



edtea

Department :

Economic Development, Tourism and
Environmental Affairs

PROVINCE OF KWAZULU-NATAL



Annual Performance Plan

2015 - 2016

Leading the attainment of inclusive and sustainable economic growth for job creation



MEC's Foreword



MEC MICHAEL MABUYAKHULU

The 2015/16 Annual Performance Plan for the Department of Economic Development, Tourism and Environmental Affairs (EDTEA) maps out our service delivery commitments to the KwaZulu-Natal Province and how we will execute our mandate as prescribed by legislation, policies and other government priorities. These include, among others, the National Development Plan Vision 2030, New Growth Path and Medium Term Strategic Framework; as well as our own Provincial Growth and Development Plan. The majority of our efforts in this financial year will be geared towards the implementation of policies and strategies. This will cover, among others, industrial development; tourism development, maritime development, environmental management and the development of the green economy.

The development of small and emerging business remains our key focus for alleviating unemployment in KwaZulu-Natal. The establishment of the Small Business Development Agency is envisaged to expedite financial and non-financial support to Small, Medium and Micro Enterprises (SMME's) in the province to ensure that they become an integral part of our quest to reduce poverty and unemployment.

This financial year, we will continue to partner and collaborate with all relevant stakeholders including government departments, public enterprises and the private sector to drive the implementation of sector strategies with the aim of achieving our broader goal of ensuring inclusive and sustainable economic development for our province. An example of such partnerships is the KwaZulu-Natal Economic Council which is comprised of both public and private stakeholders. In the past few years this body has successfully adopted two chapters of the Social Accord to undertake joint initiatives and interventions on agreed economic development programs. The plan for the financial year as set out in this Annual Performance Plan is to take bold steps in ensuring the improvement of the standard of living for the people of KZN, both in rural and urban areas.

Mr. Michael Mabuyakhulu, MPP

MEC: Economic Development, Tourism and Environmental Affairs,

MPP Official sign-off

It is hereby certified that this Annual Performance Plan was developed by the Management of the KwaZulu-Natal Department of Economic Development, Tourism and Environmental Affairs (EDTEA) under the guidance of the MEC Michael Mabuyakhulu and was prepared in line with the current Strategic Plan of EDTEA and accurately reflects the performance targets which EDTEA will endeavour to achieve given the resources made available in the budget for the 2015/16 financial year.

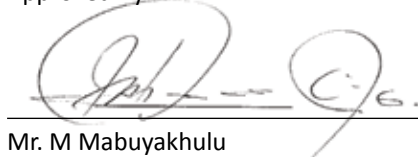


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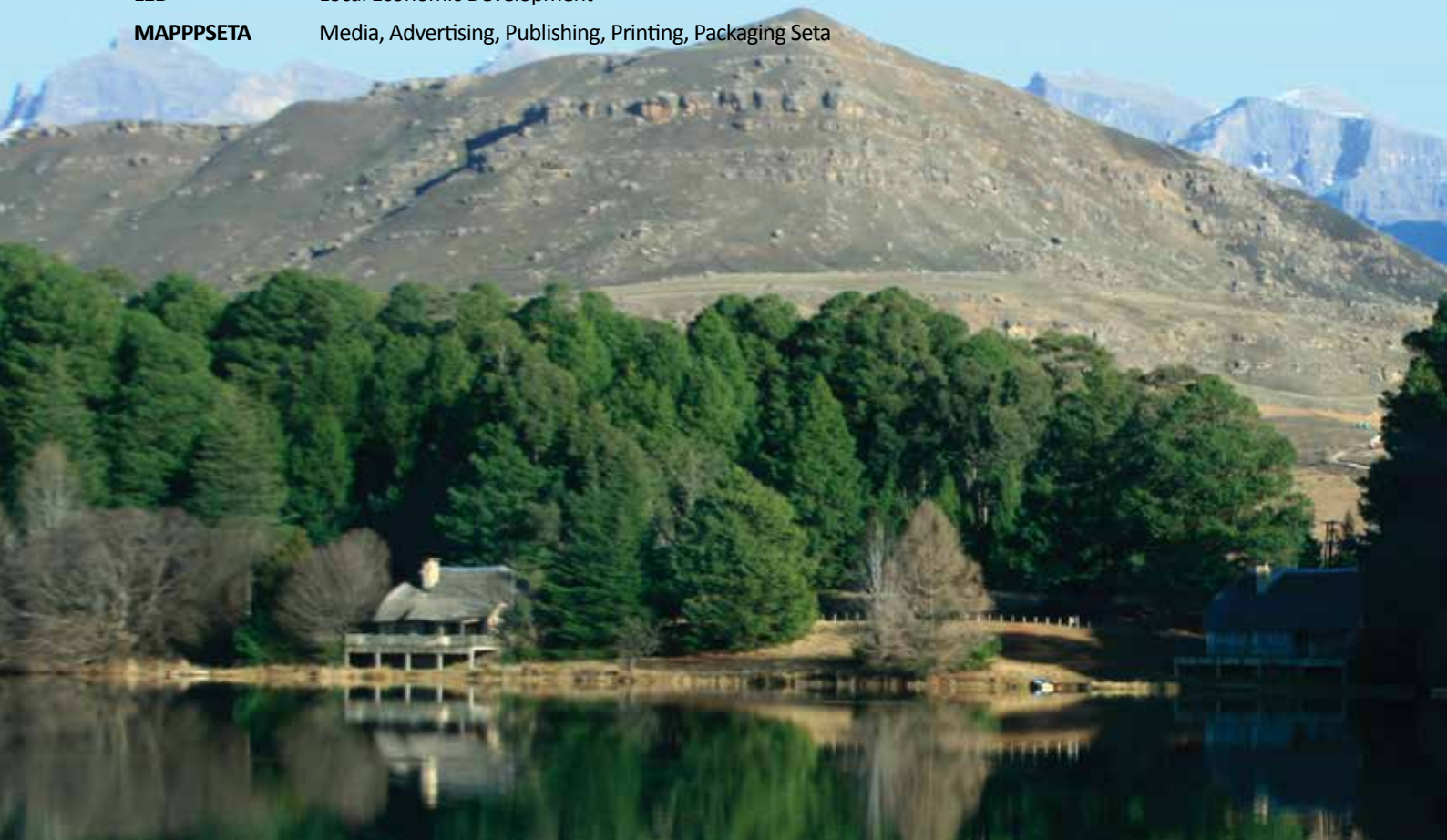


Mr. M Mabuyakhulu
Executive Authority



Acronyms

ADR	Alternative Dispute Resolution
AGSA	Auditor General South Africa
APP	Annual Performance Plan
APR	Annual Performance Report
B-BBEE	Broad-Based Black Economic Empowerment
CIPC	Companies and Intellectual Property Commission
COGTA	Department of Co-operative Governance and Traditional Affairs
CSP	Customised Sector Programme Policies
DTI	Department of Trade and Industry
DTP	Dube Trade Port
GDP	Gross Domestic Product
HRM&D	Human Resource Management and Development
IDS	Industrial Development Strategy
IDZ	Industrial Development Zone
IEDS	Integrated Economic Development Services
IPAP	Industrial Policy Action Plan
KM	Knowledge Management
KZN EDTEA	KwaZulu-Natal: Department of Economic Development, Tourism and Environmental
KZNWPSS	KwaZulu-Natal Wood Processing Sector Strategy
LED	Local Economic Development
MAPPPSETA	Media, Advertising, Publishing, Printing, Packaging Seta





MDGs	Millennium Development Goals
MTEF	Medium-Term Expenditure Framework
NDP	National Development Plan
NGP	New Growth Path
NIPF	National Industrial Policy Framework
NSDP	National Spatial Economic Development Perspective
NTSS	National Tourism Sector Strategy
PAIA	Promotion of Access to Information Act
PFMA	Public Finance Management Act
PGDP	Provincial Growth and Development Strategy
PIDS	Provincial Industrial Development Strategy
PSEDS	Provincial Spatial Economic Development Strategy
RIDS	Regional Industrial Development Strategy
RLED	Regional Local Economic Development
R&D	Research and Development
SARS	South African Revenue Service
SEZs	Special Economic Zones
SMME	Small, Medium and Micro Enterprises
SoNA	State of the Nation Address
SoPA	State of the Province Address
WEO	World Economic Outlook



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PART A: STRATEGIC OVERVIEW

1. ALIGNMENT WITH NATIONAL AND INTERNATIONAL TARGETS

The EDTEA APP 2015/16 has been aligned to the following national and international targets

1. **Millennium Development Goals:** South Africa signed an agreement as part of the United Nations member state to work on achieving these eight Millennium Development Goals (MDGs) by 2015:
 - To eradicate extreme poverty and hunger;
 - To achieve universal primary education;
 - To promote gender equality and empower women;
 - To reduce child mortality;
 - To improve maternal health
 - To combat HIV/AIDS, malaria and other diseases;
 - To ensure environmental sustainability;
 - To develop a global partnership for development.

2. **Fourteen Key Outcomes:** National Government developed fourteen key outcomes that will need to be achieved by government. These outcomes aimed to introduce and focus government on more results-driven performance. These outcomes are:
 - Improved quality of basic education;
 - A long and healthy life for all South Africans;
 - All people in South Africa are and feel safe;
 - Decent employment through inclusive economic growth;
 - A skilled and capable workforce to support and inclusive growth path;
 - An efficient, competitive and responsive economic infrastructure network;
 - Vibrant, equitable and sustainable rural communities with food security for all;
 - Sustainable human settlements and improved quality of household life;
 - A responsive, accountable, effective and efficient local government system;
 - Environmental assets and natural resources that are well protected and continually enhanced;
 - Create a better South Africa and contribute to a better and safer Africa and world;
 - An efficient, effective and development oriented public service and an empowered, fair and inclusive citizenship;
 - Social Protection;
 - Nation building and social cohesion.



3. **National Development Plan:** The National Development Plan is South Africa's long-term vision to be achieved by 2030. The Plan covers the following outcomes

- Quality basic education;
- A long and healthy life for all south Africans;
- All people in South Africa are and feel safe;
- Decent employment through inclusive growth;
- Skilled and capable work force to support an inclusive growth path;
- An efficient, competitive and responsive economic infrastructure network;
- Comprehensive rural development;
- Sustainable human settlements and improved quality of household life;
- Responsible, accountable, effective and efficient developmental local government system;
- Protect and enhance our environmental assets and natural resources;
- Creating a better South Africa and contributing to a better and safer Africa in a better world;
- An efficient, effective and development oriented public service;
- An inclusive and responsive social protection system;
- Transforming society and uniting the country.



2. KZN PROVINCIAL GROWTH AND DEVELOPMENT PLAN

The Millennium Development Goals, Fourteen Key Outcomes and the NDP was incorporated into the updated KZN Provincial Growth and Development Strategy and Plan 2030 to align KZN with the overall national strategy.

Economic growth is seen as the fundamental driver of social and human development.

KWAZULU-NATAL'S VISION

By 2030 KZN will be a prosperous Province with a healthy, secure and skilled population, acting as a gateway to Africa and the World.

The following seven long-term goals have been identified as the compass to guide policy-making and resource allocation to 2030:

- Job creation.
- Human resource development.
- Human and community development.
- Strategic infrastructure.
- Response to climate change.
- Governance and policy.
- Spatial equity.



PGDP FRAMEWORK

The key goals that impact on the KZN Economic Development, Tourism and Environmental Affairs (EDTEA) are outlined below. EDTEA has a responsibility to ensure that these goals and objectives are coordinated and implemented and reported to the Provincial Planning Commission.

Figure 1: PGDP Framework¹



¹ KZN Provincial Planning Commission, 30 September 2013 'Provincial Growth and Development Plan', Version 30.2



3. LEGISLATIVE AND OTHER MANDATES

The Department operates within National and provincial legislative, policy and strategic frameworks. Some of the national acts that are critical to the operations of the Department are the Constitution of the Republic of South Africa, particularly Schedule 4 and 5 which stipulate the competences of the provincial government on matters of economic development and the Public Finance Management Act (PFMA) among other sector specific acts. EDTEA's operations are also guided a myriad of national policies and strategies, which include among other:

- Integrated National B-BBEE Strategy and KZN B-BBEE Strategy;
- B-BBEE Act;
- B-BBEE Codes of Good Practice;
- SMMEs Act;
- Cooperatives Act;
- New Growth Path (NGP);
- Industrial Policy Action Plan (IPAP2);
- National Development Plan (NDP);
- Local Economic Development (LED) policy guideline;
- South Africa Trade policy framework;
- Green Economy Framework;
- Mining Beneficiation Strategy;
- National Spatial Economic Development Perspective (NSDP);
- Special economic Zones (SEZs) Bill and policy;
- National Environmental Management Act 107 of 1998;
- National framework for sustainable development;
- National climate change response strategy;
- National air quality management strategy;
- National waste management strategy;
- Tourism Act, Act No. 3 of 2014;
- National integrated coastal management strategy;
- White Paper on Environmental Management Policy;
- National Environmental Management: Biodiversity Act 10 of 2004 (NEMBA),
- National Environmental Management: Protected Areas Act 57 of 2003 (NEMPAA);
- A number of sector specific strategies.



The provincial government is aligned to these acts and policies and the Department's mandate is further guided by the following provincial acts and strategies, among others:

- Ithala Act;
- Ordinance 15 of 74, KwaZulu-Natal Nature Conservation Management Act 9 of 1997,
- Tourism Act;
- Liquor Act;
- Business Act;
- Dube Trade Port Act;
- BEE Act;
- Film Commission Act;
- Trade and Investment Act;
- Consumer Protection Legislation;
- Provincial Growth and Development Strategy (PGDS);
- Provincial Spatial Economic Development Strategy (PSEDS);
- Draft Export Strategy;
- Industrial Development Strategy (IDS);
- Investment Promotion Strategy;
- Draft Green Economy Strategy;
- Airport Strategy;
- SMME strategy;
- Cooperative Developments Strategy;
- Youth Economic Empowerment Strategy;
- Informal Economic Policy.



The emphasis in most of the current policies and provincial strategies is the issue of addressing the triple challenges of poverty, unemployment and inequality. The main policy discussions currently are centred on the following:

- Job creation;
- Special economic zones (SEZ) and Industrial Economic Hubs;
- Beneficiation/Value Addition;
- Infrastructure Development;
- Rural Economic Development;
- Skills Development;
- Economic Transformation;
- Trade Policy;
- Spatial Economic Development.

The above acts, policies and strategies are critical to direct the vision and mandate of the department. It is only through efficiency in the implementation of these legislations, policies and strategies that the Department can meaningfully contribute to the fight against the triple challenges of development.



SITUATIONAL ANALYSIS

The mandate of economic development, tourism, and environmental affairs is demanding and involves both economic and social aspects of development in a country. This mandate cannot be delivered by one entity in South Africa. It is for this reason that EDTEA seeks to draw on the strength of partnerships to drive this endeavour. Furthermore, the role of various government departments to work together to achieve the overall objectives of economic development cannot be overemphasized. This is why the Department is very clear that its mandate is in a playing field characterised by varied interests of wide-ranging stakeholders.

PERFORMANCE ENVIRONMENT AND KEY AREAS OF FOCUS

The colossal financial crisis and acute loss of business and consumer confidence that characterised the recessionary period saw global output contract by 0,6 per cent in 2009 for advanced economies, which constituted the epicentre of the crisis, registering the most severe declines. In contrast, buoyant emerging market economies such as China, India and most developing countries weathered the storm relatively better, posting growth rates of between 5,0 per cent and 9, per cent.

The restoration of consumer confidence, pigeon-holed with rigorous government fiscal and monetary stimulus packages, normalisation of trade flows and inventory restocking saw global economic growth recovering tentatively to 5,1 per cent during 2010, before slowing down to 3, per cent in 2012. The struggle to shave off the long-term remnants of the financial crisis will continue to produce the sluggish trade and tepid foreign direct investment. It is still expected that global growth will mainly stem from the emerging and developing economies, contributing just over half of the total global growth. This represents a global economic outlook of approximately 3,6 per cent for 2014 – from an estimated growth of 3, per cent in 2013. This is on the back of earlier resolving key economic issues that could have been global destabilisers, such as the United States government shutdown, the smooth process of reducing the level of quantitative easing (QE) and an avoidance of an economic hard-landing by China.

The global economic downturn left a significantly negative footprint on the South African and KwaZulu-Natal economies because of the inherent close integration through the financial sector, trade and investment. As such, the local economy followed its main trading partners into, and subsequently, out of the recession registering a slowdown in output of 1,5 per cent in 2009. The South African economy has subsequently remained on a cautious growth trajectory, albeit registering slower growth than required to significantly mitigate the challenges of unemployment, poverty and inequality. Output growth reached 2,5 per cent in 2012 and is expected to be around 2,5 per cent in 2015 and 2016.



Following the 1, 5 per cent contraction registered during 2009, the KwaZulu-Natal economy grew by 3, 6 per cent in 2011 followed by 2, 8 per cent in 2012. Most of this growth came from the manufacturing sector, which represents a lion's share of the economic activity in KwaZulu-Natal and a significant contribution in South Africa. It is projected that the provincial economy will grow by around 2, 9 per cent in 2014 and 3, 2 per cent in 2015.

There are still many economic challenges in South Africa. The positive progress in terms of advances in economic growth, lower than previously experienced inflation, greater tax revenue, more people receiving social grants and higher standards of living in terms of the Living Standards Measure (LSM) is negated by other adverse conditions. High levels of unemployment, growing income inequality, shrinking mining and manufacturing sub-sectors and problems experienced in health and education services persist.

The negative impact of the global financial crisis was mostly pronounced in the trade, financial and labour markets. South Africa lost ground in its global share on trade, particularly in the export market. The recovery in the trade market has been lacklustre – suggesting that new markets must be sought. Export volumes subsided against the country's European counterparts and rose against Asian and recently African counterparts. However, challenges around adhering to agreed trade agreements by trading partners remain a challenge for the country.

Labour market patterns in KwaZulu-Natal mirrored the national patterns, with employment declining by an estimated 285 000 jobs during the global financial crisis. Key interventions by the Department and other public and private sector bodies have ensured that the situation is reversed. Employment has since rebounded to reach 2, 4 million jobs in the third quarter of 2014, whilst narrow unemployment is around 20 per cent. This level of unemployment highlights the significant amount of work that still needs to happen at a provincial level to uplift the economy of the province and facilitate the creation of more jobs for people in the province.

The country and the province still find that international competitiveness and the ability of local companies to expand export trade are still not at satisfactory levels. Mechanisms to enhance this situation must be devised. Such export development should take into account issues of regional integration. Opportunities presented by structures such as the WTO, BRICS, SADC, SACU, AU and other regional and multilateral arrangements must be utilised. This will also ensure that the development of market access for local entities receives attention. The work of EDTEA should focus greatly on creating and nourishing public and private partnerships. This is to ensure that limited resources in the economy are utilised for maximum benefit.

As a catalytic intervention for economic growth in many countries, infrastructure development remains a key tool for growth in the economy. The Department needs to take advantage of the infrastructure drive currently being pursued by the government in terms of its interventions in the province. Industrial development when coupled with innovation and technology advancement ensures that trade is improved, costs are lowered, foreign direct



investments enhanced and employment is created. However, the quality of labour remains critical if the economy is to sustain job creation.

In summary, the emphasis of the Department this term is therefore on achieving the following key areas of focus:

- Infrastructure development
- Skills development
- Entrepreneurship and enterprise development
- Beneficiation and value addition
- Economic transformation
- Trade and investment enhancement
- Spatial economic development
- Sustainable environmental management
- Local and rural economic development
- Employment creation
- Streamlining Environmental Impact Assessment approval processes
- Development and transformation of the tourism industry
- Alignment of entities to provincial and departmental visions

ORGANISATIONAL ENVIRONMENT

Internally, the Department will have to deal with two matters to deliver on its mandate this fiscal term, namely, the integration of the two departments and the administration that goes with it as well as enhancing efficiencies of operations to enable the delivery of real economy interventions.

- *Integration of the two departments* – the process of integrating the two departments must be swift to ensure that operations are not hampered. The human resource realignment, including the organisational structure reorientation, must be done speedily and with care.
- *Enhancing operational efficiencies* – this fiscal term is coined the “implementation term”. This means the Department and its social partners will be required to intervene drastically in the economy. The process of intervention, and especially if the private sector is involved, requires quick turnaround times in terms of finalising administrative documents to ensure that investment opportunities are not lost due to internal delay.

In this regard, the Corporate Services and Financial Management units of the Department are critical. They need to be aligned with these requirements and ensure full support to the rest of the Department and a smooth transition. Existing rules must be adhered to without hampering departmental operations.



VISION

Leading the attainment of inclusive and sustainable economic growth for job creation

MISSION

The mission of EDTEA is to:

- Provide leadership and facilitate integrated economic planning
- Be a catalyst for economic transformation and sustainable development
- Implement strategies that drive economic growth and promote sound environmental management
- Create a conducive environment for trade, investment and tourism
- Monitor and enforce sound business and consumer regulations

VALUES

The Department commits to providing a favourable environment for its employees. We believe and promote the culture of Ubuntu and subscribe to the following values:

- Caring and Supportive
- Ethics and Integrity
- Accountability and Transparency
- Commitment and Innovation

STRATEGIC OUTCOME-ORIENTED GOALS

The strategic focus for the KZN EDTEA during the 2014 –2019 planning period is to build a resilient KZN provincial economy that can respond to global factors, stimulating provincial economic development, alignment of functions and purpose of all economic development entities as well as building a vibrant organisation. The table below outlines a summary of strategic goals for 2014 to 2019 as well as the strategic objectives that would be key in driving each. These strategic goals inform the programmes of the KZN EDTEA for the afore-mentioned planning period.



Table 1: KZN EDTEA Strategic Goals and Objectives

Strategic Goals	Strategic Objectives
1. Integrated economic planning and development in the Province	1.1 Coordinate social partners and other stakeholders in the Province 1.2 Collect, process, maintain and report on economic and other social data 1.3 Track the implementation of economic interventions 1.4 Provide research on priority and strategic sectors 1.5 Develop and maintain an efficient regulatory and governance framework 1.6 Influence policy direction for economic and infrastructure development
2. Sustainable and inclusive economic growth for job creation	2.1 Facilitate the implementation of economic transformation strategies and policies 2.2 Implement existing productive and service sector strategies and plans 2.3 Promote SMMEs and Cooperatives 2.4 Facilitate trade and investment 2.5 Facilitate the development of renewable component manufacturing and generation
3. Preferred tourism destination in the country	3.1 Provide guidance, support and direction in terms of tourism policies, legislation and strategies 3.2 Implementation of the KZN Tourism Master Plan
4. Sustainable environmental management	4.1 Implement environmental management strategies and plans 4.2 Streamline the process of Environmental Impact Assessment 4.3 Promotion and facilitation of integrated environmental management through capacity building and awareness raising programmes and projects.
5. Achieve institutional excellence responsive to the needs of the country	5.1 Lead in the realisation of the vision of the Department and enhance service delivery and guaranteed value for money 5.2 Establish organisational capacity to enable delivery of mandate through effective human and financial management, corporate governance, risk management, and internal control frameworks 5.3 Deploy robust business processes and systems to promote a high performance and value-based culture 5.4 Strengthen planning oversight, monitoring and evaluation capabilities for measuring impact of economic development strategies within the Department and across its entities;



KZN EDTEA STRATEGIC GOALS AND PROGRAMMES ALIGNED TO PDGP GOALS AND INTERVENTIONS

Driven through the Programmes and Sub-Programmes of the KZN EDTEA, below is a table to illustrate the PDGP Goals and interventions alignment to the Department:

Table 2: PGDP Goals and Interventions and KZN EDTEA Strategy and Programme alignment

PGDP Goal	PGDP Intervention	KZN EDTEA Programme
1. Job Creation	1.1.b: Enhancement of agricultural value-adding and marketing	2 and 3
	1.2.a: Encourage the utilisation and beneficiation of mineral resources and natural gas	3 5
	1.2.b: Enhance Value-Adding within the Manufacturing Sector	2 3
	1.2.c: Develop, Diversify and Market the Tourism Sector to increase Domestic and Foreign Visitors in the Province	6
	1.2.d: Improve the Efficiency and Productivity of the Maritime and Transport and Logistics Sectors	3
	1.2.e: Facilitate the Expansion of Investment into the Services Sector	3
	1.2.f: Establish District Agencies to drive LED and Investment	2
	1.2.g: Review the Funding Framework to Improve Access to LED Funding	2
	1.2.h: Strengthen the functioning of the Project Brokering Unit (PBU)	3
	1.2.i: Development Special Economic Zones and Industrial Hubs	3
	1.2.j: Establish an integrated Business Retention and Expansion Programme (BR&E)	2 3
	1.2.k: Investigate, along with Business, an optimal Business Chamber Model for Improved Partnerships and Functionality	1
	1.2.l: Establish an effective tracking mechanism to monitor provincial trade and investment flows and sector performance	3
	1.3 b Facilitate expanded access to the Jobs Fund	1
	1.4.a: Facilitation of access to markets for small enterprises	2 3
	1.4.b: Facilitation of access to finance for small enterprises	2 3
	1.4.c: Capacity building and Mentorship Support for small enterprises	2 3 4
	1.4.d: Advocate and lobby for the review of the business regulations and reduction of red-tape for small enterprises	2 4
	1.4.e: Access to appropriately located facilities with linked services	2 3
	1.4.f: Implementation and enforcement of B - BBEE	2
	1.5.a: Strengthen the partnerships between public sector, private sector, and research institutes and tertiary institutions	1
	1.5.b: Establishment of Regional Innovation and Technology Hubs	3
	1.5.c: Establish a consolidated indigenous knowledge system towards	5

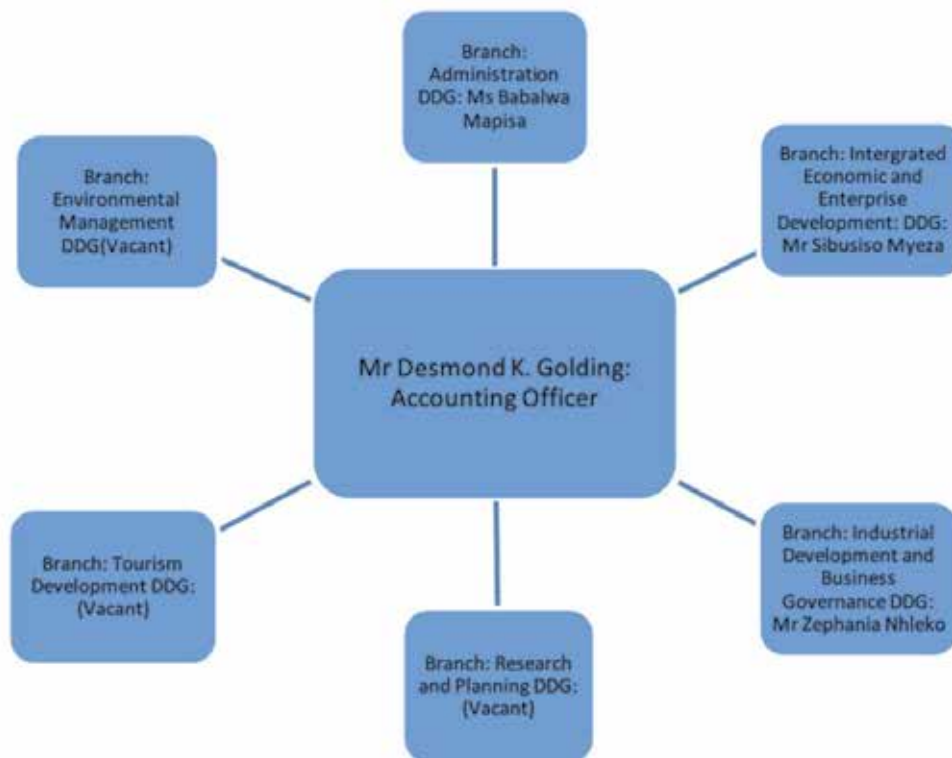


	commercialisation	
2. Human Resource Development	2.2.b: Massively expand the enrolment of youth in FET College programmes and in other post-school training institutions	2
3. Human Community Development	3.3.a. Developing infrastructure for local markets	2
	3.3.b Support to informal economy	4
	3.3.c Skills Development to support local production	2
4. Strategic Infrastructure	4.2.a: Develop and Implement Aerotropolis Strategy/Initiative	3
	4.2b Develop and Implement Regional Airports Strategy	3 5
	4.4.c: ICT Access Centres & Technology Up skilling	5
	4.6.a: Review & implement the Provincial Energy Strategy.	5
5. Environmental Sustainability	5.1 a Enhancement and Implementation of the Land Care programme	7
	5.1 b Provide capacity and support measures to equip women to ensure sustainable land-use practice and to mitigate the impact of climate change	7
	5.2.a: Develop provincial alternative energy resource assessments, strategies and policy interventions	5
	5.2.b: Programme for development of alternative energy demonstration projects	5
	5.2.c: Implementation of energy management systems and energy efficiency measures	5
	5.2.d: Promotion of Renewable Energy Manufacturing in the province	3
	5.3 a Spatial planning, decision-support tool development and monitoring	7
	5.3 b Cooperative environmental governance procedures	7
	5.3 c Sustainable resource management	7
	5.4 a Continuous research and monitoring of climate change and variability	7
	5.4 b Disaster management planning and monitoring	7
6. Governance and Policy	6.2.c: Align staff performance agreements to PGDP interventions	All programmes
	6.3.a: Provincial operation clean audit	1
	6.4.b: Strengthen capacity of KZN Economic Council	3
	6.4.c: Develop advocacy programmes	4



6. ORGANISATIONAL ENVIRONMENT (ALL SENIOR GENERAL MANAGERS)

EDTEA is in the process of restructuring. The detailed organisational structure will be finalised by the end of the current financial year (2015/16). The high-level structure is as follows:



PROGRESS ANALYSIS

KEY ACHIEVEMENTS

The Department made substantial achievements between 2012 and 2014, starting with the organization of the “Economic Recovery and Job Summit” in 2009 which successfully gained the commitment of social partners to working together in promoting socio-economic development in the province. This commitment resulted in the establishment of the KZN Economic Council whose key mandate is the formulation and implementation of policies in the province.

The Department also entered into a number of partnership agreements with various tertiary institutions in the country to pursue economic research and capacity building initiatives. Notably in this regard is the partnership with the Graduate School of Business and Leadership at UKZN to offer a Master of Commerce (Leadership in LED) or a Post Graduate Diploma in Management (LED) over a two year period. A total of 91 postgraduate were registered towards the two programmes in 2012 and 2013 academic years.



Furthermore, the role played by SMMEs in the province in terms of output and employment contribution was acknowledged leading to the establishment of the KwaZulu-Natal Small Business Development Agency (SBDA), which is charged with providing financial and non-financial support to SMMEs in the province. In particular, the following were achievements related to SMMEs over the review period:

- Development of the Provincial SMME Strategy/ Framework.
- In partnership with Department of Education and Department of Health, facilitated access to markets for co-operatives that provide meals to schools and cleaning services to health institutions. The total value of contracts awarded to co-operatives who are participating in school nutrition alone is R216 million.
- More than 500 small enterprises (SMMEs and co-operatives) were trained in pre-finance and provided with business support.
- More than 5 000 SMMEs (including co-operatives) received training in business management, basic computer and technical skills as well as business support. 116 students were provided with bursaries to pursue studies in the Management of Cooperatives.
- Signed an MOU with ILO on the Public Procurement and Social Economy (PPSE) project aimed at assessing the impact of public procurement on the social economy. This resulted in the housing of the PPSE project office in the Department.

From an economic empowerment point of view the following can be noted:

- More than 3 000 women were assisted with economic empowerment interventions in various economic sector, i.e. Tourism; Maritime; Construction, etc.
- More than 700 youth were assisted with economic empowerment interventions focusing on various economic sectors, i.e. Agriculture and Agro-processing; ICT; Creative Industry, etc.
- Training of more than 20 000 youth and women in various skills through youth and women economic empowerment programme
- Key youth and women institutions and/or structures were supported in the province
- More than 30 BEE Verification Certificates were issued to government and public entities
- The KZN BBBEE Council was established
- The B-BBEE Compliance Business Unit was successfully established.

Through the KwaZulu-Natal Industrial Development Strategy, the Department prioritized sectors based on their ability to absorb labour, contribute to GDP, stimulate trade and exports, and ability to attract foreign exchange earnings. For each sector, a specific strategy with clear objectives and interventions was developed or is in the process of being developed. The main achievements in the Sector Development Programme can therefore be summarized as:

- Job Summit – which led to the birth of the KZN Economic Council
- Specialist Investment Team to assist KZN stakeholders to leverage national funds e.g. job fund



- Detailed sector specific studies and District Comparative Reports
- Special Economic Zones and Industrial Economic Hubs initiatives
- 881 students trained on the Business Processing Training programme
- Development of the KZN Investment Strategy and Investment Protocol
- Establishment and Operationalization of the KZN Film Commission
- Establishment and Operationalization of the KZN Liquor Authority
- 27 students completed studies in the Masters in Textile Engineering at the Czech Republic

Key highlights per sector are outlined below:

Stakeholder engagements have been enhanced over the past years with a view to finding common ground and commitment for the implementation of the KwaZulu-Natal Tourism Master Plan and other strategies. Four municipalities have been provided with financial support to develop their tourism strategies and also to upgrade their beaches to meet Blue Flag status as part of the implementation of the KwaZulu-Natal Beach Development Policy. Hosting of the International Tourist Guide Day in collaboration with the National Department of Tourism was one of the success stories. The successful commencement and finalization of the study into the feasibility of Drakensberg Cable car can also be highlighted as one of the achievements. Furthermore, the staging of some events pioneered within this programme such as the Tourism & Entrepreneur Career Expo and launching KZN is Summer Campaign resulted in huge number of visitors coming to those venues and the purpose of the events fully accomplished.

Therefore, the Department successfully embarked on the following pertinent initiatives to develop domestic and regional tourism:

- Launched the East-3-Route which is a tourism route linking South Africa, Mozambique and Swaziland. Seychelles is the latest entrant to this initiative.
- South African Express has launched a direct route between Durban and various SADC countries which will increase tourism opportunities. The performance of the routes has yielded satisfactory load factors well above 60 per cent.
- Developed a KZN Tourism Master Plan to guide the planning, development and marketing of the tourism sector in KwaZulu-Natal. This will ensure a coordinated approach in implementing interventions from both private and public sectors.
- The unit continued to strengthen local economic development through developing of nine (9) tourism sector plans for municipalities.
- The completion of the Drakensberg Cable Car Feasibility study and Business Plan which will serve as a catalytic project for the attraction of more visitors and enhance competitiveness of the province.
- The development and implementation of the KZN Beach Tourism Policy resulted in funding two coastal municipalities that successfully upgraded their beaches to conform to the Blue Flag status to further enhance visitor experience.



- A number of one hundred and fifty nine (159) tourism university graduates completed the Graduate Development Programme done in collaboration with municipalities and twenty seven (27) graduates secured decent employment through the programme
- The KZN Airport Strategy was formulated to attract more airlines into the province and strengthen existing relationships with current airlines amongst other things.
- The KwaZulu-Natal Convention Bureau was established to provide leadership in bidding for major events and position KwaZulu-Natal as a preferred destination for MICE market.

Environmental Management

The Second edition of the Provincial Environmental Implementation and Management Plan (EIMP) was reviewed and gazetted. This was conducted in-house. The Provincial Committee for Environmental Coordination (PCEC) was established in terms of Section 21 of the Intergovernmental Relations Framework Act to promote cooperative environmental governance within the Province. Governance booklets for all government departments in KwaZulu-Natal have been compiled. The establishment of Provincial Committee for Environmental Coordination (PCEC) has been a remarkable improvement in promoting cooperative environmental governance in KwaZulu-Natal which will reduce environmental non-compliance.

The environmental legislation compendium for municipalities and integrated environmental plans (IEP) for municipalities – (IEPs sector plan for the department) were developed. The provincial Environmental Management Frameworks Program has also been initiated to identify environmentally sensitive areas, demarcate them and ensure that development does not negatively impact on them. This will assist with decision making on environmental issues and subsequently reduce conflicts that normally arise as a result of competing land uses.

Compliance, monitoring and enforcement (CME)

CME was able to audit more facilities/developments than anticipated. All strategic inspections with participation of other authorities such as the National Department of Environmental Affairs, National Department of Water Affairs, Local Authorities, were conducted as planned and some reports have since been submitted to the facilities. Facilities audited during this period include: Transnet (Port of Richards Bay with all its tenants), Sappi Tugela (Mandeni), Sappi Stanger, Richards Bay Minerals, Foskor, Mondi Paper – Richards Bay, BHP Billiton, NPC Cement, Mittal, Asmang, Refineries in Durban, etc.). Training of Environmental Health Practitioners in partnership with Mangosuthu University of Technology in EMI basic training was noted nationally as the main highlight as KZN was the first to achieve that in the country. Training of Municipal officials as in basic EMI training was also a major highlight as we currently sitting with 10 officials already trained and passed and are now waiting for designation by MEC as EMIs. This will strengthen environmental enforcement at all spheres of government. The unit was able to collect some revenue in the form of s24G administration fines paid to government. The province together with other enforcement agencies and National Department of Environmental Affairs embarked on illegal sand mining blitz.



Environmental Impact management

Although the number of EIA applications received annually between 2009/10 and 2012/13 has, mainly due to the delisting of activities under Listing Notice 1, decreased by 17% from 469 to 391, the percentage of EIA applications finalized in timeframes has increased from 66% in 2009/10 to 85% in 2013/14. This performance is a reflection of the increase in efficiency of the review of EIA applications and an improvement in service delivery since 2009/10.

Chemical and waste management

With the commencement of the Waste Act, the Provinces became responsible for the licensing of general waste facilities. This required the drafting of templates and establishment of administrative processes for waste management licensing. Up until January 2014, a total of 132 waste management license applications had been received by the Department, and 88 decisions have been issued. The Waste Act requires that Provinces and Municipalities develop Integrated Waste Management Plans. During 2012/13 the Department finalised the KZN Hazardous Waste Management Plan as well as the KZN Integrated Waste Management Plan. These Plans will guide the Department in the work to be conducted over the next five years.

Air quality management

- Many industries are investing in cleaner technologies e.g. Mondi Merebank, SAPPI Tugela
- Empowered communities and NGO's on their environmental rights
- Greater engagements, co-operative governance and training on air quality matters with municipalities
- Compiled First Emission Inventory Database in the country
- Completed the Vulnerability and Status Quo Study on the Impacts of Climate Change in this Province
- Completed Carbon Footprint project at Cedara.
- Sugar Cane Burning Policy has been completed.
- Workshops held with municipalities; business sectors; schools; rural communities on Climate Change interventions

Climate Change

Programmes aimed at creating awareness on climate change issues in the communities are continuing through workshops held in partnership with KZN COGTA for AmaKhos and Izinduna as well as events aimed at reaching to the public.

The concept proposal submitted by SANBI and the uMgungundlovu District municipality (UMDM) was approved to the Global Adaptation Fund for Building Resilience within the Greater uMngeni Catchment.

The Energy Audit in the Department of Agriculture, Environmental Affairs Head office was conducted in 2011.

The Renewable Energy Sources project was initiated in July 2009 at identified areas in Cedara, the main focus being at Environmental Management offices. This will serve as a demonstration platform on the feasibility and efficiency of alternative forms of energy. Among many alternative energy forms this project focused on; Solar



Energy system, Wind Turbine System, and Heat Pump. The first main objective of undertaking this project is to attain credible baseline information on such renewable energy technologies, this by implementing a small scale test project at identified areas in Cedara. Secondly is to create awareness on the possibility to utilize the natural resources (e.g. wind, solar or the sun) to generate energy to the Cedara community and those who come as visitors.

Coastal and biodiversity management

Coastal Unit was provided emergency support, coordination and response to the grounding of the MT Phoenix off Sheffield Beach on the North Coast and MV Smart at Richards Bay harbour. Reacting to the possibility of dealing with an oil spill and coal, EKZN Wildlife and the Unit prepared an environmental risk mitigation plan for marine and estuarine systems which outlined the preventative and rehabilitation options available to SAMSA and the salvagers. The enactment of the ICM Act provided a good platform for integrated coastal management in the country. The provisions of the act on institutional arrangements allow for establishment of Provincial Committee (PCC). KZN PCC will soon be appointed and will drive the implementation of the ICM Act in the province. This will also strengthen functioning of the municipal coastal committees.

Environmental empowerment and advisory services

2012/13: The department launched the Schools Environmental Education Programme (SEEP), which was awarded Gold at National Batho Pele Awards, as the best implemented Programme of the year 2013.

KZN integrated greening programme

- 2011: Kamoso Award: Environment and Culture Sector
- 2012: Global Best Partnership Award: International Partnership Network
- 2013: Best Implemented Project: National Batho Pele Awards: Silver.

CONSTRAINTS AND CHALLENGES

Despite the significant contribution of SMMEs to economic growth, employment creation and poverty alleviation, SMMEs in KZN still face numerous challenges that inhibit entrepreneurial growth. Apart from SMME funding and access to finance, SMMEs in the province still suffer from poor management skills, due to lack of adequate training and education. This results in high rates of business failure (South Africa has one of the lowest SMMEs survival rates in the world) which makes the creation of the right business environment particularly suited for SMME survival quite paramount.

Funding for product development as well as sustainability of community based products/projects remains a huge challenge. Hence the need to establish Tourism Development Fund as espoused in the Tourism master Plan. The Fund will among others be responsible for funding huge infrastructure development, feasibility studies and contributes to EIA co-funding for mega projects that will contribute to economic growth. illegal guiding remains a huge challenge and this will be addressed through collaboration with other players like Road Transport Inspectorate (RTI) and South African Police Services (SAPS) in conducting inspections in terms of the Tourism Act, Act no. 3 of 2014. Lack of interest to become tourists by most communities hence the need to drive awareness amongst communities to become tourists through implementation of a campaign called "Know Your District, Province and your Country".



The Department has experienced challenges in attracting and retaining skilled professionals in the areas of economics and sector specialist professionals. This has meant that certain programmes are operating under capacity, which hinders service delivery. The absence of reliable statistical data at the provincial and municipal levels constrains the Department's ability to effectively measure the developmental impact and appropriately respond to the social and economic requirements of the citizens. Further, Regulations Services, which consist of both the formal and the informal businesses, derives its legislative mandate from the Business Act 71 of 1991. The fast changing pace of the business world implores that regulations that govern this industry are reviewed to cater for changes that occur over time. The lack of review of this act constrains the regulation of certain aspects which may now fall outside the ambit of current regulations resulting in inefficiencies.

Funding for tourism development including community-based projects remains a huge challenge coupled non-availability of a model to provide a strategic guidance for the sustainable development of rural community based initiatives owing to funding constraints. There is a need to leverage funding within the department through the establishment of the Provincial Tourism Fund as recommended by the KwaZulu-Natal Tourism Master Plan and from various funding agencies and other sector departments.

The main constraints and challenges identified in the implementation of the environmental management priorities can be outlined as follows:

- Coordinating departmental inputs into the Provincial Environmental Implementation and Management Plan is a challenge because of poor participation and cooperation of member departments in the Provincial Committee for Environmental Coordination.
- Designation of Local Authority as EMIs is still a challenge due to signing of Implementation Protocols that is still outstanding. The challenge in filling critical vacant posts due to OSD requirements and this is causing strain to the officials currently performing such functions. The structural challenge of the CME component not in line with National DEA and other provinces, this makes officials do both compliance monitoring and compliance enforcement and this results to enforcement part being poor.
- Non-compliant organs of state such as local authorities and provincial departments are still a challenge.
- The greatest challenge for improving waste management in the Province is the lack of capacity at most municipalities. Waste management service delivery is predominantly a responsibility of local municipalities, but does not receive the required resources to deliver an adequate service. As such, approximately 45per cent of the Province's households receive an insufficient waste management service (ref. Census 2011).
- Air Quality Management: Lack of capacity at Municipalities to regulate Atmospheric Emission License and Inadequate Budget to maximize delivery on air quality management and Climate Change

Most Municipalities do not take Air Quality issues seriously as a result personnel with very little or no experience are employed to deal with complex and scientific matters related to air quality management.

PLANNED MEASURES TO OVERCOME CHALLENGES

There is need to leverage funding from other funding agencies with a view to supporting such projects in order to achieve community beneficiation. There is also need to put more effort to increase programme awareness and campaigns through various tools and collaboration with key stakeholders. The development of a workable model for community based projects during 2015/16 financial year will alleviate some of the challenges.



The Department is in the process of finalising its organisational structure. The structure has been designed to both attract and retain existing professionals, with various opportunities previously not existing now being identified. The Development of an Integrated Statistical Database has been planned for this year, and its maintenance for subsequent years. This database seeks to provide reliable and timeous statistical information to enable the Department to fully understand the developmental challenge in the province and respond accordingly. In the absence of the review of the national Business Act 71 of 1991, Regulations Services is in the process of developing regulations for the implementation of the Business Act in the province. The aim is to develop a provincial legislation that will enable the Department to fully carry out its mandate in relation to regulation of formal and informal business activities in the province.

RISK ANALYSIS

RISK MANAGEMENT

In terms of Section 38 (1)(a)(i) of the Public Finance Management Act read in conjunction with section 3.2.1 of the Treasury Regulation, the Accounting Authority must facilitate a risk assessment to determine the material risks to which the Department may be exposed and to evaluate the strategy for managing those risks. The strategy must be used to direct the internal audit effort and priority, and to determine the skills required to manage these risks.

Enterprise Risk Management (ERM) forms a critical part of any Department's strategic management. It is a process whereby the department both methodically and intuitively addresses the risks attached to its activities with the goal of achieving sustained benefit within each activity and across the portfolio of activities. ERM is therefore recognized as an integral part of sound organizational management and is being promoted internationally and in South Africa as good practice applicable to the public and private sectors.

The underlying premise of risk management is that every government body exists to provide value for its stakeholders. Such value is based on the quality of service delivery to the citizens. All Departments face uncertainty and the challenge for management is to determine how much uncertainty is the Department prepared to accept as it strives to improve service delivery. Uncertainty presents both risk and opportunity, with the potential to erode or enhance value. Value is maximized when management sets objectives to strike an optimal balance between growth and related risks, and effectively deploys resources in pursuit of the department's objectives. It is accordingly accepted by all stakeholders that KwaZulu-Natal Provincial Government (KZNPG) will manage the risks faced in its various departments in an appropriate manner.



RISK ASSESSMENT PROCESS

1. Identification of strategic risks faced by the Department

A two day strategic planning session was held by the Department's management team and the executive management of the public entities of the Department on 11 and 12 June 2014. In this planning session strategic risks that may impact on the realisation of the vision of the Department and that of its entities were identified. The risks were documented to be further deliberated on and rated during a proper risk management workshop to be held by the Department.

Table 3: KZN EDTEA Risk Register

Strategic risks identified
Insufficient human and financial capacity to implement programmes
Attraction and retention of adequately trained human capital
Change management
Fraud and corruption
Inflexible impractical regulatory framework
Red tape
Non -implementation of strategies due to regulatory constraints
Misalignment of mandate of Department with entities
Infrastructural bottlenecks
Unsustainable economic interventions
Lack of suitable land for industrial development
Economic impact of climate change
Barriers to entry (aviation, FOREX and trade)

2. Development of a risk mitigating plan and register for the 2015/16 financial year

A risk management workshop with the executive management of the Department was undertaken in the month of January/ February 2015 where the following were dealt with:

- Understanding the current status of risk management inclusive of risk mitigating plans
- Sharing of the latest development in the Department in terms of structures, business, etc.
- Engaging with the:



- Strategic Plan and Annual Performance Plan documents
- External Auditor's report;
- Internal Auditor's report and
- Forensic Investigation reports to identify further risks that may exists

The above assisted in providing an understanding of the operations of department as well as a feel for how risk management is evolving within Department. It also provided the basis for identification of further/new/emerging risks as well as updating the risk register for action plans that were implemented.

The risks will be rated inherently in terms of Impact and Likelihood using the Provincial Risk Management Framework rating scale. This Framework will also be used to rate the effectiveness of the controls for managing the relevant risk. Actions plans will be identified in areas that management considered to be weak, in order to mitigate or manage the risks identified.



7. OVERVIEW OF 2015/16 BUDGET AND MTEF ESTIMATES

Table 4: KZN Department of Economic Development, Tourism and Environmental Affairs

	Audited Outcome		Audited Outcome	Voted	Adjusted Appropriation	Revised Estimate	Revised Baseline	Revised Baseline	Indicative Baseline
	2011/12	2012/13	2013/14		2014/15		2015/16	2016/17	2017/18
R thousand									
1. Administration	209,594	212,465	226,097	194,876	201,269	201,269	233,095	233,994	245,759
2. Integrated Economic Development Services	427,553	407,358	1,073,730	441,576	561,053	555,469	422,715	438,157	496,512
3. Trade And Sector Development	650,921	599,493	753,992	882,294	830,717	835,760	957,259	998,546	1,041,123
4. Business Regulation And Governance	37,313	86,092	68,114	110,360	107,889	105,699	100,290	94,868	97,842
5. Economic Planning	18,302	18,546	20,566	31,161	24,277	23,627	37,482	39,589	41,568
6. Tourism	164,485	286,920	353,951	286,673	53,715	360,096	298,771	279,689	287,374
7. Environmental Affairs	718,412	814,595	823,604	937,029	934,535	934,535	923,847	973,673	1,022,356
Total	2,256,580	2,421,869	3,311,354	2,883,969	3,013,455	3,013,455	2,973,459	3,080,528	3,219,734



R thousand	Audited Outcome			Audited Outcome		Voted	Adjusted Appropriation	Revised Estimate	Revised Baseline	2016/17	2017/18
	2011/12	2012/13	2013/14								
Current payments	692,342	782,121	757,711			829,173	822,992	823,616	927,893	957,572	1,018,516
Compensation of employees	194,742	215,531	233,977			278,208	273,502	271,629	318,426	337,774	353,315
Goods and services	497,600	566,590	523,727			550,965	549,490	551,987	609,467	619,798	665,201
Interest and rent on land	-	-	7			-	-	-	-	-	-
Transfers and subsidies to:	1,529,555	1,619,285	2,541,637			2,048,634	2,180,629	2,180,631	2,038,564	2,120,110	2,197,974
Provinces and municipalities	914	4,309	11,209			1,520	5,705	5,705	2,281	1,033	1,085
Departmental agencies and accounts	1,132,872	1,236,616	1,442,896			1,607,131	1,501,480	1,501,481	1,550,333	1,631,216	1,698,686
Higher education institutions	-	-	-			-	250	250	-	-	-
Public corporations and private enterprises	339,636	332,109	406,835			254,170	502,456	502,456	273,947	223,907	259,623
Non-profit institutions	45,426	38,531	669,159			171,408	156,748	156,748	01,623	253,546	259,623
Households	10,707	7,747	11,538			14,405	13,990	13,991	10,380	10,408	10,928
Payments for capital assets	4,681	15,478	12,006			6,162	9834	9208	6766	2846	3244
Buildings and other fixed structures	-	-	-			-	-	28-	-	-	-
Machinery and equipment	4,298	15,328	5,584			5,362	9,692	8508	6566	2846	3244
Software and other intangible assets	383	150	6,422			800	142	672-	200-	-	-
Payments for financial assets	2	4,985									
Total	2,226,580	2,421,869	3,311,354			2,883,969	3,013,455	3,013,455	2,973,459	3,080,528	3,219,734



PART B: PROGRAMME AND SUB-PROGRAMME PLANS

PROGRAMME 1: ADMINISTRATION

The Administration Programme consists of the following sub-programmes:

OFFICE OF THE MEC

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 the mandate as prescribed by legislation. The executive support in the main refers to administration, operations, protocol, 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 for the preceding financial year. 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. With the National Development Plan (NDP) adopted both in public and private sectors, it is prudent that key strategic directives will be based on the said plan.

OFFICE OF THE HEAD OF DEPARTMENT

The Office of the Head of Department is responsible for the provision of strategic leadership, risk management, strategic planning, administration and effective management of the Department's programmes 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, key strategic interventions and flagship projects. The office is also responsible for the fostering and maintaining of strategic partnerships that have the potential of making a positive contribution towards the economic growth of the province.

FINANCIAL MANAGEMENT

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.

For the upcoming MTEF period, the Department will focus on three key administration indicators. These indicators are aligned to the strengthening of the EDTEA human resources, improving the audit opinion and the risk management/fraud prevention initiatives.

CORPORATE SERVICES

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.



STRATEGIC OBJECTIVE ANNUAL TARGETS FOR 2015/16

Strategic Goals
1. Achieve institutional excellence responsive to the needs of the country

Table 5: Strategic Objectives and performance indicators: Office of the MEC (Annual targets)

Strategic Objective	Performance indicator	Strategic Plan Target	Data Source	Audited/Actual performance			Estimated performance			Medium-term targets		
				2011/12	2012/13	2013/14	2014/15	2015/16	2016/17	2017/18	2017/18	2017/18
5.1 Lead in the realisation of the vision of the Department and enhance service delivery and guaranteed value for money	Percentage achievement of priorities of the Department 5.1.1	100%	Annual Performance Report (APR)	New	New	New	New	100%	100%	100%	100%	100%



Programme:1		ADMINISTRATION						
Sub-programme name:		OFFICE OF THE MEC						
Financial Information		2011/12	2012/13	2013/14	2014/15	2015/16	2016/17	2017/18
		Audited outcome	Audited outcome	Audited outcome	Adjusted Appropriation	Revised Baseline	Revised Baseline	Revised Baseline
Rand thousand								
Main Sub-programmes	Non-recurring units							
		23 977	23 465	30 670	28 425	33144	31600	33,180
Total		23 977	23 465	30 670	28 425	33144	31600	33180
Economic classification		23 817	23 204	30 524	26 432	29 844	31 600	33180
Current payments		11 672	11 488	12 479	14399	15828	16841	17683
Compensation of employees		12 145	11 716	18 045	12033	14016	14759	15498
Goods and services		0	113	10	187	0	0	0
Transfers and subsidies		160	148	136	1806	3 300	0	0
Payments for capital assets		23 977	23 465	30 670	28 425	33 144	31 600	33 180
Total								



Table 6: Strategic Objectives and performance indicators: Office of the HoD

Strategic Objective	Performance indicator	Strategic Plan Target	Data Source	Audited/Actual performance			Estimated performance 2014-15	Medium-term targets		
				2011/12	2012/13	2013/14		2015/16	2016/17	2017/18
5.1 Lead in the realisation of the vision of the Department and enhance service delivery and value for money	5.1.1 Percentage achievement of performance targets	100%	Annual Performance Report (APR)	New	New	New	New	100%	100%	100%
	5.2.1 2014-19 Strategic Plan developed and approved by Executive Authority	1	Sign off Strategic Plan	1	1	1	2014-19 Strategic Plan is developed and approved by Executive Authority	2014-19 Strategic Plan is approved by Executive Authority		
	5.2.2 APP developed and approved by the Executive Authority as per Provincial Treasury Guidelines	5	Sign off APP	1	1	1	2015-16 APP approved by the Executive Authority as per	2016-17 APP	2017-18 APP	2018-19 APP
	5.2.3 Annual Performance Report approved and submitted to Provincial Treasury and Cabinet within stipulated time	5	Audited Annual Report	1	1	1	Verified and approved APR	Verified and approved APR submitted to Provincial Treasury and Cabinet within stipulated time		
5.2 Deploy robust business processes and systems to promote a high performance and value-based culture	5.2.4 Number of monitoring reports	20	Monitoring Reports	4	4	4	4	4	4	4
	5.2.5 Approved and updated risk register by the Top Management	5	Approved risk register and Progress reports	Produced updated Risk register and approved by Top Management	Produced updated Risk register and approved by Top Management	Produced updated Risk register and approved by Top Management	Produced updated Risk register and approved by Top Management	Produce an annual updated Risk Register and approved by the Top Management		
	5.2.6 Approved audit improvement strategy by Top Management	5	Approved Audit improvement strategy and Progress reports	Produced Audit improvement strategy	Produced Audit improvement strategy	Produced Audit improvement strategy	Produced Audits improvement strategy	Produce an annual updated Audit Improvement Strategy		



QUARTERLY TARGETS FOR 2015

Table 7: Performance Indicators: Sub-Programme – Office of the Head of Department

Performance indicator	Reporting period	Annual target 2015/16	Quarterly targets			
			1st	2nd	3rd	4th
5.1.1 % achievements of APP targets per quarter	Quarterly	100%	100%	100%	100%	100%
5.2.1 APP developed and approved by the Executive Authority as per Provincial Treasury Guidelines	Quarterly	1		Reviewed 1 st draft APP	Reviewed 2 nd draft APP	Final APP is table to the Cabinets by due date set by the provincial legislature
5.2.2 Number of monitoring reports	Quarterly	4	1	1	1	1
5.2.3 Annual Performance Report approved and submitted to Provincial Treasury and Cabinet within stipulated time	Annually	1	Signed off Annual report and submitted to Auditor General by (due to date)			Audited APR approved and submitted to Provincial Treasury and Cabinet within stipulated time.
5.2.4 Number of progress reports on the implementation of risk mitigating strategies (Critical risks)	Quarterly	100%	40%	60%	80%	100%
5.2.5 Number of progress reports on the implementation of internal and external audit recommendations	Quarterly	100%	40%	60%	80%	100%



ADMINISTRATION								
The Office of the Head of Department								
Programme: 1								
Sub-programme name:								
Financial Information		2011/12	2012/13	2013/14	2014/15	2015/16	2016/17	2017/18
		Audited outcome	Audited outcome	Audited outcome	Adjusted Appropriation	Revised Baseline	Revised Baseline	Revised Baseline
		Rand thousand						
	Non-recurring units							
Main Sub-programmes	Non-recurring	15 297	50 900	65 640	36 199	36 627	30 113	31,619
The Office of the Head of Department		15 297	50 900	65 640	36 199	36 627	30 113	31 619
Total		14 696	50 137	65 432	35 420	36 627	30 113	31 619
Current payments		4 175	5 707	7 531	8 757	12 742	13 557	14 235
Compensation of employees		10 521	44 430	57 901	26 663	23 885	16 556	17 384
Goods and services		485	621	26	529	0	0	0
Transfers and subsidies		116	142	182	250	0	0	0
Payments for capital assets		15 297	50 900	65 640	36 199	36 627	30 113	31 619
Total		15 297	50 900	65 640	36 199	36 627	30 113	31 619



STRATEGIC OBJECTIVE ANNUAL TARGETS FOR 2015

Strategic Goal	
■	Achieve institutional excellence responsive to the needs of the Country

Table 8: Strategic Objectives and performance indicators: Support Services

Strategic Objective	Performance indicator	Strategic Plan Target	Data Source	Audited/Actual performance			Estimated performance 2014-15	Medium-term targets		
				2011/12	2012/13	2013/14		2015/16	2016/17	2017/18
5.3 Establish organisational capacity to enable delivery of mandate through effective financial management, corporate governance, risk management, and internal control frameworks	5.3.1 Vacancy rate	10%	Persal report	23%	18%	16.5%	10%	10%	10%	
	5.3.2 Staff turnover rate	5%	Persal and EE report	New	New	New	8%	5%	5%	5%

QUARTERLY TARGETS FOR 2015

Table 9: Strategic Objectives and performance indicators: Support Services

Performance Indicator	Reporting period	Annual target 2015/16	Quarterly targets			
			1st	2nd	3rd	4th
5.3.1. Vacancy rate	Quarterly	10%	10%	10%	10%	10%
5.3.2 Staff turnover rate	Quarterly	5%	5%	5%	5%	5%



Programme: 1		ADMINISTRATION						
Sub-programme name:		Support Service						
Financial Information		2011/12	2012/13	2013/14	2014/15	2015/16	2016/17	2017/18
		Audited outcome	Audited outcome	Audited outcome	Adjusted Appropriation	Revised Baseline	Revised Baseline	Revised Baseline
Rand thousand								
Main Sub-programmes	Non-recurring units							
	Auxiliary Service	42063	45834	52379	52969	61579	66034	69336
	Human Resource Management	13744	13699	15712	18092	19283	18304	19219
	Information Technology							
Legal Services	112924066	134223726	204323587	155794894	135005060	145005198	152255458	
Corporate Communication								
		76 800	39 515	13 079	13 853	17395	19322	20288
Total		147965	116196	105189	105387	116817	123358	129526
Current payments		146 683	115 774	97 538	101 548	116 817	123 358	129526
Compensation of employees	Non-recurring	20 881	22 754	25 379	30421	31744	33775	35464
Goods and services		125 802	93 020	72 159	71127	85073	89583	94062
Transfers and subsidies		0	0	0	543	0	0	0
Payments for capital assets		1 2820	4220	7 6510	32960	00		
Payments for financial assets								
Total		147 965	116 196	105 189	105 387	116 817	123 358	129 526



ADMINISTRATION									
Financial Management									
Rand thousand									
Financial Information		2011/12	2012/13	2013/14	2014/15	2015/16	2016/17	2017/18	
		Audited outcome	Audited outcome	Audited outcome	Adjusted Appropriation	Revised Baseline	Revised Baseline	Revised Baseline	
Main Sub-programmes									
	Non-recurring units								
Financial Management		22355	21904	24598	31258	46507	48923	51435	
Other									
Total		22355	21904	24598	31258	46507	48923	51435	
Current payments									
Compensation of employees		12 534	14 141	15 954	21868	36002	38240	40253	
Goods and services		8 245	6 262	6 520	8318	10114	10650	11182	
Transfers and subsidies		14	61	8	92	31	33	35	
Payments for capital assets		1 560	1 440	2 116	980	360	0	0	
Payments for financial assets		2	0	0	0	0	0	0	
Total		22 355	21 904	24 598	31 258	46 507	48 923	51 470	



RECONCILING PROGRAMME PERFORMANCE WITH MTEF BUDGET

Expenditure estimates

Table 10: Administration - Summary of payment sub-programme

	Audited Outcome	Audited Outcome	Audited Outcome	Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
R thousand	2011/12	2012/13	2013/14		2014/15		2015/16	2016/17	2017/18
1. Office Of The Mec	23,977	23,465	30,670	29,096	28,425	28,046	33,144	31,600	33,180
2. Office Of The Hod	15,297	50,900	65,640	31,576	36,199	38,431	36,627	30,113	31,619
3. Financial Management	22,355	21,904	24,598	28,246	31,258	33,128	46,507	48,923	51,470
4. Corporate Services	147,965	116,196	105,189	105,958	105,387	101,664	116,817	123,358	129,526
Total	209,594	212,465	226,097	194,876	201,269	201,269	233,095	223,994	245,795



	Audited Outcome	Audited Outcome	Audited Outcome	Audited Outcome	Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates	2016/17	2017/18
R thousand	2011/12	2012/13	2013/14	2014/15	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21
Current payments	205,975	209,518	215,968	193,586	191,813	193,586	195,136	228,904	233,438	245,211
Compensation of employees	49,262	54,090	61,343	75,420	70,685	75,420	73,917	96,316	102,413	107,635
Goods and services	156,713	155,428	154,625	118,166	121,128	118,166	121,219	132,588	131,025	137,576
Transfers and subsidies to:	499	795	44	1,351	20	1,351	1,353	531	556	584
Provinces and municipalities	14	21	33	20	20	20	20	31	33	35
Departmental agencies and accounts	-	-	-	546	-	546	547	-	-	-
Public corporations and private enterprises	-	-	-	96	-	96	96	-	-	-
Non-profit institutions	24	-	-	129	-	129	129	-	-	-
Households	461	774	11	560	-	560	561	500-	523	549
Payments for capital assets	3,118	2,152	10,085	6,332	3,043	6,332	4,780	3,660	0	0
Buildings and other fixed structures	-	-	-	-	-	-	28	-	-	-
Machinery and equipment	2,735	2,143	3,669	6,332	3,043	6,332	4,622	3,660	0	0
Software and other intangible assets	383	9	6,416	-	-	-	-	-	-	-
Payments for financial assets	2	-	-	-	-	-	-	-	-	-
Total	209,594	212,465	226,097	201,269	194,876	201,269	201,269	233,905	233,994	245,795



PROGRAMME 2: INTEGRATED ECONOMIC DEVELOPMENT SERVICES

PURPOSE

The purpose of the Integrated Economic Development Services (IEDS) Programme 2 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 mainstream of the economy.

The Programme comprises the Enterprise Development, Regional and Local Economic Development (RLED) and Economic Empowerment.

The following table presents the structure of the Branch and its aim or purpose, as well as its strategic goals and objectives:

Programme 2 Integrated Economic Development Services	Sub-programmes
Purpose: <ul style="list-style-type: none"> ■ 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 mainstream of the economy. 	Sub-Programme 1: Enterprise Development Purpose: To support the development of sustainable SMMEs and Cooperatives / Social enterprises that contributes to wealth and job creation
	Sub-programme 2: Economic Empowerment Purpose: To create enabling environment for economic development and empowerment of the previously disadvantaged individuals and groups (especially youth, women and the disabled) to participate in the mainstream economy
	Sub-programme 3: Regional and Local Economic Development Purpose: To develop, support and implement sustainable risk sharing partnership based RLED projects that create sustainable local employment and build capacity of RLED stakeholders to plan better and manage RLED



SPECIFIC POLICIES, PRIORITIES, AND STRATEGIC OBJECTIVES

The IEDS Programme 2 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 & Plan (PGDS & P), the Provincial Spatial Economic Development Strategy (PSEDS), the national cooperatives strategy (draft), Integrated Strategy on the Promotion of Entrepreneurship and Small Enterprises, the KZN Small Enterprise Development Strategy, 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 Small Enterprise Development Fund, Co-operative Fund and the Swiss Funded LED Programme in ILembe 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, youth and the physically challenged;
- 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 as well as regional and local economic development;
- The creation of wealth and sustainable jobs opportunities.



	Audited Outcome	Audited Outcome	Audited Outcome	Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates	2016/17	2017/18
R thousand	2011/12	2012/13	2013/14		2014/15		2015/16		
1. Enterprise Development	350,094	326,803	981,378	366,107	481,519	479,291	356,071	362,377	405,264
2. Regional And Local Economic Development	33,481	49,462	52,246	38,645	42,710	41,609	35,210	42,576	56,384
3. Economic Empowerment	43,978	31,093	40,107	36,824	36,824	34,569	31,434	33,204	34,864
Total	427,553	407,358	1,073,731	441,576	561,053	555,469	422,715	438,157	496,512

	Audited Outcome	2012/13	2013/14	Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates	2016/17	2017/18
R thousand	2011/12	2012/13	2013/14		2014/15		2015/16		
Current payments	136,258	142,674	116,180	147,021	202,799	197,145	167,780	148,272	205,880
Compensation of employees	37,454	39,437	45,606	56,646	53,212	52,123	59,230	63,021	64,726
Goods and services	98,804	103,237	70,574	90,375	149,587	145,022	108,550	85,251	141,154
Interest and rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies to:	291,098	259,294	957,358	294,405	358,008	358,008	254,580	289,885	290,379
Provinces and municipalities	-	2,980	2,414	-	992	992	-	-	-
Departmental agencies and accounts	970	-	-	-	-	-	-	-	-
Public corporations and private enterprises	280,000	249,500	323,426	185,000	289,303	289,303	149,700	148,000	148,000
Non-profit institutions	-	504	620,102	95,000	55,000	55,000	95,000	132,000	132,000
Households	10,128	6,310	11,416	14,405	12,713	12,713	9,880	9,885	10,379
Payments for capital assets	197	405	192	150	246	316	355	0	253
Buildings and other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	197	405	192	150	246	316	155	0	253
Software and other intangible assets	-	-	-	-	-	-	200	-	-
Payments for financial assets	-	4,985	-	-	-	-	-	-	-
Total	427,553	407,358	1,073,730	441,576	561,053	555,469	422,715	438,157	496,512



SUB-PROGRAMME: ENTERPRISE DEVELOPMENT

PURPOSE

To support the development of sustainable SMMEs and Cooperatives / Social enterprises that contributes to 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 the National Small Business Act 102 of 1998, Integrated Strategy on the Promotion of Entrepreneurship and Small Enterprises, Cooperatives Act 14 of 2005, Cooperatives Bank Act 40 of 2007, Skills Development Act 97 of 1998, Annual National and Provincial Budget Speeches, PSEDs, KZN Cooperatives strategy, KZN Small Enterprise Development Strategy, New Growth Path, Industrial Policy Action Plan (IPAP 2), National Development Plan, Provincial Growth and Development Strategy & Plan, B –BBEE Act 53 of 2003 and KZN B – BBEE Strategy.

The strategic objective of the Enterprise Development Sub-programme is to promote small enterprises and entrepreneurial development of SMMEs & Cooperatives/Social enterprises. In pursuit of the strategic objective, the sub – programme prioritizes the following key focal areas:

- Skills development and capacity building for small enterprises;
- Facilitation of access to finance and markets for small enterprises;
- Creation of competitive SMME and Cooperatives sectors in the province;
- Support and promotion of entrepreneurship.

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

Small Enterprise Development Fund

The Fund, administered through Ithala Development Finance Corporation, is an intervention by the Enterprise Development Sub-programme to facilitate access to finance and improve efficacy of financial services for SMMEs and Co-operatives. The Fund assists 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.

STRATEGIC OBJECTIVE ANNUAL TARGETS FOR 2015

Strategic Goals	
GOAL 1: Integrated economic planning and development	
GOAL 2: Sustainable and inclusive economic growth for job creation	
GOAL 5: Achieve institutional excellence responsive to the needs of the country	

Table 11: Strategic Objectives: Sub-Programme – Enterprise Development

Strategic Objective	Performance indicator	Strategic Plan Target	Data Source	Audited/Actual performance			Estimated performance 2014/15	Medium-term targets		
				2011/12	2012/13	2013/14		2015/16	2016/17	2017/18
1.1 Coordinate social partners and other stakeholders	1.1.1 Number of resolutions adopted by social partners and stakeholders	10	KZN Economic Council resolutions, KZN Cooperative Seminar resolutions	New	New	New	New	2	2	3
	1.1.2 Percentage of implementation of resolutions adopted by social partners	100%	KZN Economic Council resolutions, KZN Cooperative Seminar resolutions	-	-	-	-	20%	30%	50%
1.2 Promote SMMEs and Cooperatives	1.2.1 Number of SMMEs and Cooperatives registered in KZN that have been in operation for more than two years	11267	CIPC, EDTEA Cooperative Database	-	-	16822	240	1 340	2 686	3 334
	1.2.2 Number of SMMEs and Coops supported	10960	CIPC, EDTEA Cooperative Database, Enquiry Register	2945	2571	936	1829	2119	2119	2330



QUARTERLY TARGETS FOR 2015

Table 12: Performance Indicators: Sub-Programme - Enterprise Development

Performance indicator	Reporting period	Annual target 2015/16	Quarterly targets			
			1st	2nd	3rd	4th
1.1.1.1 Number of resolutions adopted by social partners and stakeholders	Annually	2	0	0	0	2
1.1.1.2 Percentage of implementation of resolutions adopted by social partners	Annually	20%	0	0	0	20%
1.2.1.1 Number of SMMEs and Cooperatives registered in KZN that have been in operation for more than two years	Quarterly	1 340	0	446	448	446
1.2.2.1 Number of SMMEs and Coops supported	Quarterly	2119	530	530	530	529



RECONCILING PROGRAMME PERFORMANCE WITH MTEF BUDGET

Programme:		Integrated Economic Development Services							
Sub-programme name:		Enterprise Development							
Financial Information		2011/12	2012/13	2013/14	2014/15	2015/16	2016/17	2017/18	
		Audited outcome	Audited outcome	Audited outcome	Adjusted Appropriation	Revised Baseline	Revised Baseline	Revised Baseline	
Rand thousand									
Main Sub-programmes	Non-recurring units								
	Co-operatives	34329	105260	52686	99911	143119	140963	157458	
	Small Business Development	315765	221543	928692	381608	212952	221414	247806	
	Other	-	-	-	-				
	Total	350094	326803	981378	481519	356071	362377	405264	
Economic classification									
Current payments	Compensation of employees	69931	65803	50083	135274	104735	109492	151712	
	Goods and services	22049	23607	26904	34487	35847	38142	36162	
		47882	42196	23179	99795	68888	71350	115550	
	Transfers and subsidies	280000	255773	931166	347087	251281	252885	253379	
	Payments for capital assets	163	242	129	150	55	0	173	
Payments for financial assets		-	-	-	-	-	-	-	
Total		350094	321818	981378	481519	356071	362377	405 264	



SUB-PROGRAMME: ECONOMIC EMPOWERMENT

PURPOSE

The strategic objective of the sub-programme is to create enabling environment for economic development and empowerment of the previously disadvantaged individuals and groups (especially youth, women and the disabled) to participate in the mainstream economy.

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 (as amended) 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 empowerment policies;
- Co-ordinate key stakeholders for B-BBEE Strategy implementation;
- Ensuring empowerment of women, youth and the physically challenged;
- Facilitating or handle B-BBEE complaints and compliance in the Province;
- Verification and monitoring of B-BBEE implementation;
- Facilitating access to finance and empowerment opportunities.



STRATEGIC OBJECTIVE ANNUAL TARGETS FOR 2015

Strategic Goals
GOAL 1: Integrated economic planning and development
GOAL 2: Sustainable and inclusive economic growth for job creation
GOAL 5: Achieve institutional excellence responsive to the needs of the country

Table 13: Strategic Objectives: Sub-Programme – Economic Empowerment

Strategic Objective	Performance indicator	Strategic Plan Target	Data Source	Audited/Actual performance			Estimated performance			Medium-term targets		
				2011/12	2012/13	2013/14	2014-15			2015/16	2016/17	2017/18
1.1. Coordinate social partners and other stakeholders in the Province	1.1.1 Number of resolutions adopted by social partners and stakeholders	12	Women Economic Empowerment Conferences, Youth Conference, B-BBEE Advisory Council, Cabinet	0	0	0	0	0	0	3	3	3
	1.1.2 Percentage of implementation of resolutions adopted by social partners	100%	Women Economic Empowerment Conferences, Youth Conference, B-BBEE Advisory Council, Cabinet	0	0	0	20%	20%	20%	30%	50%	50%
1.2. Co-ordinate implementation of economic empowerment strategies and policies	1.2.1 Number of specific interventions implemented	17	Women Economic Empowerment Conferences, Youth Conference, B-BBEE Advisory Council, Cabinet	0	3	500	5	5	5	3	3	3



QUARTERLY TARGETS FOR 2015

Table 14: Performance Indicators: Sub-Programme – Economic Empowerment

	Performance indicator	Reporting period	Annual target 2015/16	Quarterly targets			
				1st	2nd	3rd	4 th
1.1.1	Number of resolutions adopted by social partners and stakeholders	Quarterly	3	0	1	1	1
1.1.2	Percentage of implementation of resolutions adopted by social partners	Annually	20%	0	0	0	20%
1.2.1	Number of specific interventions implemented	Quarterly	3	1	1	1	0

RECONCILING PROGRAMME PERFORMANCE WITH MTEF BUDGET

Programme:		Integrated Economic Development Services						
Sub-programme name:		Economic Empowerment						
Financial Information		2011/12	2012/13	2013/14	2014/15	2015/16	2016/17	2017/18
		Audited outcome	Audited outcome	Audited outcome	Adjusted Appropriation	Revised Baseline	Revised Baseline	Revised Baseline
Main Sub-programmes								
	Non-recurring units							
BEE Complaints	-	33224	2790	40107	13456	13929	9158	9616
Bee Operations	-	10754	28303	0	23368	17505	24046	25248
Other								
Total		43978	31093	40107	36824	31434	33204	34,864
Economic classification								
Current payments								
Compensation of employees		33829	30498	39607	31274	31434	33204	34864
Goods and services		5928	5247	6376	6609	9502	10110	10616
Transfers and subsidies		27901	25251	33231	24665	21932	23094	24249
Payments for capital assets		10128	523	500	5500	0	0	0
Payments for financial assets		21	72	0	50	0	0	0
		0	0	0	0	0	0	0
Total		43978	31093	40107	36824	31434	33204	348 64





SUB-PROGRAMME: REGIONAL AND LOCAL ECONOMIC DEVELOPMENT (RLED)

PURPOSE

To develop, support and implement sustainable risk sharing partnership based RLED projects that create sustainable local employment and build capacity of RLED stakeholders to plan better 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, the PGDS and the National Development Plan. It also takes into account the policies and regulations related to district and local government.

The overall strategic objective of the sub-programme is to facilitate partnership based RLED projects that stimulate competitiveness and sustainable employment opportunities. The sub-programmes also seek to build, strengthen and align institutions of regional and local economic development.

Five priorities have been identified for the 2015-16 financial including:

- Implementing collaboration agreement with COGTA and SALGA for better co-ordination of LED funding instruments;
- Improving contract administration and project related expenditures;
- Activating new partnership based projects, the Sugar Initiative and the Community Economic Development Initiative;
- Activating a focused Call For Proposals for the Automotive Industry through the Local Competitiveness Fund (LCF)
- Activate the Swiss Funded LED Programme in Ilembe District.



STRATEGIC OBJECTIVE ANNUAL TARGETS FOR 2015

Strategic Goal	
■	Lead and coordinate integrated economic planning and development

Table 15: Strategic Objectives: Sub-Programme – Regional and Local Economic Development

Strategic Objective	Performance indicator		Strategic Plan Target	Data Source	Audited/Actual performance			Estimated performance 2014-15	Medium-term targets		
	1.2.1				2011/12	2012/13	2013/14		2015/16	2016/17	2017/18
1.2 Implement existing productive and service sector strategies and plans	1.2.1	Number of employment opportunities supported	2 050	Monitoring reports from project beneficiaries and project payroll data were available	272	232	131	50	50	550	650
	1.2.2	Number of people trained	540	Monitoring Reports from project beneficiaries	131	1 253	705	140	100	100	100

QUARTERLY TARGETS FOR 2015

Table 16: Performance Indicators: Sub-Programme – Regional and Local Economic Development

Performance indicator	Reporting period	Annual target 2015	Quarterly targets			
			1st	2nd	3rd	4th
1.2.1 Number of employment opportunities supported	Annually	50	0	0	0	50
1.2.2 Number of people trained	Annually	100	0	0	0	100



RECONCILING PROGRAMME PERFORMANCE WITH MTEF BUDGET

Programme:		Integrated Economic Development Services						
Sub-programme name:		Regional and Local Economic Development (RLED)						
Financial Information		2011/12	2012/13	2013/14	2014/15	2015/16	2016/17	2017/18
		Audited outcome	Audited outcome	Audited outcome	Adjusted Appropriation	Revised Baseline	Revised Baseline	Revised Baseline
		Rand thousand						
Main Sub-programmes	Non-recurring units							
Regional and Local Economic Development		28724	40014	31275	29453	24166	35848	47049
Program Support		4757	9448	20971	13257	11044	6728	9335
Total		33481	49462	52246	42710	35210	42576	56384
		32498	46373	26490	37243	31611	42576	56384
Current payments								
Compensation of employees		9477	10583	12326	12116	13881	14769	17948
Goods and services		23021	35790	14164	25127	17730	27807	38356
Transfers and subsidies								
Payments for capital assets		970	2998	25693	5421	3299	0	0
		13	91	63	46	300	0	80
Total		33481	49462	52246	42710	35210	42576	56384



PROGRAMME 3: TRADE AND INDUSTRY DEVELOPMENT

PURPOSE

The Trade and Industry Development programme provides customised support services to prioritised sectors of the provincial economy. The strategic objective is to transform the provincial economy, to ensure job creation and long term sustainable growth. The programme is made up of three sub-programmes: Trade and Investment Promotion, Sector Development and Tourism Development sub-programmes.

The following table presents the structure of the programme and its aim or purpose, as well as its strategic goals and objectives:

Programme 3: Trade and Industry Development	Sub-programmes
Purpose: <ul style="list-style-type: none"> ■ To stimulate economic growth through trade and investment promotion, development of selected sectors, and industry development 	Sub-programme 1: Strategic Industrial Interventions Purpose: To provide and facilitate the development of strategic industrial interventions
	Sub-programme 2: Trade and Investment Promotion Purpose: To facilitate trade promotion and to attract investment
	Sub-programme 3: Sector Development Purpose: To facilitate the implementation of strategic programmes that will stimulate the competitiveness of priority sectors



	Audited Outcome	Audited Outcome	Audited Outcome	Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates	2016/17	2017/18
R thousand	2011/12	2012/13	2013/14		2014/15		2015/16		
1. Trade And Investment Promotion	512,798	464,151	658,347	721,073	603,983	604,282	690,057	719,976	748,625
2. Sector Development	78,487	72,724	70,481	93,051	158,564	160,308	156,255	203,863	214,056
3. Strategic Initiatives (Industry Development)	59,636	62,618	25,164	68,170	68,170	68,170	110,947	74,707	78,442
Total	650,921	599,493	753,992	882,294	830,717	832,760	957,259	998,546	1,041,123

	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates	2016/17	2017/18
R thousand	2011/12	2012/13	2013/14		2014/15		2015/16		
Current payments	40,318	46,373	29,463	45,020	59,302	61,313	59,768	99,658	103,885
Compensation of employees	8,239	7,532	6,639	6,364	9,031	8,257	13,630	14,502	15,227
Goods and services	32,079	38,841	22,824	38,656	50,271	53,056	46,138	85,156	88,658
Interest and rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies to:	636,518	628,047	743,271	837,274	771,400	771,400	885,191	898,888	937,238
Provinces and municipalities	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	509,870	457,361	650,486	707,717	596,851	596,851	673,816	709,158	738,022
Higher education institutions	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	59,636	62,618	30,164	68,170	78,870	78,870	110,947	74,707	78,442
Non-profit institutions	41,012	33,000	43,830	61,387	95,671	95,671	100,428	115,023	120,774
Households	-	94	35	-	-	-	-	-	-
Payments for capital assets	85	47	14	-	15	47	-	-	-
Buildings and other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	85	47	14	-	15	47	-	-	-
Software and other intangible assets	-	-	-	-	-	-	-	-	-
Payments for financial assets	-	-	-	-	-	-	-	-	-
Total	650,921	599,493	753,992	882,294	830,717	832,760	957,259	998,546	1,041,123



SUB-PROGRAMME: STRATEGIC INDUSTRIAL INTERVENTIONS

PURPOSE

The purpose of this sub-programme is to promote Maritime Services through participatory determination in the industry; to facilitate the implementation of strategies to support Aerotropolis establishment; and coordinate and facilitate the implementation of strategies to support Industrial Economic Hubs (IEHs) and Special Economic Zones (SEZs)

SPECIFIC POLICIES, PRIORITIES, AND STRATEGIC OBJECTIVES

The Sub-programme derives its mandate from the national policy: the New Growth Path, the National Development Plan, 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 the KZN Investment Strategy.

To fulfil its mandate and meet its strategic objective, the Sub- programme continues to pursue the following strategic objectives in KZN:

- Facilitate and coordinate the Maritime services programmes to encourage sustainability of Maritime industry initiatives.
- Promote public and private partnership to create an enabling environment for Maritime operations.
- Promote economic empowerment through participation in Entrepreneurship in the Maritime Industry.
- Develop strategies and frameworks related to Maritime programmes/initiatives.
- Identify key sectors for government participation in the Maritime Industry
- Promote trade and investment in Maritime.
- Facilitate the implementation programmes directed towards Aerotropolis development.
- Coordinate stakeholders in the implementation of integrated Aerotropolis Strategy (IAS) programmes/catalytic projects.
- Facilitate and promote trade and investment into the Aerotropolis region.
- Promote and support Special Economic Zones (RBIDZ, DTP and IDZ) through the implementation of SEZs strategies.
- Promote and support Industrial Economic Hubs to enhance economy development in the Province.
- Promote Public and Private Partnership to effect the implementation of Trade & Investment Policies.



STRATEGIC OBJECTIVE ANNUAL TARGETS FOR 2015

Strategic Goal	
■	GOAL 2: Sustainable and inclusive economic growth programmes

Table 97: Strategic Objectives: Sub-Programme – Strategic Industrial Interventions

Strategic Objective	Performance indicator	Strategic Plan Target	Data Source	Audited/Actual performance			Estimated performance 2014-15	Medium-term targets		
				2011/12	2012/13	2013/14		2015/16	2016/17	2017/18
1.1.1 Coordinate social partners and other stakeholders in the Province	1.1 No. of resolutions adopted by social partners and stakeholders	3	Social Accords		1	0	0	1	1	1
	1.2 Percentage of implemented resolutions adopted by social partners	70%	Minutes of KZN Economic Council and Tracking reports	New	New	0	50%	60%	65%	70%
1.1.2 Implement existing productive and service sector strategies and plans	1.2.1 No. of jobs created through Aerotropolis Initiative	750	Aerotropolis tracking reports	New	New	0	0	150	250	350
	1.2.2 Number of jobs created through Maritime initiative	593	Maritime Tracking Reports	New	New	0	0	58	207	328
	1.2.3 No. of jobs created through Industrial Hubs initiative	850	IEH tracking reports	New	New	0	0	50	100	700
	1.2.4 No. of business plans or master plans completed	20	Business Plans and Master plans	New	New	0	6	10	2	2
	1.2.5 No of review reports	10	Review reports	New	New	New	New	2	2	2
	1.2.6 No. of international airlines flying directly to King Shaka Airport	14	International flights tracking reports	New	New	2	3	4	5	6



QUARTERLY TARGETS FOR 2015

Table 18: Performance Indicators: Sub-Programme – Strategic Industrial Interventions

Performance indicator	Reporting period	Annual target 2015/16	Quarterly targets			
			1st	2nd	3rd	4th
1.1.1 No. of resolutions adopted by social partners and stakeholders	Annually	1	0	0	0	1
1.1.2 Percentage of implementation of resolutions adopted by social partners	Annually	60%	0	0	0	60%
1.2.1 No. of jobs created through Aerotropolis Initiative	Annually	150	0	0	0	150
1.2.2 No. of jobs created through Maritime initiative	Bi-annual	58	0	0	19	39
1.2.3 Number of jobs created through Industrial Hubs initiative	Bi-annual	50	0	0	25	25
1.2.4 No. of business plans or master plans completed	Annually	10	0	0	0	10
1.2.5 No of review reports	Bi-annual	2	0	1	0	1
1.2.6 No. of international airlines flying directly to King Shaka Airport	Annually	4	0	0	0	4



RECONCILING PROGRAMME PERFORMANCE WITH MTEF BUDGET

Programme:		Trade and Sector Development						
Sub-programme name:		Strategic Industrial Interventions						
Financial Information		2011/12	2012/13	2013/14	2014/15	2015/16	2016/17	2017/18
		Audited outcome	Audited outcome	Audited outcome	Adjusted Appropriation	Revised Baseline	Revised Baseline	Revised Baseline
Rand thousand								
	Non-recurring units							
Main Sub-programmes	Non-recurring	59636	62618	25164	68170	110947	74707	78442
Strategic Industrial Interventions								
Other								
Total		59636	62618	25164	68170	110947	74707	78442
Economic classification								
Current payments								
Compensation of employees								
Goods and services								
Transfers and subsidies		59636	62618	25164	68170	110947	74707	78442
Total		59636	62618	25164	68170	110947	74707	78 442



SUB-PROGRAMME: TRADE AND INVESTMENT PROMOTION

PURPOSE

Trade and Investment programme comprises two sub-units – Trade Promotion and Logistics. In the area of Trade Promotion the objective is to assist largely SMME's with accessing local and international markets. With regards to Logistics the primary objective is to address logistics challenges such as, logistics infrastructure and development of logistics skills. An emphasis is placed on improving rural logistics and supporting SMME's.

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, and the KZN White Paper on Freight Transport, National Industrial Policy Framework, the KZN Industrial Development Strategy, the KZN Investment Strategy and the draft 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 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 (including Richards Bay IDZ and DTP);
- Gaining optimal benefit from incentives such as DTI sector-based Incentives and service and utility incentives;
- Promoting and attracting investment to meet job targets and required infrastructure through strategic partnerships.



STRATEGIC OBJECTIVE ANNUAL TARGETS FOR 2015

Strategic Goals	
GOAL 2: Sustainable and inclusive economic growth	

Table 19: Strategic Objectives and performance indicators: Trade and Investment Promotions

Strategic Objective	Performance indicator	Strategic Plan Target	Data Source	Audited/Actual performance			Estimated performance 2014-15	Medium-term targets		
				2011/12	2012/13	2013/14		2015/16	2016/17	2017/18
1.1 To facilitate trade and investment	1.1.1 No. of investment and/or export strategies completed	10	Strategy documents	0	1	5	7	3	0	0
	1.1.2 Value of investment (foreign and domestic) attracted to KZN	R7.4 bn	Trade and Investment KZN tracking reports	New	New	0	R1,4	R2bn	R2bn	R2bn
	1.1.3 Value of exports facilitated	R5.9bn	Trade and Investment tracking reports	New	New	New	R1.4	R1.5bn	R1.5bn	R1.5bn
	1.1.4 No. of trade exhibitions hosted	3	Exhibition reports	0	0	0	0	1	1	1



QUARTERLY TARGETS FOR 2015

Table 20: Performance Indicators: Trade and Investment Promotion

Performance indicator		Reporting period	Annual target 2015/16	Quarterly targets			
				1st	2nd	3rd	4th
1.1.1	No. of investment and/or export strategies completed	Annually	3	0	0	0	3
1.1.2	Value of investment (foreign and domestic) attracted to KZN	Annually	R2bn	0	0	0	R2bn
1.2.3	Value of exports facilitated	Annually	R1.5bn	0	0	0	R1.5bn
1.1.4	No. of trade exhibitions hosted	Annually	1	0	0	0	1

Programme:	Trade and Sector Development							
Sub-programme name:	Trade and Investment Promotion							
Financial Information		2011/12	2012/13	2013/14	2014/15	2015/16	2016/17	2017/18
		Audited outcome	Audited outcome	Audited outcome	Adjusted Appropriation	Revised Baseline	Revised Baseline	Revised Baseline
Rand thousand								
Main Sub-programmes	Non-recurring units							
Trade and Investment promotion	Non-recurring	512798	464151	658347	603983	690057	719976	748625
Total		512798	464151	658347	603983	690057	719976	748625
Current payments		2899	6790	5861	5132	10241	10818	10603
Compensation of employees		246	506	702	329	2954	3143	3300
Goods and services		2653	6284	5159	4803	7287	7675	7303
Transfers and subsidies		509870	457361	652486	598851	679816	709158	738022
Payments for capital assets		29	0	0	0	0	0	0
Total		512798	464151	658347	603983	690057	719976	748 625



SUB-PROGRAMME: SECTOR DEVELOPMENT

PURPOSE

This programme is based on an understanding that economic growth and job creation has to be premised on a sound macroeconomic framework and prudent fiscal discipline. National economic policy framework, especially both trade and industrial policies inform provincial and sectoral priorities in stimulating the growth and development of priority sectors.

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) and IPAP3(2012-2015), 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), National Planning Development Plan, Provincial Growth and Development Plan, 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).



STRATEGIC OBJECTIVE ANNUAL TARGETS FOR 2015

Strategic Goal	
■	GOAL 2: Sustainable and inclusive economic growth

Table 21: Strategic Objectives: Sub-Programme – Sector Development

Strategic Objective	Performance indicator	Strategic Plan Target	Data Source	Audited/Actual performance			Estimated performance 2014-15	Medium-term targets		
				2011/12	2012/13	2013/14		2015/16	2016/17	2017/18
1.1. Coordinate social partners and other stakeholders in the Province	1.1.1 Number of jobs created and sustained	205	Reports and Contracts	0	0	0	20	50	60	75
1.2. Facilitate the implementation of economic transformation strategies and policies	1.2.1 Number of Business Plans Completed	6	Copies of completed Business Plans	4	5	5	0	2	2	2
1.3. Implement existing productive and service sector strategies and plans	1.3.1 Number of specific interventions implemented	80	Reports	0	0	19	20	20	20	20
	1.3.2 Number of people trained and linked to opportunities	1165	Training Reports	1238	800	410	265	300	300	300
	1.3.3 Number of Clusters Supported (KZN Music Cluster, KZN CTC & KZN FC, KZNFI)	20	Reports and Agreements	2	4	5	5	5	5	5



QUARTERLY TARGETS FOR 2015

Table 22: Performance Indicators: Sub-Programme - Sector Development

	Performance indicator	Reporting period	Annual target 2015/16	Quarterly targets			
				1st	2nd	3rd	4th
1.1.1	Number of jobs created and sustained	Annually	50	0	0	0	50
1.2.1	Number of Business Plans Completed	Annually	2	0	0	0	2
1.3.1	Number of specific interventions implemented	Annually	20	0	0	0	20
1.3.2	Number of people trained and linked to opportunities	Annually	300	0	0	0	300
1.3.3	Number of Clusters Supported (KZN Music Cluster, KZN CTC & KZN FC, KZNFI)	Annually	5	0	0	0	5



RECONCILING PROGRAMME PERFORMANCE WITH MTEF BUDGET

Programme:	Trade and Sector Development								
Sub-programme name:	Sector Development								
Financial Information	2011/12	2012/13	2013/14	2014/15	2015/16	2016/17	2017/18		
	Audited outcome	Audited outcome	Audited outcome	Adjusted Appropriation	Revised Baseline	Revised Baseline	Revised Baseline		
Rand thousand									
Main Sub-programmes									
Sector Development	78487	72724	70481	158564	156255	203863	214056		
Total	78487	72724	70481	158564	156255	203863	214056		
Current payments									
Compensation of employees	37419	39583	23602	54170	49527	88840	93282		
Goods and services	7993	7026	5937	8703	10676	11359	11927		
Travel and subsistence	29426	32557	17665	45467	38851	77481	81355		
Payments for capital assets	41012	33094	46865	104379	106728	115023	120774		
	56	47	14	15	0	0	0		
Total	78487	72724	70481	158564	156255	203863	214056		



PROGRAMME4: BUSINESS REGULATIONS

PURPOSE

The purpose of Business Regulations as a programme housed within the branch Industry Development and Business Regulations is to manage and implement the Constitutional legislative mandate of the Province in relation to liquor (policy and legislation function only), consumer and regulation services (formal and informal businesses) in terms of applicable liquor, consumer and business legislation. The Business Regulation Programme comprises of three sub-programmes, namely the Consumer Protection Unit, Regulation Services (formal and Informal trade) and the Policy and Legislation Unit.

The following table presents the structure of the Business Regulations Programme and its aim or purpose, as well as its strategic goals and objectives:

Programme 4: Business Regulations	Sub-programmes
Purpose: <ul style="list-style-type: none"> The overall objective of this programme is to develop an equitable and socially responsible business environment 	Sub-programme 1: Consumer Protection Purpose: To promote, protect and further the rights of consumers in the Province
	Sub-programme 2: Regulation Services Purpose: To create an enabling environment for the sustained development and support to the formal and informal trade sector
	Sub-programme 3: Policy and Legislation Purpose: To promote and maintain an effective and efficient regulatory system for the Liquor Industry; Consumer and Regulation services

SPECIFIC POLICIES, PRIORITIES, AND STRATEGIC OBJECTIVES

This programme functions primarily within the realm of prescribed legislation. Consumer protection is a function accorded to the Provinces in terms of Schedule 4 of the Constitution of SA, Act 108 of 1996, wherein this a functional area of concurrent National and Provincial Legislative competence. In addition to this legislative competence, Consumer protection also functions in terms of other applicable consumer related legislation for example, The National Credit Act, Unfair Business Practices Act 1988, Trade metrology Act, and National Consumer protection Act etc. In the last financial year the Legislature had approved the Provincial specific legislation relating to Consumer protection viz the KZN Consumer protection Act of 2013. It is expected that the KZN Consumer protection Act of 2013 will be fully implemented during the financial year 2015/2016. Whilst awaiting the full implementation of this new Act, the Province will continue to utilise the provisions of the Unfair Business Practices Act of 1988 as well as the National Consumer Protection Act where applicable, in so far as it relates to attending and resolving consumer complaints.

The liquor licensing function is also a constitutional competence in terms of Schedule 5 of the Constitution of South Africa. In terms of Schedule 5, this is a functional area of exclusive provincial Legislative competence. This function is now administratively operationalized through the public entity known as KZN Liquor Authority (KZNLA),



established in terms of the KZN Liquor Act 6 of 2010. The Department through this programme will now be primarily responsible for the policy and legislative mandates relating to the liquor licencing function only.

The strategic priorities of this programme for the 2015/2016 financial year will be through the:

- .The consumer Protection Unit to give effect, at the provincial level, to the Constitutional mandate to safeguard citizens' right to be protected from unfair and irregular business practices as well as to the right to access information. This right is to be exercised through awareness creation and promotion; and to ensure the full implementation of the KZN Consumer protection Act of 2013
- Policy and legislation sub program to develop and maintain an efficient regulatory and governance framework for sustained economic development relating to Business compliance particularly within the Liquor Industry; Consumer and Regulation services, as a transversal oversight of policy and legislative imperatives relating to the mandate of the Programme. This can only be achieved through a fully operationalized business unit which will be implemented through the new departmental structure in 2015/2016;
- The Regulation Services sub program to ensure that there is compliance within this sector viz formal and informal business by Businesses and Municipalities in terms of statutory obligations. This too can only be achieved through a fully operationalized business unit which will be implemented through the new departmental structure in 2015/2016. The primary legislation governing this sector is the Business Act of 1991, which needs to be reviewed in terms of capacitating the province in terms of attending to this constitutional mandate.

Service offerings in terms of this programme are currently rendered at both head office and some District offices.



	Audited Outcome	Audited Outcome	Audited Outcome	Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates	2016/17	2017/18
R thousand	2011/12	2012/13	2013/14		2014/15		2015/16		
1. Regulation Services	2,007	3,079	3,595	7,317	6,420	4974	6575	6705	7040
2. Consumer Protection	14,924	17,707	20,264	25,761	24,187	23443	26707	32,117	33723
3. Liquor Regulation	20,382	65,306	44,255	77,282	77,282	77,282	67008	70166	72403
Total	37,313	86,092	68,114	110,360	107,889	105699	100290	108988	113166

	Audited Outcome	2012/13	2013/14	Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates	2016/17	2017/18
R thousand	2011/12	2012/13	2013/14		2014/15		2015/16		
Current payments	37,169	30,252	24,173	32,955	30,484	28,244	33,124	38,690	40,624
Compensation of employees	15,622	15,152	14,871	17,248	16,649	16896	18,915	20,109	21,114
Goods and services	21,547	15,100	9,302	15,707	13835	11348	14209	18581	19510
Interest and rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies to:	-	55,724	43,932	77,282	77,282	77,282	67008	70166	72403
Provinces and municipalities	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	-	55,699	43,920	77,282	77,282	77,282	67008	70166	-
Higher education institutions	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Non-profit institutions	-	-	-	-	-	-	-	-	-
Households	-	25	12	-	-	-	-	-	-
Payments for capital assets	144	116	9	123	123	173	158	132	139
Buildings and other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	144	116	9	123	123	173	158	132	139
Software and other intangible assets	-	-	-	-	-	-	-	-	-
Payments for financial assets	-	-	-	-	-	-	-	-	-
Total	37,313	86,092	68,114	110,360	107,889	-105 669	100290	108988	113 166



SUB-PROGRAMME: CONSUMER PROTECTION

PURPOSE

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.

SPECIFIC POLICIES, PRIORITIES, AND STRATEGIC OBJECTIVES

Common law, the Constitution, the National Consumer Protection Act as well as the KZN Consumer Protection Act 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.



STRATEGIC OBJECTIVE ANNUAL TARGETS FOR 2015

Strategic Goal	
■	Lead and coordinate integrated economic planning and development

Table 10: Strategic Objectives: Sub-Programme – Consumer Protection

Strategic Objective	Performance indicator	Strategic Plan Target	Data Source	Audited/Actual performance			Estimated performance 2014-15	Medium-term targets		
				2011/12	2012/13	2013/14		2015 /16	2016/17	2017/18
1.1 Develop and maintain an efficient regulatory and governance framework	1.1.1 Number of consumer education programmes conducted	7500	Registers, invitations and DVD's	146	1100	1333	1400	1450	1500	1550
	1.1.2 No. of Inspections conducted	1584	Reports	42	192	192	384	400	400	400
	1.1.3 No of written complaints resolved	7776	Closed Cases	1134	1225	3000	1612	1700	1936	2528
	1.1.4 no. of written complaints received	16282	Cases and Assessment Forms	7447	7000	9000	9 000	2200	2420	2662



QUARTERLY TARGETS FOR 2015

Table 24: Performance Indicators: Sub-Programme – Consumer Protection

Performance indicator	Reporting period	Annual target 2015/16	Quarterly targets			
			1 st	2 nd	3 rd	4 th
1.1.1 Number of consumer education programmes conducted	Quarterly	1450	362	363	362	363
1.1.2 No. of inspections conducted	Quarterly	400	100	100	100	100
1.1.3 No. of written complaints resolved	Quarterly	1700	425	425	425	425
1.1.4 No. of written complaints received	Quarterly	2200	550	550	550	550



RECONCILING PROGRAMME PERFORMANCE WITH MTEF BUDGET

Programme:		Business Regulations						
Sub-programme name:		Consumer Protection						
Financial Information		2011/12	2012/13	2013/14	2014/15	2015/16	2016/17	2017/18
		Audited outcome	Audited outcome	Audited outcome	Adjusted Appropriation	Revised Baseline	Revised Baseline	Revised Baseline
Rand thousand								
Main Sub-programmes	Non-recurring units	14924	17707	20264	24187	26207	32117	33723
	Non-recurring							
Consumer Protection								
Total		14924	17707	20264	24187	26207	32117	33584
Current payments		14814	17586	20243	24014	26582	31985	33584
Compensation of employees		10364	12039	13517	14492	16528	17569	18447
Goods and services		4450	5547	6726	9522	10054	14416	15137
Transfers and subsidies		0	25	12	0	0	0	0
Payments for capital assets		110	96	9	173	125	132	139
Total		14,924	17,707	20,264	24,187	26,707	32,117	33,723



SUB-PROGRAMME: REGULATION SERVICES (FORMAL AND INFORMAL)

PURPOSE

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.

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 KZN Policy on the informal Economy which was adopted by cabinet in 2010.



A STRATEGIC OBJECTIVE ANNUAL TARGETS FOR 2015

Strategic Goal	
■	Facilitate sustainable and inclusive economic growth to ensure job creation

Table 11: Strategic Objectives: Sub-Programme – Regulation Services (Formal and Informal)

Strategic Objective	Performance indicator	Strategic Plan Target	Data Source	Audited/Actual performance			Estimated performance 2014-15	Medium-term targets		
				2011-12	2012-13	2013-14		2015/16	2016/17	2017/18
1.1. Develop and maintain an efficient regulatory and governance framework	1.1.1 Number of Municipalities Monitored with the Implementation of Regulations	124	Attendance Registers and Monitoring Report	35	31	31	31	31	31	31
	1.1.2 Number of Provincial Informal Economy Policy Alignment Programmes facilitated	71	Policy Alignment Reports and attendance registers	0	8	11	11	20	20	20
	1.1.3 Number of barriers identified	13	Assessments, Studies, Surveys, Interviews	0	2	2	1	1	3	4
	1.1.4 Number of barriers addressed	13	Specialised interventions provided through a Projects, programmes, Workshops	0	2	2	1	1	3	4



QUARTERLY TARGETS FOR 2015

Table 26: Performance Indicators: Sub-Programme – Regulation Services (Formal and Informal)

Performance indicator	Reporting period	Annual target 2015/16	Quarterly targets			
			1st	2nd	3rd	4th
1.1.1 Number of Municipalities Monitored with the Implementation of Regulations	Quarterly	31	7	8	8	8
1.1.2 Number of Provincial Informal Economy Policy Alignment Programmes facilitated	Quarterly	20	5	5	5	5
1.1.3 Number of barriers identified	Quarterly	1	0	0	0	1
1.1.4 Number of barriers addressed	Quarterly	1	0	0	0	1



RECONCILING PROGRAMME PERFORMANCE WITH MTEF BUDGET

Programme:		Business Regulations							
Sub-programme name:		Regulation Services (Formal and Informal)							
Financial Information		2011/12	2012/13	2013/14	2014/15	2015/16	2016/17	2017/18	
		Audited outcome	Audited outcome	Audited outcome	Adjusted Appropriation	Revised Baseline	Revised Baseline	Revised Baseline	
Rand thousand									
Main Sub-programmes	Non-recurring units	2007	3079	3595	6420	6575	6705	7040	
	Non-recurring	2007	3079	3595	6420	6575	6705	7040	
	Total	1995	3073	3595	6381	6542	6705	7040	
Current payments		152	580	1367	2157	2387	2540	2667	
Compensation of employees		1843	2493	2228	4263	4155	4165	4373	
Goods and services		12	6	0	0	33	0	0	
Payments for capital assets		2,007	3,079	3,595	6,420	6,575	6,705	7,040	
Total									



SUB-PROGRAMME: POLICY AND LEGISLATION

PURPOSE

The strategic objective and purpose of this sub programme is to ensure that it contributes to one of the departments overall strategic goal viz “to build a vibrant institution of superior performance”. Further this sub programme is linked to the strategic objective of:

- To develop and maintain an efficient regulatory and governance framework for sustained economic development. This object is also linked to the strategic objective relating to “Influencing the policy direction for economic development and infrastructure development”;
- To establish organisational capacity to enable delivery of mandate;
- To retain specialist expertise to deliver on core functions of the Department.

SPECIFIC POLICIES, PRIORITIES, AND STRATEGIC OBJECTIVES

This Unit derives its legislative mandate from the Schedule 4 and 5 Constitutional legislative mandates in relation to Liquor, Consumer protection and Regulation Services.

This programme functions within the prescripts of a regulatory framework and in particular the constitution. Functions mandated in terms of the constitution viz regulating the Liquor industry, consumer protection and formal and informal businesses are mandatory Provincial legislative competence. The Policy and legislation business unit is proposed in terms of the draft structure which unit will have a cross cutting and transversal function relating to Policy and legislation developments across the programme. Whilst the structure awaits final approval, the sourcing of this capacity through contractual appointment will enable this function to be executed particularly in relations to the APP targets viz; Number of Liquor Authority monitoring reports; and Number of Liquor policies / legislation developed regulating the Liquor Industry.



STRATEGIC OBJECTIVE ANNUAL TARGETS FOR 2015

Strategic Goal	
■	Lead and coordinate integrated economic planning and development

Table 127: Strategic Objectives: Sub-Programme – Policy and Legislation

Strategic Objective	Performance indicator	Strategic Plan Target	Data Source	Audited/Actual performance			Estimated performance 2014-15	Medium-term targets		
				2011-12	2012-13	2013-14		2015/16	2016/17	2017/18
1.1.1 Develop and maintain an efficient regulatory and governance framework	1.1.1 No. of Liquor Authority monitoring reports (tracking the effectiveness of the KZNLA in regulating the Industry)	16	Quarterly Performance Reports from KZNLA	n/a	n/a	n/a	4	4	4	4
	1.1.2 No. of reviews of the legislative framework relating to Liquor , consumer and Regulation services;	15	Policy Documents and Copies of Legislation	n/a	n/a	n/a	3	4	4	4



QUARTERLY TARGETS FOR 2015

Table 28: Performance Indicators: Sub-Programme – Policy and Legislation

Performance indicator		Reporting period	Annual target 2015/16	Quarterly targets			
				1st	2nd	3rd	4th
1.1.1	No. of Liquor Authority monitoring reports (tracking the effectiveness of the KZNLA in regulating the Industry)	Quarterly	4	1	1	1	1
1.1.2	No. of reviews of the legislative framework relating to Liquor , consumer and Regulation services	Quarterly	4	1	1	1	1



RECONCILING PROGRAMME PERFORMANCE WITH MTEF BUDGET

Programme:		Business Regulation Governance						
Sub-programme name:		Policy and Legislation						
		Rand thousand						
Financial Information	2011/12	2012/13	2013/14	2014/15	2015/16	2016/17	2017/18	
	Audited outcome	Audited outcome	Audited outcome	Adjusted Appropriation	Revised Baseline	Revised Baseline	Revised Baseline	
Sub-programmes: Policy and Legislation								
	Regulation Services	2007	3079	3595	6420	6575	6705	7040
	Consumer Protection	14924	17707	20264	24187	26707	32117	33723
	Liquor Regulation	20382	65306	44255	77282	67008	70166	72403
Total	37313	86092	68114	107889	100290	108988	113166	
Economic classification								
Current payments		37169	30252	24173	30395	33124	38690	40625
	Compensation of employees	15622	15152	14871	16649	18915	20109	21114
	Goods and services	21547	15100	9302	13746	14209	18581	19510
Transfers and subsidies	144	55724	43932	77282	67008	70166	72402	
Payments for capital assets		116	9	212	158	132	139	
Payments for financial assets					0	0	0	
Total	37,313	86,092	68,114	107,889	100,290	108,988	113 166	



PROGRAMME 5: ECONOMIC PLANNING

PURPOSE

The Economic Planning Programme provides key input into economic development through gathering economic data, conducting micro and macroeconomic analyses and economic modelling to inform economic policies and strategies. Furthermore, policy research ensures that the province's economic policy direction adequately responds to national and global economic and policy trends. . The Economic Planning programme is comprised of four sub-programmes namely 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
Purpose: ■ To develop provincial economic policies and strategies to achieve and measure sustainable economic development	Sub-programme 1: Research and Development Purpose: To provide cutting edge and authoritative research on the provincial economy. This unit is the custodian of all research activities in the department
	Sub-programme 2: Knowledge Management Purpose: To develop the knowledge base to enhance the knowledge economy
	Sub-programme 3: Monitoring and Evaluation Purpose: To strengthen monitoring and evaluation capabilities for measuring impact of economic development strategies within the Department and across its entities
	Sub-programme 4: Policy and Planning Purpose: To provide macro-economic analysis and develop provincial economic policies/strategies

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 the National Industrial Policy Framework (NIPF), Industrial Policy Action Plan (IPAP), New Growth Path (NGP) and National Development Plan (NDP). 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.



	Audited Outcome	Audited Outcome	Audited Outcome	Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates	2016/17	2017/18
R thousand	2011/12	2012/13	2013/14		2014/15		2015/16		
1. Policy And Planning	5,618	4,327	4,897	8,421	5,334	4508	8134	8580	9009
2. Research And Development	4,768	6,227	8,538	12,325	10,742	10409	14912	15748	116535
3. Knowledge Management	1,936	1,710	1,978	4,516	2,223	3578	7639	8069	8472
4. Monitoring And Evaluation	5,980	6,282	5,153	5,899	5,978	5132	6797	7192	7552
Total	18,302	18,546	20,566	31,161	24,277	23627	37482	39589	41568

	Audited Outcome	2012/13	2013/14	Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates	2016/17	2017/18
R thousand	2011/12	18,314	20,455		2014/15		2015/16		
Current payments	18,065	18,314	20,455	30,361	23,930	22506	37467	39589	41568
Compensation of employees	6,608	7,543	10,538	13,252	13,062	13372	14840	15789	16578
Goods and services	11,457	10,771	9,917	17,109	10,868	9134	22627	23800	24990
Interest and rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies to:	50	3	-	-	266	266	-	-	-
Provinces and municipalities	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	-	-	-	-	-	-	-	-	-
Higher education institutions	-	-	-	-	250	250	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Non-profit institutions	-	-	-	-	-	-	-	-	-
Households	50	3	-	-	16	16	-	-	-
Payments for capital assets	187	229	111	800	81	855	15-	-	-
Buildings and other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	187	111	147	-	81	455	15	-	-
Software and other intangible assets	-	118	(36)	800	-	400-	-	-	-
Payments for financial assets	-	-	-	-	-	-	-	-	-
Total	18,302	18,546	20,566	31,161	24,277	23627	37482	39589	41568



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 is also enhanced by its position as a chair of the departmental research committee 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.



STRATEGIC OBJECTIVE ANNUAL TARGETS FOR 2015

Strategic Goal	
GOAL 1: Integrated economic planning and development in the Province	
GOAL 5: Achieve institutional excellence responsive to the needs of the country	

Table 29: Strategic Objectives: Sub-Programme – Research and Development

Strategic Objective	Performance indicator	Strategic Plan Target	Data Source	Audited/Actual performance			Estimated performance 2014-15	Medium-term targets		
				2011-12	2012-13	2013-14		2015/16	2016/17	2017/18
1.1 Provide research on priority sectors	1.1.1 Number of research reports	57	Reports	5	6	5	13	13	11	10
	1.1.2 Number of Research and Development initiatives supported	19	Reports	5	6	5	4	5	5	5

QUARTERLY TARGETS FOR 2015

Table 30: Performance Indicators: Sub-Programme – Research and Development

Performance indicator	Reporting period	Annual target 2015/16	Quarterly targets			
			1st	2nd	3rd	4th
1.1.1 Number of research reports	Quarterly	13	0	1	2	10
1.1.2 Number of Research and Development initiatives supported	Bi-annual	5	0	2	0	3



RECONCILING PROGRAMME PERFORMANCE WITH MTEF BUDGET

Programme:		Economic Planning						
Sub-programme name:		Research and Development						
Financial Information		2011/12	2011/12	2013/14	2014/15	2015/16	2016/17	2017/18
		Audited outcome	Audited outcome	Audited outcome	Adjusted Appropriation	Revised Baseline	Revised Baseline	Revised Baseline
Rand thousand								
Non-recurring units								
Main Sub-programmes		4768	6227	8538	10742	14912	15748	16535
Research and Development		4768	6227	8538	10742	14912	15748	16535
Total								
Economic classification								
Current payments		4752	6177	8453	10717	14912	15748	16535
Compensation of employees		994	1842	2671	3773			4573
Goods and services		3758	4335	5782	6944	4093	4355	11963
Transfers and subsidies			3					
Payments for capital assets		16	47	85	25	0	0	0
Payments for financial assets						0	0	0
Total		4,768	6,227	8,538	10,742	14,912	15,748	16 535



SUB-PROGRAMME: KNOWLEDGE MANAGEMENT

PURPOSE

The main purpose of the Knowledge Management (KM) sub-programme is to develop the knowledge base to enhance the knowledge economy.

SPECIFIC POLICIES, PRIORITIES, AND STRATEGIC OBJECTIVES

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), Promotion of Access to Information Act (PAIA), 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 develop the knowledge base to enhance the knowledge economy. The available information should enable EDTEA 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.

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. Also important is gathering and storage of information that will assist EDTEA personnel to have broader understand of socio-economic challenges and build capacity to respond appropriately.

As part of capacity building the KM sub-programme will undertake workshops to:

- Provide capacity development sessions to the departmental staff including District officials about the impotency of KM and how to manage knowledge;
- Provide capacity to entities and other stakeholders about the impotency of KM and how they can manage their knowledge.



STRATEGIC OBJECTIVE ANNUAL TARGETS FOR 2015

Strategic Goal
GOAL 1: Integrated economic planning and development in the Province
GOAL 5: Achieve institutional excellence responsive to the needs of the country

Table 31: Strategic Objectives: Sub-Programme – Knowledge Management

Strategic Objective	Performance indicator	Strategic Plan Target	Data Source	Audited/Actual performance			Estimated performance			Medium-term targets		
				2011-12	2012-13	2013-14	2014-15			2015/16	2016/17	2017/18
1.2. Collect, process, maintain and report on economic and other social data	1.2.1 Number of operational integrated statistical database	4	Operational statistical database	New	New	0	0	1	1	1	1	1
	1.2.2 Number of economic publications	30	Reports	New	New	0	6	6	6	6	6	6
	1.2.3 Number of reports tracking provincial knowledge base indicators	13	Reports	New	New	0	1	4	4	4	4	4



QUARTERLY TARGETS FOR 2015

Table 32: Performance Indicators: Sub-Programme – Knowledge Management

Performance indicator	Reporting period	Annual target 2015/16	Quarterly targets			
			1st	2nd	3rd	4th
1.2.1 Number of operational integrated statistical database	Annual	1	0	0	0	1
1.2.2 Number of economic publications produced	Quarterly	6	1	1	2	2
1.2.3 Number of reports tracking provincial knowledge base indicators	Bi-annual	4	0	2	0	2



RECONCILING PROGRAMME PERFORMANCE WITH MTEF BUDGET

Programme:		Economic Planning							
Sub-programme name:		Knowledge Management							
Financial Information		2011/12	2012/13	2013/14	2014/15	2015/16	2016/17	2017/18	
		Audited outcome	Audited outcome	Audited outcome	Adjusted Appropriation	Revised Baseline	Revised Baseline	Revised Baseline	
Rand thousand									
Main Sub-programmes Knowledge Management Other Total	Non-recurring units	1936	1710	1978	2223	7639	8069	8472	
		1936	1710	1978	2223	7639	8069	8472	
		1879	1659	1978	2207	7639	8069	8472	
		332 1547	540 1119	1298 680	1824 383	2315 5324	2463 5606	2586 5886	
Economic classification Current payments Compensation of employees Goods and services Transfers and subsidies Payments for capital assets Payments for financial assets Total		50 7 0	0 51 0	0 0 0	0 16 0	0 0 0	0 0 0	0 0 0	
		1,936	1,710	1,978	2,223	7,639	8,069	8,472	



SUB-PROGRAMME: MONITORING AND EVALUATION

PURPOSE

The purpose of the Monitoring and Evaluation sub-programme is to ensure continuous performance improvement and effectiveness in the implementation of economic development policies, strategies and projects, through monitoring and evaluation of outputs, outcomes and impact. Monitoring and evaluation provides an opportunity for assessing, reflection, learning and improvement in the delivery of services.

SPECIFIC POLICIES, PRIORITIES, AND STRATEGIC OBJECTIVES

The core purpose of Monitoring and Evaluation is to ensure performing organizations, or departments and public entities in the case of government. Primary, it is embedded within the constitution, and underpinned by key principles of good governance, accountability, transparency, efficiency, effectiveness and service delivery improvement.

Applicable policy frameworks implicitly include the Public Service legislation and its regulations, National Planning Commission Framework, Public Finance Management framework and legislations pertaining to auditing of public institutions. Specific policies include Government Wide Monitoring and Evaluation, Improving Government Performance: Our (Outcome based) Approach, National Evaluation Policy Framework, and Framework on Managing Performance Information.



STRATEGIC OBJECTIVE ANNUAL TARGETS FOR 2015

Strategic Goal	
<input checked="" type="checkbox"/>	Build a vibrant institution for superior performance

Table 33: Strategic Objectives: Sub-Programme – Monitoring and Evaluation

Strategic Objective	Performance indicator	Strategic Plan Target	Data Source	Audited/Actual performance			Estimated performance			Medium-term targets		
				2011-12	2012-13	2013-14	2014-15			2015/16	2016/17	2017/18
1.3 To strengthen monitoring and evaluation capabilities for measuring impact of economic development strategies within the Department and across its entities	1.3.1 Number of impact assessment reports	25	Impact Assessment Reports			New	5			5	5	5
	1.3.2 Number of implemented economic interventions reports	4	Assessment Reports	New	New	New	0			1	1	1



QUARTERLY TARGETS FOR 2015

Table34: Performance Indicators: Sub-Programme – Monitoring and Evaluation

Performance indicator		Reporting period	Annual target 2016	Quarterly targets			
				1st	2nd	3rd	4th
1.3.1	Number of impact assessment reports	Quarterly	5	1	1	1	2
1.3.2	Number of implemented economic interventions reports	Annually	1	0	0	0	1

RECONCILING PROGRAMME PERFORMANCE WITH MTEF BUDGET

Programme:		Economic Planning							
Sub-programme name:		Monitoring and Evaluation							
Financial Information		2011/12	2012/13	2013/14	2014/15	2015/16	2016/17	2017/18	
		Audited outcome	Audited outcome	Audited outcome	Adjusted Appropriation	Revised Baseline	Revised Baseline	Revised Baseline	
Rand thousand									
Main Sub-programmes Monitoring and Evaluation Total	Non-recurring units								
		5980	6282	5153	5978	6797	7192	7552	
		5980	6282	5153	5978	6797	7192	7552	
		5843	6269	5144	5950	6782	7192	7552	
Current payments	Compensation of employees	2986	2906	3551	4584	4621	4916	5162	
	Goods and services	2857	3363	1593	1366	2161	2276	2390	
Transfers and subsidies		0	0	0	0	0	0	0	
	Payments for capital assets	137	13	9	28	15	0	0	
	Payments for financial assets	0	0	0	0	0	0	0	
Total		5,980	6,282	5,153	5,978	6,797	7,192	7 552	



SUB-PROGRAMME: POLICY AND PLANNING

PURPOSE

The Policy and Planning unit is charged with the responsibility of developing, reviewing and implementing appropriate policies and strategies to assist the department in attaining sustainable economic development in the province. The unit achieves this mandate through undertaking detailed spatial economic planning, macroeconomic and policy analysis in the province. The sub-programme, therefore, acts as an advisory arm of the Department of Economic Development and Tourism on matters of economic policy and the macro and micro economy in general.

SPECIFIC POLICIES, PRIORITIES, AND STRATEGIC OBJECTIVES

In executing its mandate, the Policy and Planning tracks macroeconomic economic developments and policy pronouncements in the province and in South Africa. Provincial and national economic policy frameworks that guide the unit in discharging its mandate include, inter-alia, National Industrial Policy Framework (NIPF), Industrial Policy Action Plan (IPAP2), New Growth Path (NGP), KZN IDS, PSEDs, PGDS, SMME Strategy and National Development Plan (NDP).

The Policy and Planning unit endeavours to provide valuable services through:

- Provision of policy briefs;
- Conducting policy awareness and stakeholders workshops;
- Undertaking policy dialogues;
- Collaboration with other economic policy units in KwaZulu-Natal and South Africa;
- Providing continuous capacity building to stakeholders in the province to improve implementation of provincial policy frameworks;
- Providing critical statistical information for potential investors and other stakeholders for decision making purposes.

OBJECTIVES

- To formulate policies and strategies for socio-economic development;
- Develop Data Base on Provincial macroeconomic indicators- Statistical portal;
- Produce Quarterly Statistical and Economic overview reports;
- Provide input into the medium and long-term plans of the Department;
- Advise the Department on economic issues;
- Initiate and undertake necessary Policy research- reports on key economic developments (provincial, national, global);
- Provide leadership in the implementation of policies;
- To provide capacity building to stakeholders on macroeconomic analysis and economics in general - Skills Transfer.



STRATEGIC OBJECTIVE ANNUAL TARGETS FOR 2015

Strategic Goal	
GOAL 1: Integrated economic planning and development in the Province	
GOAL 5: Achieve institutional excellence responsive to the needs of the country	

Table 35: Strategic Objectives: Sub-Programme – Policy and Planning

Strategic Objective	Performance Indicator	Strategic Plan Target	Data Source	Audited/Actual performance			Estimated performance			Medium-term targets		
				2011-12	2012-13	2013-14	2014-15			2015/16	2016/17	2017/18
1.4 Influence policy direction for economic and infrastructure development	1.4.1 Number of policy advocacy reports	8	Reports	New	New	0	2			2	2	2
	1.4.2 Number of economic strategies reviewed \developed	4	Strategy Reports	0	3	1	0			1	0	1
	1.4.3 Number of Policy briefs	8	Report	New	New	0	2			2	2	2
	1.4.4 Number of Strategy implementation tracking reports	5	Report	New	New	0	0			1	2	2



QUARTERLY TARGETS FOR 2015

Table 36: Performance Indicators: Sub-Programme – Policy and Planning

Performance indicator	Reporting period	Annual target 2015/16	Quarterly targets			
			1st	2nd	3rd	4th
1.4.1 Number of policy advocacy reports	Annual	2	0	0	0	2
1.4.2 Number of economic strategies developed	Annual	1	0	0	0	1
1.4.3 Number of Policy briefs	Bi-annual	2	0	1	0	1
1.4.5. Number of Strategy implementation tracking reports	Annual	1	0	0	0	1



RECONCILING PROGRAMME PERFORMANCE WITH MTEF BUDGET

Programme:		Economic Planning						
Sub-programme name:		Policy and Planning						
Financial Information		2011/12	2012/13	2013/14	2014/15	2015/16	2016/17	2017/18
		Audited outcome	Audited outcome	Audited outcome	Adjusted Appropriation	Revised Baseline	Revised Baseline	Revised Baseline
Rand thousand								
Main Sub-programmes Policy & Planning Other Total	Non-recurring units	5618	4327	4897	5334	8134	8580	9009
Economic classification Current payments Compensation of employees Goods and services Transfers and subsidies Payments for capital assets Payments for financial assets Total		5591	4209	4880	5056	8134	8580	9009
		2296	2255	3018	2881	3811	4055	4258
		3295	1954	1862	2175	4323	4525	4751
		0	0	0	266	0	0	0
		27	118	17	12		0	0
		0	0	0	0	0	0	0
		5,618	4,327	4,897	8,134	8,134	8,580	9 009



PROGRAMME 6: TOURISM DEVELOPMENT

PURPOSE

Tourism is a concurrent function between the national and provincial government hence the province is tasked with functions relating to planning and policy making, regulation and monitoring, facilitation and implementation, coordination as well as development promotion of tourism in line with national imperatives.

The following table presents the structure of the programme and its purpose, as well as its strategic goals and objectives:

Programme 6: Tourism Development	Sub-programmes
Purpose: <ul style="list-style-type: none"> ■ To develop provincial tourism policies, strategies and ensure their implementation thereof. ■ To ensure that the industry is properly managed through proper regulations ■ To create conducive environment for tourism to flourish thus contribute to economic growth and job creation 	Sub-programme 1: Tourism Planning Purpose: To ensure coordinated tourism planning and policy making
	Sub-programme 2: Tourism Growth and Development Purpose: To drive tourism growth and development in the province
	Sub-programme 3: Tourism Sector Transformation Purpose: To drive tourism sector transformation

SPECIFIC POLICIES, PRIORITIES, AND STRATEGIC OBJECTIVES

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, Act No. 3 of 2014
- 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 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);
- KZN Tourism Master Plan Vision 2030
- Service Excellence Strategy;
- National and Provincial Tourism White Paper on the Development and Promotion of Tourism in the Country;
- New Growth Path;
- National Development Plan;
- Provincial Growth and Development Plan;
- Human Resource Development Strategy for the Tourism Sector;
- National Skills Audit 2007 & Provincial Skills Audit 2008;
- Tourism Sector Skills Plan;
- National Skills Development Strategy III.



	Audited Outcome	2012/13	2013/14	Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates	2016/17	2017/18
R thousand	2011/12	2012/13	2013/14		2014/15		2015/16	2016/17	2017/18
1. Tourism Sector Transformation	-	-	1,687	9,476	5,476	4822	10,363	9,305	9772
2. Tourism Planning	-	-	3,224	13,645	8,896	9797	7363	7797	8187
3. Tourism Growth And Development	164,485	286,920	349,040	263,552	339,343	345,477	281,045	270,479	241,256
Total	164,485	286,920	353,951	286,673	353,715	360,096	298,771	287,581	259,215
	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
R thousand	2011/12	2012/13	2013/14		2014/15		2015/16	2016/17	2017/18
Current payments	33,755	88,307	121,840	111,855	46,929	53,310	133,595	116,314	85,610
Compensation of employees	4,727	7,066	9,283	16,715	9,530	10,467	13,140	13,982	14,681
Goods and services	29,028	81,241	112,557	95,140	37,399	42,48	120,455	102,332	70,929
Interest and rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies to:	130,715	198,566	232,079	174,818	306,786	306,786	164,940	171,267	173,605
Provinces and municipalities	-	1,291	8,162	500	3,693	3,693	1,250	-	-
Departmental agencies and accounts	130,715	173,663	161,968	164,237	168,906	168,906	162,6900	170,067	172,345
Higher education institutions	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	19,991	53,245	1,000	134,187	134,187	1,000	1,200	1,260
Non-profit institutions	-	3,600	8,700	9,081	-	-	-	-	-
Households	-	21	4	-	-	-	-	-	-
Payments for capital assets	15	47	32	-	-	-	-	-	-
Buildings and other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	15	47	26	-	-	-	-	-	-
Software and other intangible assets	-	-	6	-	-	-	-	-	-
Payments for financial assets	-	-	-	-	-	-	236-	-	-
Total	164,485	286,920	353,951	286,673	353,715	360,096	298,771	287,581	259,215



SUB-PROGRAMME: TOURISM PLANNING

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. To clearly guide spatial development of tourism and define clear role of the private sector at all levels in tourism planning. 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 and the Provincial Tourism Master Plan.

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. 3 of 2014;
- 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).

SPECIFIC POLICIES, PRIORITIES, AND STRATEGIC OBJECTIVES

The sub-programme's research activity is also enhanced by its position as a chair of the departmental research committee 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.

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;
- Provincial Growth and Development Plan.



STRATEGIC OBJECTIVE ANNUAL TARGETS FOR 2015

Strategic Goal	
GOAL 2: Sustainable and inclusive economic growth for job creation	
GOAL 3: Preferred tourism destination in the country	
GOAL 5: Achieve institutional excellence responsive to the needs of the country	

Table 37: Strategic Objectives: Sub-Programme – Tourism Planning

Strategic Objective	Performance indicator		Strategic Plan Target	Data Source	Audited/Actual performance			Estimated performance 2014-15	Medium-term targets		
					2011-12	2012-13	2013-14		2015/16	2016/17	2017/18
1.1 Coordinate social partners and other stakeholders in the Province	1.1.1	Number of resolutions adopted by social partners and stakeholders	29	Minutes, Reports, Resolutions, and Attendance Registers	New	New	New	New	9	10	10
	1.1.2	Percentage of implementation of resolutions adopted by social partners and other stakeholders	100%	Minutes and Reports	New	New	New	New	90%	95%	100%
2.1. Provide guidance, support and direction in terms of tourism policies, legislation and strategies	2.1.1	Number of Tourism research, policies, strategies and frameworks identified and developed	32	Reports and Contracts	6	5	4	3	6	7	8



QUARTERLY TARGETS FOR 2015

Table 38: Performance Indicators: Sub-Programme – Tourism Planning

	Performance indicator	Reporting period	Annual target 2016	Quarterly targets			
				1st	2nd	3rd	4th
1.1.1	Number of resolutions adopted by social partners and stakeholders	Quarterly	9	2	2	3	2
1.1.2	Percentage of implementation of resolutions adopted by social partners and other stakeholders	Annually	90%				90%
2.1.1	Number of Tourism research, policies, strategies and frameworks identified and developed	Quarterly	6	1	1	2	2



RECONCILING PROGRAMME PERFORMANCE WITH MTEF BUDGET

Programme:		Tourism									
Sub-programme name:		Tourism Planning									
Financial Information		2011/12	2012/13	2013/14	2014/15	2015/16	2016/17	2017/18			
		Audited outcome	Audited outcome	Audited outcome	Adjusted Appropriation	Revised Baseline	Revised Baseline	Revised Baseline	Revised Baseline		
Rand thousand											
Main Sub-programmes Tourism Planning Total	Non-recurring units	0	0	3524	8896	9063	7797	8187			
		0	0	3524	8896	7363	7797	8187			
		0	0	2424	7496	6363	7797	8187			
		0	0	283	2588	3999	4255	4468			
Current payments Compensation of employees Goods and services		0	0	2141	4908	2364	3542	3719			
	Transfers and subsidies	0	0	1100	1400	1000	0	0			
Total		0	0	3524	8896	7363	7797	8187			



SUB-PROGRAMME: TOURISM GROWTH AND DEVELOPMENT

PURPOSE

The sub-programme aims to provide a long sustainability of tourism growth and development through identification and stimulation of demand led products, develop appropriate tourism infrastructure, and inspire innovation to guide development of tourism over time to achieve geographic and rural spread. In addition the sub-programme is responsible for registration of tourist guides and tourism businesses in the province to ensure the tourism industry is regulated and enforce compliance with the legislation.

SPECIFIC POLICIES, PRIORITIES, AND STRATEGIC OBJECTIVES

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 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 Tourism Sector Strategy (NTSS);
- Provincial Tourism Master Plan;
- Provincial Growth and Development Plan;
- Strategy on the Professionalization of Tourist Guides;
- Service Excellence Strategy;
- New Growth Path.

STRATEGIC OBJECTIVE ANNUAL TARGETS FOR 2015

Strategic Goal
GOAL 2: Sustainable and inclusive economic growth for job creation
GOAL 3: Preferred tourism destination in the country
GOAL 5: Achieve institutional excellence responsive to the needs of the country

Table 39: Strategic Objectives: Sub-Programme – Tourism Growth and Development

Strategic Objective	Performance indicator	Strategic Plan Target	Data Source	Audited/Actual performance		Estimated performance 2014-15	Medium-term targets		
				2011-12	2012-13	2013-14	2015/16	2016/17	2017/18
3.1 Implement the KZN Tourism Master Plan	3.1.1 Number of interventions implemented	22	Reports, Service Level Agreements and Minutes of meetings	New	New	New	5	5	6
	3.1.2 Number of tourist guides/tourism businesses registered.	1 750	Database Reports and Contracts	0	300	350	500	600	650

QUARTERLY TARGETS FOR 2015

Table 40: Performance Indicators: Sub-Programme – Tourism Growth and Development

Performance indicator	Reporting period	Annual target 2015/16	Quarterly targets			
			1st	2nd	3rd	4th
3.1.1 Number of interventions implemented	Annually	5	0	0	0	5
3.1.2.3 Number of tourist guides/tourism businesses registered.	Quarterly	500	50	150	150	150



RECONCILING PROGRAMME PERFORMANCE WITH MTEF BUDGET

Programme:		Tourism							
Sub-programme name:		Tourism Growth and Development							
Financial Information		2011/12	2012/13	2013/14	2014/15	2015/16	2016/17	2017/18	
		Audited outcome	Audited outcome	Audited outcome	Adjusted Appropriation	Revised Baseline	Revised Baseline	Revised Baseline	
Rand thousand									
Main Sub-programmes Tourism Growth and Development Other Total	Non-recurring units	164485	286920	349040	339343	281041	270479	241256	
		164485	286920	349040	339343	281045	270479	241256	
		33755	88307	118240	35457	118119	100412	69211	
		4727	7066	8761	4593	5930	6310	6625	
Economic classification Current payments Compensation of employees Goods and services Transfers and subsidies Payments for capital assets Payments for financial assets Total		29028	81241	109479	30864	112189	94102	62586	
		130715	198566	230800	303886	162690	170067	172045	
		15	47	0	0	0	0	0	
		0	0	0	0	236	0	0	
		164485	286920	349040	339343	281045	270479	241 256	



SUB-PROGRAMME: TOURISM SECTOR TRANSFORMATION

PURPOSE

Skills development plays a major role in ensuring the effective and sustainable transformation and development of the tourism industry in developing countries. Tourism is an exceptionally competitive industry and the level of service and professionalism are key variables in determining the country's success in attracting and growing its share of the tourism market and efficient service delivery. The provision of intensive training to tourism businesses and local communities help to provide the trainees with better opportunities to increasing the work related performances. Well-developed capacities within the private sector and local community members in the tourism businesses enable them to contribute positively towards the growth of the tourism industry.

The tourism BEE Charter and Scorecard were developed to advance the objectives of the Broad-Based Black Act and its implementation contributes to the transformation of the tourism sector as part of creating an inclusive tourism economy. The provision of tourism education and awareness has a magnificent contribution to address the level of skills and knowledge at schools and tertiary education levels. Furthermore, this area of capacity building is extended through creating opportunities for career expo and placement of young tourism graduates for experiential training and job opportunity exposure.

SPECIFIC POLICIES, PRIORITIES, AND STRATEGIC OBJECTIVES

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).

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:

- Human Resource Development Strategy for the Tourism Sector;
- National Skills Audit 2007 & Provincial Skills Audit 2008;
- Tourism Sector Skills Plan;
- National Skills Development Strategy III;
- National Tourism Sector Strategy (NTSS);
- Service Excellence Strategy;
- National and Provincial Tourism White Paper on the Development and Promotion of Tourism in the Country;
- New Growth Path.



STRATEGIC OBJECTIVE ANNUAL TARGETS FOR 2015

Strategic Goal
GOAL 2: Sustainable and inclusive economic growth for job creation
GOAL : 3 Preferred tourism destination in the country
GOAL 5: Achieve institutional excellence responsive to the needs of the country

Table 41: Strategic Objectives: Sub-Programme – Tourism Sector Transformation

Strategic Objective	Performance indicator	Strategic Plan Target	Data Source	Audited /Actual performance			Estimated performance 2014-15	Medium-term targets		
				2011-12	2012-13	2013-14		2015/16	2016/17	2017/18
4.1 Facilitate implementation of economic transformation strategies and policies	4.1.1 Number of specific interventions implemented	60	Reports, Minutes and other relevant documents	New	New	New	New	15	15	15

QUARTERLY TARGETS FOR 2015

Table 42: Performance Indicators: Sub-Programme – Tourism Sector Transformation

Performance indicator	Reporting period	Annual target 2015/16	Quarterly targets			
			1st	2nd	3rd	4th
4.1.1 Number of specific interventions implemented	Quarterly	15	3	5	4	3

RECONCILING PROGRAMME PERFORMANCE WITH MTEF BUDGET

Programme:		Tourism											
Sub-programme name:		Tourism Sector Transformation											
Financial Information		2011/12	2012/13	2013/14	2014/15	2015/16	2016/17	2017/18					
		Audited outcome	Audited outcome	Audited outcome	Adjusted Appropriation	Revised Baseline	Revised Baseline	Revised Baseline					
Rand thousand													
	Non-recurring units												
Main Sub-programmes	-	0	0	1687	5476	10363	9305	9770					
Tourism Sector Transformation													
Other													
Total		0	0	1687	5476	10363	9305	9770					
Economic classification													
Current payments		0	0	1176	3976	7663	8105	8510					
Compensation of employees		0	0	239	2349	3211	3417	3588					
Goods and services		0	0	937	1627	4452	4688	4922					
Transfers and subsidies		0	0	479	1500	2700	1200	1260					
Payments for capital assets		0	0	32	0	0	0	0					
Payments for financial assets		-	-	-	0	0	0	0					
Total		0	0	1687	5476	10363	9305	977					



PROGRAMME 7: ENVIRONMENTAL MANAGEMENT

PURPOSE

To advance environmental sustainability for socio-economic development, through the promotion of sustainable use of the environment, which is safe and healthy.

The following table presents the structure of the programme and its purpose, as well as its strategic goals and objectives:

Programme 7: Environmental Management	Sub-programmes
Purpose: To advance environmental sustainability for socio-economic development, through the promotion of sustainable use of the environment, which is safe and healthy.	Sub-programme 1: Policy Coordination and Environmental Planning Purpose: The development of instruments, mechanisms and institutions to ensure sound cooperative environmental governance, in the implementation of sustainable development frameworks. The sub-programme also conducts environment research in order to generate knowledge that would support sound decision making resulting in innovative approaches to the management of the environment. Furthermore the Programme ensures provincial sustainability monitoring and reporting through generation, management and dissemination of environmental information for improved decision making and on-going strategy development
	Sub-programme 2: Compliance and enforcement Purpose: To achieve effective, integrated and co-ordinated compliance monitoring and enforcement of environmental legislation in the Province.
	Sub-programme 3: Environmental Quality Management Purpose: To facilitate environmental impact mitigation and promote sustainable development To develop an integrated plan for sustainable air quality management To provide support to other spheres of government' stakeholders and internal and external To promote the waste management hierarchy (waste minimization, cleaner production, reuse/recycling, treatment and To provide management, strategic and specialist support and direction for pollution and waste management programmes in KZN; and To process applications for permits and emission licenses related to air quality management. Co-ordinate, facilitate and promote effective coastal management (including coastal resource use).
	Sub-programme 4: Biodiversity Management Purpose: To Control the spread of invasive alien plants in communal, public and private; Develop and implement community based natural resource management and action projects for sustainable development
	Sub-programme 5: Environmental Empowerment Services Purpose: Promote a culture of environmental rights and responsibilities through awareness programmes; Promote and implement Environmental Education learnerships for youth; Implement Environmental Education programmes to assist with the integration of EE into formal education structures; and Develop and implement capacity building empowerment policy / strategy.



SPECIFIC POLICIES, PRIORITIES, AND STRATEGIC OBJECTIVES

The strategic goal for the Environmental Management programme is ensuring that there is sustainable use of the natural resources of the Province. It is to ensure that development occurs in a responsible and environmentally sustainable manner. The programme also manages environmental impact and promotes a safe and healthy environment. The programme undertakes capacity building programmes that are aimed at creating awareness on issues of the environment.

R thousand	Audited Outcome	Audited Outcome	Audited Outcome	Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates	2016/17	2017/18
Environmental Policy Planning and Co-ordination	3,069	3,311	3,666	6,140	5,273	5,273	6,466	6,810	7,150
Intergovt. Co-ordination, Spatial and Dev Planning	3,069	2,717	3,666	5,167	3,393	3,393	5,417	5,705	5,990
Climate Change Management		594	0	973	1,880	1,880	1,049	1,105	1,160
Compliance and Enforcement	29,682	28,659	32,373	34,322	29,776	29,776	35,997	37,934	39,831
Enviro. Quality Management Compliance and Enforcement	29,682	28,659	32,373	34,322	29,776	29,776	35,997	37,934	39,831
Environmental Quality Management	27,820	47,625	27,989	46,296	5,379	45,379	48,622	51,243	53,805
Impact Management	27,820	29,623	27,989	21,757	21,899	21,899	22,847	24,079	25,283
Air Quality Management	-	2,391	-	3,571	3,839	3,839	3,751	3,953	4,151
Pollution and Waste Management	-	15,611	-	20,968	19,641	19,641	22,024	23,211	24,371
Biodiversity Management	623,145	702,028	725,716	819,896	811,635	811,635	800,827	844,010	886,209
Biodiversity and Protected Area Plan. and Management	127,838	145,776	133,967	152,602	144,784	144,784	144,185	151,840	159,432
Conservation Agencies and Services	491,317	549,893	586,522	657,895	657,895	657,895	646,819	681,825	715,916
Coastal Management	3,990	6,359	5,227	9,399	8,956	8,956	9,823	10,345	10,860
Environmental Empowerment Services	32,887	31,354	32,150	27,683	39,780	39,780	29,082	30,651	32,185
Environmental Capacity Development and Support	32,887	31,354	32,150	27,683	,780	39,780	29,082	30,651	32,185
Environmental Services Support	1,809	1,618	1,710	2,692	2,692	2,692	2,853	3,025	3,176
Environmental Services Administrative Support	1,809	1,618	1,710	2,692	2,692	2,692	2,853	3,025	3,176
Total payments and estimates	718,412	814,595	823,604	937,029	934,535	934,535	923,847	973,673	1,022,355



	Audited Outcome	2011/12	2012/13	2013/14	Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates	2016/17	2017/18
R thousand						2014/15				
Current payments		220,802	246,683	229,632	270,148	265,962	265,962	267,255	281,255	295,738
Compensation of employees	72,830	84,711	85,697	85,697	97,298	96,597	96,597	102,355	107,958	113,356
Goods and services	147,972	161,972	143,928	143,928	172,850	169,365	169,365	164,900	173,653	182,384
Interest and rent on land	-	-	-	7	-	-	-	-	-	-
Transfers and subsidies to:	496,675	555,430	592,409	592,409	664,835	665,536	665,536	654,014	689,348	723,815
Provinces and municipalities	900	17	600	600	1,000	1,000	1,000	1,000	1,000	1,000
Departmental agencies and accounts	491,317	549,893	586,522	586,522	657,895	657,895	657,895	646,819	681,825	715,916
Higher education institutions	-	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-	-
Non-profit institutions	4,390	5,000	5,227	5,227	5,940	5,940	5,940	6,195	6,523	6,849
Households	68	520	60	60	-	701	701	-	-	-
Payments for capital assets	935	12,482	1,563	1,563	2,046	2,046	3,037	2,578	2,714	2,852
Buildings and other fixed structures	-	-	-	-	-	-	-	-	-	-
Machinery and equipment	935	12,459	1,563	1,563	2,046	2,895	2,895	2,578	2,714	2,852
Software and other intangible assets	-	23	-	-	-	142	142	-	-	-
Payments for financial assets	-	-	-	-	-	-	-	-	-	-
Total economic classification	718,412	814,595	823,604	823,604	937,029	934,535	934,535	923,847	973,673	1,022,355



SUB-PROGRAMME: POLICY COORDINATION AND ENVIRONMENTAL PLANNING

PURPOSE

The purpose of the Policy Coordination and Environmental Planning sub-programme is the development of instruments, mechanisms and institutions to ensure sound cooperative environmental governance, in the implementation of sustainable development frameworks. The sub-programme also conducts environment research in order to generate knowledge that would support sound decision making resulting in innovative approaches to the management of the environment.

Furthermore the Programme ensures provincial sustainability monitoring and reporting through generation, management and dissemination of environmental information for improved decision making and on-going strategy development.



SPECIFIC POLICIES, PRIORITIES, AND STRATEGIC OBJECTIVES

To ensure integrated sustainable environmental planning

STRATEGIC OBJECTIVE ANNUAL TARGETS FOR 2015

Table 43: Strategic Objectives: Sub-Programme – Policy Coordination and Environmental Planning

Strategic Objective	Performance Indicator	Strategic Plan Target	Data Source	Audited/Actual performance			Estimated performance			Medium-term targets		
				2011-12	2012-13	2013-14	2014-15			2015/16	2016/17	2017/18
1.1 Implement existing productive and service sector strategies and plans	1.1.1 Number of intergovernmental sector tools reviewed	324	Reports and contracts	N/A	N/A	80	80			61	61	61
	1.1.2 Number of legislative tools developed	74	Reports and contracts	N/A	N/A	10	12			14	16	16
	1.1.3 Number of environmental research projects undertaken	23	Reports and contracts	N/A	3	11	2			3	4	6
	1.1.4 Number of functional environmental information management systems	60	Reports and contracts	N/A	N/A	12	12			12	12	12
	1.1.5 Number of climate change response tools developed	5	Reports and contracts	N/A	N/A	N/A	1			1	1	1



Table 44: Performance Indicators: Sub-Programme – Policy Coordination and Environmental Planning

	Performance indicator	Reporting period	Annual target 2015/16	Quarterly targets			
				1st	2nd	3rd	4 th
1.1.1.1	Number of intergovernmental sector tools reviewed	Annually	61	0	0	0	61
1.1.1.2	Number of legislative tools developed	Annually	14	0	0	0	14
1.1.1.3	Number of environmental research projects undertaken	Annually	3	0	0	0	3
1.1.1.4	Number of functional environmental information management systems	Annually	12	0	0	0	12
1.1.1.5	Number of climate change response tools developed	Annually	1	0	0	0	1



Programme:		Environmental Management							
Sub-programme name:		Policy Coordination and Environmental Planning							
Financial Information		2011/12	2012/13	2013/14	2014/15	2015/16	2016/17	2017/18	
		Audited outcome	Audited outcome	Audited outcome	Adjusted Appropriation	Revised Baseline	Revised Baseline	Revised Baseline	
Main Sub-programmes									
Policy Coordination and Environmental Planning		3069	3311	3666	5273	6466	6810	7151	
Total		3,069	3311	3666	5273	6466	6810	7151	
Economic classification									
Current payments		2847	3311	3608	5273	6466	6811.32	7515	
Compensation of employees		1835	1924	2001	3354	3521	3710	3896	
Goods and services		1012	1387	1607	1919	2945	3100	3255	
Transfers and subsidies		0	0	0	0	0	0		
Payments for capital assets		222	0	58	0	0	0		
Total		3069	3311	3666	5273	6466	6810	7 151	



SUB-PROGRAMME: COMPLIANCE AND ENFORCEMENT

PURPOSE

The purpose of Compliance and Enforcement is to achieve effective, integrated and co-ordinated compliance monitoring and enforcement of environmental legislation in the Province.

SPECIFIC POLICIES, PRIORITIES, AND STRATEGIC OBJECTIVES

To achieve effective, integrated and co-ordinated compliance monitoring and enforcement of environmental legislation in the province



STRATEGIC OBJECTIVE ANNUAL TARGETS FOR 2015

Table 45: Strategic Objectives: Sub-Programme – Compliance and Enforcement

Strategic Objective	Performance indicator	Strategic Plan Target	Data Source	Audited/Actual performance			Estimated performance 2014-15	Medium-term targets		
				2010-11	2011-12	2012-13		2015/16	2016/17	2017/18
2.1. Develop and maintain an efficient regulatory and governance framework	2.1.1 Number of enforcement actions finalised for non-compliance with environmental legislation	44	Reports and contracts	New indicator	New indicator	New indicator	376	360	300	250
	2.1.2 Number of compliance inspections conducted	3920	Reports and contracts	N/A	N/A	40	750	750	800	800
2.2 Implement environmental management strategies and plans	2.2.1 Number of S24G received applications finalised	115	Reports and contracts	N/A	N/A	24	20	20	25	25

Table 136: Performance Indicators: Sub-Programme – Compliance and Enforcement

Performance indicator	Reporting period	Annual target 2015/16	Quarterly targets			
			1st	2nd	3rd	4th
2.1.1 Number of enforcement actions finalised for non-compliance with environmental legislation	Quarterly	360	90	90	90	90
2.1.2 Number of compliance inspections conducted	Quarterly	750	190	190	190	190
2.2.1 Number of received S24G applications finalised	Quarterly	20	5	5	5	5



ENVIRONMENTAL MANAGEMENT																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																		
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SUB-PROGRAMME: ENVIRONMENTAL QUALITY MANAGEMENT

PURPOSE

The purpose of this sub-programme is to promote and regulate the application of appropriate environmental management instruments to ensure integrated environmental management in all media (land, coast and atmosphere) and facilitate the management and mitigation of impacts associated with air emissions, climate change, pollution and listed activities.

SPECIFIC POLICIES, PRIORITIES, AND STRATEGIC OBJECTIVES

- To facilitate environmental impact mitigation and promote sustainable development
- To develop an integrated plan for sustainable air quality management
- To provide support to other spheres of government' stakeholders and internal and external
- To promote the waste management hierarchy (waste minimization, cleaner production, reuse/recycling, treatment and
- To provide management, strategic and specialist support and direction for pollution and waste management programmes in KZN; and
- To process applications for permits and emission licenses related to air quality management.
- C-ordinate, facilitate and promote effective coastal management (including coastal resource use).



STRATEGIC OBJECTIVE ANNUAL TARGETS FOR 2015

Strategic Goal

Table 47: Strategic Objectives: Sub-Programme – Environmental Quality Management

Strategic Objective	Performance indicator	Strategic Plan Target	Data Source	Audited/Actual performance			Estimated performance 2014-15	Medium-term targets		
				2011-12	2012-13	2013-14		2015/16	2016/17	2017/18
2.3 Streamline the process of environmental impact assessment	2.3.1 % of EIA applications finalised within legislated timeframes	98%	Reports and contracts	New indicator	New indicator	91%	94%	98%	98%	98%
	2.3.2 Number of designated organs of state with approved AQMP's	5	Reports and contracts	New indicator	New indicator	New indicator	1	1	1	1
	2.3.3 % Atmospheric Emission Licenses with complete applications issued within legislated timeframes	100%	Reports and contracts	New indicator	New indicator	New indicator	New indicator	100%	100%	100%
	2.3.4 % of facilities with Atmospheric Emission Licences reporting to the National Atmospheric Emissions Inventory System (NAEIS)	100%	Not available	Not available	Not available	Not available	Not available	50%	70%	100%
	2.3.5 % of waste license applications finalised within legislated timeframes	100%	Reports and contracts	N/A		39%	80%	80%	85%	90%



Table 48: Performance Indicators: Sub-Programme – Environmental Quality Management

Performance indicator	Reporting period	Annual target 2015/16	Quarterly targets			
			1st	2nd	3rd	4th
2.3.1 Number of EIA applications finalised within legislated timeframes	Quarterly	95%	95%	95%	95%	95%
2.3.2 Number of designated organs of state with approved AQMP's	Annually	1	0	0	0	1
2.3.3 Percentage of Atmospheric Emission Licences with complete applications issued within legislated timeframes	Annually	100%	0	0	0	100%
2.3.4 % of facilities with Atmospheric Emission Licences reporting to the National Atmospheric Emissions Inventory System (NAEIS)	Quarterly	50%	0	0	0	50%
2.3.5 % of waste license applications finalised within legislated timeframes	Quarterly	80%	80%	80%	80%	80%



Programme:		ENVIRONMENTAL MANAGEMENT											
Sub-programme name:		Environmental Quality Management											
Financial Information		2011/12	2012/13	2013/14	2014/15	2015/16	2016/17	2017/18					
		Audited outcome	Audited outcome	Preliminary outcome	Adjusted Appropriation	Revised Baseline	Revised Baseline	Revised Baseline					
Rand thousand													
Non-recurring units													
Main Sub-programmes		27820	47625	27989	45379	48622	51243.07	53805					
Environmental Quality Management	-												
Other													
Total		27820	47625	27989	45379	48622	51243	53805					
Economic classification		26506	35627	26603	42859	45594	48108	50563					
Current payments		19575	32181	22878	32388	34076	35979	3778					
Compensation of employees		6931	3446	3725	10471	11518	12129	12785					
Goods and services		914	67	638	1000	1000	1000	1000					
Transfers and subsidies		400	11931	748	1520	2028	2135	2242					
Payments for capital assets													
Total		27820	47625	27989	45379	48622	51243	53 805					



SUB-PROGRAMME: BIODIVERSITY MANAGEMENT

PURPOSE

To control and manage the spread of invasive alien species and increase awareness of the impact of the invasive alien species in a manner that create jobs and provides social development and training opportunities for the beneficiaries.

SPECIFIC POLICIES, PRIORITIES, AND STRATEGIC OBJECTIVES

To control the spread of invasive alien plants in communal, public and private as well as to develop and implement community based natural resource management and action projects for sustainable development.

STRATEGIC OBJECTIVE ANNUAL TARGETS FOR 2015

Table 149: Strategic Objectives: Sub-Programme – Biodiversity Management

Strategic Objective	Performance indicator		Strategic Plan Target	Data Source	Audited/Actual performance			Estimated performance 2014-15	Medium-term targets		
					2011-12	2012-13	2013-14		2015/16	2016/17	2017/18
4.1 Implement environmental and natural resource management strategies and plans	4.1.1	Number of coastal management programmes adopted	10	Reports and contracts	N/A	N/A	6	2	2	2	
	4.1.2	No. of hectares cleared of invasive alien species	800.000	Reports and contracts	N/A	N/A	New indicator	160 000	160 000	200 000	
	4.1.3	Reduction in the percentage rate of decline of existing endangered species	10%		New	New	New	New	7%	8% 10%	



Table 50: Performance Indicators: Sub-Programme – Biodiversity Management

Performance indicator		Reporting period	Annual target 2015/16	Quarterly targets				
				1st	2nd	3rd	4th	
4.1.1	Number of coastal management programmes adopted	Quarterly	2	0	0	0	2	
4.1.2	No. of hectares cleared of invasive alien species	Quarterly	160 000	22 000	42 000	52 000	44 000	
4.1.3	Reduction in the percentage rate of decline of existing endangered species	Annually	7%				7%	
Programme:		ENVIRONMENTAL MANAGEMENT						
Sub-programme name: Biodiversity Management								
Financial Information		2011/12	2012/13	2013/14	2014/15	2015/16	2016/17	2017/18
		Audited outcome	Audited outcome	Audited outcome	Adjusted Appropriation	Revised Baseline	Revised Baseline	Revised Baseline
Rand thousand								
Non-recurring units		623145	702028	725716	811635	800827	844010	886208
Main Sub-programmes								
Biodiversity Management								
Other								
Total		623145	702028	725716	811635	800827	844010	886208
Economic classification								
Current payments		127794	147285	133389	148094	148103	155967	163763
Compensation of employees		8964	8664	10937	13357	14037	14795	15533
Goods and services		118830	138621	122452	134737	134066	141172	148230
Transfers and subsidies		495328	554514	591749	663435	652614	687927	722323
Payments for capital assets		23	229	578	106	110	116	122
Payments for financial assets								
Total		623145	702028	725716	811635	800827	844010	886 208



SUB-PROGRAMME: ENVIRONMENTAL EMPOWERMENT SERVICES

PURPOSE

To empower the citizens of KwaZulu-Natal to participate in environmental matters or decision making so as to ensure the sustainable use and protection of the environment of KwaZulu-Natal through appropriate capacity building and empowerment mechanisms.

SPECIFIC POLICIES, PRIORITIES, AND STRATEGIC OBJECTIVES

To:

Promote a culture of environmental rights and responsibilities through awareness programmes;

Promote and implement Environmental Education learner ships for youth;

Implement Environmental Education programmes to assist with the integration of EE into formal education structures; and

Develop and implement capacity building empowerment policy / strategy.



STRATEGIC OBJECTIVE ANNUAL TARGETS FOR 2015

Table 51: Strategic Objectives: Sub-Programme – Environmental Empowerment Services

Strategic Objective	Performance indicator	Strategic Plan Target	Data Source	Audited/Actual performance			Estimated performance			Medium-term targets		
				2011-12	2012-13	2013-14	2014-15	2015/16	2016/17	2017/18		
5.1 Implement existing productive and service sector strategies and plans	5.1.1 No. of environmental capacity building activities conducted	150	Reports and contracts	New indicator	New	33	44	50	50	50		
	5.1.2 No. of environmental awareness activities conducted	5000	Reports and contracts	New indicator	New indicator	950	1000	1 000	1 000	1 000		
	5.1.3 No of work opportunities created through environmental	62500	Reports and contracts	N/A	N/A	16000	7000	7 500	8 000	8 000		

Table 52: Performance Indicators: Sub-Programme – Environmental Empowerment Services

Performance indicator	Reporting period	Annual target 2015/16	Quarterly targets			
			1st	2nd	3rd	4th
5.1.1 No of work opportunities created through environmental programme	Quarterly	7 500	1 500	2000	2500	1500
5.1.2 No. of environmental capacity building activities conducted	Quarterly	50	14	10	8	18
5.1.3 No. of environmental awareness activities conducted	Quarterly	1000	240	240	160	360



Programme:		ENVIRONMENTAL MANAGEMENT									
Sub-programme name:		Environmental Empowerment Services									
Financial Information		2011/12	2012/13	2013/14	2014/15	2015/16	2016/17	2017/18			
		Audited outcome	Audited outcome	Audited outcome	Adjusted Appropriation	Revised Baseline	Revised Baseline	Revised Baseline			
Rand thousand											
Main Sub-programmes	Non-recurring units										
Environmental Empowerment Services											
Other		32887	31354	32150	39780	29082	30651	32185			
Total		32887	31354	32150	39780	29082	30651	32185			
Current payments		32462	30917	32129	37478	28462	29999	31499			
Compensation of employees		17096	17230	20548	19576	20617	21738	22825			
Goods and services		15366	13687	11581	17902	7845	8261	8674			
Transfers and subsidies		400	403	0	1101	400	421	442			
Payments for capital assets		25	34	21	1201	220	231	244			
Payments for financial assets		0	0	0	0	0	0				
Total		32887	31354	32150	39780	29082	30651	32185			



PART C: LINKS TO OTHER PLANS

1. PUBLIC ENTITIES STRATEGIC ALIGNMENT

Public Entity	EDTEA Priority	Mandate
Trade and Investment	<ul style="list-style-type: none"> To facilitate the creation of new markets To enhance sector and industrial development through Trade, Investment and Exports 	<ul style="list-style-type: none"> Branding and Marketing function (investment destination) Identify and package investment opportunities Link opportunities for development needs Create access to investment opportunities
Tourism KZN	<ul style="list-style-type: none"> To develop and align economic development strategies, programmes and interventions amongst all players To fund the implementation of tourism sector specific products Enhance the contribution of Tourism to the KZN economy To implement interventions that drive service excellence in the tourism sector 	<ul style="list-style-type: none"> Marketing function Stakeholder management and linkages with municipalities (PTC)
Sharks Board	<ul style="list-style-type: none"> To enhance sector and industrial development (Maritime economy) Maritime school of excellence 	<ul style="list-style-type: none"> Safety on the beaches Research and ORT
Dube Trade Port	<ul style="list-style-type: none"> To enhance sector and industrial development through Trade, Investment and Exports (Transport and logistics, ICT, Agri-business, Tourism, Aerotropolis) 	<ul style="list-style-type: none"> Undertake and invest in DTP projects Identify markets and promote investment opportunities Facilitate exports & imports Develop the Dube trade port (trade and agri-zones) Attract long term investments
Moses Kotane	<ul style="list-style-type: none"> To develop the knowledge base to enhance the knowledge economy To promote high performance and value-based culture 	<ul style="list-style-type: none"> Post-secondary education and research



Richards Bay IDZ	<ul style="list-style-type: none"> ■ To enhance sector and industrial development through Trade, Investment and Exports in the Manufacturing sector ■ To champion spatial economic development initiatives (SEZs) 	<ul style="list-style-type: none"> ■ Provide infrastructure (ICT, transport) ■ Build industrial park linked to Richard's Bay port ■ Attract foreign and local investment projects
IThala	<ul style="list-style-type: none"> ■ To enhance sector and industrial development through Trade and Investment in the financial sector ■ To champion spatial economic development initiatives (SEZs) ■ To promote SMME and Entrepreneurial development (informal and social enterprises) ■ To develop and fund the implementation of tourism sector specific products 	<ul style="list-style-type: none"> ■ Promote social and economic development in province to align with the PGDS goals ■ Mobilize financial resources and provide financial support services ■ Physical infrastructure development ■ Human capital development ■ Facilitate private sector investments
Growth Fund	<ul style="list-style-type: none"> ■ To enhance sector and industrial development through Trade and Investment in the financial sector 	<ul style="list-style-type: none"> ■ Ithala subsidiary ■ Fund capital projects
Liquor Authority	<ul style="list-style-type: none"> ■ To develop and maintain an efficient regulatory and governance framework for sustained economic development 	<ul style="list-style-type: none"> ■ Provide regulation of micro-manufacturing and retail sale of liquor ■ Mechanism to reduce socio-economic abuse ■ Responsible and sustainable micro-manufacturing and retail sale of liquor
Film Commission	<ul style="list-style-type: none"> ■ To enhance sector and industrial development through Trade and Investment in the Film sector ■ To develop and maintain an efficient regulatory and governance framework for sustained economic development 	<ul style="list-style-type: none"> ■ Promote development and marketing of the film industry ■ Regulatory role (price and permits)



2. PGDP GOALS' INDICATORS AND TARGETS

GOAL 1: JOB CREATION

Expanded Provincial economic output and employment

Table 53: PGDP Goal 1 - Apex Indicators

APEX INDICATORS	Baseline (2010)	TARGETS				VERIFICATION	REPORTING
		2015	2020	2025	2030		
Total value of output of all sectors within the provincial economy (Real Rands, 2005)	R 267 200 m	R 270 000 m	R 450 000 m	R 600 300 m	R 750 000 m	Statistics South Africa and associated databases (Global Insight and Quantec)	Annual EDTEA
Total employment in all sectors within the provincial economy	2 400 000	2 548 000	3 300 000	3 900 000	4 500 000	Statistics South Africa and associated databases (Global Insight and Quantec)	Annual EDTEA
GDP per capita within the provincial economy	R 28 110	R33 400	R39 760	R47 280	R56 230	Statistics South Africa and associated databases (Global Insight and Quantec)	Annual EDTEA

Table 54: PGDP Goal 1 -Strategic Objectives and Primary Indicators

No	STRATEGIC OBJECTIVE	No	Primary Indicators	Baseline (2010)	TARGETS				Verification	Reporting
					2015	2020	2025	2030		
1.1	Unleash Agricultural Potential	1.1.1	Total employment within the agricultural sector (including forestry and livestock)	108 800	128 600	200 000	260 000	350 000	Statistics South Africa and associated databases such as Global Insight or Quantec	Annual EDTEA
		1.1.2	Value of agricultural contribution to the provincial economy (Real Rands, 2005)	R 11 800 m	R 14 650 m	R 23 000 m	R 33 000 m	R 45 000 m	Agricultural Census, Statistics South Africa and associated databases such as Global Insight or Quantec	Annual EDTEA



No	STRATEGIC OBJECTIVE	No	Primary Indicators	Baseline (2010)	TARGETS				Verification	Reporting
					2015	2020	2025	2030		
		1.1.3	Number of emerging commercial farmers	3 574 (2007)	3870	4 270	4 715	5 200	Agricultural Census and National Dept of Agriculture, Forestry and Fisheries and KwaNulu	Annual DAEA
		1.1.4	Hectares of land under agricultural production (excluding land under ITB)	4 148 700 (2012 baseline including ITB land: 4 980 000ha)	5 130 000	5 395 000	5 670 000	5 960 000	Agricultural Census, National Department of Agriculture, Forestry and Fisheries / Stats SA	Annual DAEA
1.2	Enhance sectoral development through trade and investment	1.2.1	Total employment within all sectors excluding primary agriculture	2 319 000	2 420 000	3 115 000	3 625 000	4 230 000	Statistics South Africa and associated databases such as Global Insight or Quantec	Annual EDTEA
		1.2.2	Value of the provincial economy excluding primary agriculture (Real Rands, 2005)	R 255 400 m	R 332 000 m	R 425 000 m	R 550 000 m	R 725 000 m	Statistics South Africa and associated databases such as Global Insight or Quantec	Annual EDTEA
1.3	Improve efficiency of government led job creation programmes	1.3.1	Cumulative total number of FTEs created through EPWP and CWP, inclusive of all sectors	163 800	217 577 (2013-2014) As set by National Government	277 690 (2018-2019)	354 410 (2023-2024)	452 327+ (2029-2029)	Department of Transport, Department of Agriculture, Department of Human Settlement and others that undertake job creation. Nerve Centre	Annual DPW
		1.3.2	Total Rand Value of each EPWP job in KZN Indicator currently being developed	TBD	TBD	TBD	TBD	TBD	Department of Transport, Department of Agriculture, Department of Human Settlement and others that undertake job creation. Nerve Centre	Annual DPW
		1.3.3	Number of small contractors created through Vukuzakhe Emerging Contractor Development Programme.	24 800	35 000	60 000	90 000	140 000	CIDB Database, Dept of Transport and other Departments that undertake job creation programmes	Annual EDTEA



No	STRATEGIC OBJECTIVE	No	Primary Indicators	Baseline (2010)	TARGETS				Verification	Reporting
					2015	2020	2025	2030		
1.4	Promote SMME and entrepreneurial development	1.4.1	Number of Cooperatives and SMMEs registered in KZN, that have been in operation for more than 2 years	15 622	18 122	21 021	24 384	28 286	Provincial government database, EDTEA	Annual EDTEA
		1.4.2	Number of new jobs created through establishment of SMMEs and Coops.	1 506 100	1 580 000	1 660 000	1 745 000	1 830 000	Survey, provincial government database, EDTEA	Annual EDTEA
		1.4.3	Balanced KZN B-BBEE Scorecard used to measure B-BBEE progress within provincial government departments	Level 4 Compliance	Level 3 Compliance	Level 2 Compliance	Level 1 Compliance	Level 1 Compliance	EDTEA, BBBEE Advisory Council	Annual EDTEA
1.5	Develop the knowledge base to enhance the knowledge economy	1.5.1	% of SA patents and designs registered by KZN entities and individuals	222	237 7% increase on base year	12% increase on base year	17% increase on base year	22% increase on base year	Registered patents - Companies and Intellectual Property Commission (CIPC)	Annual EDTEA
		1.5.2	% of registered professional engineers in the KZN labour force	0.02% (1 627 reg engineers)	0.15% 14% increase on base year	18% increase on base year	23% increase on base year	30% increase on base year	Engineering Council of South Africa (ECSA). HSRC	Annual EDTEA
		1.5.3	Gross expenditure on R&D as a proportion of provincial GVA (Real Rands, 2005)	R 2 020 m	R 3 000 m	R 4 000 m	R 6 000 m	R 8 000 m	National Survey of Research and Experimental Development. National Department of Science and Technology (DST).	Annual EDTEA
		1.5.4	Percentage of academic staff with PhD Qualifications	48% (UKZN)	52%	59%	66%	75%	Tertiary Institutions, Office of the Premier	Annual OoP



GOAL 4: STRATEGIC INFRASTRUCTURE

Strategic infrastructure provides for the social and economic growth and development needs of KZN

Table 55: PGDP Goal 4 Apex Indicators

APEX INDICATORS	Baseline (2010)	TARGETS				VERIFICATION	REPORTING
		2015	2020	2025	2030		
% of fixed capital investment in relation to provincial GDP	15%	20%	25%	28%	30%	5 year intervals	Annual KZNT
Provincial average lead/lag time difference between development application submission and completion RMSE Method	20 months	14months	10 Months	Zero	Zero	Monthly Building Plan Report Submissions to StatsSA by Each Municipality. StatsSA Monthly Reports consolidated into a single provincial database	Annual KZNT

Table 15: PGDP Goal 4 - Strategic Objectives and Primary Indicators

No	STRATEGIC OBJECTIVE	No	Primary Indicators	Baseline (2010)	TARGETS				Verification	Reporting
					2015	2020	2025	2030		
4.4	Development of ICT infrastructure	4.4.1	Percentage of local municipalities with established Access Networks	2%	10%	100%	100%	100%	EDTEA database and reports	Annual EDTEA
		4.4.2	Percentage of households with access to the internet at home, or for which at least one member has access to/uses the Internet	22,4%	25%	70%	85%	100%	Telkom, CellC, MTN, Vodacom, VirginMobile database and reports	Annual EDTEA
		4.4.3	Minimum broadband speed available within the Province	384kbs	2 mbs	4mbs	10mbs	10mbs	Telkom, CellC, MTN, Vodacom, VirginMobile database and reports	Annual EDTEA
		4.4.4	Number of ICT Infrastructure Nodes	1240	1480	5757	6757	7762	EDTEA database and reports	Annual EDTEA



GOAL 5: ENVIRONMENTAL SUSTAINABILITY

Reduce global greenhouse gas emissions and create social-ecological capacity to adapt to climate change

Table 57: PGDP Goal 5 – Apex Indicators

APEX INDICATORS	Baseline (2010)	TARGETS				VERIFICATION	REPORTING
		2015	2020	2025	2030		
Green House Gas Emissions	Baseline to be established	5,102,200 MtCO ₂ e from 2010 Baseline	10,603,200 MtCO ₂ e from 2010 Baseline	14,131,200 MtCO ₂ e from 2010 Baseline	14,788,200 MtCO ₂ e from 2010 Baseline	National Greenhouse Gas Report. Department of Environment Affairs	Annual DAEA
% protection of High -Risk Biodiversity Planning Units (HRBPU)	To be determined	70%	85%	100%	100%	Provincial Environmental Outlook Reports, Land Cover study, District Biodiversity Sector Plans, TSCP, DAEA	Annual DAEA

Table 58: PGDP Goal 5 - Strategic Objectives and Primary Indicators

No	STRATEGIC OBJECTIVE	No	Primary Indicators	Baseline (2010)	TARGETS			Verification	Reporting Intervals
					2015	2020	2025		
5.2	Advance alternative energy generation and reduce reliance on fossil fuels	5.2.1	Units of energy produced through alternative energy generation. Renewable targets set by the NDP at 20 000MW by 2030	9.1MW (2012)	1 200 MW	2 400 MW	3 700 MW	Purchase Power Agreements. NERSA/Single Buyers Office	Annual EDTEA
		5.2.2	Units of energy saved through energy efficiency interventions	180GWh (2012)	3905GWh	7811GWh	9649Gwh	Municipal Greenhouse Gas Inventory. Department of Energy/ESKOM	Annual EDTEA
		5.2.3	Number of solar water heating units	70 000	200 000	400 000	700 000	ESKOM	Annual EDTEA







edtea

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PR99/2015 • ISBN: 978-0-621-43529-0

