this Department demonstrates the provincial government's confidence in our abilities and commitment to deliver on our mandate. We, therefore, implore each and every staff member in this Department and public entities to double their effort towards achieving our goals of transforming this province

Mr Michael Mabuyakhulu, MPP
(Executive Authority of the KwaZulu – Natal
KZN MEC for Economic Development & Tourism)



ANNUAL PERFORMANCE PLAN 2012 - 2013

Official Sign-Off

It is hereby certified that this Annual Performance Plan:

Was developed by the management of the Department of Economic Development and Tourism under the guidance of the MEC Michael Mabuyakhulu and was prepared in line with the current Strategic Plan of the Department of Economic Development and Tourism and accurately reflects the performance targets which the Department of Economic Development and Tourism will endeavour to achieve given the resources made available in the budget for the 2011/12 financial year.



.....
Mr B. Shezi
Chief Financial Officer



.....
Acting Accounting Officer



.....
Approved by:
Mr M. Mabuyakhulu
Executive Authority





Contents

Page

Part A: Strategic overview

6

Updated situational analysis

6

Performance delivery environment

7

Organisational environment

7

Revisions to legislative and other mandates

7

Overview of 2012/2013 budget and MTEF estimates

8

Expenditure estimates

8

Relating expenditure trends to strategic outcome oriented goals

9

Part B: Programme and sub programme plans

12

Programme 1: Administration

12

Sub-programme : Office Of The MEC

12

Sub-Programme : Office of the Head of Department

18

Sub-programme : Financial Management

21

Sub-programme : Corporate Services

25

Reconciling Performance Targets with Budgets and MTEF

32

Programme 2: Integrated Economic Development Services

34

Sub-Programme : Enterprise Development

35

Sub-Programme: Economic Empowerment

42

Sub-Programme : Regional and Local Economic Development (RLED)

47

Reconciling Performance Targets with Budgets and MTEF

51

Programme 3: Trade & Sector Development

53

Sub-programme: Trade & Investment Promotion

53

Sub-programme: Sector Development

58

Sub-programme: Tourism Development

63

Reconciling Performance Targets with Budgets and MTEF

67

Programme 4: Business Regulations And Governance

69

Sub-programme : Consumer Protection

69

Sub-programme : Liquor Regulation

73

Sub-programme : Regulation Services (Formal and Informal)

76

Reconciling Performance Targets with Budgets and MTEF

80

Programme 5 : Economic Planning

81

Sub-programme : Policy And Planning

83

Sub-programme : Monitoring and Evaluation (M&E)

86

Sub-programme : Knowledge Management

89

Sub-programme : Research and Development

92

Reconciling Performance Targets with Budgets and MTEF

94



ANNUAL PERFORMANCE PLAN 2012 - 2013

Part C: Links To Other Plans	96
Links to the long-term infrastructure and other capital plans	96
Conditional grants	96
Public entities	96
Public-private partnerships	96
Annexures	99



PART A: Strategic Overview:

1. Updated Situational Analysis

In 2011, the Euro debt crisis coupled with fiscal imbalances in a number of industrialised countries was the main challenge facing the global economy. Compounding this phenomenon was slow growth in a number of industrialised countries, especially Germany, France, Italy and Japan. As a result, global economic growth in 2011 was relatively weak (averaging 3.8%) compared to the 5.8% recorded in 2010 and pre-recession period. In addition, unemployment in a number of countries has continued to rise against a back-drop of dwindling output in these countries. Whilst economic growth in industrialised countries remained subdued in 2011, emerging countries especially those in Asia (China and India) continue to be the drivers of world economic growth.

In Sub-Saharan Africa, countries that continue to drive economic growth are predominantly the oil producing countries, particularly Nigeria and Angola and to some extent other countries such as Botswana, Ghana and Mauritius. In the majority of developing countries, growth has remained modest but generally with better outlook than in the industrialised nations.

The outlook for global growth is somewhat gloomy as the Euro crisis remains potent, irrespective of some of the measures that the International Monetary Fund (IMF) and the European Union have put in place. It is further discouraging to note that, the European Central Bank is predicting a recession in the Euro region in 2012 amid unstable fiscal performance. Against this background, the IMF predicts global growth to taper-off to 3.3% in 2012 and expected to accelerate slightly to 3.9% in 2013 as the global economy stabilises.

1.1. South African Context

In 2011, South Africa remained highly susceptible to the aforementioned external shocks as evidenced by weak economic growth and the generally stubborn unemployment. The unstable global economic environment has had other repercussions to the South African economy especially in terms of depreciation in the exchange rate, creeping inflation and volatile equity prices observed in 2011. Declined investment inflows have also been apparent in South Africa.

After two quarters of growth rates lower than 2%, GDP growth picked up in the 4th quarter of 2011, recording a growth rate of 3.2% on the previous quarter. The year-on-year growth in the 4th quarter was recorded at 2.9%. While GDP growth in the 4th quarter represents an improvement on the previous two quarters' performances, it remains some way below the growth rate targeted by the New Growth Path for sustainable job creation and furthermore fails to significantly raise the annual economic growth rate out of the doldrums of what can be considered a low growth year for South Africa. Nevertheless, the 3.2% growth in the 4th quarter may signal better economic performance in the year to come.

1.2. KwaZulu-Natal Provincial Context

KwaZulu-Natal posted a growth rate of 3.3% in the 4th quarter of 2011 following a growth rate of 2.3% (revised from 2.0%) in the 3rd quarter. The provincial growth rate is slightly above the national growth rate of 3.2%. While a growth rate of 3.3% is a marked improvement on the two preceding quarters, it fails to meet the expectations raised by strong growth (5.2%) in 1st quarter of 2011. The average quarterly growth rate for KwaZulu-Natal in 2011 was 2.8% which is too low to sustain the extent of job creation which the province aims to pursue. In order to meet the job creation targets of the New Growth Path the province needs to consistently achieve growth rates in excess of 5%.



Employment in KwaZulu-Natal increased by 52,000 jobs in the 4th quarter, contributing an impressive 29% of total employment growth for South Africa over this period. Employment growth (52,000), though greater than unemployment growth (21,000), has not been able to match strict labour force growth (73,000) and as such there has been a slight increase in the strict unemployment rate from 19.1% to 19.3%. This is not necessarily a negative development however as the increase in the labour force has been driven by increasing labour force participation, with the labour participation rate having increased by 0.9% to 46.7%. The labour absorption rate has also increased, rising by 0.7% to 37.7%. These two indicators send positive signals that KwaZulu-Natal's labour market is becoming increasingly inclusive.

1.3. Performance Delivery Environment

The focus of the Department has been aligned with the recently approved Provincial Growth and Development Strategy. The emphasis is on supporting priority sectors that will create jobs and faster economic growth. The Department is also emphasizing on growing the economy that provides opportunities for all its residents to prosper, and where the natural resources are enhanced and used sustainably in supporting basic needs as well as 'green' economic growth.

1.4. Organisational Environment

The formulation of the revised Provincial Growth and Development Strategy (PGDS) resulted in a need for the Department to review its strategy and incorporate into its planning and budgeting framework the new growth priority areas. Despite the changes, the essence of the Department's mandate is still to work toward developing the provincial economy. However, the new focus is on green economy and job creation through developing existing businesses and facilitating a broadened participation in the economy by new entrants.

The Department's key strategic goals are:

- To promote the growth and socio-economic transformation of the KZN economy that will enable the creation of one million jobs by the end of 2020,
- To provide an enabling legislative framework that promotes economic development,
- To become an Institution of Excellence with respect to economic development.

Of course, these goals can only be achieved by implementing appropriate strategies. Such strategies underline the Department's new approach and inform the design and content of its five programmes.

2. Revisions to Legislative & other Mandates

The Department's mandate hasn't changed. There has been a need to review and formulate specific legislative frameworks such as the Industrial Development Strategy, Export and Investment strategies.





3. Overview of 2012/2013 budget and MTEF estimates

3.1 Expenditure estimates

	Audited Outcome		Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2008/09	2009/10				2010/11	2012/13	2013/14
R thousand								
1. Administration	103,676	146,275	181,666	213,100	222,745	177,599	186,482	195,803
2. Integrated Economic Development Services	117,905	231,305	420,361	421,226	423,486	505,042	530,294	556,809
3. Trade and Sector Development	1,517,159	2,016,308	985,631	867,057	859,484	858,646	1,041,901	1,141,832
4. Business Regulation and Governance	17,084	21,130	24,876	57,460	49,227	77,653	81,536	85,614
5. Economic Planning	10,741	10,299	11,777	18,715	17,188	21,078	22,132	23,238
Total	1,766,565	2,425,317	1,624,311	1,577,558	1,572,490	1,640,018	1,862,345	2,003,296

Note: Programme 1 includes MEC remuneration: Salary: R1 491 514

	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2008/09	2009/10	2010/11				2012/13	2013/14	2014/15
R thousand									
Current payments	316,660	443,043	417,441	505,829	546,220	542,345	540,055	580,677	620,337
Compensation of employees	68,918	100,183	118,136	151,914	133,404	128,967	172,915	181,502	190,575
Goods and services	247,742	342,860	299,305	353,915	412,816	413,378	367,140	399,175	429,762
Interest and rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies to:	1,441,906	1,971,445	1,192,638	97,650	1,027,423	1,027,439	1,096,621	1,278,503	1,379,636
Provinces and municipalities	1,626	-	100	-	26	11	3,543	3,720	3,907
Department agencies and accounts	126,853	158,355	153,503	169,731	193,221	193,221	183,327	192,817	203,139
Universities and technikons	791	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public Corporations and private enterprises	-	100,000	280,000	324,382	246,810	246,810	331,906	349,949	367,447
Non-profit institutions	1,312,607	1,712,916	758,899	483,537	587,182	587,206	577,845	732,017	805,143
Households	29	174	136	-	184	191	-	-	-
Payments for capital assets	7,999	10,829	13,469	3,471	3,915	2,706	3,342	3,165	3,323
Buildings and other fixed structures	-	3,261	741	-	-	-	-	-	-



Summary of payments and estimates by economic classification										
	Audited Outcome				Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2008/09	2009/10	2010/11	2010/11				2012/13	2013/14	2014/15
R thousand	7,806	6,815	5,978		3,136	3,580	2,396	2,177	1,943	2,039
Machinery and equipment	-	-	-	-	-	-	-	-	-	-
Heritage assets	-	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	450	-	-	-	-	-	-	-	-
Software and other intangible assets	193	303	6,750	-	335	335	310	1,165	1,222	1,284
Payments for financial assets	-	-	763		-	-	-	-	-	-
Total	1,766,565	2,425,317	1,624,311		1,486,950	1,577,558	1,572,490	1,640,018	1,862,345	2,003,296

3.2 Relating expenditure trends to strategic goals

3.2.1 Strategic Goal: To be the centre of excellence through effective and efficient administration that promotes service delivery and good corporate governance

The above Departmental strategic goal relates to Programme 1 of the Department, Administration where the budget allocation is as follows: 2012/13 – R189,139,000; 2013/14 – R200,073,000 and 2014/15 – R195,803,000. All figures in the table below are in R'000.

Financial Year	2008/09	2009/10	2010/11	2010/11	2011/12	2012/13	2013/14	2014/15
Compensation of Employees	21,627	40,302	48,967	59,756	60,979	64,332	68,891	68,891
Goods & Services	34,464	95,947	133,444	123,883	124,037	124,037	125,888	125,888
Transfers	292	168	98	0	0	0	0	30
Assets	725	9,858	6,832	1,971	4,123	4,350	994	994
Total	51,259	146,275	189,338	185,610	189,139	200,073	195,803	195,803

Administration has seen an increase over the past few years due to the establishment of a ministry which previously did not exist prior to 2009/10. A increase in the 2013/14 year is due to computer hardware (servers, etc) replacement that is to start in 2012/13 and be finalised in 2013/14.

3.2.2 Strategic Goal: To support the development of sustainable small, micro and medium and social enterprises that contributes to food security, wealth and job creation

The above Departmental strategic goal relates to Programme 2 of the Department, Integrated Economic Development Services where the budget allocation is as follows: 2012/13 – R491,932,000; 2013/14 – R530,470,000 and 2014/15 – R556,809,000. All figures in the table below are in R'000.





Financial Year	2008/09	2009/10	2010/11	2011/12	2012/13	2013/14	2014/15
Compensation of Employees	25,421	32,127	37,716	44,782	47,308	49,910	55,122
Goods & Services	89,374	98,865	130,834	162,265	164,877	174,556	173,337
Transfers	700	100,059	280,030	284,300	289,500	305,423	327,879
Assets	2,410	254	500	585	551	581	471
Total	117,905	231,305	449,080	491,932	502,236	530,470	556,809

With respect to Integrated Economic Development Services a significant portion of the funding is transferred to Ithala and the Growth Fund for onward lending. Further funding was allocated for trading centres feasibility studies as well as funding for technical training for the youth under economic empowerment. Further funding was allocated for trading centre feasibility studies as well as funding for technical training for the youth under economic empowerment.

3.2.3 Strategic Goal: To facilitate globally competitive and sustainable industries and services

The above Departmental strategic goal relates to Programme 3 of the Department, Trade and Industry Development where the budget allocation is as follows: 2012/13 – R772,918,000; 2013/14 – R817,476,000 and 2014/15 – R1,141,832,000. All figures in the table below are in R'000.

Financial Year	2008/09	2009/10	2010/11	2011/12	2012/13	2013/14	2014/15
Compensation of Employees	10,318	10,332	13,515	18,733	19,763	20,850	28,491
Goods & Services	64,425	134,403	62,260	43,385	75,409	79,860	108,069
Transfers	1,446,035	1,871,212	919,970	653,268	677,657	716,672	1,004,974
Assets	1,238	361	404	85	59	93	298
Total	1,522,016	2,016,308	996,149	715,471	772,918	817,476	1,141,832

Similarly to programme two, a significant portion of the budget in Programme 3 is transferred to a number of entities namely TIKZN, TKZN, MKI, KZNSB, ADA, RBIDZ and DTP. The entities play a strategic role in delivering on the mandate of this programme in promoting the province, developing black commercial farmers in agri-business sector and ensuring adequate skills to match the demands of the sectors as well as providing state of the art infrastructure to enhance the competitiveness of our region.

3.2.4 Strategic Goal: To strengthen compliance with relevant legislation and government policies

The above Departmental strategic goal relates to Programme 4 of the Department, Business Regulation and Governance where the budget allocation is as follows : 2012/13 – R77,968,000; 2013/14 – R82,323,000 and 2011/15 – R85,614,000. All figures in the table below are in R'000.

Financial Year	2008/09	2009/10	2010/11	2011/12	2012/13	2013/14	2014/15
Compensation of Employees	7,850	11,894	13,690	17,440	18,332	19,340	25,309
Goods & Services	8,977	9,014	12,100	17,281	17,043	18,048	13,221
Transfers	0	0	30,439	40,082	42,086	44,401	46,753
Assets	257	222	510	420	507	535	331
Total	17,084	21,180	56,739	75,222	77,968	82,323	85,614



ANNUAL PERFORMANCE PLAN 2012 - 2013

The programme's budget has increased past few years primarily due to the increased attention of this critical function of the department. A major portion will relate to the establishment of the liquor board entity as well as providing the required resources in consumer protection and enforcement as per the provincial legislation.

3.2.5 Strategic Goal: To facilitate integrated planning that ensures effective implementation of sustainable economic development policies, strategies and programmes

The above Departmental strategic goal relates to Programme 5 of the Department, Economic Planning where the budget allocation is as follows: 2012/13 – R19,258,000; 2013/14 – R20,465,000 and 2014/15 – R23,238,00. All figures in the table below are in R'000.

Financial Year	2008/09	2009/10	2010/11	2011/12	2012/13	2013/14	2014/15
Compensation of Employees	3,702	5,528	8,132	11,204	11,821	12,472	12,762
Goods & Services	6,462	4,631	6,962	7,421	7,343	7,895	9,247
Transfers	0	6	29	0	0	0	0
Assets	577	134	404	90	94	98	1,229
Total	10,741	10,299	15,527	18,715	19,258	20,465	23,238

The building of in-house capability in economic research and policy development has provided the department with an incredibly useful resource. The unit in addition has the ability to undertake the monitoring and evaluation function for the department to enhance its service delivery





Part B: Programme and sub programme plans

Programme I : Administration

Sub-programme : Office Of The MEC

Specific policies, priorities, and strategic objectives

The principal objective and thrust of this sub-programme is to oversee the management of the executive office and to render executive support to ensure that the Executive Authority is able to fulfil his mandate as prescribed by legislation. The executive support in the main, refers to administration, operations, protocol, security, parliamentary liaison and communication as the face of the Department. The Executive Authority is expected to practically express both the vision and the mission of the Department and in particular key policy directives. In pursuit of these strategic policy objectives, the sub-programme is guided by the Ministerial Handbook as well the Constitution of the Republic of South Africa and other relevant pieces of legislation.

Progress analysis

It is envisaged that the Executive Authority will place much emphasis in continuing to create conducive economic environment as a fertile ground for investment retention and attraction and thereby, contribute immensely in creating job opportunities within the province. It is also planned that the Executive Authority would provide strategic leadership designed to intensify departmental programmes both nationally and international in an attempt to give meaning to economic development and tourism nexus. Critical areas such as intergovernmental partnership and public private partnership are also going to be accorded the much needed support. Refining policy around the intense support to SMMEs and Co-operatives will receive continued attention. Greater interaction with the chambers and other stakeholders in various sectors of the economy and devising practical mechanisms to assist municipalities will be implemented on quarterly basis.

Analysis of constraints and measures planned to overcome them

In any operation designed to be of assistance to the citizens, there is bound to be constraints. In order to overcome constraints, measures need to be devised in consultation with the interested parties, and the way forward be crafted to ensure that opportunities are optimally exploited. The main object to overcome constraints is to ensure that the turnaround time in assisting stakeholders both internally and nationally is improved and there is constant automotive monitoring system in place to hint timeously where potential problems may arise and mechanisms to aptly attend to them before they reach a point of crisis. Essentially, technology at our disposal should be used optimally in pursuit of justifying the mandated given to the executive Authority through various pieces of legislation.

Description of planned quality improvement measures

The Executive Authority is the face of the entire department including all the entities that report to his office. As such, communication is the cornerstone of any planned measures designed to improve quality and increase confidence in the various sectors within the mandate of the Executive Authority. This office will ensure that the Executive monitors and execute its legislative mandate and its strategic objectives are aligned to government apex priorities within the ambit of economic development and tourism. This office will also ensure that there is a seamless coordination of Executive policy announcements and communication strategies and monitor the feedback from various sectors in the economy. In line with the legislative requirements of the legislature, we will provide support in terms of cabinet, parliamentary matters and others that are attached to the Executive Authority by virtue of the mandate that legislatively empower him.



Specification of measurable objectives and performance measures or indicators

The following tables present the measurable objectives, performance measures or indicators, and performance targets for the Office of The MEC sub-programme

Measurable objectives, performance measures or indicators, and performance targets for Office of the HOM

Sub-Programme : Office of the MEC Component : Office of The HoM	Performance Indicator	Strategic Objective:								
		Audited/Actual performance		Estimated Performance 2011 /12	Medium Term Targets					
		2008/09	2009/10		2010/11	2012/13	2013/14	2014/15		
1. Measureable Objective : Provision of executive support services										
1.1 Ensure effective and professional executive support in coordinating meetings, MEC's diary, private office support, and preparing relevant documents and their signing thereof.	N/A	N/A	N/A	100%	100%	100%	100%	100%	100%	100%
1.2 Act as liaison with the offices of the HoD, and all Public Entities reporting to the Minister	N/A	N/A	N/A	100%	100%	100%	100%	100%	100%	100%
2. Measureable Objective : Management of Budget and HR matters										
2.1 Provide effective and efficient financial and HR management in the Ministry	N/A	N/A	N/A	100%	100%	100%	100%	100%	100%	100%
3. Measureable Objective : Provision of co-ordinated and aligned Minister's global participation										
3.1 Management of international trips of the Minister and Liaising with DIRCO on the trip to be undertaken and reports are written and submitted to the cabinet on all international trips.	N/A	N/A	N/A	100%	100%	100%	100%	100%	100%	100%
4. Measureable Objective : Ensure strategic oversight by Executive over execution of mandates of public entities										
4.1 Arrange quarterly bilaterals between the Executive and Chairs and CEOs of public entities	N/A	N/A	N/A	4	4	4	4	4	4	4

Sub-Programme : Office of the MEC Component : Office of The HoM	Performance Indicator	Strategic Objective:								
		Reporting period	Districts	Annual Target	Quarter 1	Quarter 2	Quarter 3	Quarter 4		
					Quarter 1	Quarter 2	Quarter 3	Quarter 4		
1. Measureable Objective : Provision of executive support services										
1.1 Ensure effective and professional executive support in coordinating meetings, MEC's diary, private office support, and preparing relevant documents and their signing thereof.	Quarterly	All Districts	100%	100%	100%	100%	100%	100%	100%	100%
1.2 Act as liaison with the offices of the HoD, and all Public Entities reporting to the Minister	Quarterly	All Districts	100%	100%	100%	100%	100%	100%	100%	100%
2. Measureable Objective : Management of Budget and HR matters										





Sub-Programme : Office of the MEC Component : Office of The HoM	Strategic Objective:						
	Reporting period	Districts	Annual Target	Quarter 1	Quarter 2	Quarter 3	Quarter 4
Performance Indicator							
2.1 Provide effective and efficient financial and HR management in the Ministry	Quarterly	All Districts	100%	100%	100%	100%	100%
3. Measureable Objective : Provision of co-ordinated and aligned Minister's global participation							
3.1 Management of international trips of the Minister and Liaising with DIRCO on the trip to be undertaken and reports are written and submitted to the cabinet on all international trips.	Quarterly	All Districts	100%	100%	100%	100%	100%
4. Measureable Objective : Ensure strategic oversight by Executive over execution of mandates of public entities							
4.1 Arrange quarterly bilaterals between the Executive and Chairs and CEOs of public entities	Quarterly	All Districts	4	1	1	1	1

Measurable objectives, performance measures or indicators, and performance targets for Ministry Operations

Sub-Programme : Office of the MEC Component : Ministry Operations	Strategic Objective:						
	Reporting period	Districts	Annual Target	Quarter 1	Quarter 2	Quarter 3	Quarter 4
Performance Indicator							
1. Measureable Objective: Provision of effective and efficient administrative support to the Office of the MEC.							
1.1 Effective administrative systems, and processes to the Office of the MEC	N/A	N/A	N/A	100%	100%	100%	100%
2. Measureable Objective: Ensure effective parliamentary support to the Executive and act as liaison between Ministry, Tourism and various committees.							
2.1 An up to date register of participation in Parliament for the Minister.	N/A	N/A	N/A	100%	100%	100%	100%
2.2 Provide support in relation parliamentary questions, parliamentary administration and tabling of documentation.	N/A	N/A	N/A	100%	100%	100%	100%
2.3 Provide support in facilitating Departmental oversight visits.	N/A	N/A	N/A	100%	100%	100%	100%

Sub-Programme : Office of the MEC Component : Ministry Operations	Strategic Objective:						
	Reporting period	Districts	Annual Target	Quarter 1	Quarter 2	Quarter 3	Quarter 4
Performance Indicator							
1. Measureable Objective: Provision of effective and efficient administrative support to the Office of the MEC.							
1.1 Effective administrative systems, and processes to the Office of the MEC	Quarterly	All Districts	100%	100%	100%	100%	100%
2. Measureable Objective: Ensure effective parliamentary support to the Executive and act as liaison between Ministry, Tourism and various committees.							



ANNUAL PERFORMANCE PLAN 2012 - 2013

Sub-Programme : Office of the MEC Component : Ministry Operations	Strategic Objective:						
	Reporting period	Districts	Annual Target	Quarter 1	Quarter 2	Quarter 3	Quarter 4
Performance Indicator							
2.1 An up to date register of participation in Parliament for the Minister.	Quarterly	All Districts	100%	100%	100%	100%	100%
2.2 Provide support in relation parliamentary questions, parliamentary administration and tabling of documentation.	Quarterly	All Districts	100%	100%	100%	100%	100%
2.3 Provide support in facilitating Departmental oversight visits.	Quarterly	All Districts	100%	100%	100%	100%	100%

Measurable objectives, performance measures or indicators, and performance targets for Corporate Communication

Sub-Programme : Office of the MEC Component : Corporate Communications	Strategic Objective : To Provide and facilitate an effective Communication support to the whole Department						
	Performance Indicator	Audited/Actual performance		Estimated Performance 2011 /12	Medium Term Targets		
		2008/09	2009/10		2010/11	2012/13	2013/14
1. Measureable Objective : Promotion of Internal Communication							
1.1 Publication and distribution of DEDT News – with latest developments and comments	52	52	52	52	52	52	52
1.2 Correctly updated and informative Intranet/Internet	52	52	52	52	52	52	52
2. Measureable Objective: Public awareness of DEDT services and successes							
2.1 Number of radio talk shows	48	60	96	96	96	96	96
2.2 Number of editions for PIVOT magazine	4	4	4	4	4	4	4
3. Measureable Objective: Publication of Legislative Reports							
3.1 Timely tabling of accurate Budget Speech, APP, Strategic Plan (March Annually), and Annual Report (August Annually)	2	2	2	2	2	2	2
4. Measureable Objective: Co-ordination and participation in Departmental public events							
4.1 Number of programme specific corporate function held (e.g. LED, uMvezi etc)	6	12	12	12	12	12	12
5. Measureable Objective: Compliance with all Corporate Communication regulations							
5.1 Number of Communication Strategies formulated or reviewed	1	1	1	1	1	1	1

Sub-Programme : Office of the MEC Component : Corporate Communications	Strategic Objective : To Provide and facilitate an effective Communication support to the whole Department						
	Reporting period	Districts	Annual Target	Quarter 1	Quarter 2	Quarter 3	Quarter 4
Performance Indicator							
1. Measureable Objective : Promotion of Internal Communication							
1.1 Publication and distribution of DEDT News – with latest developments and comments	Quarterly	All Districts	52	13	13	13	13





Sub-Programme : Office of the MEC Component : Corporate Communications	Strategic Objective : To Provide and facilitate an effective Communication support to the whole Department						
	Reporting period	Districts	Annual Target	Quarter 1	Quarter 2	Quarter 3	Quarter 4
Performance Indicator	Quarterly	All Districts	52	13	13	13	13
1.2 Correctly updated and informative Intranet/Internet	Quarterly	All Districts	96	24	24	24	24
2. Measureable Objective : Public awareness of DEDT services and successes	Quarterly	All Districts	4	1	1	1	1
2.1 Number of radio talk shows	Quarterly	All Districts	96	24	24	24	24
2.4 Number of editions for PIVOT magazine	Quarterly	All Districts	4	1	1	1	1
3. Measureable Objective : Publication of Legislative Reports	Quarterly	All Districts	2	1			1
3.1 Timely tabling of accurate Budget Speech, APP, Strategic Plan (March Annually), and Annual Report (August Annually)	Quarterly	All Districts	2	1			1
4. Measureable Objective : Co-ordination and participation in Departmental public events	Quarterly	All Districts	12	3	3	3	3
4.1 Number of programme specific corporate function held (e.g. LED, uMizezane etc)	Quarterly	All Districts	12	3	3	3	3
5. Measureable Objective : Compliance with all Corporate Communication regulations	Annual	All Districts	1	1			
5.1 Number of Communication Strategies formulated or reviewed	Annual	All Districts	1	1			

Measurable objectives, performance measures or indicators, and performance targets for Strategic Interventions

Sub-Programme : Office of the MEC Component : Strategic Interventions	Performance Indicator	Strategic Objective :					
		Audited/Actual performance		Estimated Performance	Medium Term Targets		
		2008/09	2009/10	2010/11	2012/13	2013/14	2014/15
1. Measureable Objective : Ensure effective and efficient interventions support to the executive.							
1.1 Provide support in relation to special projects and liaison with all stakeholders in the district where the Minister is political champion.	N/A	N/A	N/A	100%	100%	100%	100%
1.2 Build and manage relations to ensure that appropriate special projects are implemented.	N/A	N/A	N/A	100%	100%	100%	100%
1.3 An annual up to date project plan around special projects and seek resources to ensure the projects takes off from the ground.	N/A	N/A	N/A	100%	100%	100%	100%

Sub-Programme : Office of the MEC Component : Strategic Interventions	Performance Indicator	Strategic Objective :						
		Reporting period	Districts	Annual Target	Quarter 1	Quarter 2	Quarter 3	Quarter 4
1. Measureable Objective : Ensure effective and efficient interventions support to the executive.								
1.1 Provide support in relation to special projects and liaison with all stakeholders in the district where the Minister is political champion.	Quarterly	All Districts	100%	100%	100%	100%	100%	100%



ANNUAL PERFORMANCE PLAN 2012 - 2013

Sub-Programme : Office of the MEC Component : Strategic Interventions		Strategic Objective :						
Performance Indicator	Reporting period	Districts	Annual Target	Quarter 1	Quarter 2	Quarter 3	Quarter 4	
1.2 Build and manage relations to ensure that appropriate special projects are implemented.	Quarterly	All Districts	100%	100%	100%	100%	100%	
1.3 An annual up to date project plan around special projects and seek resources to ensure the projects takes off from the ground.	Quarterly	All Districts	100%	100%	100%	100%	100%	

Measurable objectives, performance measures or indicators, and performance targets for Policy and Partnerships

Sub-Programme : Office of the MEC Component : Policy and Partnerships		Strategic Objective :							
Performance Indicator	Reporting period	Audited/Actual performance	2008/09	2009/10	2010/11	Estimated Performance		Medium Term Targets	
						2011 /12	2012/13	2013/14	2014/15
1. Measureable Objective : Lead and direct stakeholder relations, provincial and local liaison, and partnerships with key stakeholders that impact on the communications objectives of the Ministry.									
1.1 An up to date stakeholder database accessible to Ministry.	Quarterly	N/A	N/A	N/A	N/A	100%	100%	100%	100%
1.2 Number of direct and unmediated stakeholders' interactions per year with the executing authority.	Quarterly	N/A	N/A	N/A	N/A	12	12	12	12
1.3 Quarterly participation to the PTC of all stakeholders.	Quarterly	N/A	N/A	N/A	N/A	4	4	4	4
1.4 Average number of months taken to interpret new national policy directives	Quarterly	N/A	N/A	N/A	N/A	2	2	2	2

Sub-Programme : Office of the MEC Component : Policy and Partnerships		Strategic Objective :							
Performance Indicator	Reporting period	Districts	Annual Target	Quarter 1	Quarter 2	Quarter 3	Quarter 4	Medium Term Targets	
								2011 /12	2012/13
1. Measureable Objective :									
1.1 An up to date stakeholder database accessible to Ministry.	Quarterly	All Districts	100%	100%	100%	100%	100%	100%	100%
1.2 Number of direct and unmediated stakeholders' interactions per year with the executing authority.	Quarterly	All Districts	12	3	3	3	3	3	3
1.3 Quarterly participation to the PTC of all stakeholders.	Quarterly	All Districts	4	1	1	1	1	1	1
1.4 Average number of months taken to interpret new national policy directives	Quarterly	All Districts	2	2	2	2	2	2	2





Programme I :Administration

Sub-Programme : Office of the Head of Department

Purpose

The Office of the Head of Department is responsible for the provision of strategic leadership, policy and legislative formulation, administration and management of the department in order to fulfil its mandate. Central to the functions of the HOD's office is the oversight responsibility over implementation of the department's entities programmes and key strategic interventions.

Specific policies, priorities, and strategic objectives

The strategic objective of the sub-programme, Office of the Head of Department, is to effectively manage and direct the departmental programmes to ensure delivery of the departmental goals. A key focus area is the oversight responsibility of the public entities to strengthen relationships and enhancing accountability.

Progress analysis

In February 2011, together with the Economic Planning Unit, the Office of the HOD embarked on an initiative to implement a strategic planning process that would allow all staff within the Department as well as key stakeholders, the opportunity to participate in developing a strategy for 2012/13 that would enable the Department to realise the Vision, Mission, and Strategic Objectives of the Department as well as ensure that the priorities highlighted by the MEC are effectively addressed.

The strategic plan process took place in a 3 phase approach namely, the strategic review and development at programme and MANCO level and lastly the development of an implementation framework at programme level. The vision and mission of the department remain unchanged but 3 new strategic goals and objectives of the department were developed. Measurable objectives were identified and priorities addressed. Key principles were agreed upon during the strategic planning session when projects had to be identified.

The General Manager for Executive Support and Strategy Analysis in the HOD's Office resigned in September 2011. Given the significant role of this position this has placed the HOD's Office under immense administrative and strategic pressures. The Manager: Public Entities was appointed on a contract position last year. The past year has thought us a valuable lesson in that the oversight responsibility of these 9 entities requires additional capacity and just not a Manager.

Analysis of constraints and measures planned to overcome them

The General Manager for Executive Support and Strategy Analysis and Manager: Public Entities positions are anticipated to be filled by the beginning of the new financial year. In order to ensure that sufficient capacity is in place to manage the 9 public entities a work-study exercise must be conducted to ensure that capacity is sufficient or additional is required.

Specification of measurable objectives and performance measures or indicators

The following tables present the measurable objectives, performance measures or indicators, and performance targets for the Financial Management sub-programmes.



Measurable objectives, performance measures or indicators, and targets for Office of The Head of Department

Strategic Plan Target (Measurable Objective)	Audited/Actual performance			Estimated performance 2011/12	Medium-term targets		
	2008/09	2009/10	2010/11		2012/13	2013/14	2014/15
Strategic objective : To effectively manage and direct the departmental programmes to ensure delivery of departmental goals							
To co-ordinate and ensure integrated relevant and effective planning	100%	100%	100%	100%	100%	100%	100%
Strategic objective: To build, strengthen and align institutions of economic development							
To ensure the alignment of strategies of the Department and Public entities	100%	100%	100%	100%	100%	100%	100%
To establish and support institutions that promote economic growth	100%	100%	100%	100%	100%	100%	100%
Strategic objective: To facilitate strategic partnerships in the development of provincial economy							
To enter into structural agreements with key strategic partners	100%	100%	100%	100%	100%	100%	100%
Strategic objective	To effectively manage and direct the departmental programmes to ensure delivery of departmental goals						
Objective statement	Improved institutional capacity, accountability and efficiency in implementing programmes to realise the department mandate						
Baseline (2011-12)	Number of Priority projects implemented based on the APP targets : 05						
Justification	Number of EXCO and Manco meetings held to manage policy and operational efficiencies : 30						
Links	This objective contribute in enhancing economic growth potential of local economies through improved service delivery						
Strategic objective	This objective will curb poor service delivery by state organs and improve service excellence						
Objective statement	To build, strengthen and align institutions of economic development						
Baseline (2011-12)	Improvement in the alignment of a Departmental APP and Public entities APPs						
Justification	Number of APPs developed or reviewed : 09						
Links	Number of Public entity reporting meetings with HOD :04						
Strategic objective	This objective will ensure that the Annual Performance Plans of the Public entities are in line with the strategic objectives of the department with its implementation monitored on a quarterly basis.						
Objective statement	To build, strengthen and align institutions of economic development						
Baseline (2011-12)	To establish an institutional framework for the to facilitate the growth of the economy whilst building capacity to ensure sustainable economic growth						
Justification	Number of strategic institutions established and functional : 2						
Links	Number of capacity building interventions: 4						
Strategic objective	This objective will ensure that established institutions are equipped with desired expertise with a reasonable level of autonomy to maximise their growth potential, whilst mobilising more resources to implement the mandates						
Objective statement	To facilitate strategic partnerships in the development of provincial economy						
Baseline (2011-12)	Increased and strengthened partnerships for the development of provincial economy						
Justification	Number of partnerships established and reviewed :						
Links	Number of Agreements or Memorandum of Understanding signed :						





Justification	This objective will ensure that the department capitalises on maximising resources, collaborating with external stakeholders in programme and project implementation in order to enhance expertise and operational efficiencies.
Links	This objective will contribute to the implementation of improved corporate governance and Public Private Partnerships strategies of government

Performance indicator	Audited/Actual performance			Estimated performance	Medium-term targets		
	2008/09	2009/10	2010/11		2012/13	2013/14	2014/15
Strategic Objective : To effectively manage and direct the departmental programmes to ensure delivery of departmental goals							
1 Measurable Objective: To co-ordinate and ensure integrated relevant and effective planning							
1.1 Adherence to institutional calendar of meetings & deadlines	N/a	N/a	N/a	N/a	30	30	30
1.2 Number of internal policies and strategies implemented	N/a	N/a	N/a	N/a	4	4	4
Strategic Objective: To build, strengthen and align institutions of economic development							
2 Measurable Objective : To ensure the alignment of strategies of the Department and Public entities							
2.1 Number of reports by Public Entities and the Department (Increased compliance in reporting by department and entities)	4	4	4	4	4	4	4
2.2 Number of timeously submitted and accurate reports	4	4	4	4	4	4	4
Strategic Objective: To facilitate strategic partnerships in the development of provincial economy							
3 Measurable Objective : To enter into structural agreements with key strategic partners							
3.1 Number of partnerships established with key stakeholders	N/a	N/a	N/a	N/a	2	2	4
3.2 Number of International Relations Engagements facilitated	N/a	N/a	n/a	N/a	4	4	6
3.3 Number of IGR platforms participated	n/a	2	6	8	6	6	8

Performance indicators	Reporting period	Districts	Annual Target	Quarterly targets			
				Quarter 1	Quarter 2	Quarter 3	Quarter 4
1 Measurable Objective : To co-ordinate and ensure integrated relevant and effective planning							
1.1 Adherence to institutional calendar of meetings & deadlines	Monthly	All	30	8	8	8	6
1.2 Number of internal policies and strategies implemented	Monthly	All	4	1	1	1	1
2 Measurable Objective : To ensure the alignment of strategies of the Department and Public entities							
2.1 Number of reports by Public Entities and the Department (Increased compliance in reporting by department and entities)	Quarterly	All	4	1	1	1	1
2.2 Number of timeously submitted and accurate reports	Quarterly	All	4	1	1	1	1
Measurable Objective : To enter into structural agreements with key strategic partners							
3.1 Number of partnerships established with key stakeholders	Quarterly	All	2	0	0	1	1
3.2 Number of International Relations Engagements facilitated	Annual	All	4	0	0	0	4
3.3 Number of IGR platforms participated	Quarterly	All	6	1	2	2	1



Programme I :Administration

Sub-programme : Financial Management

Specific policies, priorities, and strategic objectives

The strategic objective of the sub-programme is to ensure the implementation of the PFMA and other related financial regulations and policies. The financial management unit, which manages the sub-programme, oversees the full financial cycle of budgeting, procurement, processing of expenditure, and recording of financial transactions.

Progress analysis

A culture of good Corporate Governance has been rigorously promoted within the Financial Management function of the Department. Specific emphasis has been placed on Accountability & Reporting. Both Financial Services & SCM report against measurable performance indicators on a monthly basis. These results are analysed & presented to Manco & Exco where shortcomings are analysed & rectified. The vacant post of General Manager Financial Management, as previously reported, has been filled on a 2 year contract.

Analysis of constraints and measures planned to overcome them

Financial Planning & projecting still presents a challenge within the Department. This shortfall is being addressed through monthly budget meetings where line functions meet with Finance & report on their variance's & reprioritise where necessary. This will ultimately result in projections being more realistic & curb under & over expenditure.

Description of planned quality improvement measures

Continuous improvement through revised control's, checks & reporting methods. Finance staff are to be kept current by attending training sessions & refresher courses.

Specification of measurable objectives and performance measures or indicators

The following tables present the measurable objectives, performance measures or indicators, and performance targets for the Financial Management sub-programmes.





Measurable objectives, performance measures or indicators, and targets for Supply Chain Management

Strategic objective : To become an institute of excellence with respect to Economic Development						
Strategic Plan Target (Measurable Objective)	Audited/Actual performance		Estimated performance 2011 /12	Medium-term targets		
	2008/09	2009/10		2010/11	2012/13	2013/14
To ensure the implementation of the PFMA and other related financial regulations and policies in Supply Chain and Asset Management	100% compliance in all aspects	100% compliance in all aspects	100% compliance in all aspects as per the Financial Management Service Charter			
Strategic objective	To ensure the implementation of the PFMA and other related financial regulations and policies in Supply Chain and Asset Management.					
Baseline	All Financial Management related legislation and procedures, e.g PFMA, Treasury Regulations, etc.					
Justification	This will ensure that the Department is fully compliant with all Financial Management related legislation and procedures.					
Objective statement	Turnaround times for all Supply Chain Management activities to be in line with times in the Financial Management Service Charter.					
Links	This will ensure that activities performed by SCM are well within the times expected by SCM's clients, both internal and external.					
Objective statement	Effective adherence to delivery targets off all SCM activities in line with the Service Delivery targets in the annual Financial Management Service Charter.					
Links	This will ensure that all the required and necessary activities are performed by SCM.					
Objective statement	Compliance with all SCM regulations, including the timeous submission of legislative reports and the development of related SCM policies..					
Links	This will ensure that all the required and necessary reports are submitted and policies are developed by SCM.					
Strategic Objective : To become an institute of excellence with respect to Economic Development						
Sub-Programme : Financial Management						
Component : Supply Chain Management						
Performance Indicator						
1. Measureable Objective : To implement and monitor systems to enhance operational efficiency	N/A	N/A	N/A	12	12	12
1.1 Monthly turnaround time reports for bids & quotations						
2. Measureable Objective : To co-ordinate and ensure integrated and effective planning in relation to the Departmental Procurement Plan				14	14	14
2.1 Monthly expenditure reports against a procurement, annually approved and adjusted procurement plan aligned to the Departmental budget	N/A	N/A	N/A			
3. Measureable Objective : To fully comply with the Asset Management legislative framework						



ANNUAL PERFORMANCE PLAN 2012 - 2013

Sub-Programme : Financial Management Component : Supply Chain Management	Strategic Objective : To become an institute of excellence with respect to Economic Development					
	Audited/Actual performance		Estimated Performance	Medium Term Targets		
	2008/09	2009/10		2010/11	2012/13	2013/14
Performance Indicator 3.1 Bi-annual fully reconciled departmental asset register reports	N/A	N/A	N/A	2	2	2

Sub-Programme : Financial Management Component : Supply Chain Management	Strategic Objective : To ensure the implementation of the PFMA and other related financial regulations and policies in Supply Chain and Asset Management						
	Reporting period	Districts	Annual Target	Quarter 1	Quarter 2	Quarter 3	Quarter 4
				Quarterly	Quarterly	Quarterly	Quarterly
1. Measureable Objective : To implement and monitor systems to enhance operational efficiency	Quarterly	All Districts	12	3	3	3	3
1.1 Monthly turnaround time reports for bids & quotations							
2. Measureable Objective : To co-ordinate and ensure integrated and effective planning in relation to the Departmental Procurement Plan	Quarterly	All Districts	14	3	3	4	4
2.1 Monthly expenditure reports against the procurement, annually approved and adjusted procurement plan aligned to the Departmental budget							
3. Measureable Objective : To fully comply with the Asset Management legislative framework	Quarterly	All Districts	2	1			1
3.1 Bi-annual fully reconciled departmental asset register reports							

Measurable objectives, performance measures or indicators, and targets for Financial Management: Finance Support Services

Strategic Plan Target (Measurable Objective)	Strategic objective : To become an institute of excellence with respect to Economic Development					
	Audited/Actual performance		Estimated performance	Medium-term targets		
	2008/09	2009/10		2010/11	2012/13	2013/14
To ensure the implementation of the PFMA and other related financial regulations and policies in the Budgeting and Payment processes	100% compliance in all aspects	100% compliance in all aspects	100% compliance in all aspects as per the Financial Management Service Charter			

Strategic objective	To ensure the implementation of the PFMA and other related financial regulations and policies in the Budgeting and Payment processes
Baseline	All Financial Management related legislation and procedures, e.g PFMA, Treasury Regulations, etc.
Justification	This will ensure that the Department is fully compliant with all Financial Management related legislation and procedures.
Objective statement	Turnaround times for all Finance Support Services activities to be in line with times in the Financial Management Service Charter.
Links	This will ensure that activities performed by Finance Support Services are well within the times expected by Finance Support Services's clients, both internal and external.





Objective statement	Effective adherence to delivery targets off all Finance Support Services activities in line with the Service Delivery targets in the annual Financial Management Service Charter.
Links	This will ensure that all the required and necessary activities are performed by Finance Support Services.
Objective statement	Compliance with all Finance Support Services regulations, including the timely submission of legislative reports and the development of related Finance Support Services policies.
Links	This will ensure that all the required and necessary reports are submitted and policies are developed by Finance Support Services.

Sub-Programme : Financial Management Component : Finance Support Services	Performance Indicator	Strategic Objective: To become an institute of excellence with respect to Economic Development									
		Audited/Actual performance		Estimated Performance		Medium Term Targets					
		2008/09	2009/10	2010/11	2011 /12	2012/13	2013/14	2014/15			
1. Measureable Objective : To operate within the prescribed framework (PFMA)											
1.1 Monthly turnaround time reports on invoice payments		N/A	N/A	N/A	12	12	12	12	12	12	12
2. Measureable Objective : To seek improvement with the level of compliance with the legislative framework											
2.1 Accurate & punctual IYM & Annual/Interim Financial Statements		N/A	N/A	N/A	16	16	16	16	16	16	16
3. Measureable Objective : Effective Risk Management											
3.1 Annually approved updated risk management register and monthly risk management reports.		13	13	13	13	13	13	13	13	13	13

Sub-Programme : Financial Management Component : Finance Support Services	Performance Indicator	Strategic Objective: To ensure the implementation of the PFMA and other related financial regulations and policies in the Budgeting and Payment processes.									
		Reporting period	Districts	Annual Target	Quarter 1	Quarter 2	Quarter 3	Quarter 4			
					Quarter 1	Quarter 2	Quarter 3	Quarter 4			
1. Measureable Objective : To operate within the prescribed framework (PFMA)											
1.1 Monthly turnaround time reports on invoice payments	Quarterly	All Districts	12	3	3	3	3	3	3	3	3
2. Measureable Objective : To seek improvement with the level of compliance with the legislative framework											
2.1 Accurate & punctual IYM & Annual/Interim Financial Statements	Quarterly	All Districts	16	4	4	4	4	4	4	4	4
3. Measureable Objective : Effective Risk Management											
3.1 Annually approved updated risk management register and monthly risk management reports.	Quarterly	All Districts	13	3	3	3	3	3	3	3	3



Programme I :ADMINISTRATION

Sub-programme : CORPORATE SERVICES

Specific policies, priorities, and strategic objectives

The Corporate Services sub-programme comprises five units, namely: i) Human Resources Management (HRM), ii) Information Technology and Communication (IT and Communication), iii) Legal Services, iv) Auxiliary Services. These units provide support services to the whole Department. Accordingly, the strategic objective of the sub-programme is to provide effective and efficient support services to the whole Department regarding Human Resources (HR), Legal Services, IT and Communication, Auxiliary Services.

Progress analysis

With the implementation of the General Administration's Service Delivery Commitment Charter, progress has been made in harmonizing the operations of the sub program which made it possible to realize the achievements in the areas such as developing both the disaster recovery plan and IT Policy which are at an approval stage. Other areas of improvement has been achieved in that other policies that pertain to facilities management, general registry and records management have been implemented consistently with the view to minimize operational risks.

On the progress made around legal advisory services, all litigation cases instituted against the department have been managed by the legal services component to avoid default judgments and the contract management system is now in place and the information is being loaded onto the system. In in the meantime, the legal services section has also initiated a draft litigation management policy which will be processed during the 2012/2013 financial year. The KZN Liquor Licensing Bill has since been passed into law and substantial progress has been made towards finalizing the accompanying Liquor Regulations, KZN Tourism Bill and other pieces of legislation that form part of the planned legislative drafting program

On the provision of office accommodation, the unit responsible for facilities management has made meaningful progress in resolving what was previously reported as outstanding district office matters in respect of both the Newcastle and Ladysmith district offices. Processes pertaining to the expiry and renewal of office accommodation leases are underway and the necessary notices have been dispatched to the Department of Works.

Analysis of constraints and measures planned to overcome them

The roll out of the departmental filling system has been a difficult experience for the sub program for some-time now and despite the change in implementation strategy by the Auxilary Services unit, there seems to be persistent subtle resistance by line function to the intended full roll out of the system

The delay in the finalization of the department's organizational structure has had a negative impact on the sub program 's service delivery in that planned operational improvements could not be implemented. Added to operational constraints were the Provincial Treasury's austerity measures in that vacant posts could not be filled and the cut back on visits to district offices meant that supervision of personnel and operations at district offices was somewhat compromised.





Description of planned quality improvement measures

Filling of critical positions that provide management support at district offices, to be prioritized and sustained enforcement of penalties against defaulters using the contract management system to be prioritized.

Specification of measurable objectives and performance indicators

Measurable objectives, performance measures or indicators, and performance targets for Human Resource Management & Development

Strategic Plan Target (Measurable Objective)	Audited/Actual performance		Estimated performance	Medium-term targets		
	2008/09	2009/10		2010/11	2012/13	2013/14
To provide support services to the whole Department regarding Human Resource Management & Development	100% compliance in all aspects	100% compliance in all aspects	100% compliance in all aspects as per the Corporate Services Service Charter			

Strategic objective	To provide support services to the whole Department regarding Human Resource Management & Development
Baseline	All HRM & D related legislation and procedures, e.g Public Service Act, Public Service Regulations, etc.
Justification	This will ensure that the Department is fully compliant with all HRM & D related legislation and procedures.
Objective statement	Turnaround times for all HRM & D activities to be in line with times in the Corporate Services Service Charter.
Links	This will ensure that activities performed by HRM & D are well within the times expected by Corporate Services's clients, both internal and external.
Objective statement	Effective adherence to delivery targets off all HRM & D activities in line with the Service Delivery targets in the annual Corporate Services' Service Charter.
Links	This will ensure that all the required and necessary activities are performed by HRM & D.
Objective statement	Compliance with all HRM & D regulations, including the timeous submission of legislative reports and the development of related HRM & D policies.
Links	This will ensure that all the required and necessary reports are submitted and policies are developed by HRM & D.

Sub-programme: Corporate Services Component : Human Resource Management & Development.	Audited/Actual performance		Estimated Performance	Medium Term Targets		
	2008/09	2009/10		2010/11	2012/13	2013/14
Performance Indicator	N/A	N/A	N/A	100%	100%	100%
1. Measureable Objective : To meet the timeframes for HR activities as contained in the service commitment charter						
1.1 100% of staff assessed by 30 June each year	N/A	N/A	100%	100%	100%	100%



ANNUAL PERFORMANCE PLAN 2012 - 2013

Performance Indicator	Sub-programme: Corporate Services		Strategic Objective: To provide support services to the whole Department regarding Human Resource Management & Development.					
	Component : Human Resource Management & Development.		Audited/Actual performance		Estimated Performance		Medium Term Targets	
	2008/09	2009/10	2010/11	2011 /12	2012/13	2013/14	2014/15	
1.2 Accurate & punctual submission of all HR Legislative Reports	12	12	12	12	12	12	12	
2. Measureable Objective : To maintain the vacancy rate at an acceptable level	N/A	N/A	N/A	10%	10%	10%	10%	
2.1 Vacancy rate of 10 %	N/A	N/A	N/A	10%	10%	10%	10%	
3. Measureable Objective : To conduct training in accordance with Training Plan	N/A	N/A	N/A	100%	100%	100%	100%	
3.1 To facilitate 100% of approved training each year	N/A	N/A	N/A	100%	100%	100%	100%	
4. Measureable Objective : To align the organisational structure to the strategic plan of the department	N/A	N/A	N/A	1	1	1	1	
4.1 One review of the organisational structure per annum	N/A	N/A	N/A	1	1	1	1	

Performance Indicator	Sub-programme: Corporate Services		Strategic Objective: To provide support services to the whole Department regarding Human Resource Management & Development.											
	Component : Human Resource Management & Development.		Reporting period		Annual Target		Quarter 1		Quarter 2		Quarter 3		Quarter 4	
	2008/09	2009/10	2010/11	2011 /12	2012/13	2013/14	2014/15							
1. Measureable Objective : To meet the timeframes for HR activities as contained in the service commitment charter	Annual	All Districts	100%	100%	100%	100%	100%							
1.1 100% of staff assessed by 30 June each year	Quarterly	All Districts	12	3	3	3	3							
1.2 Accurate & punctual submission of all HR Legislative Reports	Quarterly	All Districts	12	3	3	3	3							
2. Measureable Objective : To maintain the vacancy rate at an acceptable level	Quarterly	All Districts	10%	10%	10%	10%	10%							
2.1 Vacancy rate of 10 %	Quarterly	All Districts	10%	10%	10%	10%	10%							
3. Measureable Objective : To conduct training in accordance with Training Plan	Quarterly	All Districts	100%	100%	100%	100%	100%							
3.1 To facilitate 100% of approved training each year	Annual	All Districts	1	1	1	1	1							
4. Measureable Objective : To align the organisational structure to the strategic plan of the department	Annual	All Districts	1	1	1	1	1							
4.1 One review of the organisational structure per annum	Annual	All Districts	1	1	1	1	1							

Measurable objectives, performance measures or indicators, and performance targets for Corporate Services: Auxiliary Services

Strategic Plan Target (Measurable Objective)	Strategic objective :		Audited/Actual performance		Estimated performance		Medium-term targets		
	To provide support services to other programmes regarding document management, registry, facilities and messenger services		2008/09	2009/10	2010/11	2011 /12	2012/13	2013/14	2014/15
	To provide support services to other programmes regarding document management, registry, facilities and messenger services		100% compliance in all aspects	100% compliance in all aspects	100% compliance in all aspects	100% compliance in all aspects	100% compliance in all aspects	100% compliance in all aspects	100% compliance in all aspects
Strategic objective	To provide support services to other programmes regarding document management, registry, facilities and messenger services								
Baseline	All Auxiliary Services related legislation and procedures, e.g Public Service Act, Public Service Regulations, etc.								
Justification	This will ensure that the Department is fully compliant with all Auxiliary Services related legislation and procedures.								





Objective statement	Turnaround times for all Auxiliary Services activities to be in line with times in the Corporate Services Service Charter.
Links	This will ensure that activities performed by Auxiliary Services are well within the times expected by Corporate Services's clients, both internal and external.
Objective statement	Effective adherence to delivery targets off all Auxiliary Services activities in line with the Service Delivery targets in the annual Corporate Services' Service Charter.
Links	This will ensure that all the required and necessary activities are performed by Auxiliary Services.
Objective statement	Compliance with all Auxiliary Services regulations, including the timeous submission of legislative reports and the development of related Auxiliary Services policies.
Links	This will ensure that all the required and necessary reports are submitted and policies are developed by Auxiliary Services.

Sub-programme: Corporate Services Component: Auxiliary Services	Strategic objective: To provide support services to other programmes regarding document management, registry, facilities and messenger services						
Performance Indicator	Audited/Actual performance		Estimated Performance		Medium Term Targets		
	2008/09	2009/10	2010/11	2011 /12	2012/13	2013/14	2014/15
1. Measureable Objective: To promote the culture of Good Corporate Governance throughout the Dept.	N/A	N/A	N/A	4	4	4	4
1.1 Quarterly assessment report on physical facilities							
2. Measureable Objective : To promote the culture of Good Corporate Governance throughout the Dept.							
2.1 All Departmental records stored & accessible from Auxiliary as per all relevant acts.	N/A	N/A	N/A	100%	100%	100%	100%

Sub-programme: Corporate Services Component: Auxiliary Services	Strategic objective: To provide support services to other programmes regarding document management, registry, facilities and messenger services						
Performance Indicator	Reporting period	Districts	Annual Target	Quarter 1	Quarter 2	Quarter 3	Quarter 4
	Governance throughout the Dept.						
1. Measureable Objective : To promote the culture of Good Corporate Governance throughout the Dept.	Quarterly	All Districts	4	1	1	1	1
1.1 Quarterly assessment report on physical facilities							
2. Measureable Objective : To promote the culture of Good Corporate Governance throughout the Dept.	Governance throughout the Dept.						
2.1 All Departmental records stored & accessible from Auxiliary as per all relevant acts.	Quarterly	All Districts	100%	100%	100%	100%	100%



ANNUAL PERFORMANCE PLAN 2012 - 2013

Measurable objectives, performance measures or indicators, and performance targets for Corporate Services: Legal Services

Strategic objective : To provide an effective and efficient Legal Services support to the whole Department						
Strategic Plan Target (Measurable Objective)	Audited/Actual performance		Estimated performance	Medium-term targets		
	2008/09	2009/10		2010/11	2012/13	2013/14
To provide an effective and efficient Legal Services support to the whole Department	100% compliance in all aspects	2009/10	2010/11	100% compliance in all aspects as per the Corporate Services Service Charter		
Strategic objective	To provide an effective and efficient Legal Services support to the whole Department					
Baseline	All Legal Services related legislation and procedures, e.g Public Service Act, Public Service Regulations, etc.					
Justification	This will ensure that the Department is fully compliant with all Legal Services related legislation and procedures.					
Objective statement	Turnaround times for all Legal Services activities to be in line with times in the Corporate Services Service Charter.					
Links	This will ensure that activities performed by Legal Services are well within the times expected by Corporate Services's clients, both internal and external.					
Objective statement	Effective adherence to delivery targets off all Legal Services activities in line with the Service Delivery targets in the annual Corporate Services' Service Charter.					
Links	This will ensure that all the required and necessary activities are performed by Legal Services.					
Objective statement	Compliance with all Legal Services regulations, including the timeous submission of legislative reports and the development of related Legal Services policies.					
Links	This will ensure that all the required and necessary reports are submitted and policies are developed by Legal Services.					
Sub-programme: Corporate Services						
Component: Legal Services						
Performance Indicator	Audited/Actual performance		Estimated Performance	Medium Term Targets		
	2008/09	2009/10		2010/11	2012/13	2013/14
1. Measureable Objective : To implement & monitor systems to enhance operational efficiency.	N/A	N/A	N/A	12	12	12
1.1 Monthly turnaround time report on all Legal Services	N/A	N/A	N/A	12	12	12
2. Measureable Objective : To implement & monitor systems to enhance operational efficiency.	N/A	N/A	N/A	12	12	12
2.1 Monthly updated contracts register.	N/A	N/A	N/A	12	12	12
3. Measureable Objective : To implement & monitor systems to enhance operational efficiency.	N/A	N/A	N/A	0	0	0
3.1 Zero default judgments	N/A	N/A	N/A	0	0	0





Sub-programme: Corporate Services Component: Legal Services	Strategic objective: To provide and effective and efficient Legal Services support to the whole Department						
Performance Indicator	Reporting period	Districts	Annual Target	Quarter 1	Quarter 2	Quarter 3	Quarter 4
1. Measureable Objective : To implement & monitor systems to enhance operational efficiency.	Quarterly	All Districts	12	3	3	3	3
1.1 Monthly turnaround time report on all Legal Services.	Quarterly	All Districts	12	3	3	3	3
2. Measureable Objective : To implement & monitor systems to enhance operational efficiency.	Quarterly	All Districts	12	3	3	3	3
2.1 Monthly updated contracts register.	Quarterly	All Districts	12	3	3	3	3
3. Measureable Objective : To implement & monitor systems to enhance operational efficiency.	Quarterly	All Districts	100%	0	0	0	0
3.1 Zero default judgments	Quarterly	All Districts	100%	0	0	0	0

Measurable objectives, performance measures or indicators, and performance targets for Corporate Services: Information Technology

Strategic objective : To Provide Information Technology support to the whole Department		Audited/Actual performance		Medium-term targets				
Strategic Plan Target (Measurable Objective)		2008/09	2009/10	2010/11	2011 /12	2012/13	2013/14	2014/15
To Provide Information Technology support to the whole Department		100% compliance in all aspects	100% compliance in all aspects	100% compliance in all aspects	100% compliance in all aspects	100% compliance in all aspects	100% compliance in all aspects	100% compliance in all aspects

Strategic objective	To Provide Information Technology support to the whole Department.
Baseline	All Information Technology related legislation and procedures, e.g SITA Act, Electronic Communications and Transactions, etc.
Justification	This will ensure that the Department is fully compliant with all Information Technology related legislation and procedures.
Objective statement	Turnaround times for all Information Technology activities to be in line with times in the Corporate Services Service Charter.
Links	This will ensure that activities performed by Information Technology are well within the times expected by Corporate Services's clients, both internal and external.
Objective statement	Effective adherence to delivery targets off all Information Technology activities in line with the Service Delivery targets in the annual Corporate Services' Service Charter.
Links	This will ensure that all the required and necessary activities are performed by Information Technology.
Objective statement	Compliance with all Information Technology regulations, including the timeous submission of legislative reports and the development of related Information Technology policies.
Links	This will ensure that all the required and necessary reports are submitted and policies are developed by Information Technology.



ANNUAL PERFORMANCE PLAN 2012 - 2013

Sub-programme: Corporate Services Component: Information Technology Performance Indicator	Strategic objective: To Provide Information Technology support to the whole Department						
	Audited/Actual performance		Estimated Performance		Medium Term Targets		
	2008/09	2009/10	2010/11	2011 /12	2012/13	2013/14	2014/15
1. Measureable Objective : To implement & monitor systems to enhance operational efficiency.				12	12	12	12
1.1 Monthly report on IT fault resolutions & IT acquisitions.	N/A	N/A	N/A				
2. Measureable Objective : To implement & monitor systems to enhance operational efficiency.				4	4	4	4
2.1 Quarterly reports on implementation of MSP.	N/A	N/A	N/A				

Sub-programme: Corporate Services Component: Information Technology Performance Indicator	Strategic objective: To Provide Information Technology support to the whole Department						
	Reporting period	Districts	Annual Target	Quarter 1	Quarter 2	Quarter 3	Quarter 4
				Quarterly	Quarterly	Quarterly	Quarterly
1. Measureable Objective : To implement & monitor systems to enhance operational efficiency.			12	3	3	3	3
1.1 Monthly report on IT fault resolutions & IT acquisitions.	Quarterly	All Districts					
2. Measureable Objective : To implement & monitor systems to enhance operational efficiency.			4	1	1	1	1
2.1 Quarterly reports on implementation of MSP.	Quarterly	All Districts					

Measurable objectives, performance measures or indicators, and performance targets for Security Services

Sub-programme: Corporate Services Component: Security Services Performance Indicator	Strategic objective: To provide support services to the whole Department regarding security services						
	Audited/Actual performance		Estimated Performance		Medium Term Targets		
	2008/09	2009/10	2010/11	2011 /12	2012/13	2013/14	2014/15
1. Measureable Objective : Management of MISS.				0	0	0	0
1.1 Number of transgressions (Implying full compliance with MISS).	0	0	0				
2. Measureable Objective : Management of physical security.				0	0	0	0
2.1 Number of Incidents (Implying an effective access control system available 27/7/365)	0	0	0				
3. Measureable Objective : Management of outsourced contracts.				0	0	0	0
3.1 Number of Incidents (Implying a Safe and Secure Environment for all offices)	0	0	0				





Sub-programme: Corporate Services Component: Security Services	Strategic objective: To provide support services to the whole Department regarding security services						
	Reporting period	Districts	Annual Target	Quarter 1	Quarter 2	Quarter 3	Quarter 4
Performance Indicator							
1. Measureable Objective : Management of MISS.	Quarterly	All Districts	0	0	0	0	0
1.1 Number of transgressions (Implying full compliance with MISS).							
2. Measureable Objective : Management of physical security.	Quarterly	All Districts	0	0	0	0	0
2.1 Number of Incidents (Implying an effective access control system available 27/7/365)							
3. Measureable Objective : Management of outsourced contracts.	Quarterly	All Districts	0	0	0	0	0
3.1 Number of Incidents (Implying a Safe and Secure Environment for all offices)							

Programme One : Administration : Reconciling Performance Targets with Budgets and MTEF

Summary of payments and estimates - Programme 1: Administration									
R thousand	Audited Outcome		Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates			
	2008/09	2009/10				2010/11	2011/12	2012/13	2013/14
Office of the MEC	-	15,793	16,802	26,678	25,947	24,736	27,570	28,948	30,396
Office of the HOD	28,890	37,741	44,414	49,640	31,307	27,272	36,634	38,466	40,388
Financial Management	12,908	20,551	23,393	24,752	24,152	21,569	23,157	24,315	25,531
Corporate Services	61,878	72,190	97,057	84,540	131,694	149,168	90,238	94,753	99,488
Total	103,676	146,275	181,666	185,610	213,100	222,745	177,599	186,482	195,803

Summary of payments and estimates by economic classification - Prog. 1: Administration									
R thousand	Audited Outcome		Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates			
	2008/09	2009/10				2010/11	2011/12	2012/13	2013/14
Current payments	100,131	136,249	168,214	183,319	210,649	220,840	176,670	185,507	194,779
Compensation of employees	21,627	40,302	49,415	59,756	54,642	53,503	62,487	65,613	68,891
Goods and services	78,504	95,947	118,799	123,563	156,007	167,337	114,183	119,894	125,888
Interest and rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies to:	28	168	340	-	160	145	27	28	30
Provinces and municipalities	-	-	100	-	26	11	27	28	30
Department agencies and accounts	-	-	-	-	-	-	-	-	-
Universities and technikons	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-



Summary of payments and estimates by economic classification - Prog. 1: Administration

	Audited Outcome				Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2008/09	2009/10	2010/11	2012/13				2013/14	2014/15	
	R thousand									
Public Corporations and private enterprises	-	-	-	-	-	-	-	-	-	-
Non-profit institutions	-	-	242	-	-	24	-	-	-	-
Households	28	168	2	-	134	110	-	-	-	-
Payments for capital assets	3,517	9,858	12,349	2,291	2,291	1,760	902	947	994	
Buildings and other fixed structures	-	3,261	741	-	-	-	-	-	-	-
Machinery and equipment	3,324	5,922	4,885	1,971	1,971	1,460	852	895	939	
Heritage assets	-	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	450	-	-	-	-	-	-	-	-
Software and other intangible assets	193	225	6,723	320	320	300	50	52	55	
Payments for financial assets	-	-	763	-	-	-	-	-	-	-
Total	103,676	146,275	181,666	185,610	213,100	222,745	177,599	186,482	195,803	





Programme 2: Integrated Economic Development Services

Purpose

The purpose of the Integrated Economic Development Services (IEDS) Branch is to create partnerships and implement policies, programmes and projects aimed at creating employment and building capacity of stakeholders, supporting and promoting enterprises owned by previously disadvantaged individuals, groups, or communities in order to bring them into the economy's mainstream.

The Branch comprises the Enterprise Development, Local Economic Development (LED), Economic Empowerment, and the Growth Fund Sub-Programmes. The following table presents the structure of the Branch and its aim or purpose, as well as its strategic goals and objectives:

Branch 2: INTEGRATED ECONOMIC DEVELOPMENT SERVICES	Sub-Programmes
<p>Aim/ purpose:</p> <p>To implement policies and programmes aimed at supporting and promoting enterprises owned by previously disadvantaged individuals, groups, or communities in order to bring them into the mainstream of the economy</p> <p>Strategic goals :</p> <p>Create a business environment conducive to the creation of sustainable jobs Facilitate skills development Facilitate access to the asset base for the poor Promote SMMEs and social enterprises (cooperatives) Promote black economic empowerment</p>	<p>Sub-Programme: Enterprise development Strategic objective : To support and develop business and social enterprises</p> <p>Sub-Programme: Local Economic Development Strategic objective : To develop a pipeline of sustainable LED projects that are partnership based and leverage public and private resources to fund them, as well as build the capacity of municipalities and other local stakeholders to plan and manage local economic development</p> <p>Sub-Programme 3: Economic Empowerment Strategic objective : To facilitate the process of empowerment and the creation of an enabling business environment for previously disadvantaged individuals</p>

Specific policies, priorities, and strategic objectives

The IEDS Branch derives its mandate mainly from the Broad-based Black Economic Empowerment Act, the National Small Business Act, the Cooperatives Act and the Skills Development Act. In addition to these pieces of legislation, provincial policies and strategies, notably the Provincial Growth and Development Strategy (PGDS), the Provincial Spatial Economic Development Strategy (PSEDS), the national cooperatives strategy (draft), Integrated Strategy on the Promotion of Entrepreneurship and Small Enterprises, the national LED policy guidelines and provincial policy measures as articulated in the annual Provincial Budget Speeches, together, determine and shape the branch's strategies and objectives. The program also has oversight over the provincially established SMME Fund, Co-operative Fund and the European Union Funded Gijima KZN and fulfilling its mandate in terms of structured legal agreements.

The priorities of the programme include:

- Institutional development and capacity building support to SMME's, social enterprises and local government with a specific focus on the economic empowerment of the poor, women and youth.
- Facilitating access to finance for SMME's, social enterprises and partnership groups.
- Formulating and implementing strategies that support economic empowerment, SMME's and social enterprises and local economic development.
- The creation of sustainable employment opportunities.



Programme 2: Integrated Economic Development Services

Sub-Programme : Enterprise Development

Purpose

To support the development of sustainable SMME and cooperatives that contributes to food security, wealth and job creation.

Specific policies, priorities and strategic objectives

The Enterprise Development sub-programme comprises of two components, i.e. the Small Business Development and the Cooperatives Development. The sub-programme provides an appropriate environment for the establishment and promotion of self-sustaining enterprises. This is achieved through the provision of integrated business support services to emerging enterprises. The provision of integrated business support services is intended to enhance the capacity of the small enterprises to improve their socio-economic conditions and thereby contributing to the economic growth of the province.

The activities of the Enterprise Development sub-programme are informed and guided by various legislative requirements, policy and strategic frameworks. Key among these are; National Small Business Act, Integrated Strategy on the Promotion of Entrepreneurship and Small Enterprises, The Cooperatives Act 14 of 2005, Cooperatives Bank Act, Skills Development Act, Annual National and Provincial Budget Speeches, PSEDS, The KZN Cooperatives strategy, The KZN SMME Strategy, New Growth Path.

The strategic objectives of the Enterprise Development Sub-programme are:

- Create a framework to facilitate the provision of integrated business support services to existing and new SMMEs and cooperatives
- Support the establishment of effective small business support institutions (SMME Support Service Delivery Network)
- Facilitate the creation of competitive SMME and Cooperatives sectors in the province
- Support and promote skills development and entrepreneurship.

Supporting the activities of the Small Business Development and the Cooperatives Development components are the SMME Fund and the Cooperatives Fund, which are briefly explained as follows:

SMME and Cooperatives Funds

The Funds are an intervention by the Enterprise Development Sub-programme to facilitate access to finance and improve efficacy of financial services. The Funds assist the KZN government to promote the growth of SMME's and Co-operatives in the province in pursuit of the priority objective of stimulating economic growth, employment creation and reduction of poverty levels. Funding is made through Ithala, Standard Bank and ABSA.





Progress analysis

The enterprise development sub-programme continues to provide integrated business support services to small enterprises in the province. The Technology Demonstration cum Training Centres (TDTCs) based in the Umgungundlovu and Coastal KZN Further Education and Training Colleges provided training to thirty two (32) small enterprises focusing on wire nails, wire drawing, barbed wire, exercise notebook manufacturing, business management skills and basic computer skills. Furthermore, a total of 23 SMMEs received loan funding from Ithala under the SMME Fund, totaling R68,67 million. The ABSA approved three loans (3) to SMMEs under the DEDT – ABSA Risk Sharing Agreement and SMME Fund to the total amount of R2,02 million.

The existing Service Level Agreement between the DEDT and the KZN Poultry Institute resulted in fifty (50) poultry co – operatives receiving technical training in poultry production. Furthermore, a total of 70 students were enrolled at the University of Zululand for a three – year Diploma in Co – operative Management. A total of eleven District Co – operative Trainers were also enrolled at the UK Co – operative College for the Train – the – Trainer certificate course. In the endeavor to assist small enterprises to access markets, a total of twenty nine (29) small enterprises, i.e. SMMEs and Co – operatives, were supported to exhibit their product or services at the Royal Show 2011 in Pietermaritzburg.

Analysis of constraints and measures planned to overcome them

The dynamic and complex environment in which small enterprises operate demand the integrated intervention by all stakeholders. Similarly, the skills level in the province does not match the demands and dynamics of the various sectors. The demand by SMMEs and cooperatives for business support services remained high, putting pressure on Government's resources to deliver quality services. The mitigation measure has been and will continue to be, for some time into the future, the implementation of an integrated business development strategy. In line with the above, the recommendations in the KZN Co-operative and SMME Development Strategies will continue to be implemented.

Furthermore, the initiative to partner with institutions of higher learning such as UK Co – operative College, University of Zululand and Further Education and Training Colleges in KZN is aimed at improving the necessary skills amongst small enterprises, and internal intelligence (entrepreneurship) in the Province.

Description of planned quality improvement measures

In the 2012/13 financial year, the enterprise development sub - programme will finalize the implementation plans for the KZN Co-operative and SMME Development Strategies. In this regard, the sub – programme will conduct a research study on the State of Small Enterprises in KZN to inform decision making. The feasibility study for the proposed KZN Co – operative Academy will be concluded. Similarly, the sub – programme will continue promoting and establishing the financial services co – operatives (SACCOs/FSCs) with the ultimate aim of launching the KZN Co – operative Bank.



Specification of measurable objectives and Performance Indicators and Targets

Strategic objective	To promote sustainable socio-economic enterprises (i.e. Co-operatives and SMMEs).
Objective statement	This objective will contribute to the enhancement of the skills and knowledge base of the SMMEs and assist them to manage their businesses effectively.
Baseline	Number of SMMEs trained in TDTC Technical, business management & technical, basic computer, sewing, pre – financing & business support : 2195
Justification	This will ensure that SMMEs acquire the necessary skills and knowledge critical for starting, running and growing their businesses sustainably thus creating employment opportunities.
Objective statement	This objective will contribute towards increasing the number of SMMEs actively participating in the economy.
Baseline	Number of loan applications submitted to the funds : 400
Justification	Number of Project Steering Committee meetings convened with funding institutions: 8
Objective statement	This objective will contribute towards the reduction of barriers to entry by SMMEs in accessing business loan funding.
Objective statement	This objective will provide opportunities to SMMEs to showcase/expose their products and services and create new markets and networks.
Baseline	Number of small enterprises assisted to access markets and business opportunities: 30
Justification	This objective will contribute towards the reduction of barriers to entry by SMMEs in accessing market and business opportunities.
Objective statement	This objective will contribute to the enhancement of the skills and knowledge base of the co - operatives and assist them to manage their businesses effectively.
Baseline	Number of co -operatives trained, mentored and rehabilitated: 311
Justification	Number of students sponsored for Co-operatives Management training: 81
Justification	This will ensure that co - operatives acquire the necessary skills and knowledge critical for starting, running and growing their businesses sustainably thus creating employment opportunities.
Links	All the above objectives will contribute towards job creation, skills development and poverty reduction.
Objective statement	This objective will ensure that institutional memory and accurate economic data are maintained and easily accessible.
Baseline	Number of research studies: 1
Justification	This objective will ensure the continuous generation of economic data necessary for planning and decision making.
Links	This objective will contribute towards knowledge management thus creating effective strategies for job creation and poverty reduction.
Objective statement	This objective will ensure that institutional memory and accurate economic data are maintained and easily accessible.
Baseline	Number business proposals: 4
Justification	This objective will ensure the continuous generation of economic data necessary for planning and decision making.
Links	This objective will contribute towards knowledge management thus creating effective strategies for job creation and poverty reduction.





Measurable objectives, performance measures or indicators, and performance targets for Small Business Development

Strategic objective: To promote sustainable socio-economic enterprises (i.e. SMMEs).	Audited/Actual performance			Estimated performance	Medium-term targets		
	2008/09	2009/10	2010/11		2012/13	2013/14	2014/15
Number of existing SMMEs supported***	N/A	N/A	0	0	445	445	445
Number of new SMMEs developed***	N/A	N/A	90	2195	2101	2101	2101
1 Measurable Objective : Train and capacitate designated groups to manage and operate their businesses sustainably							
1.1 Number of SMMEs trained in various skills and business programmes	N/A	34	1105	2052	1665	1665	1665
1.2 Number of SMMEs trained in pre – financing and business support programme	N/A	N/A	0	336	436	436	436
2. Measurable Objective : Facilitate access to finance from various sources (designated groups)							
2.1 Number of SMME's assisted to access funding :	587	147	350	400	400	400	400
3 Measurable Objective : Facilitate access to markets for the designated groups							
3.1 Number of SMMEs assisted to access markets at Fairs and Exhibitions	175	1	23	30	45	45	45
4 Measurable Objective : To be the central source of economic data and lead in the provision of customized economic information to stakeholders in the province							
4.1 Completed studies in relation to small enterprises in KZN	N/A	N/A	N/A	N/A	2	N/A	N/A

Sub-programme : Enterprise Development Component : Small Business Development	Strategic objective:							
	Reporting period	Districts	Annual Target	Quarter 1	Quarter 2	Quarter 3	Quarter 4	Quarter 4
Performance indicators	Quarterly	All Districts	445	56	161	145	83	
	Quarterly	All Districts	2101	0	680	761	660	
1 Measurable Objective : Train and capacitate designated groups to manage and operate their businesses sustainably								
1.1 Number of SMMEs trained in various skills and business programmes	Quarterly	Amajuba	132	0	44	44	44	44
		Ethekwini	162	0	59	59	44	44
		Ilembu	132	0	44	44	44	44
		Sisonke	132	0	44	44	44	44
		Ugu	132	0	44	44	44	44
		Umgungundlovu	162	0	59	59	44	44
		Umkhanyakude	133	0	44	45	44	44
		Umzinyathi	133	0	44	45	44	44
		Uthukela	132	0	44	44	44	44
		Uthungulu	282	0	94	94	94	94
		Zululand	133	0	44	45	44	44
	1.2 Number of SMMEs trained in pre – financing and business support programme	Quarterly	Amajuba	48	0	12	22	14



Sub-programme : Enterprise Development Component : Small Business Development	Strategic objective:									
	Performance indicators	Reporting period	Districts	Annual Target	Quarter 1	Quarter 2	Quarter 3	Quarter 4		
1.2 Number of SMMEs trained in pre – financing and business support programme	Ugu	Quarterly	Ugu	25	0	8	8	9		
	Umgungundlovu	Quarterly	Umgungundlovu	25	0	8	8	9		
	Uthukela		Uthukela	48	0	12	22	14		
	Uthungulu		Uthungulu	25	0	8	8	9		
	Sisonke		Sisonke	48	0	12	22	14		
	Zululand		Zululand	64	0	16	32	16		
	Umzinyathi		Umzinyathi	25	0	8	8	9		
	Umkhanyakude		Umkhanyakude	64	0	16	32	16		
	Ilembe		Ilembe	39	0	13	13	13		
	Ethekwini		Ethekwini	25	0	8	8	9		
	Measurable Objective: Facilitate access to finance from various sources (designated groups)									
	2.1 Number of SMME's assisted to access funding.									
	Quarterly									
	Amajuba		Amajuba	36	4	14	10	8		
Ethekwini	Ethekwini		42	4	17	12	9			
Ilembe	Ilembe	40	4	16	12	8				
Sisonke	Sisonke	25	2	10	8	5				
Ugu	Ugu	37	3	15	11	8				
Umgungundlovu	Umgungundlovu	42	4	17	13	8				
Umkhanyakude	Umkhanyakude	37	3	15	11	8				
Umzinyathi	Umzinyathi	37	3	15	11	8				
Uthukela	Uthukela	37	3	15	11	8				
Uthungulu	Uthungulu	42	4	17	13	8				
Zululand	Zululand	25	2	10	8	5				
3 Measurable Objective : Facilitate access to markets for the designated groups										
3.1 Number of small enterprises assisted to access markets at Fairs and Exhibitions										
Quarterly										
Umgungundlovu	Umgungundlovu	20	20	0	0	0				
Umzinyathi	Umzinyathi	25	0	0	25	0				
4. Measurable Objective : To be the central source of economic data and lead in the provision of customized economic information to stakeholders in the province										
4.1 Completed studies in relation to small enterprises in KZN										
Annually										
Umgungundlovu	Umgungundlovu	2				2				

Measurable objectives, performance measures or indicators, and performance targets for Co-operatives

Strategic objective: To promote sustainable socio-economic enterprises (ie. Co-operatives)	Audited/Actual performance		Estimated performance		Medium-term targets		
	2008/09	2009/10	2010/11	2011/12	2012/13	2013/14	2014/15
Number of existing co-operatives supported***	N/A	N/A	N/A	182	119	120	120
Number of new co-operatives developed***	N/A	723	456	208	150	50	50





Strategic objective: To promote sustainable socio-economic enterprises (ie. Co-operatives)	Audited/Actual performance		Estimated performance 2011/12	Medium-term targets		
	2008/09	2009/10		2010/11	2012/13	2013/14
1 Measurable Objective: Facilitate access to finance from various sources (designated groups)						
1.1 Number of co-operatives assisted to access funding from Ithala and other sources	N/A	150	100	80	150	50
2 Measurable Objective: Train and capacitate designated groups to manage and operate their businesses sustainably						
2.1 Number of primary co-operatives trained in business management and technical skills	n/a	150	100	80	150	50
2.2 Number of co-operatives mentored	n/a	150	100	80	73	50
2.3 Number of existing co-operatives rehabilitated	n/a	273	156	150	46	50
2.4 Number of students sponsored for Co-operatives Management training	n/a	15	96	81	116	116
3 Measurable Objective: Facilitate access to markets for the designated groups						
3.1 Number of Cooperatives assisted to access markets	n/a	12	15	20	20	20
4 Measurable Objective: To undertake research on identified priority economic sectors in KZN						
4.1 Number of cooperative business proposals in priority sectors	n/a	n/a	n/a	n/a	4	0

Sub-Programme: Enterprise Development Component: Cooperatives Development Performance Indicators	Reporting period	Strategic Objective: To promote sustainable socio-economic enterprises (ie. Co-operatives)					
		District	Annual Target	Quarter 1	Quarter 2	Quarter 3	Quarter 4
Number of existing cooperatives supported***	Annual	All	119	0	19	50	50
Number of new cooperatives developed***	Quarterly	All	150	0	50	50	50
1 Measurable Objective: Facilitate access to finance from various sources (designated groups)							
1.1 Number of cooperatives assisted to access funding (Ithala and other sources)	Quarterly	Amajuba	14	0	5	5	5
		Ethekwini	14	0	5	5	5
		Ileembe	14	0	3	5	5
		Sisonke	10	0	2	2	5
		Ugu	14	0	5	5	4
		Umgungundlovu	14	0	5	5	5
		Umkhanyakude	14	0	5	3	5
		Umkhanyakude	14	0	5	5	4
		Uthukela	14	0	5	5	4
		Uthungulu	14	0	5	5	4
		Zululand	14	0	5	5	4
2 Measurable Objective : Train and capacitate designated groups to manage and operate their businesses sustainably							
2.1 Number of primary co-operatives trained in business management and technical skills	Quarterly	Amajuba	15	0	5	5	5
		Ethekwini	15	0	5	5	5
		Ileembe	13	0	3	5	5



Sub-Programme: Enterprise Development Component: Cooperatives Development		Strategic Objective: To promote sustainable socio-economic enterprises (ie. Co-operatives)						
Performance Indicators	Reporting period	District	Annual Target	Quarter 1	Quarter 2	Quarter 3	Quarter 4	
2.1 Number of primary co-operatives trained in business management and technical skills	Quarterly	Sisonke	9	0	2	2	5	
		Ugu	14	0	5	5	4	
		Umgungundlovu	15	0	5	5	5	
		Umkhanyakude	13	0	5	3	5	
		Umsinyathi	14	0	5	5	4	
		Uthukela	14	0	5	5	4	
		Uthungulu	14	0	5	5	4	
		Zululand	14	0	5	5	4	
		Amajuba	5				5	
		Ethekwini	11				11	
2.2 Number of co-operatives mentored	Annual	Ilembé	6				6	
		Sisonke	7				7	
		Ugu	6				6	
		Umgungundlovu	6				6	
		Umkhanyakude	6				6	
		Umsinyathi	7				7	
		Uthukela	6				6	
		Uthungulu	8				8	
		Zululand	5				5	
		Amajuba	2				2	
2.3 Number of existing co-operatives rehabilitated	Annual	Ethekwini	11				11	
		Sisonke	5				5	
		Ugu	4				4	
		Umgungundlovu	8				8	
		Umkhanyakude	5				5	
		Uthukela	3				3	
		Uthungulu	1				1	
		Zululand	7				7	
		All	116				116	
		2.4 Number of students sponsored for Cooperatives Management training	Annual					
3 Measurable Objective : Facilitate access to markets for the designated groups	Annual							
		Umkhanyakude	10		10			
3.1 Number of Cooperatives assisted to access markets at exhibitions	Annual							
		Umgungundlovu	10	10				
4 Measurable Objective : To undertake on identified priority economic sectors in KZN	Annual							
		All	4	0	0	0	4	
4.1 Number of cooperative business proposals in priority sectors	Annual							
		All	4	0	0	0	4	





Programme 2: Integrated Economic Development Services

Sub-Programme: Economic Empowerment

Purpose

The strategic objective of the sub-programme is to create an enabling for the economic development and empowerment of previously disadvantaged groups/individuals with specific focus on the priority population groups such as women and youth.

Specific policies, priorities, and strategic objectives

The Sub-programme derives its mandate from the Preferential Procurement Regulations 2011, the Employment Equity Act 55 of 1998, and the B-BBEE Act 53 of 2003, as well as B-BBEE Codes of Good Practice 7th of February 2007. The objective of the Sub-programme is among others to ensure that Women and Youth Entrepreneurs in both urban and rural areas contribute and benefit from the economic growth, development and transformation of the country's economy. To fulfil its mandate and meet its strategic objective, the Sub-programme continues to pursue the following strategic objectives in KZN:

- Facilitating the implementation of B-BBEE strategy and policies.
- Co-ordinate key stakeholders for B-BBEE strategy implementation.
- Ensuring empowerment of women and youth.
- Facilitating B-BBEE complaints in the Province.
- Verification and monitoring of B-BBEE implementation.
- Facilitating access to identified market opportunity.

Progress analysis

In terms of progress made in the 2011/12 financial year the Sub-programme successfully trained 2000 youth in Technical Skills. Youth Technical Skills Training covers various critical skills such as plumbing, carpentry, electrical appliance repairs, welding, and refrigerators. The Database for Unemployed Graduate was successfully established. Currently, there are more than 1500 graduates that have been registered on the database. Four deserving students were identified and provided with financial support. The continuous support of the KwaZulu-Natal Chamber of Commerce resulted in the empowerment of 45 youth. 50 youth were supported through the KwaZulu-Natal Youth Designers.

The sub-programme continues the implementation B-BBEE Strategy in the Province. There were 4 B-BBEE Implementation Team meetings that took place aimed at dealing with the challenges encountered in the implementation of B-BBEE in the Province. There were 150 women trained in business management, and 3 workshops organized for South African Women Entrepreneurs Network. In the first quarter there were 8 B-BBEE complaints handled relating to none-payment of suppliers by government departments, fronting, and the breach of contracts.

Analysis of constraints and measures planned to overcome them

The recent B-BBEE Verification of the Provincial government revealed that certain elements of B-BBEE Codes of Good Practice are not suitable for government departments. This calls for the review of B-BBEE Codes of Good Practice which is the competency of the National Department of Trade (DTI) and Industry. In 2012/13 financial year, the programme will engage with the National Department of Trade and Industry for possible amendments of B-BBEE codes of good practice.



Description of planned quality improvement measures

In an endeavour to ensure B-BBEE implementation in the Province the Department is currently developing B-BBEE framework that will assist Government Departments to improve their scorecard. In 2012/13 financial term all the suppliers doing business with the Provincial Government are expected to submit B-BBEE Verification certificates. The Department will ensure that it introduce B-BBEE System that will monitor the implementation of B-BBEE by all the Provincial Departments.

Specification of measurable objectives and performance measures or indicators

The following tables present the measurable objectives, performance measures or indicators, and performance targets for the Economic Empowerment sub-programmes.

Measurable objectives, performance measures or indicators, and targets for Economic Empowerment

Strategic Plan Target (Measurable Objective)	Audited/Actual performance			Estimated performance 2011/12	Medium-term targets		
	2008/09	2009/10	2010/11		2012/13	2013/14	2014/15
Strategic objective: To promote the growth and socio-economic transformation of the KZN economy that will enable the creation of 1 million jobs by the end of 2020.							
To train and capacitate the designated groups to manage their businesses sustainably.	500	500	500	500	500	500	500
To build the capacity of stakeholders to plan and manage the local economy	N/a	N/a	N/a	N/a	N/a	N/a	N/a
Strategic objective: To provide an enabling legislative framework that promote economic development							
To develop provincial legislation, economic policies and strategies to achieve sustainable economic development.	1	N/a	N/a	N/a	N/a	3	N/a
Strategic objective: To become an Institution of excellence with respect to economic development.							
To increase operational efficiency and effectiveness (i.e. monitoring and evaluation).	3	1	12	12	1	1	1
Strategic objective: To facilitate strategic partnerships in the development of the Provincial Economy							
To enter into structural agreements with the strategic partners.	N/a	N/a	N/a	2	1	1	1

Strategic objective	To promote the growth and socio-economic transformation of the KZN economy that will enable the creation of 1 million jobs by the end of 2020
Objective statement	To design and implement targeted training for target groups.
Baseline (2011-12)	Number of capacity building/training interventions employed and number of people trained.
Justification	This objective will contribute towards addressing the skills shortages.
Links	This objective will contribute to skills development.
Objective statement	To establish and co-ordinate key stakeholders in the province.





Baseline (2011-12)	Number of B-BBEE Forums and implementation team meetings co-ordinated.
Justification	This objective will improve the knowledge of key stakeholders to participate in the economy.
Links	This objective will enable the stakeholders to take advantage of opportunities presented by B-BBEE regulatory framework.
Strategic objective	To provide an enabling legislative framework that promote economic development
Objective statement	To develop and implement the economic empowerment strategies to empower the target group.
Baseline (2011-12)	Number of policies/bills developed.
Justification	This objective will provide legislative authority in the implementation of B-BBEE strategies.
Links	This objective will enable transformation of the provincial economy.
Strategic objective	To facilitate strategic partnerships in the development of the Provincial Economy
Objective statement	To conclude strategic Memorandum of Understanding with partners of B-BBEE issues.
Baseline (2011-12)	Number of MOUs concluded.
Justification	This objective will create good working relations with strategic partners for the empowerment of designated group.
Links	This objective will open up opportunities for designated group to participate in key areas of the provincial economy.
Strategic objective	To become an Institution of Excellence with respect to economic development.
Objective statement	To monitor and evaluate implementation of B-BBEE strategy and introduce structures to deal with policy malpractices.
Baseline (2011-12)	Number of Verification certificates and structures established.
Justification	This objective will create the provincial B-BBEE baseline and reduce the level of policy malpractices.
Links	This objective will reduce the problem of B-BBEE fronting in the province.

Performance indicator	Audited/Actual performance		Estimated performance 2011/12	Medium-term targets		
	2008/9	2009/10		2010/11	2012/13	2013/14
Strategic Objective: To promote the growth and socio-economic transformation of the KZN economy that will enable the creation of 1 million jobs by the end of 2020						
Number of target groups specific opportunities identified***					2	2
Number of target groups specific interventions***					6	8
1 Measureable Objective: To train and capacitate the designated groups to manage their businesses sustainable.						
1.1 Number of BEE training workshops organized	7	5	5	5	5	8
1.2 Number of Youth Trained through KZN Youth Short skills	0	300	1593	2000	3000	3000
1.3 Number of Youth Assisted through unemployed graduate assistance programme	0	0	0	250	500	1000
1.4 Number of Women supported in Various Sectors	500	500	1000	700	700	500
1.5 Number of Women trained in Various Skills	0	120	120	125	500	600
Strategic Objective: To promote the growth and socio-economic transformation of the KZN economy that will enable the creation of R1 million jobs by the end of 2020						
2 Measureable Objective: To build the capacity of stakeholders to plan and manage the local economy.						
2.1 Number of B-BBEE Forums established	6	6	8	2	2	2
2.2 Number of Youth Empowered through KZN-YCC	0	0	0	500	1000	1000



Performance indicator	Audited/Actual performance			Estimated performance	Medium-term targets		
	2008/9	2009/10	2010/11		2012/13	2013/14	2014/15
2.3 Number of Youth Empowered through KZN Youth Designers	0	30	30	50	50	50	50
Strategic Objective: To provide an enabling legislative framework that promote economic development							
3 Measureable Objective: To develop provincial legislation, economic policies and strategies to achieve sustainable economic development.							
3.1 Number of revised, amended or developed target groups strategies	2	0	0	0	2	1	2
Strategic Objective: To facilitate strategic partnerships in the development of the Provincial Economy							
4 Measureable Objective: To enter into structural agreements with the strategic partners.							
4.1 Number of BEE Compliance MOUs Concluded	0	0	0	0	1	1	0
4.2 Number of BEE Equity Fund MOUs concluded	0	0	0	0	1	0	0
Strategic Objective: To become an Institution of excellence with respect to economic development.							
5 Measureable Objective: To increase operational efficiency and effectiveness i.e. monitoring and evaluation.							
5.1 Number of B-BBEE Verification Certificates Issued.	0	0	11	12	1	1	0
5.2 Number of established B-BBEE Ombudsman Office (to facilitate awareness and complaints)	0	0	0	0	1	0	0
5.3 Number of B-BBEE Implementation systems established.	0	0	0	0	1	0	0

Performance indicators	Reporting period	Districts	Annual Target	Quarterly targets			
				Quarter 1	Quarter 2	Quarter 3	Quarter 4
Number of target groups specific opportunities identified***	Annually	All					2
Number of target groups specific interventions***	Annually	All					6
1 Measureable Objective: To train and capacitate the designated groups to manage their businesses sustainable.							
1.1 Number of BEE training workshops organized	Quarterly	EThekwini	1		1		
		UGu	1		1		
		UMzinyathi	1				1
		Amajuba	1		1		
		UThungulu	1				1
1.2 Number of Youth trained through KZN Youth Short skills	Annually	All	3000				3000
1.3 Number of Youth assisted through unemployed graduate assistance programme	Annually	All	500				500
1.4 Number of Women supported in various sectors	Annually	All	700				700
1.5 Number of Women trained in various skills	Annually	All	500				500
2 Measureable Objective: To build the capacity of stakeholders to plan and manage the local economy.							
2.1 Number of B-BBEE Forums established	Quarterly	EThekwini	1		1		
		UMgungundlovu	1				1
2.2 Number of Youth Empowered through KZN-YCC	Annually	All	1000				1000
2.3 Number of Youth Empowered through KZN Youth Designers	Annually	All	50				50





Performance indicators	Reporting period	Districts	Annual Target	Quarterly targets			
				Quarter 1	Quarter 2	Quarter 3	Quarter 4
3 Measurable Objective: To develop provincial legislation, economic policies and strategies to achieve sustainable economic development.							
3.1 Number of revised, amended or developed target groups strategies	Annually	All	2				2
4 Measurable Objective: To enter into structural agreements with the strategic partners.							
4.1 Number of BEE Compliance MOUs Concluded	Annually	All	1				1
4.2 Number of BEE Equity Fund MOUs concluded	Annually	All	1				1
5 Measurable Objective: To increase operational efficiency and effectiveness i.e. monitoring and evaluation.							
5.1 Number of B-BBEE Verification Certificates Issued.	Annually	All	1				1
5.2 Number of established B-BBEE Ombudsman Office (to facilitate awareness and complaints)	Annually	All	1				1
5.3 Number of B-BBEE Implementation systems established.	Annually	All	1				1



Programme 2: Integrated Economic Development Services

Sub-Programme : Regional and Local Economic Development (RLED)

Purpose

To develop, support and implement sustainable risk sharing partnership based RLED projects that are create sustainable local employment and build the capacity of RLED stakeholders to better plan and manage RLED.

Specific policies, priorities, and strategic objectives

The Regional and Local Economic Development (RLED) sub-programme is shaped by the national LED policy guidelines, the national small business policy, trade and industry policies as well as the PGDS. It also takes into account the policies and regulations related to district and local government.

The two main strategic objectives of the programme are:

- To promote a conducive environment for competitiveness and the creation of sustainable employment opportunities.
- To build, strengthen and align institutions of economic development.

Four priorities have been identified for the 2012-13 financial including:

- Implementing the Local Competitiveness Fund 11 funding Scheme as operated through Gijima KZN.
- Institutionalizing the customized graduate and post graduate LED education programmes at tertiary level.
- Continuing to develop, support and implement high impact partnership based LED projects.
- Improving our technical services to municipalities (including technical assistance projects, in-house support for the development of LED strategies and support for LED forums)

Progress analysis

In terms of progress for the 2011-12 financial year as at end September 2011, the following progress may be noted:

- Construction of the Mandini Trading Centre facility was completed.
- 18 permanent and 113 temporary/seasonal jobs were created.
- Four trading centre feasibility studies as well as the Dukuduku Arts and Crafts planning study carried over from the previous financial year were completed.
- 19 post graduate students continued their studies at the UKZN and are due to qualify at the end of 2011 with either Management Diploma's (9) or Masters in Commerce (10). A further 636 people belonging to co-operatives were beneficiaries of training provided through Operation Vuselela.
- The Gijima KZN LCF 2 received 46 applications for funding at the closing date of June 3. It is expected that these will be evaluated in the third quarter with the implementation of successful projects in the next financial year.





Analysis of constraints and measures planned to overcome them

Several constraints exist in the implementation of the various RLED projects. Internally, much improvement is required in providing support to LCF applicants, and the quality of advice and support provided. A team in the sub-programme are currently reviewing the approach to project generation and development and measures still to be identified and planned will be implemented with a view to addressing this constraint.

In terms of the implementation of trading centres within the various municipalities, it is evident that municipalities lack the required human and financial resources to develop and operate the desired facilities. This has impacted on our ability to support the municipalities developing these facilities. Our review of the feasibility studies on trading centres has furthermore revealed that none if any are feasible and that it may be more pragmatic to reduce the exposure of the state in formal built facilities and rather pursue movable temporary structures instead. This notion will be further explored in the 2012-2013 financial year.

It is also evident that projects aimed at stimulating the creation of employment opportunities require flexibility with regard to the administration of contracts. This is largely due to the broader externalities (seasonality, input price movements, inflation etc) affecting the economy and sometimes are beyond the control of the projects themselves. The work of project management committees become more important in this context in timeously determining the flexibility required.

Description of planned quality improvement measures

In the 2012/13 financial year, the sub-programme will continue to improve its quality control systems as well as its monitoring and evaluation systems. Besides introducing a project risk management function, further experiential learning by programme staff will enable more effective contract and project cycle management.

Specification of Measurable Objectives and Performance Measures or Indicators

The specifications of the measurable objectives, performance measures or indicators are reflected in the following tables:

Measurable objectives, performance measures or indicators, and targets for Regional and Local Economic Development

Strategic Plan Target (Measurable Objective)	Audited/Actual performance			Estimated performance 2011/12	Medium-term targets		
	2008/09	2009/10	2010/11		2012/13	2013/14	2014/15
Strategic objective: To promote a conducive environment for competitiveness and creation of sustainable employment opportunities	100%	100%	100%	100%	100%	100%	100%
To develop and fund the implementation of sector specific projects	100%	100%	100%	100%	100%	100%	100%
Strategic objective: To build, strengthen and align institutions of economic development							
To improve the alignment of LED plans between provincial and local spheres	100%	100%	100%	100%	100%	100%	100%



Strategic Plan Target (Measurable Objective)	Audited/Actual performance		Estimated performance	Medium-term targets		
	2008/09	2009/10		2010/11	2012/13	2013/14
To build the capacity of stakeholders to plan and manage the local economy	100%	100%	100%	100%	100%	100%
Strategic objective	To promote a conducive environment for competitiveness and creation of sustainable employment opportunities					
Objective statement	To develop and fund the implementation of sector specific projects					
Baseline (2011-12)	Number of economic development projects supported at local and regional levels : 4					
Justification	Number of sustainable local employment opportunities supported : 272					
Links	Employment creating partnership based risk sharing RLED projects between established and non-established formal market actors offer an effective methodology to strengthen value and supply chains, increase local competitiveness and create employment.					
Strategic objective	This objective will contribute to the creation of sustainable employment opportunities.					
Objective statement	To build, strengthen and align institutions of economic development					
Baseline (2011-12)	Number of LED Plans developed or reviewed : 3					
Justification	Number of Regional and Local Economic Development Forums Supported : 0					
Objective statement	This objective will enable policy and strategy coherence across the spheres of government as well as improving institutional co-ordination in economic development.					
Baseline (2011-12)	To build the capacity of stakeholders to plan and manage the local economy through creating increased access to LED based education and training opportunities.					
Justification	Number of people trained : 131					
Links	Number of capacity building interventions : 1					
	This objective will enable the strengthening of individual and institutional capacities of municipal and other LED stakeholders to better plan and manage the local economy.					
	This objective will contribute towards the better planning and management of the local economy thus making the achievement of socio-economic objectives more efficient and effective.					
Strategic Objective: To promote a conducive environment for competitiveness and creation of sustainable employment opportunities.						
Performance indicator	Audited/Actual performance		Estimated performance	Medium-term targets		
	2008/09	2009/10		2010/11	2012/13	2013/14
1 Measureable Objective : To develop and fund the implementation of sector specific projects.	1	7	24	4	12	8
1.1 Number of economic development projects supported at local and regional levels***	1946	500	500	272	120	180
1.2 Number of sustainable local employment opportunities supported	Strategic Objective : To build, strengthen and align institutions of economic development					
2 Measureable Objective : To improve the alignment of LED plans between provincial and local spheres.	Strategic Objective : To improve the alignment of LED plans between provincial and local spheres.					





Strategic Objective: To promote a conducive environment for competitiveness and creation of sustainable employment opportunities.									
Performance indicator	Audited/Actual performance			Estimated performance	Medium-term targets				
	2008/09	2009/10	2010/11		2012/13	2013/14	2014/15		
2.1 Number of LED plans developed or reviewed.	11	41	49	3	2	5	5		
2.2 Number of RLED forums supported	-	-	-	-	4	5	5		
3 Measurable Objective : To build the capacity of stakeholders to plan and manage the local economy.									
3.1 Number of capacity building interventions to municipalities***	3	2	2	1	1	1	1	1	1
3.2 Number of people trained	112	247	320	131	175	200	200	200	200

Performance indicators	Reporting period	Districts	Annual Target	Quarterly targets			
				Quarter 1	Quarter 2	Quarter 3	Quarter 4
1 Measurable Objective : To develop and fund the implementation of sector specific projects.							
1.1 Number of economic development projects supported at local and regional levels***							
	Quarterly	Ethekwini	1	0	1	0	0
		Ileembe	2	0	2	0	0
		Sisonke	1	0	1	0	0
		Umgungundlovu	2	2	0	0	0
		Uthungulu	2	0	2	0	0
		Uthukela	1	0	1	0	0
		Zululand	1	1	0	0	0
		Various	2	1	1	0	0
1.2 Number of sustainable local employment opportunities supported							
	Quarterly	Ethekwini	16	0	0	16	0
		Ileembe	34	0	0	34	0
		Sisonke	13	0	0	13	0
		Umgungundlovu	7	0	0	0	7
		Various	50	0	0	0	50
2 Measurable Objective : To ensure the alignment of DEDT and public entities strategies with other government institutions.							
2.1 Number of LED Plans developed or reviewed							
	Quarterly	Various	2	0	0	0	2
2.2 Number of RLED Forums Supported							
	Annual	Various	4	0	0	0	4
3 Measurable Objective : To build the capacity of stakeholders to plan and manage the local economy.							
3.1 Number of capacity building interventions to municipalities***							
	Quarterly	Various	1	1	0	0	0
3.2 Number of people trained							
	Quarterly	Various	175	40	55	40	40



Programme Two : Integrated Economic Development : Reconciling Performance Targets with Budgets and MTEF

Summary of payments and estimates - Programme 2: Integrated Economic Development Services												
	Audited Outcome			Main Appropriation			Adjusted Appropriation			Revised Estimate		
	2008/09	2009/10	2010/11	2010/11	2011/12	2011/12	2012/13	2013/14	2014/15	2012/13	2013/14	2014/15
R thousand												
Enterprise Development	78,541	145,759	325,201	387,535	329,836	327,595	395,875	418,131	439,043	395,875	418,131	439,043
Regional and Local Economic Development	18,759	37,961	42,661	78,491	39,842	39,023	80,177	84,180	88,383	80,177	84,180	88,383
Economic Empowerment	20,605	45,585	52,499	25,906	51,548	57,228	28,990	27,983	29,383	28,990	27,983	29,383
Total	117,905	231,305	420,361	491,932	421,226	423,846	505,042	530,294	556,809	505,042	530,294	556,809

Summary of payments and estimates by economic classification - Prog. 2: Integrated Economic Development Services												
	Audited Outcome			Main Appropriation			Adjusted Appropriation			Revised Estimate		
	2008/09	2009/10	2010/11	2010/11	2011/12	2011/12	2012/13	2013/14	2014/15	2012/13	2013/14	2014/15
R thousand												
Current payments	114,795	130,992	140,021	207,047	172,479	175,325	208,271	217,580	228,459	208,271	217,580	228,459
Compensation of employees	25,421	32,127	35,697	44,782	44,287	39,002	50,055	52,497	55,122	50,055	52,497	55,122
Goods and services	89,374	98,865	104,324	162,324	128,192	136,323	158,216	165,083	173,337	158,216	165,083	173,337
Interest and rent on land	-	-	-	-	-	-	-	-	-	-	-	-
Transfers and subsidies to:	700	100,059	280,030	284,300	248,130	248,161	296,016	312,265	327,879	296,016	312,265	327,879
Provinces and municipalities	700	-	-	-	-	-	3,516	3,692	3,877	3,516	3,692	3,877
Department agencies and accounts	-	-	-	-	970	970	-	-	-	-	-	-
Universities and technikons	-	-	-	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-	-	-	-
Public Corporations and private enterprises	-	100,000	280,000	284,300	246,810	246,810	289,500	305,423	320,694	289,500	305,423	320,694
Non-profit institutions	-	59	-	-	350	350	3,000	3,150	3,308	3,000	3,150	3,308
Households	-	-	30	-	-	31	-	-	-	-	-	-
Payments for capital assets	2,410	254	310	585	617	360	755	449	471	755	449	471
Buildings and other fixed structures	-	-	-	-	-	-	-	-	-	-	-	-
Machinery and equipment	2,410	206	310	585	617	360	755	449	471	755	449	471
Heritage assets	-	-	-	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-	-	-	-





Summary of payments and estimates by economic classification - Prog. 2: Integrated Economic Development Services

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2008/09	2009/10	2010/11				2012/13	2013/14	2014/15
Software and other intangible assets	-	48	-	-	-	-	-	-	-
Payments for financial assets	-	-	-	-	-	-	-	-	-
Total	117,905	231,305	420,361	491,932	421,226	423,846	505,042	530,294	556,809



Programme 3: Trade & Sector Development

Sub-programme: Trade & Investment Promotion

Specific policies, priorities, and strategic objectives

The Trade and Investment Promotion sub-programme provides trade and logistics support services to economic role players within the province to strengthen the provincial economy's international competitiveness. The White Paper on Transport Policy, the National Freight Logistics Strategy, the KZN White Paper on Freight Transport, National Industrial Policy Framework, the KZN Industrial Development Strategy, the KZN Investment and promotion Strategy and the KZN Export Strategy provide the policy context for the sub-programme.

The sub-programme's policy priorities include the following:

- Implementing an accelerated Trade Gateway programme that capitalises on the province's position as a province endowed with two of the nation's leading seaports.
- Identifying catalytic projects to unlock manufacturing in key sectors and value chains.
- Providing support to strengthen the competitiveness of selected sectors.
- Promoting investment and required infrastructure through strategic partnerships.
- Growing competitiveness and expanding markets.
- Facilitate industrial upgrading and interventions to improve operational efficiency and competitiveness
- Target businesses with latent or under-realised export potential
- Coordinating export promotion agency organisational issues
- Raise awareness of opportunities for trade amongst exporters and in markets for exports
- Successfully identifying high potential export opportunities
- Establishing the mechanism for dialogue between exporters, government and other stakeholders (forums)
- Ensuring the closing and sustaining of export deals
- Ensure that we utilise our competitive advantages to the fullest and build on these;
- Alignment and integration with national, provincial and local policies, strategies and programmes (incl. Richards Bay IDZ, DTP);
- Gaining optimal benefit from incentives such as DTI sector-based Incentives and service & utility incentives;
- Promoting and attracting investment to meet job targets and required infrastructure through strategic partnerships.

Progress analysis

Trade Point created market access and product exposure for an additional 30 SMME's.

In the Industrial upgrading programme, material investments to 7 SMME's were diagnosed for major technical problems. In the area of Logistics, through the eThekweni Maritime Cluster, the Department engaged the Richards-Bay port and the maritime community in establishing the Richards-Bay Maritime Cluster. The cluster has amalgamated with the eThekweni Maritime cluster to form the KZN Maritime Cluster. The Department in partnership with the eThekweni Municipality is also working on developing the Durban region as the Centre of Excellence in Africa for maritime education and skills development. The department is currently engaged in discussions with relevant stakeholders for the establishment of a boatbuilding park. The piloting of a skills development programme for both boatbuilding and shipbuilding is also at an advanced stage.





Analysis of constraints and measures planned to overcome them

The following challenges were experienced:

- The recruitment of SMME's/businesses in sectors other than craft and agribusiness, proved challenging.
- Infrastructure necessary to create efficiencies in freight transportation continues to be deficient, particularly in rural areas.
- The level of transformation in the Maritime sector remains a challenge, thwarting government's efforts to create opportunities for new entrants into the industry.
- SMME's in the Logistics and Freight Transport industry lack the skills to identify and exploit opportunities that exist in the industry.
- High capital outlay required by logistics
- High rate of unskilled labour in the Maritime Sector.
- Absence of institutionalised provincial coordinating structure

Description of planned quality improvement measures

In the 2012/13 financial year, the sub-programme will continue to intensify its efforts in:

- Engaging relevant departments and stakeholders in joint planning and implementation of strategic responses to the above challenges.
- Increasing export awareness for SMMEs.
- Providing relevant accredited training in consultation with MerSeta, TETA, SAMTRA, SAMSA and SAQA in the short to medium term, and develop a local partnership between the industry and institutions of higher learning such as FET Colleges and Technology Stations in the long term.
- Working jointly with other departments such as DST, TIA and Municipalities in addressing innovation challenges in the maritime sector; and
- Encourage firms to prioritise re-investment into their businesses for future growth.

Specification of measurable objectives and performance measures or indicators

The following tables present the measurable objectives, performance measures or indicators, and performance targets for the Trade & Investment Promotion sub-programme.



Measurable objectives, performance measures or indicators, and targets for Trade & Investment Promotion

Strategic Plan Target (Measurable Objective)	Audited/Actual performance		Estimated performance	Medium-term targets		
	2008/09	2009/10		2010/11	2012/13	2013/14
Strategic objective: To promote sustainable socio-economic enterprises (SMME's)						
To facilitate access to markets for designated groups (no of businesses assisted with exports)	20	25	500	30	40	200
Strategic objective : To promote a conducive environment for the creation of sustainable jobs (i.e. Skills development, access to resources and infrastructure provision)						
To identify and support priority sectors (infrastructure provision – number of parks initiated/established)	0	0	0	0	1	0
Enhance the skills and capacity of specific industry institutions and stakeholders (Number of people trained)	0	0	0	0	100	250
Strategic objective	To promote sustainable socio-economic enterprises (SMME's)					
Objective statement	To facilitate access to markets for designated groups.					
Baseline	Number of businesses assisted with exports due to the initiative of Trade Point: 40; number of international and local trade exhibitions attended:10					
Justification	This objective will contribute towards the strengthening of business competitiveness and export capacity of priority industrial sectors, modernise the quality infrastructure required for export promotion (e.g. standardization, metrology, calibration and evaluation of compliance) and improve accessibility to quality information for business operators; to facilitate domestic sale and export of products through market development, establishment of export consortia, streamlining export procedures and administration and consolidation of export promotion services.					
Links	This objective will contribute towards enhancing competitiveness and export potential of SMME's.					
Strategic objective	To promote a conducive environment for the creation of sustainable jobs (i.e. Skills development, access to resources and infrastructure provision)					
Objective statement	To identify and support priority sectors					
Baseline	The number of parks initiated/established in the province:1; number of exporter databases developed: 1; number of strategic projects supported : 3					
Justification	This will contribute towards building collaboration amongst firms around specific "projects" relating to innovation, technology, skills, productivity, marketing etc.; decrease the cost of doing business; maximise economies of scale; and ensure implementation of the KZN Export Strategy.					
Links	IPAP2; KZN Export Strategy, IDS, PSEDS					
Objective statement	Enhance the skills and capacity of specific industry institutions and stakeholders					
Baseline	The number of people trained : 100					
Justification	This will ensure the implementation of the KZN Export Strategy					
Links	KZN Export Strategy, PIDS, PSEDS					





Sub-Programme : Trade & Investment Promotion	Strategic Objective : To promote sustainable socio-economic enterprises (SMME's)							
	Performance Indicator		Audited/Actual performance		Estimated Performance		Medium Term Targets	
	2008/09	2009/10	2010/11	2011 /12	2012/13	2013/14	2014/15	
1. Measureable Objective : To facilitate access to markets for designated groups								
1.1 Number of businesses assisted with exports***	20	25	500	30	40	100	200	
1.2 Number of international and local trade exhibitions attended	6	9	11	10	10	10	12	
2. Measureable Objective : To identify and support priority sectors								
2.1 The number of parks initiated/established in the province (Number of infrastructure projects supported)	0	0	0	0	1	1	0	
2.2 Number of investments projects realised***	0	0	0	0	2	2	2	
2.3 The number of exporter databases developed	0	0	0	0	1	0	0	
3. Measureable Objective : Enhance the skills and capacity of specific industry institutions and stakeholders								
3.1 The number of people trained	0	0	0	0	100	150	250	

Sub-Programme : Trade & Investment Promotion	Strategic Objective : To promote sustainable socio-economic enterprises (SMME's)						
	Reporting period	Districts	Annual Target	Quarter 1	Quarter 2	Quarter 3	Quarter 4
				Quarter 1	Quarter 2	Quarter 3	Quarter 4
1. Measureable Objective : To facilitate access to markets for designated groups							
1.1 Number of businesses assisted with exports***	Quarterly	All	40	10	10	10	10
1.2 Number of international and local trade exhibitions attended	Quarterly	All	10	2	2	3	3
2. Measureable Objective : To identify and support priority sectors							
2.1 The number of parks initiated/established in the province (Number of infrastructure projects supported)	Annually	eThekweni	1	0	0	0	1
2.2 Number of investments projects realised***	Annually	All Districts	2	0	0	0	2
2.3 The number of exporter databases developed	Annually	All Districts	1	0	0	0	1
3. Measureable Objective : Enhance the skills and capacity of specific industry institutions and stakeholders							
3.1 The number of people trained	Quarterly	All Districts	100	0	0	60	40



Measurable objectives, performance measures or indicators, and targets for Strategic Initiative

Sub-Programme : Strategic Initiative	Strategic Objective :						
	Performance Indicator	Audited/Actual performance		Estimated Performance	Medium Term Targets		
		2008/09	2009/10		2010/11	2011 /12	2012/13
1. Measureable Objective : To identify and support priority sectors							
1.2 The number of infrastructure projects supported***	0	0	0	0	2	2	2
2. Measureable Objective : Enhance the skills and capacity of specific industry institutions and stakeholders							
2.1 The number of people trained***	0	0	0	0	100	150	250

Sub-Programme : Strategic Initiative	Strategic Objective :							
	Performance Indicator	Reporting period	Districts	Annual Target	Quarter 1	Quarter 2	Quarter 3	Quarter 4
1. Measureable Objective : To identify and support priority sectors								
1.2 The number of infrastructure projects supported***	Annually	All Districts	2					2
2. Measureable Objective : Enhance the skills and capacity of specific industry institutions and stakeholders								
2.1 The number of people trained***	Quarterly	All Districts	100	0	0	60	40	





Programme 3: Trade & Sector Development

Sub-programme: Sector Development

Specific policies, priorities, and strategic objectives

Sector Development is aligned with the national policy in terms of the National Industrial Policy Framework (NIPF) and the Industrial Policy Action Plan (IPAP2); which is consistent with the Provincial Policy in terms of the Provincial Industrial Development Strategy (PIDS), Provincial Growth and Development Strategy (PGDS) and other relevant provincial policies. The identified sectors have been prioritized as:

- Some of the lead sectors identified in the Industrial Policy Action Plan (IPAP2), which provides substance to the framework for implementation of National Industrial Policy Framework (NIPF).
- Where potential exists for sustainable growth, employment generation and the diversification and growth of exports;
- The sectors that promote the participation of Historically Disadvantaged Individuals (HDI) and marginalized regions in the mainstream of the industrial economy;
- Some leading sectors in respect of Research and Development (R&D).

Economic growth and job creation require a sound macro-economic framework and prudent fiscal discipline. The national economic policy framework, including both trade and industrial policies, continues to inform provincial and sectoral priorities. Specific policies relating to the development of the different priority sectors also include the New Growth Path, Customized Sector Programme Policies (CSPs), Regional Industrial Development Strategy (RIDS), Provincial Growth and Development Strategy (PGDS), Provincial Spatial Economic Development Strategy (PSEDS), MAPPPSETA, Information Society and Provincial BPO Strategy and the KZN Wood Processing Sector Strategy (KZNWPSS).

Progress analysis

In terms of progress for the 2011-12 Financial Year the following achievements were made:

Agribusiness

- Expansion of the support to emerging beekeepers in the province to unlock the economic potential of the beekeeping industry. Over 200 beekeepers (20 projects) were supported to increase productivity and sustain the industry.
- Expansion of the Goat Commercialisation Projects throughout the province in collaboration with DAE-RD. In total 13 projects (over 100 goat farmers) were supported.
- Twenty people benefited from the Cut-Flower Training and Mentorship Project.

Clothing and Textiles

- 3 Fashion designers completed their Postgraduate programme in Fashion Entrepreneurship at the University of KwaZulu-Natal Business School.
- The KZN Clothing and Textile Cluster undertook 21 local benchmarks and 19 international benchmarks and 2 technical workshops.
- 7 MSC Textile Technology students graduated from the Technical University of Liberec.
- Successfully held clothing and textile seminars
- 27 Beneficiaries completed their continuous professional development programme in Czech Republic



Creative Industries

- The KZN Music House recorded 72 musicians and distributed 28037 CDs to various distribution agencies.
- 105 crafters were exposed to various platforms such as SA Handmade Collection and Durban KwaZulu-Natal Handmade Collection.
- Approximately 400 local and international movies were showcased during the Durban International Film Festival.
- Successfully launched the KZN Film Commission.
- Successfully hosted SATMA Awards 2011.

ICTE & BPO

- Pilot for the nation-wide broadband network commenced in KZN.
- Completed KZN Provincial e-Government and ICT in Climate Change Roadmaps.
- Completed a Provincial ICT Skills Development Strategy.
- 282 Students completed their BPO training programme and 13 completed their internship in companies in India.

Forestry and Wood Products

- The KwaZulu-Natal Furniture Initiative and KwaZulu-Natal Forestry Sector Initiative Forum (KZNFSIF) were established.
- 24 Ugu-based companies benefited from life, technical and occupational skills training
- Feasibility studies were completed for a Chipboard Manufacturing Plant and a Wood Pellet Production.

Chemicals

- Feasibility studies for the establishment of a Chemical Industry Park and Waste Management/ Recycling opportunities were completed

KZN Tooling Initiative

- Benchmarked 40 companies
- Provided Business Development training for SMME tool rooms
- Conducted ICT sector research for tooling localisation
- Supported Cluster for ICT Tooling to link with 5 companies for localisation sourcing.
- Completed proposal for Design Centre of Excellence
- Trained 89 apprentices
- Developed Tooling Incentive Scheme

Analysis of constraints and measures planned to overcome them

In pursuit of achieving our objectives, the following challenges were experienced:

- The impact of the global economic recession still being felt by certain sectors e.g. clothing industry
- Limited availability of resources for the implementation of projects.
- Lack of commitment, co-ordination and integration between stakeholders for the various projects and programmes.
- Gate keeping by established industry role players inhibiting development and transformation.
- Lack of incentive schemes and grants to improve businesses.



Description of planned quality improvement measures

In the 2012/13 financial year, Sector Development will employ the following measures to improve quality and overcome constraints:

- Timeous submission of SLAs and MOUs including swift turn-around times for signing by principals. Binding MOU's will be signed with partners prior to engagement.
- Clear definition of roles and responsibilities within the various units within the department.
- Facilitation of stakeholder forums and clusters to assist in addressing the challenges related to co-ordination and integration.
- Pursuing collective objectives/initiatives to the benefit of both emerging and established SMMEs within the priority sectors.
- Industry role players will be engaged in an effort to promote collaboration.
- Sector specific specialist forums will be employed in order to improve communication and partnerships with both the private and public sectors.
- Package and facilitate incentive schemes and grants to assist businesses
- Partnering with bodies and institutions with the same objectives will ensure the availability of more resources.

Specification of measurable objectives and performance indicators

The following tables present the measurable objectives, performance measures or indicators, and performance targets for the Sector Development sub-programme.

Measurable objectives, performance measures or indicators, and performance targets for Sector Development

Strategic Plan Target (Measurable Objective)	Audited/Actual performance			Estimated performance 2011 /12	Medium-term targets		
	2008/09	2009/10	2010/11		2012/13	2013/14	2014/15
Strategic objective : To promote a conducive environment for the creation of sustainable jobs (i.e. skills development, access to resources and infrastructure provision)	0	0	0	0	13	11	12
To develop and fund the implementation of sector specific projects (Number of high impact projects and programmes completed)	0	0	0	0	2	2	0
To identify and support priority sectors (Number of infrastructure projects supported – number of parks initiated/established)	468	1998	1238	800	2030	2587	3095
Enhance the skills and capacity of specific industry institutions and stakeholders (Number of people trained)	Strategic objective : To build, strengthen and align institutions of economic development						
To establish and support institutions that promote economic growth (Number of clusters supported)	5	3	2	4	5	5	5



Strategic objective	To promote a conducive environment for the creation of sustainable jobs (i.e. skills development, access to resources and infrastructure provision)
Objective statement	To develop and fund the implementation of sector specific projects/programmes
Baseline	Number of high impact projects and programmes completed: 13; number of feasibility studies/business plans completed: 5
Justification	This will contribute towards job creation and strengthening of business competitiveness in priority manufacturing sectors. It will comprise the implementation of interventions to support the growth of specific sectors; facilitation of the growth/competitiveness/transformation of specific industries; and improvement in the capacities of specific sector industry institutions and stakeholders.
Links	NIPF, IPAP, NGP, IDS, PGDS
Objective statement	To identify and support priority sectors (infrastructure provision)
Baseline	Number of parks initiated/established: 2 (Number of infrastructure projects supported)
Justification	This will contribute towards facilitating the implementation of strategic programmes that will stimulate the competitiveness of priority sectors.
Links	NIPF, IPAP, IDS
Objective statement	Enhance the skills and capacity of specific sector industry institutions and stakeholders
Baseline	Number of people trained: 2030
Justification	These objectives will contribute towards facilitating the implementation of strategic programmes that will stimulate the competitiveness of priority sectors.
Links	This objective is linked to the skills development and global competitiveness goal.
Strategic objective	To build, strengthen and align institutions of economic development
Objective statement	To establish and support institutions that promote economic growth
Baseline	Number of clusters supported:5 ; number of institutions supported to promote economic growth (i.e. KZN Economic Council): 1
Justification	This objective will contribute towards job creation and retention, strengthening of business competitiveness and export capacity of priority industrial sectors.
Links	NIPF, IPAP, NGP, IDS

Sub-programme: Sector Development Tooling					
Performance Indicator	Audited/Actual performance			Estimated Performance	
	2008/09	2009/10	2010/11	2011 /12	2012/13 2013/14 2014/15
Components : Agribusiness, Automotives, Chemicals, Clothing & Textiles, Creative Industries, Forestry & Wood Products, ICTE, BPO and					
Strategic Objective : To promote a conducive environment for the creation of sustainable jobs (i.e. skills development, access to resources and infrastructure provision)					
1 Measureable Objective : To develop and fund the implementation of sector specific projects/programmes					
1.1 Number of high impact projects and programmes completed	0	0	0	0	11 12
1.2 Number of feasibility studies/business plans completed	6	7	4	5	7 7
2 Measureable Objective : To identify and support priority sectors (infrastructure provision)					
2.1 Number of businesses assisted with proactive interventions**** (Number of parks initiated/established)	0	0	0	0	2 2 0





Sub-programme: Sector Development Tooling
Components : Agribusiness, Automotives, Chemicals, Clothing & Textiles, Creative Industries, Forestry & Wood Products, ICTE, BPO and

Performance Indicator	Audited/Actual performance			Estimated Performance		Medium Term Targets		
	2008/09	2009/10	2010/11	2011 /12	2012/13	2013/14	2014/15	
3 Measureable Objective : Enhance the skills and capacity of specific sector industry institutions and stakeholders	468	1998	1238	800	2030	2587	3095	
Strategic Objective: To build, strengthen and align institutions of economic development								
4 Measureable Objective : To establish and support institutions that promote economic growth	5	3	2	4	5	5	5	
4.1 Number of clusters supported	0	0	0	1	1	1	1	
4.2 Number of institutions supported to promote economic growth (i.e. KZN Economic Council)								

Sub-Programme : Sector Development Tooling
Components : Agribusiness, Automotives, Chemicals, Clothing & Textiles, Creative Industries, Forestry & Wood Products, ICTE, BPO and

Performance Indicator	Reporting period	Districts	Annual Target	Quarter 1	Quarter 2	Quarter 3	Quarter 4
				2030	2030	2030	2030
Strategic Objective : To promote a conducive environment for the creation of sustainable jobs (i.e. Skills development, access to resources and infrastructure provision)							
1. Measureable Objective : To develop and fund the implementation of sector specific projects/programmes	Annually	All Districts	13	0	0	0	13
1.1 Number of high impact projects and programmes completed	Quarterly	All Districts	5	0	0	0	5
1.2 Number of feasibility studies/business plans completed							
2. Measureable Objective : To identify and support priority sectors (infrastructure provision)	Annually	eThekwinini	2	0	0	0	2
2.1 Number of businesses assisted with proactive interventions*** (Number of parks initiated/established)							
3. Measureable Objective : Enhance the skills and capacity of specific sector industry institutions and stakeholders	Quarterly	All Districts	2030	0	562	675	793
3.1 Number of people trained***							
Strategic Objective : To build, strengthen and align institutions of economic development							
4. Measureable Objective : To establish and support institutions that promote economic growth	Annually	eThekwinini	5	0	0	0	5
4.1 Number of clusters supported	Annually	All Districts	1	0	0	0	1
4.2 Number of institutions supported to promote economic growth (i.e. KZN Economic Council)							



Programme 3: Trade & Sector Development

Sub-programme: Tourism Development

Purpose

To provide guidance, support and direction in terms of policies, legislation and strategies aimed at promoting tourism to benefit the majority of KwaZulu-Natal communities. Over the past two decades, tourism has emerged as a fast growing and valuable non-traditional, tradable services sector and it is an important driver of both domestic consumer spending and foreign exchange earnings, underpinned by a sustainable resource base, labour intensive and relatively low barriers to entry for emerging entrepreneurs. The continuous development of the tourism sector will assist in diversifying South Africa's economy and contribute immensely towards achieving the overall objectives of the National Tourism Sector Strategy. Tourism is a demand driven sector where nature, volume and value of demand determine investment opportunities therefore it is important that the demand is grown to achieve economic growth and job creation.

Legislative Mandate

The province derives its tourism mandate from the Constitution of the Republic of South Africa, Act no. 108 of 1996, schedule 4 sets out the functional areas of concurrent national and provincial legislative competence:

- Tourism Act No. 72 of 1993
- KwaZulu-Natal Tourism Act No. 11 of 1996 as amended in 2002
- Broad Based Black Empowerment Act (Act No. 53 of 2003)
- The White Paper on the Development and Promotion of Tourism in South Africa (1996)
- The White Paper on the Development and Promotion of Tourism in KwaZulu-Natal (2008)

Policies, priorities and strategic objectives

The priorities of the Sub programme are informed by various pieces of legislation, policies, strategies, national and provincial cabinet directives aimed at ensuring economic growth and job creation within the industry which include but not limited to:

- National and Provincial Spatial Economic Development Strategy (PSEDS)
- National Tourism Sector Strategy (NTSS)
- Provincial Growth and Development strategy
- Strategy on the Professionalization of Tourist Guides;
- Service Excellence Strategy
- National and Provincial Tourism White Paper on the Development and Promotion of Tourism in the Country
- New Growth Path

After having considered all available strategies, provincial Cabinet Lekgotla Resolutions and directives, the Sub-programme will over the next financial year focus mainly on the following areas :

- Implementation of the National Tourism Sector Strategy and Provincial Tourism Master Plan with emphasis on service excellence, rural development, tourism sector codes and facilitation product development.





- Strengthen partnerships with Agencies like Ezemvelo KZN Wildlife with whom we have signed a collaborative agreement to implement community based tourism products with a view to improving community beneficiation;
- Implement programmes aimed at capacitating local government as it has been discovered that in some municipalities there are few dedicated tourism personnel coupled with limited experience and in some instances with no budget for tourism.
- Finalise the review of tourism legislative framework
- Identification and development of niche markets particularly in rural areas as part of rural development

Progress analysis

Over the past few years Tourism Development has offered various programmes including but not limited to tourism mentorship which has seen more than sixty (60) small business enterprises being partnered with well established businesses as part of the transformation drive.

As part of strengthening the collaboration and engagements between the private and public sector, various structures have been established which include but not limited to Destination Global Competitiveness Steering Committee and Provincial Tourism Forum aimed at ensuring that the province becomes globally competitive when compared with other destinations as well as ensuring that there are coordinated efforts on issues of tourism development. The Provincial Tourism Committee (PTC) chaired by the MEC has played a significant role in ensuring the dissemination of information to relevant public sector stakeholders as well as being the vibrant engagement forum on issues relating to tourism policies and strategies. This includes the consideration and endorsement of the KwaZulu Natal Beach Tourism Policy which was recently approved by the Cabinet as well as the Provincial Tourism Master Plan.

The past financial year has seen the Sub Programme leading a collaborative effort between various stakeholders to provide the most needed support to municipalities in the likes of information sharing workshops which targeted employees and councillors dealing with tourism function; development of tourism strategies and the establishment of District and Local Tourism Forums aimed at supporting and guiding municipalities to deliver on their tourism related mandate. This included support given to Ubuhlebezwe, Kokstad, Uthukela, Jozini, Umhlabuyalingana, Amajuba and Hlabisa Local Municipalities whereby they were assisted through the development of their Tourism Sector strategies aimed at ensuring that these municipalities are able to plan for tourism development in their areas which has the potential to grow.

Constraints and measures planned to overcome them

Tourism is a complex and multifaceted industry that requires partnerships among a number of role players. The industry therefore needs an integrated approach that is supported by an enabling legislation and guiding strategies. The Sub-Programme has identified a number of constraints that need urgent attention. These include:

- Tourism development is presently solely driven by private sector with government playing in some instances minimal and uncoordinated role even between government levels, the development and finalisation of the Provincial Tourism Master Plan will address these challenges as all tourism planning and development will be coordinated and properly managed;
- Low level of knowledge on potential opportunities for the SMME sector. The integrated approach in working with other departments and private will assist in identifying and unlock potential opportunities through programmes like mentorship.
- Dissemination of tourism information to interest groups is also a challenge; however, tourism awareness programmes have been incorporated in the plans for the next two years and these workshops have proven to address the challenge and they are in great demand.



- Funding for product development including community-based projects remains a huge challenge. There is a need to leverage funding within the department and from various funding agencies. There are plans to work closely with the National Department of Tourism (NDT) to leverage on the newly established Tourism Fund. The establishment of the KZN Tourism fund will assist in alleviating the challenge.
- Safety of tourists is one of the provincial challenges. Workshops and campaigns on safety awareness will be intensified as part of the implementation of the provincial tourism safety awareness strategy.

Planned quality improvement measures

The Sub-Programme will ensure that tourism activities are conducted professionally, effectively and efficiently through alignment of National, Provincial and Local Plans. The alignment between the sub-programmes and other sector departments will also be ensured to leverage and streamline programmes geared towards tourism development. In addition to this, the following quality improvement measures will be undertaken:

- As part of measures to drive transformation in the industry, the Sub Programme will work collaboratively with our BBBEE Sub programme to develop and implement programmes aimed at supporting the previously disadvantaged groups to acquire bigger stakes within the sector.
- Work closely with the Legal Services unit to finalise the KZN Tourism Act and its Regulations although this process is depended on the completion of the national process
- The sector is presently prioritising responsible tourism hence the need for the development of Responsible Tourism Guidelines for the province.
- Collaborate with key industry role-players and provide the necessary inputs to national strategies and legislation of the likes of Rural Tourism Strategy
- The focus will be on community beneficiation out of community based products hence an agreement has been signed with Ezemvelo KZN Wildlife to ensure that this objective is achieved.
- The Sub Programme has been providing bursaries to students studying tourism at tertiary level but that has been discontinued and replaced with a Graduate Development Programme aimed at offering experiential training to students who have completed their studies but lacks experience and those who are unable to graduate because they have to undergo in-service training and they will receive stipend for the duration of their training and placement. This programme also contributes to job creation in line with the stipulations of the New Growth Path.





Measurable objectives, performance measures or indicators, and performance targets for Tourism Development

Strategic objective	To develop and transform the tourism sector to achieve destination competitiveness
Objective statement	To develop and fund the implementation of sector specific projects to increase community beneficiation.
Baseline	Number of projects co-funded and supported contributing to tourism growth: 6
Justification	The objective will contribute to job creation through EPWP prescripts; and enhance beach experience by offering bathing experience that complies with international accredited and acclaimed environmental standards.
Links	The objective will contribute towards the New Growth Path, NTSS, PGDS, GCP, Rural Development Strategy and PSEDS; KZN Beach Tourism Policy, International Blue Flag Programme, South African National Bathing Water Quality Standards, Cruise Tourism Strategy
Objective statement	To develop and implement integrated mechanism that ensure people development & service excellence in the sector
Baseline	Number of people trained: 6716
Justification	The objective will contribute to an increase in tourism quality tourism skills and development. Improved educators knowledge imparted to the learners thus developing a better perception of a career in tourism industry by the learners.
Links	The objective will contribute to tourism industry development and ensuring participation for all.
Objective statement	To promote responsible tourism practises and champion tourism's response to climate change through improved compliance initiatives and drives
Baseline	Number of provincial policies / strategies / legislation developed and compliance initiatives: 2
Justification	The objective will contribute to industry complying with responsible tourism practices thus increasing the number of visitor to the province.
Links	The objective will contribute to 2002: National Tourism Responsible Guidelines, NTSS, National and Provincial White Papers on Development and Promotion of Tourism as well as compliance with registration of businesses legislation.

Sub-Programme: Tourism Development	Strategic Objective: To develop and transform the tourism sector to achieve destination competitiveness						
	Performance Indicator		Audited/Actual performance	Estimated performance	Medium-term targets		
			2008/09	2010/11	2012/13	2013/14	2014/15
1 Measurable Objective : To develop and fund the implementation of sector specific projects							
1.1 Number of projects co-funded and supported contributing to tourism growth	3	10	9	2	6	6	7
2. Measurable Objective : To develop and implement integrated mechanism that ensure people development and service excellence in the sector							
2.1 Number of people trained	15,081	12,158	20,872	12,167	6,966	6,716	6,716
3. Measurable Objective : To promote responsible tourism practises and champion tourism's response to climate change							
3.1 Number of Provincial policies/ strategies/ legislation initiated & developed and compliance initiatives	0	0	2	1	2	3	3



Sub-Programme: Tourism Development	Strategic Objective: To develop and transform the tourism sector to achieve destination competitiveness								
	Performance Indicator	Reporting period	Districts	Annual Target	Quarterly targets				
					Quarter 1	Quarter 2	Quarter 3	Quarter 4	
1 Measurable Objective : To develop and fund the implementation of sector specific projects									
1.1 Number of projects co-funded and supported contributing to tourism growth	Quarterly	UMkhanyakude; UMzinyathi; Ugu; UThungulu	6	0	0	0	0	6	
2 Measurable Objective : To develop and implement integrated mechanism that ensure people development and service excellence in the sector	Quarterly	All	6,966	80	5,270	555	1,061		
2.1 Number of people trained									
3 Measurable Objective : To promote responsible tourism practices and champion tourism's response to climate change	Quarterly	All	2	0	0	0	2		
3.1 Number of Provincial policies/ strategies/ legislation initiated & developed and compliance initiatives									

Programme Three : Trade and Sector Development : Reconciling Performance Targets with Budgets and MTEF

Summary of payments and estimates - Programme 3: Trade and Sector Development									
R thousand	Audited Outcome		Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates			
	2008/09	2009/10				2010/11	2012/13	2013/14	2014/15
Trade and Investment Promotion	1,351,231	1,661,483	591,511	436,969	513,457	513,330	517,002	672,587	741,719
Sector Development	63,505	133,062	118,241	84,252	135,517	136,629	129,331	146,072	165,048
Strategic Initiatives	-	103,754	156,975	59,636	59,636	59,560	62,618	66,062	70,026
Tourism Development	102,423	118,009	118,904	134,614	158,447	149,965	149,695	157,180	165,039
Total	1,517,159	2,016,308	985,631	715,471	867,057	859,484	858,646	1,041,901	1,141,832

Summary of payments and estimates by economic classification - Programme 3: Trade and Sector Development									
R thousand	Audited Outcome		Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates			
	2008/09	2009/10				2010/11	2012/13	2013/14	2014/15
Current payments	74,743	144,735	72,945	62,118	87,852	80,285	100,204	119,933	136,560
Compensation of employees	10,318	10,332	11,555	18,733	9,241	14,222	25,842	27,134	28,491
Goods and services	64,425	134,403	61,390	43,385	78,611	66,063	74,362	92,799	108,069
Interest and rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies to:	1,441,178	1,871,212	912,239	653,268	779,083	799,083	758,172	921,684	1,004,974
Provinces and municipalities	926	-	-	-	-	-	-	-	-
Department agencies and accounts	126,853	158,355	153,503	169,731	192,251	192,251	183,327	192,817	203,139
Universities and technikons	791	-	-	-	-	-	-	-	-





Summary of payments and estimates by economic classification - Programme 3: Trade and Sector Development

	Audited Outcome			Main Appropriation	Adjusted Appropriation 2011/12	Revised Estimate	Medium-term Estimates		
	2008/09	2009/10	2010/11				2012/13	2013/14	2014/15
R thousand									
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public Corporations and private enterprises	-	-	-	-	-	-	-	-	-
Non-profit institutions	1,312,607	1,712,857	758,657	483,537	586,832	586,832	574,845	728,867	801,835
Households	1	-	79	-	-	-	-	-	-
Payments for capital assets	1,238	361	447	85	122	116	270	284	298
Buildings and other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	1,238	361	447	70	107	106	270	284	298
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	15	15	10	-	-	-
Payments for financial assets	-	-	-	-	-	-	-	-	-
Total	1,517,159	2,016,308	985,631	715,471	867,057	859,484	858,646	1,041,901	1,141,832



Programme 4: Business Regulations And Governance

Sub-programme : Consumer Protection

Specific policies, priorities, and strategic objectives

Common law, the Constitution, the National Consumer Protection Act as well as the Provincial Consumer Protection Bill (once it is enacted) will provide the necessary policy and legislation framework to protect and promote an effective Consumer Protection regime in the Province. These pieces of legislation provide the unit with the required mandates to represent aggrieved consumers and ensure that their rights are protected and realised. The unit is divided into three sections, complaints handling, education and awareness as well as the enforcement and compliance. The complaints handling section is responsible for the investigation and resolution of consumer complaints using the Alternative Dispute Resolution (ADR) mechanisms. Complaints that could not be resolved will then be referred to the Tribunal for final determination. The education and awareness section is responsible for the dissemination of information to consumers about their rights and responsibilities. The enforcement and compliance section is responsible for ensuring that there is compliance with relevant statutory obligations, including legislations as well as prohibitions. To discharge this responsibility effectively, the sub-programme will need to have the necessary capacity and expertise to implement both the National as well as the Provincial legislation. The Provincial Consumer Protection Bill has been aligned with the Consumer Protection Act, which once enacted will see the establishment of the Consumer Tribunal in the Province for the greater protection and realization of consumer rights in the Province.

In the coming financial year, the unit has developed specific Consumer Information and Education programmes to sensitise and empower consumers on their rights and responsibilities in all the eleven Districts in the Province. The unit will work closely with the District consumer Protection forums as well as the Provincial forum to ensure that education campaigns are geared towards addressing specific problems of a particular district. These awareness campaigns comprise sector specific workshops enabling consumers to make informed choices in the market place that contributes towards developing a consumer rights culture in the province of KwaZulu-Natal.

The complaints handlers will continue to investigate and resolve complaints within 30 days turnaround time and provide consumers with access to redress. Once the Tribunal has been established all complaints that could not be resolved using ADR mechanisms will be referred to the Tribunal for determination. The enforcement and compliance section has already established partnerships with other enforcement agencies like the South African Police Services, National Prosecuting Authority, SARS customs as well as the Department of Trade and Industry to ensure that all goods imported and entering the Country through the Province complies with the law. The unit will also be involved in random inspections of businesses in the whole Province. The sub-programme's strategic objective is to develop, implement, and promote measures that protect the rights and interests of consumers as well as ensuring that businesses are complying in the Province.

Progress analysis

In terms of progress for the 2011/12 Financial Year the following achievements were made:

- 1 major workshop has been conducted with the 2 more scheduled in the 3rd quarter and two to be conducted in the 4th quarter across the province. The focus herein will be on under serviced districts like uMkhanyakude, Ugu, Zululand and uThungulu.
- The unit had as of the end of the second quarter conducted 400 minor workshops across the Province, 145 presentations as well as 18 exhibitions.





- The unit has also dealt with 4111 Telephonic enquiries, 796 walkins and 819 written complaints by the end of the second quarter and resolved 777 complaints saving consumer R 2 006 869.00 with an average turnaround time of 65 days.
- The unit has also conduct 131 inspections on businesses across the Province to ensure compliance by the end of the second quarter, as well as 14 secondary investigations leading to collaboration with the Financial Services Board as well as the National Credit Regulator to act against unregistered credit providers and intermediaries.
- 7 District forums established and are functioning in Umzinyathi, Amajuba, uThukela, uMkhanyakude, Ilembe uThungulu Sisonke districts. We still have to establish the forums for eThekweni, Zululand, Ugu and Umgungundlovu.
- The establishment of the Provincial forum will be done in the last quarter of the financial year.
- Establishment and maintenance of District and Provincial representative structures for consumer protection services.
- Consumer Bill consultation occurred throughout the province; and the Bill will be table to the Legislature in the 3rd quarter.
- The Consumer SMS Alerts project targeted consumers across the province thereby highlighting the services of the unit. Great strides have been made in terms of reaching the public and promoting awareness.

Analysis of constraints and measures planned to overcome them

- Consumer - variance in expenditure due to misallocation of expenditure and personnel costs of contract employees and interns. Discussions held with Finance and HRM to correct the expenditure postings.
- Consumer enforcement targets were met and exceeded despite the unit having a single official.
- The Consumer Call centre project will improve reach of services through the functioning of the call centre.

Description of planned quality improvement measures

- In the 2012/13 financial year, the sub-programme will continue to ensure that:
- To liaise with Communications to ensure that we advertise at least 50 % of our outstanding events to maximise reach; media slots to be utilized for consumer protection issues as well.
- The Consumer SMS alerts project is to be re-ignited in the 2012/13 financial year so as to further target consumers, thereby encouraging use of the unit's services.

Specification of measurable objectives and performance measures or indicators

The following tables present the measurable objectives, performance measures or indicators, and performance targets for the Consumer Protection Services sub-programme.



Measurable objectives, performance measures or indicators, and targets for Consumer Protection

Strategic objective: To implement and enforce the consumer protection legislation and policies in the province, and thereby ensuring that they protect, promote, and further the rights of consumers.

Strategic Plan Target (Measurable Objective)	Audited/Actual performance		Estimated performance 2011 /12	Medium-term targets		
	2008/09	2009/10		2010/11	2012/13	2013/14
Educate and inform consumers of their rights	100%	100%	100%	100%	100%	100%
To coordinate and ensure integrated relevant and effective planning (engagement of stakeholders)	100%	100%	100%	100%	100%	100%
Address consumer complaints and provide redress	100%	100%	100%	100%	100%	100%
Ensure enforcement and compliance with legal prescripts	100%	100%	100%	100%	100%	100%

Strategic objective	To implement and enforce the consumer protection legislation and policies in the province, and thereby ensuring that they protect, promote, and further the rights of consumers
Objective statement	To promote and further the rights of consumers in KZN.
Baseline	All Consumer Protection related legislation and procedures, e.g National Consumer Protection Act, Provincial
Justification	This will ensure that the Businesses around the Province are fully compliant with all Consumer Protection related legislation and procedures and that Consumer are protected from unfair business practices
Links	This will ensure that activities performed by CPS are addressing the needs of all consumers in the Province and increase efficiency in providing redress to consumers.
Objective statement	To increase operational efficiency and effectiveness
Baseline	All Consumer Protection related legislation and procedures, e.g National Consumer Protection Act, Provincial
Justification	This will improve Department's ability to ensure that the Businesses around the Province are fully compliant with all Consumer Protection related legislation and procedures and that Consumer are protected from unfair business practices
Links	This will result in relevant education and awareness campaigns and compliance initiatives

Sub-Programme : Consumer Protection Services	Audited/Actual performance		Estimated Performance 2011 /12	Medium Term Targets		
	2008/09	2009/10		2010/11	2012/13	2013/14
Performance Indicator						
1. Measureable Objective : Educate and inform consumers of their rights						
1.1 Number of consumer education programmes conducted***	96	110	146	1,100	1,100	1100
2. Measureable Objective : To coordinate and ensure integrated relevant and effective planning (engagement of stakeholders)						
2.1 No. of partnerships established and maintained with Regulators and other stakeholders	0	0	0	11	64	64
3. Measureable Objective : Address consumer complaints and provide redress						





Sub-Programme : Consumer Protection Services	Strategic Objective : To implement and enforce the consumer protection legislation and policies in the province, and thereby ensuring that they protect, promote, and further the rights of consumers	Audited/Actual performance		Estimated Performance		Medium Term Targets				
		Performance Indicator		Performance		2012/13	2013/14	2014/15		
		2008/09	2009/10	2010/11	2011 /12	2012/13	2013/14	2014/15		
3.1 No. of complaints received***		6,372	5,621	7,447	7,000	9,000	9,000	9,000	9,000	9,000
3.2 No. of complaints resolved***			601	1,134	1,225	3,000	3,000	3,000	3,000	3,000
4. Measureable Objective : Ensure enforcement and compliance with legal prescripts		0	0	42	192	192	288	288	384	384
4.1 No. of Inspections conducted										

Sub-Programme : Consumer Protection Services	Strategic Objective: To implement and enforce the consumer protection legislation and policies in the province, and thereby ensuring that they protect, promote, and further the rights of consumers	Performance Indicator	Reporting period	Districts	Annual Target	Quarter 1	Quarter 2	Quarter 3	Quarter 4
						Quarter 1	Quarter 2	Quarter 3	Quarter 4
						Quarter 1	Quarter 2	Quarter 3	Quarter 4
1. Measureable Objective : Educate and inform consumers of their rights									
1.1 Number of consumer education programmes conducted***	Quarterly	All Districts	1,100	200	300	300	300	300	300
2. Measureable Objective : To coordinate and ensure integrated relevant and effective planning (engagement of stakeholders)									
2.1 No. of partnerships established and maintained with Regulators and other stakeholders	Quarterly	All Districts	64	16	16	16	16	16	16
3. Measureable Objective : Address consumer complaints and provide redress									
3.1 No. of complaints received***	Quarterly	All Districts	9000	2250	2250	2250	2250	2250	2250
3.2 No. of complaints resolved***	Quarterly	All Districts	3000	750	750	750	750	750	750
4. Measureable Objective : Ensure enforcement and compliance with legal prescripts									
4.1 No. of Inspections conducted	Quarterly	All Districts	192	48	48	48	48	48	48



Programme 4: Business Regulations and Governance

Sub-programme : Liquor Regulation

Specific policies, priorities, and strategic objectives

The Liquor Regulation sub-programme derives its legislative mandate from the National Liquor Act 59 of 2003 and Liquor Act 27 of 1989. The strategic objective and purpose of this sub programme is not only to ensure compliance with statutory obligations but also to ensure the liquor industry which is a major industry contributes to the KZN economy. This will be done in terms of establishment and retention of sustainable jobs with the many licensed outlets, which equally contributes to the economy in terms of taxation and improved revenue streams. It is also intended that this industry must be compelled to ensure that it enforces responsible trading. The sub programme is divide into four business units viz, Education, Administration, Compliance and enforcement and the operations of the Liquor board in order to implement the purpose as outlined above.

Progress analysis

In terms of progress for the 2011/12 Financial Year the following achievements were made:

- The Department of Economic Development and Tourism will have the Liquor Authority listed as a schedule 3 Public Entity in terms of the PFMA during latter half of 2011.
- The Act sets out the objectives that the Province wishes to achieve with regard to liquor licensing and micro manufacturing. It also extends beyond the process of licensing and includes objectives of balancing the congruent objectives of providing a stable social environment against promoting the growth of the liquor industry.
- Highly successful public event held with the MEC in relation to launch of the KZN Liquor Act in Richard's Bay in April 2011.
- Establishment of the Liquor Entity in terms of the promulgated KZN Liquor Act 6 of 2010 to occur in latter part of the year.
- The Liquor Board concluded Section 11 hearings whereby licenses were revoked or suspended.
- Successful merge/integration of services between Liquor Regulations and Regulation Services in terms of Business Licenses as applicable to Liquor; this will result in a MOU during the next quarter.
- Establishment and maintenance of District and Provincial representative structures for liquor.
- Continuous focusing on the operational efficiency of the Liquor unit particularly in relation to the turn-around times.
- Continuation of the liquor trader responsible programme in joint partnership with SAB.
- Successful implementation of the SMS Alert project
- Implementation of the liquor licensing system
- Implementation of the GIS System and training of staff thereof

Analysis of constraints and measures planned to overcome them

- The Liquor Board has imposed strict measures on the issuing of licenses due to social ills and substance abuse. In addition, a high percentage of files seen by the Board are being postponed due to applicants not submitting all relevant documentation, resulting in delays and officials having to have to send letters of reminders for outstanding correspondence.
- High percentage of new applications being received are non-compliant applications.
- Granting of licenses depends on the need for a liquor outlet in the respective areas in KZN and mostly KZN is already drowning in social ills resulting from liquor





- The unit has only one inspector servicing the whole Province. Interviews were held last year for the purpose of beefing up the inspectorate unit but due to an unresolved grievance lodged by staff the appointments were not made.
- There is also lack of staff in the education and awareness unit as only one official is manning that unit for the whole province. Interviews were held but appointment couldn't be made due to the grievance lodged by staff.
- Although the liquor licensing system is implemented, the unit is still experiencing some teething problems which are being addressed as they come

Description of planned quality improvement measures

In the 2012/13 financial year, the sub-programme will continue to ensure that:

- Improvement with the unit's turnaround time, additional work required in this area in order to turnaround the public's negative perception of this unit.
- The number of responded matters is dependent on how quick our clients respond to departmental correspondence requesting outstanding information.
- The unit is embarking on implementing an SMS alert program which will be effective in channeling our correspondence in a much faster manner and it is expected that responses will be expedited.
- Stricter measures are to be introduced to redress KZN's liquor industry, e.g, a business license and proper lease agreement from Ingonyama Trust Board.
- Plans are underway to appoint a company that will assist in the transfer to the liquor entity and see the recruitment and selection process through
- The foremost aim of the Liquor Authority is to ensure that the objects of the Liquor Licensing Act are accomplished:
- The Liquor Licensing Act lists the following as the objectives :
 - To provide for the regulation of the micro-manufacturing and retail sale of liquor
 - To reduce the socio-economic and other costs of alcohol abuse
 - To provide for public participation in the consideration of applicants for registration
 - To promote the development of a responsible and sustainable retail and micro-manufacturing liquor industry in a manner that facilitates :
 - The entry of new participants into the industry
 - Diversity of ownership in the industry
 - An ethos of social responsibility in the industry

Specification of measurable objectives and performance measures or indicators

The following tables present the measurable objectives, performance measures or indicators, and performance targets for the Liquor Licensing sub-programme.



Measurable objectives, performance measures or indicators, and targets for Liquor Regulation

Strategic objective: To promote and maintain an effective and efficient regulatory system for the liquor industry.

Strategic Plan Target (Measurable Objective)	Audited/Actual performance			Estimated performance	Medium-term targets		
	2008/09	2009/10	2010/11		2011 /12	2012/13	2013/14
Identify and develop provincial regulatory frameworks that promote economic growth and good governance.	100%	100%	100%	100%	100%	100%	100%

Strategic objective	To promote and maintain an effective and efficient regulatory system for the liquor industry
Objective statement	To build, strengthen and align institutions of economic development.
Baseline	All Liquor licensing related legislation and procedures, e.g National Liquor Act 59 of 2003 and Liquor Act 27 of 1989
Justification	This will ensure that the Department is fully compliant with all Liquor Licensing related legislation and procedures.
Links	This will ensure that activities performed by Liquor licensing remain relevant through continuous improvement.
Objective statement	To develop provincial legislation, economic policies and strategies to achieve sustainable economic development.
Baseline	All Liquor licensing related legislation and procedures, e.g National Liquor Act 59 of 2003 and Liquor Act 27 of 1989
Justification	This will ensure that the Department is fully compliant with all Liquor Licensing related legislation and procedures.
Links	This will ensure that the component adheres to and aligned with national legislation, norms and procedures.
Objective statement	To increase operational efficiency and effectiveness.
Baseline	All Liquor licensing related legislation and procedures, e.g National Liquor Act 59 of 2003 and Liquor Act 27 of 1989
Justification	This will ensure that activities performed by Liquor licensing remain relevant through continuous improvement.
Links	This will ensure that activities performed by Liquor Licensing are well within the times expected by clients to address complaints.

Sub-Programme : Liquor Regulation	Strategic Objective : To promote and maintain an effective and efficient regulatory system for the liquor industry						
	Audited/Actual performance			Estimated Performance	Medium Term Targets		
Performance Indicator	2008/09	2009/10	2010/11		2011 /12	2012/13	2013/14
1. Measureable Objective: Identify and develop provincial regulatory frameworks that promote economic growth and good governance.	0	0	0	0	100%	100%	100%
1.1 Implementation of Liquor Act 6 of 2010	0	0	0	0	4	4	4
1.2 Number of liquor authority monitoring reports (Tracking the effectiveness of the Liquor Authority in regulating the liquor industry)	0	0	0	0	2	2	2
1.3 Number of liquor authority strategic reports (Support provided to the entity in terms of policy direction and strategy formulation in terms of regulating the liquor industry)	0	0	0	0	2	2	2





Sub-Programme : Liquor Regulation	Strategic Objective: To promote and maintain an effective and efficient regulatory system for the liquor industry					
	Reporting period	Districts	Annual Target	Quarter 1	Quarter 2	Quarter 3 Quarter 4
Performance Indicator						
1. Measureable Objective : Identify and develop provincial regulatory frameworks that promote economic growth and good governance	Quarterly	All Districts	100%	100%	100%	100%
1.1 Implementation of Liquor Act 6 of 2010	Quarterly	All Districts	4	1	1	1
1.2 Number of liquor authority monitoring reports (Tracking the effectiveness of the Liquor Authority in regulating the liquor industry)	Quarterly	All Districts	2	0	1	1
1.3 Number of liquor authority strategic reports (Support provided to the entity in terms of policy direction and strategy formulation in terms of regulating the liquor industry)	Quarterly	All Districts				

Programme 4: Business Regulations and Governance

Sub-programme : Regulation Services (Formal and Informal)

Specific policies, priorities, and strategic objectives

The sub-programme Regulation Services , consists of both Formal and Informal businesses and derives its legislative mandate from the Business Act 71 of 1991, together with the Provincial Policy of informal Economy which is being developed.

The specific priorities of this sub-programme is to provide a regulatory framework for the functioning of both Formal and Informal Trade in a manner that advances the agenda of economic development and growth in the Province. The unit also strives to ensure that compliance in terms of this Formal and Informal trade is adhered to. The Strategic objective is to create a conducive regulatory environment for the sustained development and support to the formal and informal business sector.

Progress analysis

- In terms of progress for the 2011/12 Financial Year the following achievements were made:
- Highly successful public events held with the MEC in relation to the Informal Economy policy launch in Durban in May 2011.
- Launch of the Informal policy to all stakeholders and Implementation of the Informal sector Framework policy.
- Facilitated the establishment of Informal Economy Structures (Chamber) in all the Local and District Municipalities in the Province, which subsequently led to the formation of the Provincial Informal Economy Chamber.
- Successful merge/integration of services between Liquor Regulations and Regulation Services in terms of Business Licenses as applicable to Liquor; this will result in a MOU during the next quarter.
- The Regulatory Impact Assessment audit revealed the following :
 1. Regulations create significant efficiency costs not only for businesses in KwaZulu Natal but the whole of South Africa. Although this study was interested in investigating the impact of compliance costs or administrative burdens on business in KZN it has become increasingly clear that businesses are in fact concerned about broader regulatory costs as well as the general business environment.



2. International lessons show that regulatory simplification requires robust institutional and legislative framework underpinned by strong political oversight. Institutions and legislation provide the framework within which relevant regulations are defined and therefore put on the agenda for reform or simplification.
3. Up to so far South Africa has been using piecemeal and fragmented interventions towards administrative simplification. Efforts aimed at reducing regulatory costs are neither coordinated nor following any systematic program of implementation with clear objectives and targets. In many instances, interventions are introduced in response to pressure from interest groups rather than empirical evidence. With this approach everything and anything that pressure groups feel strongly about is likely to be labelled regulatory costs and therefore reformed.

Analysis of constraints and measures planned to overcome them

The sub-programme is faced with the following challenges:

- Formal Trade barriers to compliance: non-application of Business Act; capacity shortages within municipalities; few valid licensing authorities within municipalities previously disregarded as a function.
- Regulation Services as a sub programme is yet to be created on the departmental structure; the sub-programme is currently operating with 3 contract governance specialists.
- The RIA study revealed that there are widespread variations in the understanding of what exactly constitutes regulatory costs and the subsequent effect on businesses. A common understanding of what regulatory costs are and how they affect businesses will streamline and target regulatory reforms in a manner that improves the enabling environment.
- In addition, the manufacturing, tourism (part of service sector), mining, power and water sectors have been found to bear the heaviest mean burden of compliance costs, followed fairly closely by the transport sector. By implication, efforts to minimise regulatory burden must therefore be targeted at these sectors.
- The findings show that business are largely burdened by national general and sector specific regulations over which provincial government has little control. Provincial and municipal regulations are few in number and impose little information obligations when compared to national legislations. By further implication, the extent to which provincial government can introduce administrative simplification interventions is limited to policies within provincial jurisdiction or recommending changes to national government and local government. On its own and given complexities of the intergovernmental system, KZN may not be able to influence national government without support from other provinces.

Description of planned quality improvement measures

In the 2012/13 financial year, the sub-programme will continue to ensure that:

- Implementation of the audit findings of business licensing particularly in relation to ensuring that Business licensing functions are implemented within municipalities.
- Establishment and maintenance of District and Provincial representative structures for informal trade.
- As per the RIA study, reforms must be targeted at sectors with higher job creation potential such as agriculture, tourism and clothing and textile. These sectors feature prominently on broader national and provincial economic growth strategies owing to their labour intensity and capacity to absorb majority of the unskilled and rural labour force.
- While the results achieved to date are undoubtedly helpful, business perceptions about the impact remain largely sceptical. Business perceptions are important to the credibility of government programs, that is, whether administrative simplification efforts are regarded as genuine or the most appropriate areas of concern are targeted.





Specification of measurable objectives and performance measures or indicators

The following tables present the measurable objectives, performance measures or indicators, and performance targets for the Regulation Services sub-programme.

Measurable objectives, performance measures or indicators, and targets for Regulation Services

Strategic objective: To create a conducive regulatory environment for the sustained development and support to the formal and informal business sector

Strategic Plan Target (Measurable Objective)	Audited/Actual performance			Estimated performance			Medium-term targets		
	2008/09	2009/10	2010/11	2011 /12	2012/13	2013/14	2014/15		
To establish and manage policy framework through municipalities which creates an enabling environment that supports the informal sector and to establish and manage the implementation of a regulatory framework with municipalities which contributes to the monitoring of regulatory compliance within the formal business sector.	100%	100%	100%	100%	100%	100%	100%		

Strategic objective	To create a conducive regulatory environment for the sustained development and support to the formal and informal business sector
Objective statement	To create an enabling environment for the sustainable development of the formal and informal trade sector.
Baseline	All related legislation and procedures, e.g Business Act 71 of 1991
Justification	This will ensure that the Department is fully compliant with all business sector related legislation and procedures.
Links	This will ensure that activities performed by the component adhere to and are aligned with national policies, procedures and norms
Objective statement	To increase operational efficiency and effectiveness
Baseline	To increase operational efficiency and effectiveness
Justification	All related legislation and procedures, e.g Business Act 71 of 1991
Links	This will ensure that the Department is fully compliant with all business sector related legislation and procedures.
Objective statement	This will ensure that all the required and necessary activities are performed by Regulation services.
Objective statement	To build, strengthen and align institutions of economic development.
Baseline	All related legislation and procedures, e.g Business Act 71 of 1991
Justification	This will ensure that the Department is fully compliant with all business sector related legislation and procedures.
Links	This will ensure that the Department is fully compliant with all business sector related legislation and procedures.



Sub-Programme: Regulation Services		Strategic Objective : To create a conducive regulatory environment for the sustained development and support to the formal and informal business sector							
		Audited/Actual performance		Estimated Performance		Medium Term Targets			
						2012/13	2013/14	2014/15	
Performance Indicator		2008/09	2009/10	2010/11	2011 /12	2012/13	2013/14	2014/15	
1. Measureable Objective : To establish and manage policy framework through municipalities which creates an enabling environment that supports the informal sector and to establish and manage the implementation of a regulatory framework with municipalities which contributes to the monitoring of regulatory compliance within the formal business sector.									
1.1	Number of barriers identified***	0	5	0	2	2	1	1	
1.2	Number of barriers addressed***	0	5	0	2	2	1	1	
1.3	Number of Municipalities monitored and evaluated with implementation of regulations	0	0	35	31	31	31	31	
1.4	Number of Districts provided with Business Licensing Functions (PMU)	0	0	0	0	3	4	1	
1.5	Number of Municipal Informal Economy Policy Alignment Programmes facilitated	0	0	0	8	11	11	11	

Sub-Programme : Regulation Services		Strategic Objective: To create a conducive regulatory environment for the sustained development and support to the formal and informal business sector						
		Reporting period	Districts	Annual Target	Quarter 1	Quarter 2	Quarter 3	Quarter 4
					Quarter 1	Quarter 2	Quarter 3	Quarter 4
1. Measureable Objective: To establish and manage policy framework through municipalities which creates an enabling environment that supports the informal sector and to establish and manage the implementation of a regulatory framework with municipalities which contributes to the monitoring of regulatory compliance within the formal business sector.								
1.1	Number of barriers identified***	Quarterly	All Districts	2	0	1	0	1
1.2	Number of barriers addressed***	Quarterly	All Districts	2	0	1	0	1
1.3	Number of Municipalities monitored and evaluated with implementation of regulations	Quarterly	All Districts	31	7	8	8	8
1.4	Number of Districts provided with Business Licensing Functions (PMU)	Quarterly	All Districts	3	0	1	1	1
1.5	Number of Municipal Informal Economy Policy Alignment Programmes facilitated	Quarterly	All Districts	11	2	3	3	3





Programme Four : Business Regulation and Governance : Reconciling Performance Targets with Budgets and MTEF

Summary of payments and estimates - Programme 4: Business Regulation and Governance													
R thousand	Audited Outcome			Main Appropriation			Adjusted Appropriation		Revised Estimate		Medium-term Estimates		
	2008/09	2009/10	2010/11	2010/11	2011/12	2011/12	2011/12	2011/12	2011/12	2011/12	2012/13	2013/14	2014/15
Regulation Services	-	-	1,207	5,239	4,250	2,404	5,356	5,623	5,905	20,463	21,486	22,561	57,148
Consumer Protection	9,667	12,639	14,278	18,686	18,391	15,099	51,834	54,427	57,148	51,834	54,427	57,148	85,614
Liquor Regulation	7,417	8,491	9,391	75,222	57,460	49,227	77,653	81,536	85,614	77,653	81,536	85,614	85,614
Total	17,084	21,130	24,876										

Summary of payments and estimates by economic classification - Programme 4: Business Regulation and Governance													
R thousand	Audited Outcome			Main Appropriation		Adjusted Appropriation		Revised Estimate		Medium-term Estimates			
	2008/09	2009/10	2010/11	2010/11	2011/12	2011/12	2011/12	2011/12	2011/12	2012/13	2013/14	2014/15	2014/15
Current payments	16,827	20,908	24,640	34,720	57,040	48,807	34,947	36,695	38,530				
Compensation of employees	7,850	11,894	14,287	17,439	16,313	15,814	22,955	24,103	25,309				
Goods and services	8,977	9,014	10,353	17,281	40,727	32,993	11,992	12,592	13,221				
Interest and rent on land	-	-	-	-	-	-	-	-	-				
Transfers and subsidies to:	-	-	-	40,082	-	-	42,406	44,526	46,753				
Provinces and municipalities	-	-	-	-	-	-	-	-	-				
Department agencies and accounts	-	-	-	-	-	-	-	-	-				
Universities and technikons	-	-	-	-	-	-	-	-	-				
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-				
Public Corporations and private enterprises	-	-	-	40,082	-	-	42,406	44,526	46,753				
Non-profit institutions	-	-	-	-	-	-	-	-	-				
Households	-	-	-	-	-	-	-	-	-				
Payments for capital assets	257	222	236	420	420	420	300	315	331				
Buildings and other fixed structures	-	-	-	-	-	-	-	-	-				
Machinery and equipment	257	222	230	420	420	420	300	315	331				
Heritage assets	-	-	-	-	-	-	-	-	-				
Specialised military assets	-	-	-	-	-	-	-	-	-				
Biological assets	-	-	-	-	-	-	-	-	-				
Land and sub-soil assets	-	-	-	-	-	-	-	-	-				
Software and other intangible assets	-	-	6	-	-	-	-	-	-				
Payments for financial assets	-	-	-	-	-	-	-	-	-				
Total	17,084	21,130	24,876	75,222	57,460	49,227	77,653	81,536	85,614				



Programme 5 : Economic Planning

Purpose

The Economic Planning Programme is at the forefront of gathering, tracking and analysing key economic statistics and macro-economic developments for the provincial, national and global economies. The Economic Planning programme is comprised of four sub-programmes: Policy and Planning; Research and Development; Knowledge Management, and Monitoring and Evaluation. The following table presents the structure of the programme and its purpose, as well as its strategic goals and objectives:

Programme 5: Economic Planning	Sub-programmes
Aim/Purpose: To develop provincial economic policies and strategies to achieve and measure sustainable economic development	Sub-programme 1: Policy and Planning Sub-programme Objective: To co-ordinate and provide leadership in provincial economic policy and strategy development.
Strategic goals: To promote the growth and socio-economic transformation of the KZN economy that will enable the creation of one million jobs by the end of 2020 To become an institution of excellence with respect to economic development	Sub-programme 2: Research and Development Sub-program objective: To conduct or commission research on the provincial economy and engage in ongoing economic analysis.
	Sub-programme 3: Knowledge Management Sub-program objective : To access, store and disseminate information on the provincial economy
	Sub-programme 4: Monitoring and Evaluation Sub-program objective : To determine the effectiveness and impact of provincial economic development policies, strategies and programmes

Specific policies, priorities, and strategic objectives

The policy context for the economic planning programme is provided by provincial strategies such as the PGDS, PSEDS and the PIDS, as well as national strategies and policies such as ASGISA, IDS and NSDP. Its strategic objective is to facilitate and promote integrated economic development planning as well as monitor and evaluate economic development policies, strategies, and programmes. It also aims to provide leadership in economic knowledge generation and management.

The aim of this programme is to develop provincial economic policies and strategies to achieve and measure sustainable economic development. The economic planning function is very crucial as it ensures that service delivery programmes are designed to appropriately respond to the social and economic development priorities of the citizens. The Economic Planning Programme is critical to the enhanced efficiency and effectiveness of the Department as it facilitates and promotes integrated economic development policies, strategies and programmes, and provide leadership in economic policy development and knowledge management, most of which feeds into other programmes.

The strategic priorities of the programme are to monitor and track macro-economic developments and disseminate such economic information regarding the province to key stakeholders in the public and private sectors. The programme continually access, store in a readily retrievable manner, and disseminate process and strategic information required for the efficient and effective management of the Department, to all members of the Department’s management team.





Progress analysis

The programme has completed a series of research papers such as the knowledge economy; integrated planning frameworks, people's guide to the economy, green economy) and commissioned (Waste management in the formal and informal economy; Implications of a carbon tax; Cost benefit analysis of Renewable energy technologies; Airport Strategy, Green Economy Strategy). In addition the programme has identified economic drivers for each district through analysing major firm's labour absorption, export share and GDP contribution. The programme has continued to provide leadership in the issuing of a quarterly economic publication titled Ezomnotho, which is jointly published with Trade and Investment KZN, IThala, and KZN Provincial Treasury. The economic statistical website is updated on a regular basis and there is evidence that it is widely utilised by key stakeholders. The programme produces regular economic analytical reviews and snapshots which are used by the MEC and senior management. It has also conducted monitoring and impact assessment studies of various departmental projects and services. The programme has continued to implement the Emerging Researchers Capacity Building Programme. The Management Information System (MIS) which is managed by the Project Support Office is helping store and track departmental projects.

Analysis of constraints and measures planned to overcome them

The key constraints facing the programme relate to:

- Lack of proper tracking of implementation of economic strategies
- Lack of proper project documentation by project managers
- Monitoring and evaluation results not robustly incorporated into future planning

The contemplated measures to overcome these challenges include:

- The project manager's performance agreements will incorporate their duties of reporting, documentation and updating information into the MIS as per the agreed timeframe
- Tracking of implementation of economic strategies and job verification
- Capacity building initiatives on research; monitoring and evaluation

Description of planned quality improvement measure

To improve the programme's quality of services, the Department will continue, in the new financial year, to:

- Tracking the implementation of key provincial economic strategies such as PSEDS, IDS, Export, Investment and BEE
- To identify new economic opportunities for the province through focussed research, modelling and forecasting
- To enter into structural agreements with tertiary institutions to undertake research on identified priority sectors in KZN
- Produce up-to-date and reliable statistics and economic indicators for the province
- Track and analyse macroeconomic developments in the provincial, national and global economies
- Build research and M&E capacity through the emerging researchers capacity enhancement project
- Continuous monitoring and evaluation of the departments interventions



Programme 5 : ECONOMIC PLANNING

Sub-programme : POLICY AND PLANNING

Purpose

The Policy and Planning unit is established to act as an advisory arm of the Department of Economic Development and Tourism on matters of economic policy and the economy in general. It has the responsibility of developing or facilitating the development and implementation of sound provincial economic policies and strategies. This is achieved through analysis of national policies and priorities, stakeholder consultations and the tracking of macroeconomic developments locally, nationally and globally. This is done to ensure that plans and programmes of all the province's government departments are well aligned and integrated with these economic policies and strategies.

Specific policies, priorities, and strategic objectives

To achieve its mandate the unit constantly tracks economic developments and policy pronouncements in the province and in South Africa in general. Some of the provincial and national economic policy frameworks that guide the Unit's operations include among others the New Growth Path (NGP), National Industrial Policy Framework (NIPF) and Industrial Policy Action Plan (IPAP2). Based on these national policy frameworks and working with a number of stakeholders, the unit assists in the drafting and development of provincial strategies necessary to implement the aforementioned policies. This is done through undertaking focused research on priority sectors and the analysis of macroeconomic trends.

Progress analysis

The sub-programme achieved the following:

- Provided Production of Quarterly economic statistical publication titled Ezomnotho;
- Tracking and Analysis of macroeconomic developments in the provincial, national and global economies;
- Gathering key economic statistics for the province;
- Provision of regular economic updates to the office of the MEC;
- Publication of economic research papers/ working papers covering topical issues;
- Functional economic statistical portal hosted on the Departmental website;
- Review of the Provincial Spatial Economic Development Strategy (PSEDS);
- Development of the PSEDS Implementation Plan;
- Training of Stakeholders on economic Policy analysis and review;
- Collaboration with Provincial Treasury, TIKZN, Ithala and District Municipalities
- Respond to information requests by Stakeholders

Analysis of constraints and measures planned to overcome them

Achieving policy and strategic planning integration among provincial government departments and municipalities is one of the major challenges facing the unit. This is so given the multiplicity of national, provincial and local government policies and strategies which are not synchronized and coordinated, yet with the same developmental and job creation intend. In addition, reliability of statistical data continues to be the chief challenge bedeviling the unit's role of tracking provincial micro and macro-economic environment to promote policy formulation. Regional economic statistics are not available from official data sources and hence it is inherently difficult to analyse local economic development initiatives that cascade down to District and local





municipalities. The Sub-programme is making use of private data sources to supplement data sets produced by Stats SA.

Description of planned quality improvement measures

The unit regards the development of an integrated strategic planning framework for the province as germane to improve policy coherence and implementation. Benchmarking of policy initiatives with best practices in other organisations of a similar nature, conducting of workshops and training of staff are the strategies that the unit adopted to improve the quality of its services. Continued collaboration with private and public stakeholders is envisaged to mitigate the aforementioned challenges. The unit endeavours to provide in-house training to junior economists in applied economics as a tool for skills transfer.

Specification of measurable objectives and performance measures or indicators

The measurable objectives, performance measures or indicators, and performance targets for the Policy and Planning sub-programme are presented in the following table.

Measurable objectives, performance measures or indicators, and targets for Policy and Planning

Strategic Plan Target	Audited/Actual performance		Estimated performance	Medium-term targets		
	2008/09	2009/10		2010/11	2012/13	2013/14
Strategic objective: To develop provincial legislation, economic policies and strategies to achieve sustainable economic development	N/A	N/A	0	3	2	1
Number of strategies developed/reviewed	N/A	N/A	0	3	2	1
Strategic objective: To be the central source of economic data and lead in the provision of customised economic information to stakeholders in the province						
Number of Publications distributed to stakeholders	N/A	2	5	6	6	6
Strategic objective: Track and analyse macroeconomic developments in regional and global economies						
Number of macroeconomic economic snap shots reports	N/A	2	0	4	4	4
Strategic objective : To build the capacity of stakeholders to plan and manage the local economy						
Number of economic training sessions conducted	N/A	2	2	2	2	2
Strategic objective	To develop provincial legislation, economic policies and strategies to achieve sustainable economic development					
Objective statement	Provide technical support in the drafting, implementation and review of policies and strategies					
Baseline	Three (3) Strategies developed for the province					
Justification	To draft implementable strategies that help to accomplish national and provincial policy priorities and developmental objectives. This objective will contribute to the attainment of KwaZulu-Natal developmental priorities of poverty eradication, employment creation and economic growth					
Links	This objective will contribute to the provincial vision of ensuring equal economic opportunities to all the citizens of KwaZulu-Natal					
Strategic objective	To be the centre of macroeconomic economic research and development					



Objective statement	To be the central source of economic data and lead in the provision of customised economic information to stakeholders in the province
Baseline	Five (5) Statistical reports produced annually
Justification	This objective will contribute to improved decision making, policy development and implementation.
Links	This objective will contribute to the provincial vision of reliable statistical information to Government to aid policy making
Strategic objective	To co-ordinate and provide leadership in provincial economic policy and strategy development.
Objective statement	Track and analyse macroeconomic developments in regional and global economies
Baseline	Four (4) macroeconomic analysis reports produced annually
Justification	This objective will contribute to improved availability of economic information necessary for decision making and policy development
Links	This objective will contribute to the provincial vision of reliable economic information to Government to aid policy making
Strategic objective	To co-ordinate and provide leadership in provincial economic policy and strategy development.
Objective statement	Provide Capacity Building to Stakeholders
Baseline	Two (2) Stakeholder Capacity building programmes annually
Justification	This objective will contribute to well informed policy formulation and decision making
Links	This objective will contribute to the provincial vision of reliable economic information to Government to aid policy making

Performance indicator	Audited/Actual performance			Estimated performance	Medium-term targets		
	2008/09	2009/10	2010/11		2012/13	2013/14	2014/15
	1. Measurable Objective: To develop provincial legislation, economic policies and strategies to achieve sustainable economic development						
1.1 Number of economic strategies developed***	N/A	0	0	2	1	0	0
1.2 Number of strategies reviewed***	N/A	0	0	1	1	1	1
2. Measurable Objective: To be the central source of economic data and lead in the provision of customised economic information to stakeholders in the province							
2.1 Number of Publications	N/A	2	5	6	6	6	6
2.2 Number of operational economic statistical portal	N/A	0	1	1	1	1	1
3. Measurable Objective: Track and analyse macroeconomic developments in regional and global economies							
3.1 Number of Macroeconomic Snap Shots	4	4	4	4	4	4	4
4. Measurable Objective : To build the capacity of stakeholders to plan and manage the local economy							
4.1 No. of economic training sessions conducted	2	2	2	2	2	2	2

Performance indicators	Reporting period	Districts	Annual Target	Quarterly targets			
				Quarter 1	Quarter 2	Quarter 3	Quarter 4
1. Measurable Objective: Identify and develop provincial regulatory frameworks that promote economic growth and good governance							
1.1 Number of economic strategies developed***	Annually	all	1				1
1.2 Number of strategies reviewed***	Annually	all	1				1





Performance indicators	Reporting period	Districts	Annual Target	Quarterly targets			
				Quarter 1	Quarter 2	Quarter 3	Quarter 4
2. Measurable Objective: To be the central source of economic data and lead in the provision of customised economic information to stakeholders in the province							
2.1 Number of Publications	Quarterly	all	6	1	2	1	2
2.2 Number of operational economic statistical portal	Annual	all	1				
3. Measurable Objective: Track and analyse macroeconomic developments in regional and global economies							
3.1 Number of Macroeconomic Snap Shots	Quarterly	all	4	1	1	1	1
4. Measurable Objective : To build the capacity of stakeholders to plan and manage the local economy							
4.1 No. of economic training sessions conducted	Bi-annually	all	2	1			1

Programme 5 : Economic Planning

Sub-programme : Monitoring and Evaluation (M&E)

Purpose

The purpose of the Monitoring and Evaluation sub-programme is to determine the effectiveness and impact of provincial economic development policies, strategies and programmes. Through monitoring and evaluation, the sub-programme aims to ensure continuous learning, improvement and organisational performance.

Specific policies, priorities, and strategic objectives

The Monitoring and Evaluation sub-programme is informed by policy frameworks that apply to the entire Economic Planning Programme as described above. The sub-programme is informed by constitutional principles of good governance, accountability, transparency, effectiveness and service delivery improvement. Specific policies relevant to the sub-programme include the Government Wide Monitoring and Evaluation, Green Paper on Performance Monitoring and Evaluation, Draft National Evaluation Policy Framework, and Framework on Managing Performance Information.



Progress analysis

The Monitoring and Evaluation sub-programme continues to facilitate improvement in organisational performance, learning and service delivery through monitoring and evaluation studies. This is done through continuous project monitoring and impact assessment of Departmental projects. To this end the sub-programme has conducted a number of project monitoring and evaluation studies, including the impact assessment of the 2010 FIFA World Cup in KZN. The sub-programme has also undertaken conducted a number of project monitoring including project site visits. The sub-programme also produced quarterly Departmental analysis reports, reflecting on progress made in terms of achieving set targets and budget expenditure. Furthermore, the M&E unit continued to implement the Emerging Researchers Capacity Building Programme as a mechanism for enhancing M&E capacity for emerging researchers and M&E practitioners. This programme has not only strengthened M&E capacity, but also led to an increasing awareness and interest on M&E issues across the province.

In terms of progress for the 2010-11 Financial Year the following achievements were made:

- Implementation of the Monitoring Strategy and monitoring tools.
- Conducting project monitoring to assess progress towards planned goals. This included verification of APP reports, project site visit assessments and compilation of comprehensive monitoring reports.
- Conducting public sector job verification study.
- Providing M&E and research capacity through the Emerging Researchers Capacity Enhancement Programme
- Providing M&E technical support to the Provincial Flagship Programme.

Analysis of constraints and measures planned to overcome them

The key challenges facing the sub-programme relate to:

- Integrated planning and coordination among Departments and other key players in order to measure outcomes.
- General insufficient baseline data on most economic development interventions.
- Increasing M&E demand for DEDT Public entities, and limited M&E capacity within these entities.
- Increasing demand for M&E technical capacity and practitioners.
- Insufficient qualitative information from economic analysis regarding certain economic development trends in the province

Description of planned quality improvement measures

The contemplated measures to overcome these challenges include the:

- Advocating for joint planning, coordination and reporting in the economic cluster in order to measure contribution to economic development outcomes.
- Extension of M&E to DEDT public entities initiatives.
- Partnership with Public entities to strengthen their M&E internal capacity
- Partnership with the UKZN on M&E training for emerging M&E and research practitioners.

In the 2012/13 financial year, the sub-programme will continue to:

- Conduct project and service monitoring to measure progress towards set goals
- Conduct project evaluations to determine effectiveness.
- Track public sector job creation.





- Provide M&E training for stakeholders through the Emerging Researchers Capacity Enhancement Programme.
- To facilitate M&E stakeholder engagement through establishment of KZN M&E Forum.

Measurable objectives, performance measures or indicators, and targets for Monitoring and Evaluation

Strategic Plan Target	Audited/Actual performance			Estimated performance 2011/12	Medium-term targets			
	2008/09	2009/10	2010/11		2012/13	2013/14	2014/15	
Strategic objective: To determine the effectiveness and impact of provincial economic development policies, strategies and programmes.								
To monitor and evaluate Departmental projects and strategies.	5	5	5	11	17	19	19	19
Strategic objective: To determine the effectiveness and impact of provincial economic development policies, strategies and programmes.								
Provide M&E capacity building for relevant stakeholders in the province.	52	38	60	55	80	80	80	80

Strategic objective	To determine the effectiveness and impact of provincial economic development policies, strategies and programmes.
Objective statement	To monitor and evaluate Departmental projects and strategies.
Baseline	No of projects monitored and evaluated to date Monitored : 43 and Evaluated: 28
Justification	This objective will contribute towards DEDT effectiveness and thus improvement in its performance.
Links	The objective will contribute towards public sector service delivery improvement and growth in the economic sector.
Objective statement	Provide M&E capacity building for relevant stakeholders in the province.
Baseline	No of stakeholder trained to date: 260
Justification	This objective will contribute towards M&E capacity enhancement in the province.
Links	The objective will contribute towards improvement of capacity on M&E skills.

Performance indicator	Audited/Actual performance			Estimated performance 2011/12	Medium-term targets			
	2008/09	2009/10	2010/11		2012/13	2013/14	2014/15	
1 Measureable Objective : To monitor and evaluate Departmental projects and strategies.								
1.1 Number of monitoring reports produced***	16	2	2	9	12	14	14	14
1.2 Number of evaluation reports produced***	10	3	3	3	5	5	5	5
2 Measureable Objective : To provide M&E capacity building for relevant stakeholders in the province.								
1.1 Number of stakeholders trained on M&E	52	38	60	55	60	60	60	60

Performance indicators	Reporting period	Districts	Annual Target	Quarterly targets			
				Quarter 1	Quarter 2	Quarter 3	Quarter 4
1. Measureable Objective : To monitor and evaluate Departmental projects and strategies.							
1.1 Number of monitoring reports produced***	Quarterly	All	12	2	4	2	4
1.2 Number of evaluation reports produced***	Annually	All	5			2	3
2 Measureable Objective : To provide M&E capacity building for relevant stakeholders in the province							
1.1 Number of stakeholders trained on M&E	Annually	All	60			30	30



Programme 5 : Economic Planning

Sub-programme : Knowledge Management

Purpose

The main purpose of the Knowledge Management sub-programme is to ensure that information relevant to execution of departmental economic development mandate is made available timeously to the departmental users by using a properly design sourcing, storage and dissemination technologies. The information should be relevant to the development of provincial economy within the national agenda.

Specific policies, priorities and strategic objectives

The global economy is becoming more knowledge-based which strives on innovation, optimal use of human capital and less reliance on physical assets. This global shift has necessitated organizations to pay close attention to their knowledge management systems. There is a realisation at a national level that broad developmental mandate can ultimately be achieved if South Africa takes further steps on the road to becoming a knowledge – based economy, which will rest on interconnected and interdependent pillars of innovation, economic and institutional infrastructure, information infrastructure and education. Therefore, effective knowledge management requires a combination of critical organizational elements such as information and communication technology, human resource practices, appropriate organizational structure and culture, in order to ensure that knowledge is optimally used within DEDT. In implementing knowledge management systems, it is imperative that DEDT should adopt processes, organisation structure and culture that allows for use of human capital within the paradigm of knowledge economy. As the capacity improves, the knowledge management system will adapt. Consequently there will be more knowledge creation and sharing culture that will better respond to economic development challenges of the province.

The knowledge management sub-programme's parameters are defined by policies, which include but not limited to: Innovation Towards Knowledge-based Economy - Ten year (2008 – 2018) Plan for South Africa, Millennium Development Goals (MDGs), Accelerated Growth Initiative for South Africa (AsgiSA), Promotion of Access to Information, Public Finance Management Act, Provincial Growth and Development Strategy (PGDS) and Provincial Spatial Economic Development Strategy (PSEDS), Batho Pele and Medium Term Expenditure Framework.

A strategic objective of the Knowledge Management sub-programme is to ensure that information relevant to execution of departmental mandate is made available timeously to the departmental users by having properly design storage and dissemination technology and facilities. The information should be relevant to the development of provincial economy within the national agenda. The available information should enable DEDT staff to create knowledge that meets challenges of economic development, in particular the development of economic policies and programmes that is aligned to developmental state agenda of the national government. The information should be relevant to investors and economic participants in the province in order to achieve accelerated economic growth and reduction of poverty. The other strategic objective is to make available executive information about departmental projects for senior management to make well informed decisions about the performance of all projects.

For Knowledge Management sub-programme to be effective in managing information and knowledge for the department, it should look at continuously improving the systems used for gathering, storing and dissemination. The sub-programme should take heed on information generated from IMF, World Bank, United Nations, OECD, SARB, STATSSA and other national economic analysts. Also important is gathering and storage of information that will assist DEDT personnel to have broader understand of socio-economic challenges and build capacity to respond appropriately.





Progress analysis

The sub-programme has well established a Project Support Office (PSO), which is charged with a responsibility of supporting project managers in planning and managing their projects. The sub-programme installed a Project Management Information System (PMIS) which provides an intelligible source of information about departmental strategic projects. This office has also trained and coached project managers on effective use of PMIS and the application of good project management practices through the project life cycle. PSO has been tasked with ensuring that all strategic projects are registered and effectively managed through PMIS. The creation of computer based training centre will make it easier to transfer the skills of project manager by having live update of department projects and instill the culture of project management. Generally, project managers have improved their project management skills. The information extracted from PMIS is also improving with regards to accuracy.

The resource centre is now available to render service on provision of information on request and managing resource source material through proper material development and update. The INMAGIC system has been installed to manage resource centre material, borrowing and lending. There will be further improvement in service rendered by the resource with the recruitment of an administration clerk.

The knowledge management strategy has been reshaped to include measurable objectives and clear performance indicators. Knowledge management tools have been developed around the Communities of Practice and information impacting using the information space (I-space) methodology.

Analysis of constraints and measures planned to overcome them

The sub-programme is facing the following constraints:

- There is need for further improvement of quality and accuracy of information provided by project managers.
- There is a lack of knowledge sharing and learning culture.
- Information and knowledge is still in “silos”
- There is a resistance to change.

The contemplated measures to overcome these challenges include:

- To increase the level of comfort and confidence in using PMIS by continuing to train and coach project managers.
- The formation of communities of practice to improve on sharing culture.
- Embark on general knowledge management capacity building through holding of knowledge sessions for the department. To hammer on the implication of knowledge-based economy on how government employees should work.

Description of planned quality improvement measures

This sub programme plans to improve its offering in the following ways:

- Provide on-going training and support to project managers on how to use project management information system (PMIS).
- Continually drive knowledge management strategic goal and objective by identifying specific targets that need to be achieved.
- Ensure that PMIS information is analysed and reported to senior management every two months. This would further provide anchorage to current DEDT monitoring and evaluation initiatives and provide early warning signs to DEDT senior management where appropriate.



Measurable objectives, performance measures or indicators, and targets for Knowledge Management

Strategic Objective	To access, store and disseminate information on provincial economy
Objective statement	To produce Economic Intelligence report from district economic indicators and economic development information gathered from the relevant institutions in the district.
Baseline	Economic Intelligence report is produced immediately after District Economic Indicators report. The report provides explanation behind economic observed trends as they are shown in District Economic Indicators report.
Justification	This objective will ensure that appropriate interventions are prioritised for the district base on reliable economic intelligence information.
Links	This objective will ensure that relevant projects are executed for the benefit of the districts.
Objective statement	To ensure that Project Management Information is analysed and made available to DEDT senior management.
Baseline	The Project Management Information report is prepared every two monthly.
Justification	The Project Management Information report is critical for successful execution of departmental projects. Information is effectively gathered over two months.
Links	This objective gives a picture of the extent to which DEDT interventions are carried out and resources allocated per district, local municipality up to ward level.

Sub-programme : Knowledge Management	Strategic objective: To access, store and disseminate information on the provincial economy						
Strategic Plan Target	Audited/Actual performance		Estimated performance		Medium Term Targets		
	2008/09	2009/10	2010/11	2011/12	2012/13	2013/14	2014/15
Compile and produce Economic Intelligence report per district	N/A	1	1	2	3	3	4
Compile and analyse information on departmental projects and produce reports for senior management	N/A	N/A	N/A	6	6	6	6

Sub-programme : Knowledge Management	Strategic objective: To access, store and disseminate information on the provincial economy						
Performance Indicator	Audited/Actual performance		Estimated performance		Medium Term Targets		
	2008/09	2009/10	2010/11	2011/12	2012/13	2013/14	2014/15
1 Measurable Objective : Compile and produce Economic Intelligence report per district	N/A	1	1	2	3	3	4
1.1 Number of provincial economic intelligence reports produced***	N/A	1	1	2	3	3	4
2 Measurable Objective : Compile and analyse information on departmental projects and produce reports for senior management	N/A	N/A	N/A	6	6	6	6
1.2 No. of Project Management Information reports produced	N/A	N/A	N/A	6	6	6	6





Sub-programme : Knowledge Management	Strategic objective: To access, store and disseminate information on the provincial economy						
	Reporting Period	Districts	Annual Target	Quarter 1	Quarter 2	Quarter 3	Quarter 4
Performance Indicator	Measurable Objective : Compile and produce Economic Intelligence report per district						
1 Measurable Objective : Compile and produce Economic Intelligence reports produced***	Quarterly	All	3	0	1	1	1
2 Measurable Objective: Compile and analyse information on departmental projects and produce reports for DEDT management	Measurable Objective: Compile and analyse information on departmental projects and produce reports for DEDT management						
2.2 No. of Project Management Information reports produced	Quarterly	All	6	1	2	1	2

Programme 5 : Economic Planning

Sub-programme : Research and Development

Purpose

The purpose of Research and Development is to use resources for the deliberate discovery of new information and new ways of doing things. Now is arguably the most important time to have access to relevant, up to date and forward thinking research that will enable better decision making on an economic planning level. It is the purpose of this sub-programme to produce such research through in house research as well as engaging in partnerships and collaborations with relevant stakeholders in the province. The need for research emanating from this sub-programme has increased as globally, nationally and provincially policy makers will have to start looking at different ways and opportunities to further economic development.

Specific policies, priorities, and strategic objectives

The principal focus of the Research and Development sub-programme is to conduct or commission research on the provincial economy and engage in regular economic analysis of developments of importance to the provincial economy. The net result of this research will be to inform provincial economic policy and strategy development and to provide the required advice to the MEC for Economic Development and Tourism. Finally, it is hoped that the cumulative research output will result in the generation of economic information on those opportunities that exist in the province's industrial value-chains for the domestic and international investor communities. The sub-programme's research activity will ensure that it is kept abreast of developments regarding national economic policies and strategies and further needs to ascertain through research their implications for the province's implementation strategies and scope for policy-making.



Progress analysis

The programme has commissioned and/or completed a series of papers including both in house research (the knowledge economy; integrated planning frameworks, youth strategy, people's guide to the economy, green economy) and commissioned (Waste management in the formal and informal economy; Implications of a carbon tax; Cost benefit analysis of Renewable energy technologies; Airport Strategy, Green Economy Strategy). A research and Development blog has also been established and this is aimed at the broader research community where comments can be received on work currently undertaken and that which is completed. The sub programme has also been involved in the establishment of the research committee in which a research agenda for the department is being created.

Analysis of constraints and measures planned to overcome them

There are numerous constraints facing this sub programme and these can be briefly summarised as:

- Absence of a strategy to attract and retain skilled researchers/economists
- Absence of a Departmental research agenda to provide focus to the overall research output
- Limited internal quality assurance capacity to deal with research that is conducted internally and commissioned
- Increased cost of commissioned research makes viable research difficult

To deal with the situation, the sub-programme has finalised plans that includes:

- A proactive engagement with academic institutions through initiatives such as the University Research Network (URN), which will ensure a consistently high standard of commissioned research
- The proposed establishment of a departmental Research Committee which will facilitate a more collaborative approach to research within DEDT rather than one where research is outsourced to the R&D sub programme. This committee will ultimately assume responsibility for driving the DEDT's research agenda.
- Develop more flexible recruitment policies especially around the skills needed to manage and conduct research.

Description of planned quality improvement measures

This sub programme plans to improve its offering in the following ways:

- Engage stakeholders to leverage funds for projects and also to assist in project management of existing and future projects
- Ensure that electronically enabled media is utilised to conduct, store, display and share research with stakeholders
- Ensure the provision of quality assurance to other programmes within this department and extend this service to the broader stakeholder community





Measurable objectives, performance measures or indicators, and targets for Research and Development

Strategic objective	To conduct or commission research on the provincial economy and engage in ongoing economic analysis.
Objective statement	To undertake research on identified priority economic sectors in KZN
Baseline	Number of sectoral papers undertaken, 6 reports
Justification	This is an attempt to contribute to informed decision making on economic development within the province
Links	This will result in an increase in knowledge regarding the KZN economy
Strategic objective	To conduct or commission research on the provincial economy and engage in ongoing economic analysis.
Objective statement	To enter into structural agreements with tertiary institutions on research
Baseline	Number of research projects produced through tertiary institution partnerships, 5 reports
Justification	This is an attempt to overcome the high costs of research by entering into mutually beneficial partnerships with tertiary institutions
Links	This will result in more research being able to be undertaken

Performance indicator	Audited/Actual performance		Estimated performance	Medium-term targets		
	2008/09	2009/10		2010/11	2012/13	2013/14
1. Measurable Objective : To undertake research on identified priority economic sectors in KZN						
1.1 Number of research reports***	3	4	5	6	7	7
2. Measurable Objective : To enter into structural agreements with tertiary institutions on research						
2.1 Number of Research and Development initiatives supported***	0	1	4	5	6	7

Programme performance indicators	Reporting period	Annual Target	Quarterly targets			
			Quarter 1	Quarter 2	Quarter 3	
1. Measurable Objective : To undertake research on identified priority economic sectors in KZN						
1.1 Number of research reports***	Quarterly	6	0	1	2	3
2. Measurable Objective : To enter into structural agreements with tertiary institutions on research						
2.1 Number of Research and Development initiatives supported***	Quarterly	5	0	0	2	3

Programme Five : Economic Planning : Reconciling Performance Targets with Budgets and MTEF

R thousand	Audited Outcome			Main Appropriation			Revised Estimate			Medium-term Estimates		
	2008/09	2009/10	2010/11	2008/09	2009/10	2010/11	2008/09	2009/10	2010/11	2012/13	2013/14	2014/15
Policy and Planning	-	-	2,121	3,885	4,749	4,852	6,705	7,041	7,392			
Research and Development	-	-	2,809	5,049	5,874	4,003	5,651	5,933	6,229			
Knowledge Management	4,923	4,356	1,083	1,693	2,909	1,984	2,016	2,117	2,224			



Summary of payments and estimates - Programme 5: Economic Planning								
R thousand	Audited Outcome		Main Appropriation		Adjusted Appropriation	Revised Estimate	Medium-term Estimates	
	2008/09	2009/10	2010/11	2011/12	2011/12	2012/13	2013/14	2014/15
Monitoring and Evaluation	5,818	5,943	5,764	8,088	5,183	6,349	6,706	7,041
Total	10,741	10,299	11,777	18,715	18,715	17,188	21,078	22,132

Summary of payments and estimates by economic classification - Programme 5: Economic Planning										
R thousand	Audited Outcome			Main Appropriation		Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2008/09	2009/10	2010/11	2011/12	2011/12	2011/12	2012/13	2013/14	2014/15	
Current payments	10,164	10,159	11,621	18,625	18,200	17,088	19,963	20,962	22,009	
Compensation of employees	3,702	5,528	7,182	11,204	8,921	6,426	11,576	12,155	12,762	
Goods and services	6,462	4,631	4,439	7,421	9,279	10,662	8,387	8,807	9,247	
Interest and rent on land	-	-	-	-	-	-	-	-	-	
Transfers and subsidies to:	-	6	29	-	50	50	-	-	-	
Provinces and municipalities	-	-	-	-	-	-	-	-	-	
Department agencies and accounts	-	-	-	-	-	-	-	-	-	
Universities and technikons	-	-	-	-	-	-	-	-	-	
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-	
Public Corporations and private enterprises	-	-	-	-	-	-	-	-	-	
Non-profit institutions	-	-	-	-	-	-	-	-	-	
Households	-	6	29	-	50	50	-	-	-	
Payments for capital assets	577	134	127	90	465	50	1,115	1,170	1,229	
Buildings and other fixed structures	-	-	-	-	-	-	-	-	-	
Machinery and equipment	577	104	106	90	465	50	-	-	-	
Heritage assets	-	-	-	-	-	-	-	-	-	
Specialised military assets	-	-	-	-	-	-	-	-	-	
Biological assets	-	-	-	-	-	-	-	-	-	
Land and sub-soil assets	-	-	-	-	-	-	-	-	-	
Software and other intangible assets	-	30	21	-	-	-	1,115	1,170	1,229	
Payments for financial assets	-	-	-	-	-	-	-	-	-	
Total	10,741	10,299	11,177	18,715	18,715	17,188	21,078	22,132	23,238	





Part C: Links To Other Plans

5. Links to Long Term Infrastructure and Other Capital Plans

The long term infrastructure and capital plans of the Department are not directly implemented by the Department, but are implemented by entities of the Department, namely the Dube Trade Port and the Richards Bay Industrial Development Zone. The Department will therefore make transfer payments to these two entities.

Details of payments of infrastructure by category									
R Thousand (R '000)	Project name	Type of infrastructure Admin block; water; electricity; etc.	Project duration		Total project cost	Payments to date previous years	Total Available	MTEF forward Estimates	
			Date: Start	Date: Finish				2012/13	2013/14
Infrastructure transfers - current									
1.	Dube Trade Port	Dube Trade Port	2006/04/01	2060/03/31			39,313	41,475	43,964
Total Infrastructure transfers - current									
Infrastructure transfers – capital									
1.	Dube Trade Port	Dube Trade Port	2006/04/01	2060/03/31	4,913,587	944,956	392,995	541,860	603,572
2.	Richards Bay IDZ	RBIDZ	2010/04/01	2011/03/31	233,630	44,382	62,618	66,062	70,026
Total Infrastructure transfers - capital									
Total Infrastructure									
					5,147,217	989,338	455,613	607,922	673,598
					5,147,217	989,338	494,926	649,397	717,562

6. Conditional Grants

The Department does not receive any conditional grants.

7. Public Entities

The following table reflect the allocations to public entities that report to the Department. In terms of the compact agreements signed with each of the public entities reflected below, there are no significant changes that are anticipated in the coming year. Performance of these entities is managed as per conditions stipulated in the compact agreements, where the board of each entity reports to the MEC on a quarterly basis. The CEOs meet with the Head of Department quarterly to manage performance against deliverables on the compact agreement.



Summary of departmental transfers to public entities listed in terms of Schedule 3 of the PFMA

	Audited Outcome		Main Appropriation		Revised Estimate	Medium-term Estimates		
	2008/09	2009/10	2010/11	2011/12		2012/13	2013/14	2014/15
R thousand	2008/09	2009/10	2010/11	2011/12	2012/13	2013/14	2014/15	
Ithala Development Finance Corporation	-	100,000	280,000	247,780	247,780	289,500	305,423	320,694
Co-operatives Growth Fund	-	-	60,000	72,510	72,510	-	-	-
Enterprise Development Fund	-	-	40,000	-	-	-	-	-
SMMEs	-	100,000	180,000	174,300	174,300	289,500	305,423	320,694
Ezemvelo KZN Wildlife	-	-	-	970	970	-	-	-
KZN Sharks Board (KZNSB)	23,297	25,337	25,551	41,334	41,334	30,938	32,485	34,109
KZN Tourism Authority (TKZN)	61,556	78,602	71,444	89,381	89,381	87,776	92,165	96,773
Agri-business Development Agency (ADA)	-	-	24,051	26,000	26,000	36,591	38,676	41,032
Total	84,853	203,939	401,046	404,495	404,495	444,805	468,749	492,608

Summary of departmental transfers to other entities

	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2008/09	2009/10	2010/11				2011/12	2012/13	2013/14
R thousand	2008/09	2009/10	2010/11	2011/12	2012/13	2013/14	2014/15		
Anglican Church	-	-	241	-	-	-	-	-	
Co-operatives Entities	152	59	-	-	-	-	-	-	
Dude TradePort	1,299,313	1,598,254	526,905	364,103	448,334	432,308	583,335	647,535	
KZN Economic Council	-	-	-	-	750	-	-	-	
Trade & Investment KZN (TIK)	42,000	54,416	56,508	61,536	61,536	64,613	68,167	72,257	
Clothing & Textile Sector Cluster Entities	-	1,643	-	-	-	-	-	-	
Durban Film Festival	-	860	1,200	1,500	1,500	1,500	1,329	1,409	
Furniture Cluster Project	950	450	-	1,500	1,500	-	-	-	
IC:Te duster	554	1,800	-	-	-	-	-	-	
Indigenous Music	-	1,000	-	-	-	-	-	-	
KZN Film Commission	-	-	-	4,598	-	-	-	-	
KZN Music Studio	-	-	15,229	4,000	9,600	3,000	3,165	3,355	
Isimangaliso weland Park	-	-	-	-	350	-	-	-	
Moses Kotane Institute	10,783	4,500	34,297	30,000	39,512	33,000	36,300	38,478	
SEDA eThekweni	855	600	-	-	-	-	-	-	
University of KwaZulu-Natal (UKZN)	791	-	-	-	-	-	-	-	
Richards Bay IDZ	-	103,750	156,975	59,636	59,636	62,618	60,062	70,026	





Summary of departmental transfers to other entities											
R thousand	Sub-programme	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates			
		2008/09	2009/10	2010/11				2011/12	2012/13	2013/14	2014/15
	KZN Liquor Entity	-	-	-	40,082	-	-	42,406	44,526	46,753	
	Durban International Airport	-	-	-	-	-	-	1,000	-	-	
	Okhahlamba Dev Agency LED	-	-	-	-	-	-	3,000	3,150	3,308	
Total		1,355,398	1,767,332	791,355	565,155	622,718	622,718	648,273	806,034	883,121	

8. Public-Private Partnerships

The Department does not outsource any of its functions and has not entered into any PPP as defined in the Treasury Regulations.



ANNEXURE A

Technical indicator descriptions

Indicator title	The total number of Exco & Manco meetings planned as per the calendar and strategies implemented
Short definition	Number of meetings adhered to and number of strategies and polices implemented
Purpose/importance	To provide policy direction, review policies/strategies and track progress on programme implementation
Source/collection of data	Monthly sub-programme reports
Method of calculation	Indicator is based on the calendar of meetings.
Data limitations	None.
Type of indicator	Output indicator
Calculation type	Cumulative
Reporting cycle	Bi-weekly and Monthly
New indicator	Indicator is reviewed from previous years.
Desired performance	Excellent
Indicator responsibility	Head of Department; EXCO;MANCO

Indicator title	Count on number of partnership based RLED projects supported through the LED sub-programme.
Short definition	Number of partnership based RLED projects supported
Purpose/importance	Tracks the number of LED partnership based projects supported on an annual basis.
Source/collection of data	Monthly sub-programme reports
Method of calculation	Indicator is based on the number of projects contracted.
Data limitations	None.
Type of indicator	Output indicator
Calculation type	Non-cumulative
Reporting cycle	Quarterly
New indicator	Indicator is marginally changed from previous years.
Desired performance	Performance that is higher is desirable.
Indicator responsibility	Senior Manager: Project Development and Management

Indicator title	Headcount on the number of local sustainable employment opportunities supported.
Short definition	Number of sustainable local employment opportunities supported
Purpose/importance	Tracks the number of permanent/saved/preserved employment opportunities supported directly through LED partnership based projects.
Source/collection of data	Data is sourced from Monitoring Reports on contracted projects as reported by beneficiaries and monitored through the departmental staff.
Method of calculation	Addition of the employment opportunities supported in the various projects.
Data limitations	A number of limitations exist including the different definitions of permanent employment and/or sustainable employment. In cases the number of working (man) hours is used, in others the number of days worked.
Type of indicator	Output.
Calculation type	Non-Cumulative.
Reporting cycle	Quarterly
New indicator	No.
Desired performance	A higher performance is desired.
Indicator responsibility	RLED Sub-Programme Manager





Indicator title	Count on the number of capacity building projects supported in a given year
Short definition	Number of Capacity Building Interventions implemented
Purpose/importance	Tracks the number of capacity building interventions/projects supported which in turn can be related to the number of people trained.
Source/collection of data	Data is sourced from monthly and quarterly reports of the sub-programme.
Method of calculation	Count is done on the basis of completed contracted projects.
Data limitations	None
Type of indicator	Output
Calculation type	Non-cumulative
Reporting cycle	Annual
New indicator	No
Desired performance	A higher number of these types of interventions is desirable.
Indicator responsibility	Sub-programme Manager

Indicator title	Total headcount on the number of people trained through capacity building interventions and projects supported by the sub-programme
Short definition	Number of people trained
Purpose/importance	Tracks the number of people trained that in turn can be related to the improvement in individual and institutional capacity to plan and manage LED at a local level.
Source/collection of data	Data is sourced from monthly monitoring reports of the sub-programme and verified through attendance registers.
Method of calculation	Count is done on the basis of contracted capacity building projects as well as projects with a training component.
Data limitations	None
Type of indicator	Output
Calculation type	Non-cumulative
Reporting cycle	Quarterly
New indicator	No
Desired performance	A higher number of these types of interventions is desirable.
Indicator responsibility	RLED Sub-programme Manager

Indicator title	Count on the number of LED Plans developed or reviewed
Short definition	Number of LED planning projects completed
Purpose/importance	Tracks the number of municipalities assisted with LED planning
Source/collection of data	Data is sourced from monthly reports of the sub-programme and verified by Deputy Manager: Planning.
Method of calculation	Count is done on the basis of completed LED Plans or Review documents.
Data limitations	None
Type of indicator	Output
Calculation type	Non-cumulative
Reporting cycle	Quarterly
New indicator	No
Desired performance	A higher number of these types of interventions is desirable.
Indicator responsibility	Senior Manager: Project Development and Management

Indicator title	Count on the number of RLED Forums Supported
Short definition	Number of RLED Forums Supported
Purpose/importance	Tracks the number of district based and provincial RLED forums supported.
Source/collection of data	Data is sourced from monthly reports of the sub-Program, RLED Forum minutes and attendance registers and verified by Deputy Manager: Planning.
Method of calculation	Count is done on the basis of forum meetings held.



Indicator title	Count on the number of RLED Forums Supported
Data limitations	None
Type of indicator	Output
Calculation type	Non-cumulative
Reporting cycle	Annual
New indicator	Yes.
Desired performance	The province and all districts should have functional and effective RLED forums.
Indicator responsibility	Senior Manager: Project Development and Management

Indicator Title	Count on number of businesses exporting due to the initiative of Trade Point and the number local and international exhibitions attended by SMME's
Short Definition	Number of businesses assisted with exports and number of local and international exhibitions attended.
Purpose/Importance	Tracks the number of businesses assisted with exports and the attendance of exhibitions through the Trade Point initiative
Source/Collection of Data	Data is sourced from monthly and quarterly progress reports received from Trade Point
Method of calculation	Count is done based on the number of businesses exporting due to Trade Point assistance and the number of local and international exhibitions attended by SMME's
Data Limitations	N/A
Type of Indicator	Output and Outcome
Calculation Type	Non-cumulative
Reporting Cycle	Quarterly
New Indicator	N/A
Desired Performance	A higher number of businesses must be assisted with exports and more exhibitions must be attended
Indicator Responsibility	Sub-Programme Manager

Indicator Title	Count on the number of infrastructure projects supported
Short Definition	Number of parks initiated/established
Purpose/Importance	To track the no of parks established for shipbuilding, shiprepair and boatbuilding
Source/Collection of Data	Data is sourced from monthly and quarterly progress reports from the sub-programme
Method of calculation	Count is done based on the number of parks initiated/established
Data Limitations	N/A
Type of Indicator	Output
Calculation Type	Non-cumulative
Reporting Cycle	Annually
New Indicator	Yes
Desired Performance	A shipbuilding park needs to be initiated
Indicator Responsibility	Sub-Programme Manager

Indicator Title	Count on the number of strategic projects supported by the sub-programme
Short Definition	Number of strategic projects supported
Purpose/Importance	To track the number of strategic projects supported by the sub-programme
Source/Collection of Data	Data is sourced from monthly and quarterly progress reports of the sub-programme
Method of calculation	Count is done based on the number of strategic projects supported
Data Limitations	N/A
Type of Indicator	Output and Outcome
Calculation Type	Non-cumulative
Reporting Cycle	Annually
New Indicator	Yes
Desired Performance	A higher number of these types of interventions is desirable





Indicator Title	Count on the number of strategic projects supported by the sub-programme
Indicator Responsibility	Sub-Programme Manager

Indicator Title	Count on the number of exporter databases developed (Profiling of KZN Exporters)
Short Definition	Number of exporter databases developed
Purpose/Importance	To track the number of KZN exporter databases developed
Source/Collection of Data	Data is sourced from monthly and quarterly progress reports of the sub-programme
Method of calculation	Count is based on the number of KZN exporter databases developed
Data Limitations	N/A
Type of Indicator	Output
Calculation Type	Non-cumulative
Reporting Cycle	Annually
New Indicator	Yes
Desired Performance	A high number of these types of interventions is desirable
Indicator Responsibility	Sub-Programme Manager

Indicator title	Total headcount on the number of people trained through capacity building interventions and projects supported by the sub-programme
Short definition	Number of people trained
Purpose/importance	Tracks the number of people trained that in turn can be related to the improvement in individual and institutional capacity.
Source/collection of data	Data is sourced from monthly monitoring reports of the sub-programme and verified through attendance registers.
Method of calculation	Count is done on the basis of contracted capacity building projects as well as projects with a training component.
Data limitations	None
Type of indicator	Output
Calculation type	Non-cumulative
Reporting cycle	Quarterly
New indicator	N/A
Desired performance	A higher number of these types of interventions is desirable.
Indicator responsibility	Sub-programme Manager

Indicator Title	Count on the number of businesses assisted with proactive interventions
Short Definition	Number of SMME's supported for upgrading and modernisation
Purpose/Importance	To track how many SMME's were supported for upgrading and modernisation
Source/Collection of Data	Data is sourced from monthly and quarterly progress reports of the sub-programme
Method of calculation	Count is done based on the number of SMME's supported for upgrading and modernisation
Data Limitations	N/A
Type of Indicator	Output and Outcome
Calculation Type	Non-cumulative
Reporting Cycle	Quarterly
New Indicator	N/A
Desired Performance	A higher number of these types of interventions is desirable.
Indicator Responsibility	Sub-Programme Manager

Indicator Title	Count on the number of high impact projects and programmes completed
Short Definition	Number of high impact projects and programmes completed
Purpose/Importance	To track the number of high impact projects and programmes completed



Indicator Title	Count on the number of high impact projects and programmes completed
Source/Collection of Data	Data is sourced from monthly and quarterly progress reports of the sub-programme
Method of calculation	Count is done on the basis of completed high impact projects and programmes
Data Limitations	N/A
Type of Indicator	Output and Outcome
Calculation Type	Non-cumulative
Reporting Cycle	Annually
New Indicator	N/A
Desired Performance	A higher number of these types of interventions is desirable.
Indicator Responsibility	Sub-Programme Manager

Indicator Title	Count on the number of feasibility studies and business plans completed
Short Definition	Number of feasibility studies/business plans completed
Purpose/Importance	To track the number of feasibility studies and business plans completed
Source/Collection of Data	Data is sourced from monthly reports of the sub-programme
Method of calculation	Count is done on the basis of completed feasibility studies and business plans.
Data Limitations	N/A
Type of Indicator	Output
Calculation Type	Non-cumulative
Reporting Cycle	Quarterly
New Indicator	N/A
Desired Performance	A higher number of these types of interventions is desirable.
Indicator Responsibility	Sub-Programme Manager

Indicator Title	Count on the number of infrastructure projects supported
Short Definition	Number of parks initiated/established
Purpose/Importance	Tracks the number of parks established for the automotives industry (Auto Park) and the chemical industry (Chemical Industry Park)
Source/Collection of Data	Data is sourced from monthly and quarterly progress reports from the sub-programme
Method of calculation	Count is done based on the number of parks initiated/established for the automotives and chemical industries
Data Limitations	N/A
Type of Indicator	Output
Calculation Type	Non-cumulative
Reporting Cycle	Annually
New Indicator	Yes
Desired Performance	An Auto Park and Chemical Industry Park need to be initiated
Indicator Responsibility	Sub-Programme Manager

Indicator title	Total headcount on the number of people trained through capacity building interventions and projects supported by the sub-programme
Short definition	Number of people trained
Purpose/importance	Tracks the number of people trained that in turn can be related to the improvement in individual and institutional capacity.
Source/collection of data	Data is sourced from monthly monitoring reports of the sub-programme and verified through attendance registers.
Method of calculation	Count is done on the basis of contracted capacity building projects as well as projects with a training component.
Data limitations	None
Type of indicator	Output
Calculation type	Non-cumulative





Indicator title	Total headcount on the number of people trained through capacity building interventions and projects supported by the sub-programme
Reporting cycle	Quarterly
New indicator	No
Desired performance	A higher number of these types of interventions is desirable.
Indicator responsibility	Sub-programme Manager

Indicator Title	Count on the number of clusters supported by the sub-programme
Short Definition	Number of clusters supported
Purpose/Importance	Tracks the number of clusters supported by the sub-programme
Source/Collection of Data	Data is sourced from monthly and quarterly progress reports from the sub-programme
Method of calculation	Count is based on the number of clusters supported by the sub-programme
Data Limitations	N/A
Type of Indicator	Output
Calculation Type	Non-cumulative
Reporting Cycle	Annually
New Indicator	Yes
Desired Performance	A higher number of these types of interventions is desirable
Indicator Responsibility	Sub-Programme Manager

Indicator Title	Count on the number of institutions supported by the sub-programme
Short Definition	Number of institutions supported
Purpose/Importance	Tracks the number of institutions supported by the sub-programme
Source/Collection of Data	Data is sourced from monthly and quarterly progress reports from the sub-programme
Method of calculation	Count is based on the number of institutions supported by the sub-programme
Data Limitations	N/A
Type of Indicator	Output
Calculation Type	Non-cumulative
Reporting Cycle	Annually
New Indicator	Yes
Desired Performance	A higher number of these types of interventions is desirable
Indicator Responsibility	Sub-Programme Manager

Indicator Title	Transformation of tourism industry through ownership of tourism products by communities.
Short Definition	Construction of accommodation precinct, cave precinct, interpretation centre, and community conservation area.
Purpose/Importance	The programme addresses rural development which is one of government priorities. The programme targets high unemployment rates which includes an element of food security and protection of natural resources in rural areas. It seeks to unlock projects with bigger tourism value and is supportive of competitive positioning of the KZN tourism industry. The programme addresses transformation of the industry by involving PDIs in the tourism value chain.
Source/Collection of Data	Feasibility Study and Business Plan
Method of calculation	Count is done on the basis of completed feasibility studies and business plans
Data Limitations	N/A
Type of Indicator	Output
Calculation Type	Non-cumulative
Reporting Cycle	Annually
New Indicator	N/A
Desired Performance	Increase transformation of the tourism industry, product diversification and enhance destination competitiveness



Indicator Title	Transformation of tourism industry through ownership of tourism products by communities.
Indicator Responsibility	Sub-Programme Manager

Indicator Title	Enhancement of Beach Tourism experience
Short Definition	Increase visitor numbers to the beaches in the province
Purpose/Importance	To defend KZN domestic tourism market share and maintain the number one spot in domestic tourism nationally
Source/Collection of Data	KZN Beach Tourism Policy and other National and Provincial policies & strategies that outline the mandate and targets to be achieved by the tourism industry
Method of calculation	N/A
Data Limitations	N/A
Type of Indicator	Output (enrolment of two beaches into the Blue Flag Programme)
Calculation Type	N/A
Reporting Cycle	Annually
New Indicator	N/A
Desired Performance	Increased numbers of visitors to the beach
Indicator Responsibility	Sub-Programme Manager

Indicator Title	Sustainable management and operation of community owned tourism products that yield desirable socio-economic benefits
Short Definition	Sustained operation of community tourism products
Purpose/Importance	The programme addresses rural development which is one of government priorities. The programme targets high unemployment rates which includes an element of food security and protection of natural resources in rural areas. It seeks to unlock projects with bigger tourism value and are supportive of competitive positioning of the KZN tourism industry and empower local communities
Source/Collection of Data	EPWP, NTSS, PSEDS, BBBEE, PGDS, Business Plan
Method of calculation	N/A
Data Limitations	N/A
Type of Indicator	Outcome
Calculation Type	N/A
Reporting Cycle	Annually
New Indicator	N/A
Desired Performance	Sustained operations and management and decent jobs
Indicator Responsibility	Sub-Programme Manager

Indicator title	Placement of unemployed graduates as interns and in-service trainees
Short definition	Number of unemployed tourism graduates placed for experiential and in-service training for a period of 6 and 12 months in municipalities and other stakeholders.
Purpose/importance	To assist unemployed graduates with work-related experiences hence providing job opportunities and assisting tourism tertiary students in obtaining in-service training as a requirement for completing their studies
Source/collection of data	Unemployed Tourism Graduate Database
Method of calculation	N/A
Data limitations	Availability of data depends on frequency of updating database
Type of indicator	Outcomes based
Calculation type	N/A
Reporting cycle	Annually
New indicator	No
Desired performance	Equip graduates with necessary skills and experience to enable them to be more marketable and also responding to the governments' call of job creation.





Indicator title	Placement of unemployed graduates as interns and in-service trainees
Indicator responsibility	Sub-Programme Manager

Indicator title	Training on hospitality business establishments
Short definition	To train owners, managers and supervisors of hospitality establishments in order for them to improve their business skills
Purpose/importance	To improve business skills within the hospitality industry through empowering small business owners, managers and supervisors. The programme includes among other things, Food preparation, House- keeping and Food and beverages
Source/collection of data	N/A
Method of calculation	N/A
Data limitations	N/A
Type of indicator	Outcome based
Calculation type	Non-cumulative
Reporting cycle	Quarterly
New indicator	No
Desired performance	Increase number of participants
Indicator responsibility	Project manager

Indicator title	Empowerment of communities through awareness workshops and campaigns
Short definition	Number of workshops and campaigns conducted to enable communities to understand the role and contribution of tourism.
Purpose/importance	To workshop communities and organise safety campaigns in order impart tourism information and entice people to get involved in tourism either starting their businesses and/or participate through visiting various destinations
Source/collection of data	Through conducting surveys and municipal database
Method of calculation	N/A
Data limitations	N/A
Type of indicator	Outcomes – trained people getting involved in tourism activities
Calculation type	N/A
Reporting cycle	Quarterly
New indicator	No
Desired performance	Increase number of participants
Indicator responsibility	Sub-Programme Manager

Indicator title	Training of frontline staff on tourism service standards
Short definition	Number of front-line employees and volunteers trained on issues of customer care and service standards
Purpose/importance	To enable employees in all tourists touch points to gain more skills on welcoming visitors and offering them high quality service. It also covers know your country knowledge.
Source/collection of data	Databases of unemployed tourism graduates
Method of calculation	N/A
Data limitations	N/A
Type of indicator	Outcome based
Calculation type	N/A
Reporting cycle	Quarterly
New indicator	No
Desired performance	Increase number of front-line staff trained
Indicator responsibility	Project manager



Indicator title	Exhibition of tourism careers to learners, tertiary students and educators networking with potential employers & training providers
Short definition	Number of youth, including learners, students, unemployed tourism graduates who will attend the career expo with the purpose of acquiring information on potential jobs and entrepreneurial opportunities
Purpose/importance	To enable youth to interact with training providers and potential future employers in order for them to be exposed to a variety of career opportunities
Source/collection of data	Databases from tertiary institutions, provincial department of education, unemployed graduates
Method of calculation	Online and physical registration
Data limitations	Availability of data depends on frequency of updating database
Type of indicator	Output – as only dependent on the number of attendance
Calculation type	Non-cumulative
Reporting cycle	Annual
New indicator	No
Desired performance	Increase the number of attendance of learners, students and educators
Indicator responsibility	Sub-Programme Manager

Indicator Title	Mentorship of emerging tourism businesses
Short Definition	The number of emerging tourism businesses partnered with well established businesses
Purpose/Importance	The indicator entails the partnering of tourism businesses for the purposes of skills transfer and transformation
Source/Collection of Data	Advertising and database from strategic partners
Method of calculation	N/A
Data Limitations	N/A
Type of Indicator	Output
Calculation Type	Non - cumulative
Reporting Cycle	Bi monthly
New Indicator	N/A
Desired Performance	Market access, growth and business expansion.
Indicator Responsibility	Sub-programme manager

Indicator Title	Tourism industry that is planned developed and managed using responsible tourism resources and also compliance through registration of tourism businesses.
Short Definition	Coordinated tourism development that upholds economic, social, environmental principles
Purpose/Importance	The indicator will ensure that the province has responsible guidelines which will assist in the implementation of the Provincial Tourism Master Plan.
Source/Collection of Data	Consultation with relevant stakeholders. National Tourism Responsible Guidelines, NTSS, KZN Tourism Master Plan
Method of calculation	Not-applicable
Data Limitations	N/A
Type of Indicator	Output – Responsible Tourism Guidelines for KZN developed
Calculation Type	Non-cumulative
Reporting Cycle	Annually
New Indicator	No
Desired Performance	Adherence to responsible tourism principle
Indicator Responsibility	Sub-Programme Manager





Indicator Title	Registration of tourist guides and tourism businesses
Short Definition	The number of tourist guides and tourism businesses registering and renewing for compliance purposes
Purpose/Importance	To register for purposes of compliance with the legislation, ensure quality assurance and to have updated data base
Source/Collection of Data	Registration records
Method of calculation	Counting of active guides and businesses in the system
Data Limitations	Accuracy of information depends on the frequency of updating the system
Type of Indicator	Output
Calculation Type	Cumulative
Reporting Cycle	Quarterly
New Indicator	Yes
Desired Performance	Reduced illegal guiding and quality assurance in the tourism businesses
Indicator Responsibility	Sub-programme Manager



ANNUAL PERFORMANCE PLAN 2012 - 2013



Contact Details:

KwaZulu-Natal Department of Economic Development & Tourism

270 Jabu Ndlovu Street, Pietermaritzburg, 3201

Tel: 033-2642500 • Fax: 033-2642672

Website: www.kznded.gov.za • E-mail: info@kznded.gov.za

PR77/2012

ISBN: 978-0-621-40777-8