

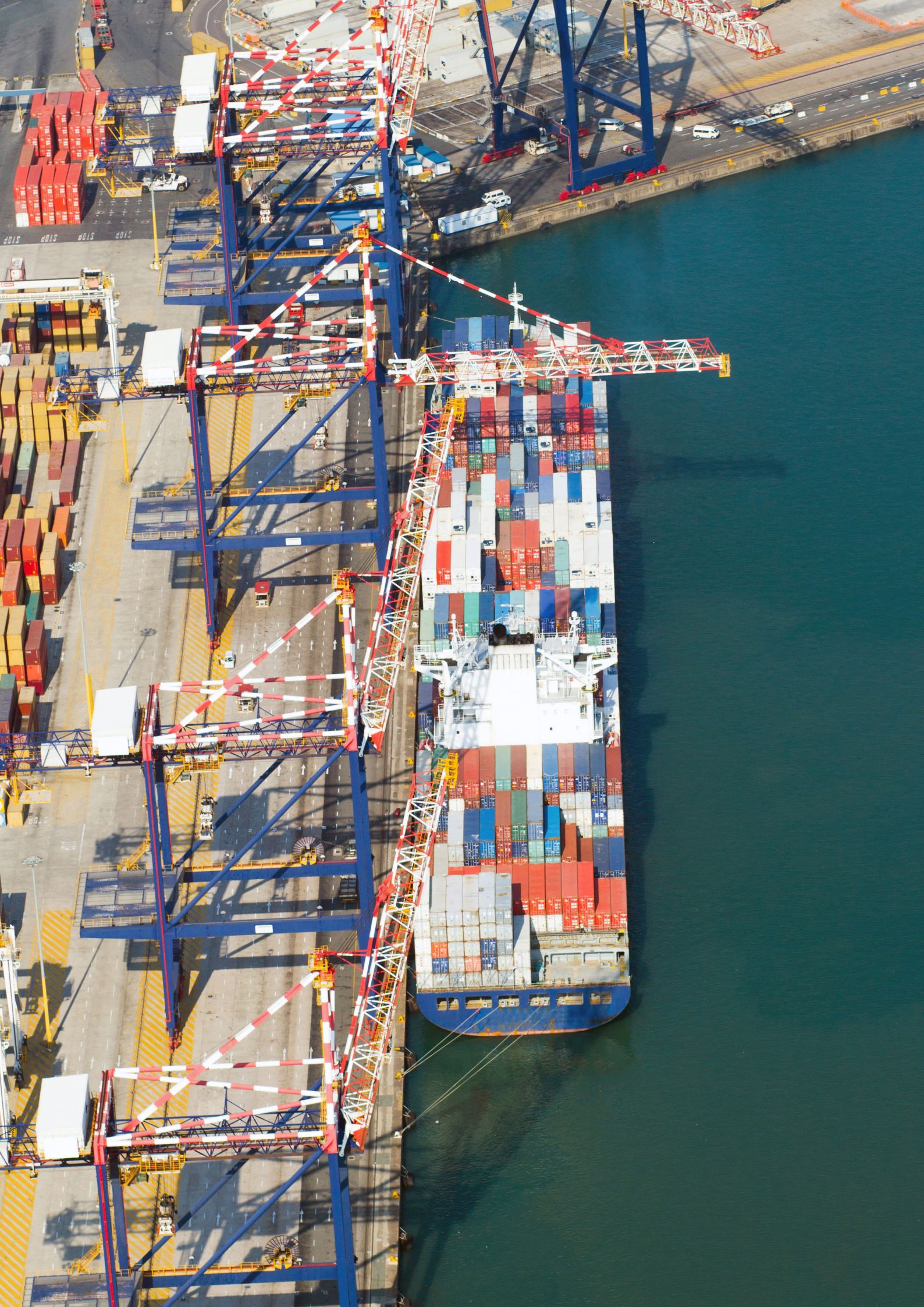


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**Department :**  
Economic Development, Tourism and  
Environmental Affairs  
**PROVINCE OF KWAZULU-NATAL**

**APP** 2019  
2020







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**Department :**

Economic Development, Tourism and  
Environmental Affairs

**PROVINCE OF KWAZULU-NATAL**

Department of Economic Development,  
Tourism and Environmental Affairs  
Kwazulu-Natal

***ANNUAL PERFORMANCE PLAN 2019/2020***  
***Vote 4***

***VISION:***

***Attainment of a radically transformed, inclusive  
and sustainable economic growth for KwaZulu-Natal***



## EXECUTIVE AUTHORITY'S FOREWORD



***Ms Nomusa Dube-Ncube,  
MPL MEC for Economic Development, Tourism and  
Environmental Affairs***

It is common knowledge that significantly raising South Africa's economic potential would require breaking away from the low growth and high inequality trajectory in which the country has been trapped for decades. The low growth trajectory undermines government efforts to address prevalent socio-economic challenges such as poverty, unemployment and inequality.

The South African economy has for many years not been able to generate sufficient employment opportunities to absorb a growing labour-force. The effects of unemployment extend beyond financial deprivation to include high social costs emanating from problems associated with crime and social cohesion which may ultimately hinder economic growth in the long term. Numerous factors have underpinned the extremely poor employment creation record, including: increased capital intensity in numerous sectors of economic activity, a mismatch of skills between what employers require and the available skills profiles; wage cost increases versus productivity growth among others.

The overarching sentiment from the jobless growth narrative points to unemployment in South Africa being a structural problem which can only be partially addressed by growing the economy. A holistic solution requires a complete change of the structure of the economy. The adoption of radical economic transformation by the provincial government is geared to fast-track inclusive economic growth and arrest the continuing social and economic exclusion of millions of people. Through radical economic transformation, we seek to deracialise the economy and bring about, "fundamental change in the structure, systems, institutions and patterns of ownership, management and control of the economy in favour of all South Africans, especially the poor, the majority of whom are African and women".

Pursuing and attaining such inclusive growth requires an explicit inclusive policy strategy to increase productive activity, employment, self-employment and earnings in both informal and formal segments of the economy. Research shows that the integration of local economies into the main stream economy forms the epicentre of sustainable economic growth. As we pursue the transformation of the provincial economy, we are promoting the localisation of flow of funds within communities. The leakage of funds to some distant head offices is often the reason for pressure in local economies and often slows down economic development.

We are concerned about the dwindling share of manufacturing in contributing to our gross domestic product and employment. Such a trend reflects numerous challenges facing domestic manufacturing within a highly competitive global environment and underscores governmental efforts to reindustrialize the economy, particularly due to the labour intensity of this type of economic activity. We remain steadfast in our pursuit to beneficiate our raw materials and add value to our products.

Our 2019/20 Annual Performance Plan therefore outlines practical programmes and interventions of the department geared to the attainment of a radically transformed, inclusive and sustainable economic growth for KwaZulu-Natal.

Having started the 6<sup>th</sup> Administration with His Excellency, the President of the Republic of South Africa's State of the Nation; the Premier of KwaZulu-Natal's State of the Province and the MEC for Economic Development, Tourism and Environmental Affairs' Budget Statement; the department will be reviewing the strategic framework to align the policy documents during the Mid-Year Budget Adjustment Review period.



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**MS NOMUSA DUBE-NCUBE, MPL**

**MEC FOR ECONOMIC DEVELOPMENT, TOURISM AND ENVIRONMENTAL AFFAIRS**



## OFFICIAL SIGN OFF

It is hereby certified that this Annual Performance Plan 2019-2020:

- a) Was developed by the management of Department of Economic Development, Tourism and Environmental Affairs (EDTEA) under the guidance of MEC Nomusa Dube-Ncube
- b) Was prepared in line with the current Strategic Plan for EDTEA
- c) Accurately reflects the Performance Targets which EDTEA will endeavour to achieve, given the resources made available in the budget for 2019-2020.

**Ms. Zamasomi Mtongana**  
Chief Financial Officer

Signature:



Date:

25/07/19

**Mr Siza Sibande**  
Acting Head of Department (Acting)

Signature:



Date:

25/07/19

Approved by:



.....  
**Ms Nomusa Dube-Ncube, MPL**  
Executive Authority

Date: 25/07/19

## ACRONYMS

<b>AIA</b>	Aerotropolis Institute Africa
<b>APP</b>	Annual Performance Plan
<b>APR</b>	Annual Performance Report
<b>B-BBEE</b>	Broad-Based Black Economic Empowerment
<b>CIPC</b>	Companies and Intellectual Property Commission
<b>CSP</b>	Customised Sector Programme Policies
<b>DTI</b>	Department of Trade and Industry
<b>DTP</b>	Dube Trade Port
<b>GDP</b>	Gross Domestic Product
<b>GDPR</b>	Gross Domestic Product Regional
<b>HRM&amp;D</b>	Human Resource Management and Development
<b>IDS</b>	Industrial Development Strategy
<b>IDZ</b>	Industrial Development Zone
<b>IEDS</b>	Integrated Economic Development Services
<b>IPAP</b>	Industrial Policy Action Plan
<b>KM</b>	Knowledge Management
<b>KZN</b>	Kwa-Zulu Natal
<b>KZN EDTEA</b>	KwaZulu-Natal: Department of Economic Development, Tourism and Environmental Affairs



## ACRONYMS

<b>KZNPSS</b>	KwaZulu-Natal Wood Processing Sector Strategy
<b>LED</b>	Local Economic Development
<b>MTSF</b>	Medium-Term Strategic Framework
<b>MTEF</b>	Medium-Term Expenditure Framework
<b>NDP</b>	National Development Plan
<b>NGP</b>	New Growth Path
<b>NIPF</b>	National Industrial Policy Framework
<b>NSDP</b>	National Spatial Economic Development Perspective
<b>NTSS</b>	National Tourism Sector Strategy
<b>PFMA</b>	Public Finance Management Act
<b>PGDP</b>	Provincial Growth and Development Plan
<b>PIDS</b>	Provincial Industrial Development Strategy
<b>PSEDS</b>	Provincial Spatial Economic Development Strategy
<b>RIDS</b>	Regional Industrial Development Strategy
<b>RLED</b>	Regional Local Economic Development
<b>R&amp;D</b>	Research and Development
<b>SMME</b>	Small, Medium and Micro Enterprises



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# Part A: Strategic Overview



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Economic Development, Tourism and  
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PROVINCE OF KWAZULU-NATAL

- VISION, MISSION AND VALUES
- LEGISLATIVE AND OTHER MANDATES
- UPDATED SITUATIONAL ANALYSIS
- REVISION TO LEGISLATIVE AND OTHER MANDATES
- OVERVIEW OF BUDGET AND MTEF



## 1. VISION, MISSION AND VALUES

### **VISION**

**Attainment of a radically transformed, inclusive and sustainable economic growth for KwaZulu-Natal**

### **MISSION**

The mission of the Department 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.

## 2. STRATEGIC OUTCOME ORIENTED GOALS

The strategic focus for the KwaZulu-Natal Department of Economic Development, Tourism and Environmental Affairs during the 2015 to 2020 planning period has been to build a resilient KwaZulu-Natal 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 2015 to 2020 as well as the strategic objectives that are key in driving each strategic intervention. These strategic goals inform the programmes of this Department for the afore-mentioned planning period.

**TABLE 1: KWAZULU-NATAL DEPARTMENT OF ECONOMIC DEVELOPMENT, TOURISM & ENVIRONMENTAL AFFAIRS' STRATEGIC OUTCOME ORIENTED GOALS AND OBJECTIVES**

Strategic Outcome Oriented Goal 1	Integrated economic planning and development in the Province
<b>Goal Statement</b> Regional integration	<ul style="list-style-type: none"> <li>An integrated infrastructure planning and development that advance SEZ/IEH, Maritime, Aerotropolis and productive use of land management;</li> <li>An efficient and effective business regulatory to increase trade and investment.</li> </ul>
<b>Goal Indicator</b>	<ul style="list-style-type: none"> <li>% increase in the number of bilateral strategic agreements signed with African and global partners for trade and investment initiative;</li> <li>% increase in the Rand Value of investment attracted to KwaZulu-Natal;</li> <li>% increase in the number of KwaZulu-Natal infrastructure projects that adhere to environmental principles/ standards;</li> <li>% increase in the value of investment committed by government and the private sector in research and innovation initiatives.</li> </ul>
<b>Links</b>	MTSF Outcome 5 and PGDP Goal 1

Strategic Outcome Oriented Goal 2	Inclusive and sustainable economic growth that supports decent employment
<b>Goal Statement</b>	Increased economic growth that supports decent jobs, HDIs, SMMEs and social enterprises.
<b>Goal Indicator</b>	<ul style="list-style-type: none"> <li>GDP-R;</li> <li>% increase in number of sustainable SMMEs and social enterprises;</li> <li>% increase in employment, income and economic opportunities for youth, women and people with disabilities of KwaZulu-Natal;</li> <li>Improve skills and capable workforce to support inclusive economic growth.</li> </ul>
<b>Links</b>	MTSF Outcome 4 and PGDP Goal 1



Strategic Outcome Oriented Goal 3	Preferred tourism destination in the country
<b>Goal Statement</b>	Accelerate global competitiveness of KwaZulu-Natal as a preferred tourism destination for domestic and global tourism through: <ul style="list-style-type: none"> <li>• Improved KwaZulu-Natal tourism product and service offering in the sector;</li> <li>• Improved KwaZulu-Natal tourism marketing and packaging;</li> <li>• Improved KwaZulu-Natal tourism compliance with tourism legislation;</li> <li>• A transformed KwaZulu-Natal tourism sector towards inclusive growth and employment.</li> </ul>
<b>Goal Indicator</b>	<ul style="list-style-type: none"> <li>• % increase in the number of tourists visiting KwaZulu-Natal;</li> <li>• % Increase in Tourism spending in KwaZulu-Natal;</li> <li>• % Increase in tourism marketing and packaging;</li> <li>• % increase in tourism sector contribution to KwaZulu-Natal GDP;</li> <li>• % increase of direct and Indirect jobs created within tourism sector;</li> <li>• % increase in KwaZulu-Natal tourism sector adherence to tourism sector code.</li> </ul>
<b>Links</b>	Outcome 4 and PGDP Goal 1

Strategic Outcome Oriented Goal 4	Sustainable environmental management
<b>Goal Statement</b>	Promote conservation of environmental assets and natural resources to yield sustainable development through: <ul style="list-style-type: none"> <li>• Enhanced governance systems and capacity;</li> <li>• Sustained ecosystems and efficient natural resource use;</li> <li>• An environmentally sustainable, low-carbon economy resulting from a well-managed just transition;</li> <li>• An effective climate change mitigation and adaptation response;</li> <li>• Improved sustainable human communities.</li> </ul>
<b>Goal Indicator</b>	<ul style="list-style-type: none"> <li>• % reduction in non-compliance with environmental legislation;</li> <li>• % reduction of identified ecosystems under stressed;</li> <li>• % reduction of greenhouse gases emitted to atmosphere;</li> <li>• % increase in community awareness and participation in the environmental decision making process;</li> <li>• Number of jobs opportunities facilitated through environmental management interventions.</li> </ul>
<b>Links</b>	MTSF Outcome 10 and PGDP Goal 5

Strategic Outcome Oriented Goal 5	Achieve institutional excellence responsive to the needs of the Province
<b>Goal Statement</b>	<ul style="list-style-type: none"> <li>• Improved efficient, effective and accountable public sector Institution;</li> <li>• Improved corporative governance for robust business processes and system;</li> <li>• Improved sound financial management practice.</li> </ul>
<b>Goal Indicator</b>	<ul style="list-style-type: none"> <li>• Clean audits opinion on financial statements and performance information;</li> <li>• % increase in MPAT Standards Score to level 4 in all KPA's;</li> <li>• Percentage of targets achieved against those planned for in the Annual Performance Plan.</li> </ul>
<b>Links</b>	MTSF Outcome 12 and PGDP Goal 6



### 3. LEGISLATIVE AND OTHER MANDATES

3.1 The Department operates within National Legislative, Policy and Strategic Frameworks, which can be summarised as follows:

- (a) the Constitution of the Republic of South Africa, 1996, (particularly Schedules 4 and 5, which stipulate the competence of the provincial government on matters of economic development);
- (b) the Public Finance Management Act, 1999 (Act No. 1 of 1999) and the Treasury Regulations, 2005;
- (c) the National Small Enterprise Act, 1996 (Act No. 102 of 1996);
- (d) the Co-operative Act, 2005 (Act No. 14 of 2005);
- (e) the National Environmental Management Act, 1998 (Act No. 107 of 1998);
- (f) the National Environmental Management: Air Quality Act, 2004 (Act No. 39 of 2004);
- (g) the National Environmental Management: Biodiversity Act, 2004 (Act No. 10 of 2004);
- (h) the National Environmental Management: Integrated Coastal Management Act, 2008 (Act No. 24 of 2008);
- (i) the National Environmental Management: Protected Areas Act, 2003 (Act No. 57 of 2003);
- (j) the National Environmental Management: Waste Act, 2008 (Act No. 59 of 2008);
- (k) the Tourism Act, 2014 (Act No. 3 of 2014);
- (l) the Broad-Based Black Economic Empowerment Act, 2003 (Act No. 53 of 2003);
- (m) the Special Economic Zones Act, 2014 (Act No. 16 of 2014);
- (n) the Integrated National B-BBEE Strategy and KZN B-BBEE Strategy;
- (o) the B-BBEE Codes of Good Practice;
- (p) the National Development Plan, the New Growth Path, and the Industrial Policy Action Plan;
- (q) Local Economic Development Policy Guideline;
- (r) the South Africa Trade Policy Framework;
- (s) the Green Economy Framework;
- (t) the Mining Beneficiation Strategy;
- (u) the National Spatial Economic Development Perspective;
- (v) the Special Economic Zones Policy;
- (w) the National Framework for Sustainable Development;
- (x) the National Climate Change Response Strategy;
- (y) the National Air Quality Management Strategy;
- (z) the National Waste Management Strategy;
- (aa) the White Paper on the Development and Promotion of Tourism;
- (bb) the National Integrated Coastal Management Strategy;
- (cc) the White Paper on Environmental Management Policy;
- (dd) the Local Economic Development Policy Guideline;
- (ee) the Industrial Policy Action Plan; and
- (ff) the Informal Economic Policy.



3.2 The Department's mandate is further guided by, amongst others, the following Provincial Legislative, Policy and Strategic Frameworks:

- (a) the Ithala Development Finance Corporation Act, 2013 (Act No. 5 of 2013);
- (b) the Nature Conservation Ordinance, 1974 (Ordinance No. 15 of 1974),
- (c) the KwaZulu-Natal Nature Conservation Management Act, 1997 (Act No. 9 of 1997);
- (d) the KwaZulu-Natal Tourism Act, 1996 (Act No. 11 of 1996);
- (e) the KwaZulu-Natal Gaming and Betting Act, 2010 (Act No. 8 of 2010);
- (f) the KwaZulu-Natal Gaming and Betting Tax Act, 2010 (Act No. 9 of 2010); KwaZulu-Natal Liquor Licencing Act, 2010 (Act No. 6 of 2010);
- (g) the Businesses Act, 1991 (Act No. 71 of 1991);
- (h) the KwaZulu-Natal Dube Tradeport Corporation Act, 2010 (Act No. 2 of 2010);
- (i) the KwaZulu-Natal Film Commission Act, 2010 (Act No. 3 of 2010);
- (j) the KwaZulu-Natal Trade and Investment Agency Act, 2010 (Act No. 5 of 2010);
- (k) the KwaZulu-Natal Consumer Protection Act, 2013 (Act No. 4 of 2013);
- (l) the KwaZulu-Natal Provincial Growth and Development Strategy ;
- (m) the KwaZulu-Natal Provincial Spatial Economic Development Strategy;
- (n) the Draft KwaZulu-Natal Export Strategy;
- (o) the KwaZulu-Natal Industrial Development Strategy;
- (p) the KwaZulu-Natal Investment Promotion Strategy;
- (q) the Draft KwaZulu-Natal Green Economy Strategy;
- (r) the KwaZulu-Natal Airport Strategy;
- (s) the KwaZulu-Natal Small Enterprise Development Strategy;
- (t) the KwaZulu-Natal Cooperative Developments Strategy;
- (u) the KwaZulu-Natal Youth Economic Empowerment Strategy;
- (v) the KwaZulu-Natal Informal Economic Policy; and
- (w) the KwaZulu-Natal Tourism Master Plan.

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

- (a) radical economic transformation;
- (b) job creation;
- (c) special economic zones and industrial economic hubs;
- (d) beneficiation and value addition;
- (e) infrastructure development;
- (f) rural economic development;
- (g) skills development;
- (h) economic transformation;
- (i) the KwaZulu-Natal Beach Tourism Policy
- (j) trade Policy;
- (k) spatial economic development;
- (l) black industrialisation; and
- (m) the revitalisation of township and rural economies.

The above Acts, Policies and Strategies are critical to direct the vision and mandate of the Department, and it is only through efficiency in the implementation of the legislation, policies and strategies that the Department can meaningfully contribute to the fight against the triple challenges of development.



## 4. UPDATED SITUATIONAL ANALYSIS

### GLOBAL ECONOMIC DEVELOPMENTS AND OUTLOOK

KwaZulu-Natal is connected to the global sphere through various economic linkages and activities and as such it is susceptible to changes in the global economic environment. Understanding Global, National and Local economic trends can help authorities, policy makers, private sector and citizens to make informed economic and financial decisions. This knowledge is vital for planning, implementing and devising strategies to respond to external or exogenous factors that pose downside risks to the provincial economy.

While economic prospects at the global level have improved over the past two years, a build-up of short-term risks are threatening global growth prospects. There are a number of concerns over global economic growth as a confluence of risks are converging that could severely disrupt economic global economic activity and inflict significant damage on longer-term development prospects. These risks include an escalation of trade disputes (particularly between the United States and China that have led to heightened tension and imposition of tariffs), an abrupt tightening of global financial conditions, both industrial production and trade volume growth have slowed down sharply and there is intensifying climate risks at hand. The macroeconomic conditions have led to a weaker economic outlook, and as a small open economy such as South Africa and subsequent province, we are impacted by events on the global economic stage.

Global growth is projected to ease further to 3.2% in 2019 and 3.5% in 2020, with downside risks continuing to build menacing global economic prospects. This could have dire consequences for global labour markets. The International Labour Organisation (ILO)'s, 2019 World Employment and Social Outlook points to some progress in the global labour markets, but reveals the persistence of significant decent work deficits, with the various regions facing challenges of many different kinds. The global population was estimated at 7.6 billion people in 2018 (United Nations, 2017). An estimated 5.7 billion or 75% of the people fell within the working ages of 15 to 64 years. Out of these, 3.3 billion people, or 58.4%, were employed and 172 million were unemployed. Taken together the two groups constitute the estimated 3.5 billion global labour force in 2018, implying a labour force participation rate of 61.4%.

Going forward, it will remain seen how the impact of the 4<sup>th</sup> Industrial Revolution will have on many sectors of the economy and shift in labour markets. What the future of work might hold is a concern that resonates broadly and that has fuelled extensive discussion among policy-makers, business leaders and individual workers. Common to these recent debates is an awareness that, as technological breakthroughs rapidly shift the frontier between the work tasks performed by humans and those performed by machines and algorithms, global labour markets are likely to undergo major transformations.

### NATIONAL ECONOMIC OUTLOOK

South Africa's economic outlook remains subdued. Some of the key challenges holding back GDP growth in the country have intensified. New concerns have particularly emerged, including greater short-term anxiety about the global economy. Domestically, the reality has sunk in that Eskom's financial position and operational deficiencies are far worse than previously understood. The rapid deterioration in Eskom's balance sheet is hurting the country's fiscal credibility. As a result, the Treasury was forced to hike taxes/cut non-Eskom expenditure in order to ensure fiscal sustainability. Eskom's inability to have met (modest) energy demand in February and March is also growth negative. Combined with a pervasive cost-saving strategy by the corporate sector, these factors suggest that household income generation - a major driver of SA consumer spending and ultimately GDP growth - will be more subdued over the medium term than previously envisaged. Against this backdrop, a marginal downscaling of the medium-term growth forecast

Economic growth for the country has trended downwards even during the period leading prior to the global financial crisis. The country's growth contracted by 3.2% quarter-on-quarter during the first quarter of 2019. Revised projections show that South Africa is expected to expand by 0.7% in 2019 and 1.1% in 2020. The current difficult situation has also reflected through poor performance in Gross Fixed Capital Formation projects. The South African economy remains vulnerable to infrastructure constraints, adverse turns in the global business cycle, rising domestic cost pressures and fading confidence. The anticipation of credit rating

agencies reviewing the South African economy and promises made will be closely watched as this could have dire consequences should the country be downgraded. The overall, weak performance in output growth remains evident in the long term trends of key labour market aggregates. The lack of job opportunities in the country has left various groups of people, including women, the youth and the low skilled, particularly vulnerable, and subsequently resulted in high social costs for the country.

The low economic environment is placing strain on all sectors of the economy including government and this is negatively affecting service delivery and job creation. Employment growth will be limited by the lackluster economic activity and difficult operating conditions in the local business environment - including higher input costs, taxes and unreliable electricity supply. The national purse is adversely affected by the poor economic performance dampening the fiscal environment and the country has become highly indebted.

Slow private investment growth and weak integration into global value chains prevent the country from reaping the new economic opportunities emerging around the globe, and from catching up with living standards in peer economies. South Africa needs to build on its comparative advantages that of an industrial skilled economy and to develop new domestic and international markets through higher productivity and innovation.

## **KWAZULU-NATAL ECONOMIC DEVELOPMENTS**

The Province has grasped the need to act upon towards contributing to the seven key priorities mentioned by the president in his State of the Nation Address (SONA) 2019 speech to implement initiatives of: 1) economic transformation & job creation, 2) education, skills & health, 3) consolidating the social wage through reliable and quality basic services, 4) spatial integration, human settlements, & local government, 5) social cohesion & safe communities, 6) a capable, ethical & developmental state and 7) a better Africa & World. There are a number of initiatives which are already undergoing implementation to address National and Provincial imperatives in the pursuit of these overarching tasks.

The KwaZulu-Natal Economy closely matches the South African Economy and is fortunate in that it has one of the most diversified provincial economies shielding it from sector specific shocks. However, its economy is unequal in levels of development and investment with high urban density areas. In 2018, the province experienced a technical recession, contracting in the first and second quarter by -3.7% and -2.3% respectively. Annual GDP growth for 2018 for KwaZulu-Natal was 0.8%, far below what is need in order to create jobs and tackle high level of poverty.

The labour market is central to attaining the social development goals and promoting human-centered development. Employment provides the main source of income for the vast majority of households in the country; it also helps to reinforce the core principles of equality, democracy, sustainability and social cohesion. Enhancing the well-being of all people, especially those who are less affluent remains the top priority of government's policy agenda. It is thus unsurprising that the overarching theme from both the State of the Nation Address (SONA) and State of the Province Address (SOPA) centered on job creation.

The urgent need for job creation is adequately demonstrated in the 2019 first quarter estimates of the labour market as reported by Stats SA, the official statistical agency in the country. The estimates suggest that number of people officially unemployed in KwaZulu-Natal is estimated to have increased by 121 000 from a year ago to reach 872 000. As a result, the narrow unemployment rate increased by 2.8 percentage points to 25.1%. These estimates paint a conservative picture of the actual problem of unemployment whose level increases to more than 1.7 million people after including 824,000 discouraged workers. The rate of discouragement substantially expanded (15.4%) over the year to reach 824,000, ensuring a broad unemployment rate of 42.4%. The lack of job opportunities in the country has left various groups of people, including women, the youth and the low skilled, particularly vulnerable pointing to yet another discouraging picture in the country. Sustainable employment growth will require investment-reviving policy certainty and more efficient infrastructure expenditure by the public sector. Since the dawn of democracy, a lot of ground has been covered in an attempt to arrest these social impediments to a truly democratic and economically advanced society we seek the country and province to be. A lot, however, still has to be done in this regard.



The Province targets five main broad sectors:

1. **Agriculture, forestry & fishing:** Although the Agriculture sector has a relatively low direct contribution to GDP at 4%, it still remains a key growth sector with significant employment creation and radical socio economic transformation opportunities and food security.
2. **Manufacturing:** This sector contributes significantly to the GDP of the provincial economy. Manufacturing has a number of strong linkages with Agricultural sector such as 'food, beverages and tobacco', and 'wood and paper' industries that are very important for the provincial economy through employment and export activities. There is a need for re-industrialisation and create industry support measures for sector
3. **Wholesale & retail trade; hotels & restaurants:** The sector plays pivotal role in Tourism sub-sector. High household debt to disposable income and low consumer confidence has put pressure on consumerism. A number of traditionally strong manufacturing bases or areas in the province have transitioned into retail hubs such as Newcastle which services areas such as Vryheid and also neighbouring southern Mpumalanga. However the is a need for supporting, purchasing and procuring local products.
4. **Transport & communication:** Sea Port throughput and greater route connectivity at King Shaka International Airport is paramount to supporting this sector. Public transportation, and in particular its predominant reliance on taxi services, remains an area of concern. This trend is placing enormous pressure on road networks and traffic congestions. The completion of the new bridge and tarring of road in Mozambique near Kosi Bay Border offers a new and more efficient opportunity to trade with the country and other southern African countries. Opportunities will arise from the new proposed Cruise Ship Terminal at the Port of Durban bolstering foreign tourism and increasing the product offering strengthening relations between the Sea Port of Durban and King Shaka International Airport. The under-sea cables and broadband roll out in province provide opportunity to ride 4<sup>th</sup> Industrial revolution and develop data centres in province.
5. **Finance, real estate & business services:** Sector offers new access to finance, markets, trading facilities and infrastructure with linked services. The sector share has gradually increased over time in the province due to White Collar occupations becoming more attractive to new graduates over the Blue Collar profession. There has been a significant drive to develop SMME, Cooperatives and Entrepreneurship to support absorption of youth and women and there is a greater need to support priority groups who want to participate in the work and business sphere.

## KWAZULU-NATAL ENVIRONMENTAL MANAGEMENT OUTLOOK

One of the greatest threats to the South Africa's biological diversity is Invasive Alien Species (IAS) which is causing billions of rands of damage to South Africa's economy every year. They pose a direct threat to the maintenance of sound agricultural and environmental integrity in KZN; invade natural ecosystems, cause changes to water quantity and quality in catchment areas, invade agricultural production systems and areas of biodiversity significance and they intensify the impact of fires and floods and increase soil erosion. In addressing the IAS challenge, the Invasive Alien Species Programme (IASP) was initiated aiming at controlling and managing the spread of alien species (fauna and flora) in the province. Particularly in area where there is high agricultural land, biodiversity, conservation areas. This programme is implemented throughout the province and it uses Expanded Public Works Programme (EPWP) framework to create employment opportunities for the destitute, the unemployed people. The programme also contributes towards SMME development within the local communities.

The main objective of the programme is to promote sustainable environmental management as mandated by Section 24 of the South African Constitution, while addressing the plight of unemployment. The project, thus, serves as one of government initiatives that contribute to poverty alleviation strategy in local communities, while addressing the plight of unemployment through the creation of jobs as mandated by the Provincial Growth and Development Plan (PGDP) and Expanded Public Works Programme (EPWP).

## CLIMATE CHANGE

Natural forests, grasslands and savannah play an important role in the sequestration of carbon. KwaZulu-Natal however experiences an increased loss of natural habitat to other land modifications and uses. Climate change is becoming increasingly apparent in this province. The effects of climate change are evident in the long-term changes in weather patterns, such as rainfall and temperature. The effects of climate change, in particular storms, floods and droughts, will have a considerable impact on the economy of KwaZulu-Natal. The costs associated with climate change impacts are likely to increase as the frequency and intensity of these extreme weather events increases.

The Department, working with all relevant stakeholders within the Province is mandated to oversee climate change and air quality issues. Guided by the National Climate Change Response Policy, the Province is expected to develop and implement practically appropriate Climate Change Response Strategies. In order to ensure an adequate and timely response to the effects of climate change, it is important to mainstream climate change responses into the fiscal budgetary process.

Adequate waste management is an on-going challenge. Population growth, urbanisation, manufacturers' designing of items for single use and consumer behaviour for more modernised goods are drivers for increasing the quantity and complexity of waste. Unmanaged disposal of waste causes pollution and degradation of the natural environment, and poses health and other risks. Solid waste dumped in waterways may block water flow during heavy rains. Climate change will increase the risk of rainfall variability, resulting in more frequent and intense heavy rains in some areas. The blocking of water flow by solid waste during such heavy rains may lead to an increase in flooding, thereby potentially damaging livelihoods and infrastructure. Some landfills in KwaZulu-Natal have implemented initiatives to capture biogas (which is a GHG) for energy generation and are registered under the Clean Development Mechanism (CDM) for carbon credits.

The drivers for biodiversity loss have led to an increasing demand for natural resources and for land for agricultural, urban and industrial development; mining; and plantation forestry. Invasive alien plant infestations also contribute to biodiversity loss through the degradation and loss of natural habitat. Invasive alien plant species have the potential to impact significantly on the availability of freshwater resources, agricultural production and food security, economic development, human health and livelihoods in the province. Coastal habitats are under pressure from anthropogenic activities such as coastal development, resource extraction and mining. Continued population growth and demand for development along the coast are likely to result in these pressures continuing to grow, which may threaten important goods and services. Climate change may further magnify the impacts of these drivers.

In line with the Convention of Biological Diversity (CBD), Ecosystem-based adaptation (EBA) is adopted as the sustainable management, conservation and restoration of ecosystems to provide services that help people adapt to the adverse effects of climate change. In KwaZulu-Natal, several EBA-related projects exist. For example, the uMngeni Resilience Project is working with local communities in the uMngeni District to assist them to adapt to the effects of climate change by developing and implementing EBA measures, such as early warning systems, climate-smart agriculture and climate proofing settlements. Other initiatives include the uMngeni Ecological Infrastructure Partnership, Mhlatuze Water Stewardship Partnership, Enviro-Champs and Citizen Science Initiatives by WESSA and Groundtruth.

## STRATEGIC INTERVENTIONS

A number of strategic infrastructure developments and projects to facilitate the development of the Aerotorpolis, Maritime, Industrial Economic Hubs and the two Special Economic Zone are projected to unfold as we continue to support these advantages sectors and keep our economy alive. One of the most promising projects Public Transport solution linking King Shaka International Airport to the Cities of Durban,



Pietermaritzburg, Richards Bay and Port Shepstone. Implementing the transport solution project for King Shaka International Airport will therefore boost the implementation of the Integrated Aerotropolis strategy and hence the development of the Durban Aerotropolis. The project is envisaged to establish an essential component or backbone to improve public transport on the KZN North Coast, reducing investment in new highways, or delaying the demand for an increase in the capacity of freeways with concomitant social and environmental benefits. The department will explore the feasibility and the optimal institutional model to implement this critical project.

## **OPERATION VULA**

As part of building a non-racial society the Provincial Government has resolved to strategically utilise the public procurement to help reverse the racial inequalities that are attendant in the economy. In this regard, the Provincial Government has resolved that the procurement policy must empower the historically disadvantaged, Africans in particular, within the ethos of a developmental State, pro-inclusive economic growth and non-racialism. To demonstrate the Provincial Government resolve to deepen radical economic transformation six commodities/sectors have been identified and approved by the KZN Executive Council as a potential for targeted procurement, and these are: infrastructure development, agricultural produce, bakery, uniforms, furniture, and toilet papers.

Implementation of the KZN Preferential Procurement Targeted Procurement commodities/sectors will be accompanied by an enterprise and supplier development programme to deal with technical training. In this regard, the Provincial Government, Organ of state and Public entities should empower the Historically Disadvantaged Individuals in consistence with transformation policy framework. Such enterprise and supplier development programme will ensure sustainability of awarded contracts, increase participation of blacks, women and youth in commodities/sectors identified for this initiative. The Targeted Procurement in the Province will have elements of skills transfer, technical training, mentorship, incubation, reducing payment waiting period, and infrastructural support.

## **RADICAL AGRARIAN SOCIO-ECONOMIC TRANSFORMATION (RASET)**

During the past five years, the KZN government had considered the plight of the local farmers in the province which led to a cabinet resolution in 2016 to launch the RASET programme. This initiative is an attempt to open up government markets, for small-scale farmers in the province, as a springboard with government committing 50% of food procurement to Previously disadvantaged enterprises. There are five districts that have been identified to pilot this transformative programme, namely: King Cetshwayo, Ilembe, Umkhanyakude, eThekwini, and Harry Gwala. Subsequently, the District Development Agencies (DDAs) have been earmarked as implementing agents. To date, the KZN government has allocated an amount of about R133 million to fully capacitate the DDAs in order to implement RASET. This covers, *inter alia*, the provision of revolving credit facility, refrigerated trucks, revamping of cold storage infrastructure, rehabilitation of irrigation systems. Agrarian and food value chains encompass a variety of actors and institutions, the vast majority of which is the private sector companies – whether small, medium or large, local, regional, and international. These private companies play a crucial role in selling inputs and buying their commodities and adding value to their products. Private companies also provide the financial source technology, know-how and information needed to meet the standards dictated by specific value chains. Hence, EDTEA promotes and appreciates forging linkages between small-scale producer and private-sector companies.

The strategic objective of RASET is to enable Africans to enter the food value chain and more specifically to provide access to markets to African farmers. In pursuit of the strategic objective, the programme priorities the following key focal areas:

- Establishment of a RASET Project Management Unit through secondments from public institutions.
- Creation of an integrated Supply Chain Management ICT System, to streamline procurement and payments.
- Job creation; and
- Negotiating new RASET private sector partnerships / agreements.

## **BULK BUYING AND WAREHOUSING**

The Department is also pioneering a ground-breaking initiative, known as KwaZulu-Natal Bulk Buying and Warehousing Programme which is aimed at lowering the cost of sales for our small and emerging retailers in order for them to be competitive and be able to expand their market share and participate in the retail value chain. Ultimately, the programme is aimed at cutting the middleman and ensuring that our retailers enjoy economies scale. This is part of our efforts to transform and revitalize township and rural economies in order to foster inclusive growth. Furthermore, in pursuit of the responsibility to coordinate the support and development of sustainable SMMEs and Co-operatives/social enterprises that contribute to wealth and job creation, the Department implemented various interventions including *Training, Mentorship, Incubation, Funding and Business Advisory Services*.

The Department will invest in the small enterprise economic infrastructure, prioritizing the establishment of the shared production facilities and incubation centres linked to the Operation Vula commodities and sectors. During the 2019/20 financial year, the focus will be on providing full package business support to SMMEs and Cooperatives in the cleaning detergents and chemical products manufacturing. Furthermore, the Department will intervene and support small traders in the wholesale and retail sector. In this regard, the Department will continue with the implementation and rollout of the Bulk buying and warehousing programme in the Province of KwaZulu – Natal.

The purpose of the KZN Bulk buying and warehousing programme is to enable the KwaZulu-Natal African Traders to get into and play a significant role in the mainstream of the wholesale and retail sector. Further, this will enable African Traders not only to be consumers but to acquire significant ownership of the wholesale and retail industry. The KZN Bulk buying and warehousing programme promotes the idea of collective bargaining by township and rural retail and wholesale enterprises to collectively buy directly from manufacturers or their representative suppliers or distributors in order get better pricing, quality goods and be in stock at all times to compete fairly and grow their businesses. The programme therefore involves central buying, warehousing and distribution of fast moving consumer goods, both perishable and non-perishable goods.

As its main purpose, warehousing aims at enabling the KwaZulu-Natal African Traders to get into the mainstream of the wholesale and retail sector, prioritizing the fast moving consumer goods (FMCGs). The project site was identified in Isithebe Industrial Park and was secured for the programme, it is 2000sqm warehouse. The programme is piloted at Ilembe District Municipal area and the warehouse in Isithebe Industrial Estate refurbished which was launched on the 26<sup>th</sup> March 2019.

## **YOUTH DEVELOPMENT**

### **Youth Fund**

The KZN Youth Empowerment Fund is a joint initiative between OTP and EDTEA. The current Fund capitalisation comes from OTP and EDTEA collaborated KZN Growth Fund and Provincial Treasury. The Fund was officially launched by the Premier and EDTEA MEC on the 31st of January 2019.

### **Youth in Tourism**

Tourism Graduate Development Programme aimed at assisting tourism students and unemployed tourism graduates to gain experiential training and acquire skills, in order to widen their opportunities for employment within the sector. To date, a total of 366 graduates and students have been assisted and placed at various municipalities. The programme has yielded positive outcomes in terms of achieving one of its goals which is job creation. To date, we have records over seventy (70) tourism graduates that have secured permanent as well as contractual employment within municipalities and other organizations over three intakes of this programme. Over the past five years in addition to the Departmental Graduate Programme, the Department with the assistance of the Department of Tourism has been able to assist 3966 unemployed youth, who



received one year training and employment under the Tourism Buddies and the Hospitality Youth Training Programme funded by the National Department of Tourism.

### **Black Industrialist and Township Regeneration**

One of the strategic partnerships was concluded with the Department of Trade Industry focused on promotion of Black Industrialists Programme. This enabled the Department to forward about 22 KZN based black industrialists to the National Programme for funding support and consideration, of which 9 KZN Black Industrialists projects were approved for grant funding by the DTI. Additionally, a strategic partnership with the National B-BBEE Commission was concluded to deal with B-BBEE Policy compliance matter across the Province (KZN). This necessitated the roll-out of B-BBEE Policy advocacy, awareness and information dissemination workshops across the Province. Women were further provided with training, capacity building and mentorship in various areas such as sewing, enterprise development, and business management.

Major success was also achieved by the sub-programme in co-ordinating and facilitating stakeholders for economic transformation in the Province. This included the co-ordination of B-BBEE Policy Implementation Team that involves representatives from all spheres of government, public entities and the private sectors. The Steering Committee on the Funeral Parlours was also established to deal with industry challenges. Umyezane B-BBEE Conference was also organized to deal with transformation issues in the Province. The sub-programme continues to handle various B-BBEE complaints that relate, but not limited to, fronting, late payments, and tender related issues.

A strategic framework for the Revitalization of Township and Rural Economies was successfully developed and now awaits necessary approvals. This strategic framework covers issues of shareholding by local people, mall tenancy by local small entrepreneurs, localization and the general empowerment of local communities.

### **Vuthela Ilembe Local Economic Development Support Programme Ilembe (Kwa- Dukuza and Mandeni) Municipality: 2017-2020**

The Swiss Government has injected R33 872 279,33m for the appointment of a Programme Coordinating Unit that will provide technical assistance to assist government in their efforts to reduce disparities and unlock the economic potential of KwaDukuza and Mandeni Municipalities as burgeoning urban centres in Ilembe. Designed in two phases including the planning and the implementation phase, the programme is near its completion of the first phase and is set to deliver the following among others in the implementation phase:

- Improve municipal financial management capacity,
- Deliver state of the art Municipal infrastructure mainly in the provisioning and maintenance of electricity infrastructure,
- Partner with public and private sector stakeholders to enhance skills development and business support services;
- Facilitate access to finance for local entrepreneurs and SMMEs; and to improve the productivity and competitiveness of local SMMEs and establish networks and market linkages towards local business expansion and employment growth;

The efforts will culminate to a further investment of approximately R75m from the Swiss Government for the creation of sustainable and decent jobs which are yet to be quantified.



## Automotive Sector

The plans by KwaZulu-Natal Provincial Government to develop an Automotive Supply Park (ASP) are at an advanced stage. Just over 1000 hectares of land have already been acquired in the south of Durban where the ASP will be located. The ASP will provide opportunities to large and small- medium enterprises (SMMEs) to participate in the manufacturing, supply and distribution of automotive components. The ASP project will take a phased development approach, with 227 hectares currently dedicated for Supplier Park as Phase 1 at an estimated cost of R11.5 billion. Dube Trade Port Corporation has been appointed as the implementing agent for this project. The technical team is currently compiling a detailed master plan that will include all relevant regulatory authorities. The ASP has been registered as the catalyst project both at provincial and local government levels.

## Mineral Beneficiation

Opportunities exist in the aluminum conversion and fabrication of products industry. Hulamin situated in Pietermaritzburg is a mid-stream aluminum semi-fabricator and a primary metal beneficiary; it exports 60% of its sales to customers around the globe. The company uses 25% of electricity in Msunduzi Municipality (Pietermaritzburg area). Rolled products is the largest operation in the Hulamin group, opportunities exist with full-fabrication to make products such as foil, packaging (cans, bottle screw caps), building & construction roof sheeting, automotive parts, tankers, electrical & electronics and general engineering.

South Africa exports a significant amount of semi-fabricated aluminium and imports the fabricated parts showing clear opportunity for investment in this sub-sector. However, bridging this gap will require investment in technology in the foundry and casting industry (as South Africa currently does not have the technology to cast automotive body parts), as well as strengthening the domestic aluminium supply to foundries (which is where the secondary aluminium industry holds particular promise).

## Special Economic Zones

The Department of Economic Development, Tourism and Environmental Affairs in an attempt to develop industry oriented interventions to stimulate the local economy over the years. These include, inter-alia, various sector development programmes and other industrial stimuli as a means to drive industrial development thereby creating a globally sustainable and resilient regional economy in South Africa.

Two Special Economic Zones have been designated to the Province of KwaZulu-Natal by the National Department of Trade and Industry (DTI) – with one at Richards Bay's Industrial Development Zone (RBIDZ) and the other at Dube Trade Port near King Shaka International Airport.

### Richards Bay Industrial Development Zone

The Richards Bay IDZ has managed to build an extensive investment pipeline portfolio of light and medium manufacturing enterprises. The portfolio comprises R4.5 billion Titanium Dioxide manufacturing plant, R2 Billion Biomass plant, R1.7 billion Kraft Paper Manufacturer to name a few. A R300 million PVC-O Water Pipe Manufacturer has commenced operations in the Zone, where some of their pipes are already being installed in the local municipalities as well in the African Sub-region. Secured and fully serviced customs compliant estate endowed with civil, electrical and ICT infrastructure. Consequently, the attractiveness of the Zone is displayed by the pleasing uptake of leased industrial space.

The Richards Bay Techno-hub will also be located within the RBIDZ. Richards Bay IDZ, located approximately 160 km north-east of Durban and 465 km South of Maputo on the eastern seaboard of South Africa, is strategically placed within the country's leading bulk port, handling in excess of 80 million tonnage annually. This industrial precinct has been designated as one of two of KwaZulu-Natal's Special Economic Zones (industry support measures) and is calling on investors to establish a *Metals Beneficiation Hub* (Aluminum, Titanium and Iron Ore). The hub will present numerous opportunities' through downstream application of finished products.



## Dube Trade Port Industrial Development Zone

Located with the King Shaka International Airport precinct, the Dube Trade port IDZ/SEZs continues to be a magnet of major investments such as the Samsung plant, DB Schenker amongst others. Earth works on the Phase two of the Trade Zones have already begun. **Agrizone** – This high-tech agricultural development, which forms part of the Dube Trade Port Industrial Development Zone, is host to the largest climate-controlled glass-covered growing area in Africa.

It aims to stimulate the growth of KwaZulu-Natal's perishables sector and affords the opportunity to achieve improved agricultural yields, consistent quality, year-round production and the superior management of disease and pests. The facility's primary focus is on the production of short shelf-life vegetables and other horticultural products which require immediate post-harvest airlifting and supply to both domestic and export markets. Phase 2 of the project is under way, Agrizone 2, 90 ha will be made available for farmers under this development.

## Durban Aerotropolis

The development of the Aerotropolis Master plan has been finalized, including a physical model for the proposed Durban Aerotropolis. The registration of the Aerotropolis Institute Africa (AIA) has also been completed and the Inaugural Aerotropolis Master class and a development of short courses have been piloted to test the market in April and August 2018 respectively.

Airport Rapid Rail Transit network, which entails the development of a fast/high speed-rail from KwaDukuza (Ballito) through to Dube Tradeport/KSIA Airport, Gateway/Umhlanga, and through to Durban CBD as well as potential extension to Pietermaritzburg and Johannesburg is being developed. This project is estimated to be valued at R30 billion and would create 20,000 construction jobs and 5,000 permanent jobs.

Aerotropolis Institute Africa, an educational organisation to give effect to the Durban Aerotropolis in terms of Aerotropolis skills, the development of a knowledge base for African airports and the aviation industry alike. The Institute will develop training and course models on strategies for planning, designing, financing, developing, and administering these new airport-linked urban forms. The objective here would be to share best practices, new models, and thought leadership in airport city and Aerotropolis planning, development, and operation. The University of KwaZulu-Natal (UKZN) has been appointed to develop courses and post graduate degrees specific to the development of the Aerotropolis, these include amongst others, aeronautical engineers, air traffic controllers, airport managers, pilots, logistics managers, aircraft electricians and avionics technicians.

The Province has a number of secondary Regional Airports ready for the development. Four of these airports, Newcastle, Richards Bay, Pietermaritzburg and Margate are in the process of establishing Techno Hubs at each site to serve as innovation centers in the province. The Development of regional airports are viewed as a catalyst for new investments and development in small towns as mini-airport towns. These can serve as feeder networks to King Shaka International Airport to transport tourists and high valued goods produced around the province. Opportunities for development also exist at Mkhuze Airport situated close to the Mozambique and Swaziland borders and close to many Safari tourist attractions, Ladysmith Airport situated close to the main N3 corridor and Drakensburg Mountain Cable car, Ulundi Airport situated in the heart of Zululand and heritage sites and is en-route along the uMhlatuze-Ulundi-Vryheid corridor to Richards Bay Port.

## Industrial Economic Hubs

The Department has embarked on establishing regional Industrial Economic Hubs, manufacturing industrial parks, to act as feeder systems and to establish strategic linkages with the two SEZs in the province. This initiative will enhance localization and re-industrialisation in the country. The KwaZulu-Natal's ten districts and the eThekweni Metro, have certain characteristics that give them a comparative advantage in specific sectors over other regions. The establishment of the Industrial Economic Hubs in each region would take advantage of these characteristics and advantages that each region possesses. The District IEHs are targeting manufacturing sub-sectors such as automotive; leather, renewable energy, electronics, clothing and textile and agro-processing amongst others.

During this MTEF period the department has prioritized the implementation of the Automotive Supplier Park; Leather Processing Hub and Clothing and Textile Hub. Planning processes and obtaining regulatory authorisations are currently underway in all these three hubs. The department is also vigorously identifying potential investors to locate in these hubs. During the next MTEF period the department working with relevant stakeholders will identify the next hubs to be prioritized.

### **Techno-Hubs**

The provincial hubs are currently implementing four techno-hubs in Pietermaritzburg, Port Shepstone, Newcastle and Richards Bay as instruments to develop technology and innovation in the province. It is envisaged that the regional hubs will be used and supported by technology and innovation “clusters” comprising interconnected companies, specialized suppliers, service providers, and associated institutions in a specific sector or industry.

### **Tourism Development**

Tourism is one of the cornerstones for economic prosperity in the Province of KwaZulu-Natal. To ensure that we continue harnessing the growth of this industry, the Department is undertaking a process to repeal the current KwaZulu-Natal Tourism Act of 1996 as amended in 2002. The amended legislation will be in sync with the Tourism Act No.3 of 2014.

The estimated total direct contribution of the sector to GDP of the province amounted to approximately R9.0 billion in 2016, making KwaZulu-Natal the second largest contributor to the economy of the country. The main purpose for visiting KwaZulu-Natal by both foreign and domestic visitors is for holiday, business, visiting friends and family and other. The activities that are undertaken in the province by land or air visitors include, nightlife, shopping, visiting natural attractions, beach, wildlife, cultural, historical and heritage, social, business, theme parks, adventure, casino, sporting (spectator), education, hunting, medical, health, trading and entertainment. All of these activities entice both international and domestic visitors to visit the province and are key contributors to the stability and growth of the tourism sector.

The Department has embarked on various initiatives to develop domestic and regional tourism through the East3Route which is a tourism and investment route linking South Africa (KwaZulu-Natal and Mpumalanga Provinces), Mozambique, Swaziland and Seychelles. The KwaZulu-Natal Airport Strategy was formulated to attract more airlines into the province and strengthen existing relationships with current airlines amongst other things. In order to reinforce promotional initiatives about the province, the provincial government has developed a Provincial Marketing Strategy to penetrate the domestic and regional markets as well as enhancing international markets.

The KwaZulu-Natal Convention Bureau which is part of Tourism KwaZulu-Natal was established to provide leadership and co-ordination of major events and conferences hosted in the province. The Department has partnered with different events organisers in hosting a number of high profile events such as the Metro Awards, Durban July and the Tourism Indaba. The province has once again been granted rights to host Tourism Indaba for the next five years. Moreover, as part of contributing to Ndumo Yenkululeko Regeneration programme, the Department will be upgrading Ndumo Lodge within Ndumo Game Reserve to tune of R4.2 million with an additional R1 million during the current financial year. The project is the conduit to job creation, product diversification and participation of the communities in the mainstream tourism economy.

### **Sustainable Environmental Management**

The Department advances environmental sustainability for socio-economic development through the promotion of sustainable use of a safe and healthy environment. Our efforts are implemented through the sub-programmes including compliance, monitoring and enforcement, impact management, pollution and



waste management, air quality, climate change, coastal and biodiversity management as well as invasive alien species and environmental empowerment programmes.

It continues to fast-track the processing of environment impact assessments within the applicable law and procedures, in order to ensure that there are no delays in the development of economic infrastructure where EIAs are required. This obviously has many benefits, for instance during the 2015/2016 period, 98% of the EIAs were finalized within legislated timeframes and their capital project value was estimated at R30 billion. In 2017/2018, another 98% of EIA applications were also processed within legislated timeframes. This translates to 170 EIA applications processed, with the potential of creating an estimated 9 396 jobs during the construction phase and 16 179 at operational phase. Furthermore, 90% of waste license applications were also processed within timeframes. We have also supported small scale recyclers with respect to the purchasing of recycling equipment and will continue to do so in during the 2018/2019 financial year.

Industrial development in the Province of KwaZulu-Natal has led to unintended consequences of emissions of air pollutants, especially criteria pollutants such as sulphur dioxide, particulate matter and oxides of nitrogen. The Department is reviving the scientific mobile ambient monitoring system which determines the levels, extent and magnitude of the pollutants which may adversely affects the quality of life on sensitive populations in this Province.

Global statistics show that the low-carbon goods and services sector employs 28 million people, and is growing by 4% per annum, which is faster than in most developed countries at the moment. KwaZulu-Natal is also gearing up itself to ensure that it is not left behind in this new growth opportunity.

To better co-ordinate the implementation of the environmental management and green economy action in the province, a *Provincial Renewable Energy Workgroup* has been established under the leadership of this Department. The key initiatives that have been implemented so far include the development of Solar and Wind Resource Maps for the province and KwaZulu-Natal is the first province to have such a resource for the benefit of both private and public sectors.

The Department has also developed a Municipal Waste to Energy Protocol and Technical Assistance Programme. It has further established a Green Economy Technical Assistance Fund worth R2.5 million to enhance the green economy initiatives. Various capacity building and knowledge sharing initiatives have been conducted and the province has also established the KwaZulu-Natal Green Growth Website/Portal ([www.kzngreengrowth.com](http://www.kzngreengrowth.com)) with all relevant projects, funding and research information relating to the province's green economy.

Ezemvelo KZN Wildlife tirelessly strived to ensure that we deliver on the commitment to conserve the environment and protect the rhinos. The entity developed the Rhino Strategic Plan 2014 – 2017 which was implemented vigorously. This financial year, the Department will continue to ensure that the areas of compliance, monitoring and enforcement, impact management, pollution and waste management, air quality, climate change, coastal and biodiversity management as well as invasive alien species and environmental empowerment continue to receive attention.

### **Maritime**

The department has supported the development of the aquaculture in the province. Benchmarking exercises were undertaken with China and Egypt and several projects have been supported in this industry. To enhance boat building in the Province, EDTEA in collaboration with Transnet and the Ethekwini Maritime Cluster (EMC) are initiating the establishment of a Boat Building Park in the Port of Durban, Bayhead Precinct. The intention is to co-locate boat builders, suppliers, cross cutting activities such as trainers in the Port of Durban to leverage economies of scale. This is in line with the KIMS and Operation Phakisa: Ocean Economy initiatives. EDTEA has also funded the KZN Sharks Board to build 9 boats for the purposes of transporting fresh produce as well as for the initiation of Coastal and Marine Tourism activities in KwaMbonambi River, King Cetshwayo District Municipality. The objective is to enhance job creation and business opportunities for the communities. The building of these 9 boats is being undertaken at Sharks

Board's boat building school in Springfield Park with the enrolment being predominantly youth in order for them to obtain the prerequisite qualification and experience.

The KZN Maritime Incubation and Enterprise Development Programme is a training, mentorship and support programme aimed at developing new maritime enterprises in King Cetshwayo and Ugu District Municipalities. 49 incubatees comprising of mainly youth, women are benefiting from this programme. The beneficiaries are mentored to establish their maritime related enterprises and they will be linked to potential funders and markets.

### ***Oil and Gas Exploration***

In supporting the development of oil and gas industry in the Province, Richard's Bay IDZ in collaboration with EDTEA is undertaking a feasibility study on the establishment of the RBIDZ oil and gas hub. The study is nearing finalization and it is already confirming our assertion that Richards Bay has both comparative and competitive advantage to host oil and gas hubs. RBIDZ is also earmarked for the Gas to Power programme where it was announced that about 2000 megawatts will be produced in Richard's Bay as well as the development of an Oil Refinery.

### ***Small Harbour and Coastal State Land Development***

EDTEA is working with Department of Public Works to develop a business case on the development of Small Harbours in the Province. The intended outcomes of this initiative will be socio-economic knock on effect in terms of job creation, skill development, and enterprise development. Within the Operation Phakisa initiatives, the Port Edward Small harbor has been identified as a proclaimed harbour that requires development.



## ORGANISATIONAL ENVIRONMENT

During the 2018/2019 financial year, the Department was in the process of reviewing its organisational structure that was last approved in 2007 and this process will be finalised during this current term of the 6<sup>th</sup> Administration. The purpose of the review is based on a thorough situational and functions analysis that was conducted. The analysis found that the current structure does not take into cognisance the strategic and functional changes that have happened over the years in the Department. The intention is therefore to accommodate these changes and translating the focus of the Department to the core mandate in line with the key functional mandate, as well as the evolving mandates and to strengthen the setting of key areas. Furthermore, the purpose is to ensure that the organisational structure responds to government's policy priorities and social vision as envisaged in the National Development Plan as well as the ensuing mandate delivery model against key Medium Term Strategic Framework projects relevant to the Department's mandate in respect to Economic Development, Tourism and Environmental management.

The Department is operating under serious capacity constraints with a vacancy rate of 29%. This is above the 10% norm set by the DPSA. To date, the department has managed to secure key management positions, namely, *DDG: Sector Development and Business Governance*, *Chief Financial Officer* and *CD: Environmental Management*, and Chief Director Tourism Development. The impact of high vacancy rate has affected staff performance and morale since staff has had to assume additional responsibilities and work overtime in order to deliver on the key responsibilities.

The Departmental Human Resource Plan 2018-2021, which identifies current and future human resources needs for the Department to achieve its strategic goals, has been approved and is currently being implemented to ensure that the appropriately skilled people are able to respond to critical areas in the course of delivering on the mandate of the Department.

The Department exposes employees to various training interventions to close skills gaps and enhance knowledge and skills in their respective areas. These human resource development interventions emanate from the employees' Personal Development Plans that are consolidated into a Workplace Skills Plan. The Department will be developing a structured Talent Pipeline Strategy that contributes to high level human capital development and to the creation of a pool of critical skills. Such skills are aimed at changing the profile of the workforce with regards to representation. The aim of the Talent Pipeline Programme is to produce professionals who will provide a sustainable environment. Through these programmes young talent is targeted and inspired to take up careers in the specialized areas like Aeronautics. Special effort is taken to provide assistance to disadvantaged employees who want to further their careers.

Upon the approval of the departmental organogram, change management as a by-product of the Turnaround Strategy, will take place in various areas across the Department. All identified Turnaround Strategy Projects are change initiatives by nature and will be managed through different platforms and means of communication. The Department is further committed to the deployment of a departmental wide enterprise architecture system that will not only ensure efficient and effective management and operational systems but also improve service delivery. This will firstly involve the development and deployment of a Management Information System that will provide dashboards and real-time reports that will assist the department in making policy decisions for better service delivery.

The Department is currently facing infrastructure challenges in terms of office accommodation. These challenges emanate from the shortage and property standards of the procured office space within Pietermaritzburg and the other seven (7) outlying districts except Durban metropolis. In order to address these challenges the Department is intending on collaborating with Ithala property division on developing a concept document to address these challenges into building our own infrastructure office accommodation. The nature of the infrastructure presented to us by the Department of Public Works impacts on effective service delivery by departmental officials.

## ORGANISATIONAL PERFORMANCE: RESPONDING TO AUDIT FINDINGS 2017/18

### *The office of the HOD*

The main function of the HoD's office is to provide strategic leadership, risk management, strategic planning, administration and effective management of the Department's programmes in order to fulfill its mandate. In responding to the 2017/18 Findings the following actions have been taken to address some of the challenges that were cited within the departmental strategic areas of performance. The following critical positions have been filled:

- Director: Internal Audit
- Director: Strategic Planning
- Director: Public Entity Oversight
- Director: Risk Management

### *Irregular Expenditure*

Irregular expenditure continues to be a challenge within the Department owing to a number of challenges. The Department, working with the provincial treasury and the AGSA has, scrutinised the root causes for the non-compliance. The following are some of the actions that have been taken to address the shortcomings:

- Revised approach to planning: **Integrated planning** within the departmental programmes and public entities
- Implementation of the approved **Project Management Framework**
- Revised approach to **project conceptualisation**
- **Prioritising budget** allocation to departmental areas of focus as informed by the strategy (OV, RASET, etc.)
- Development of **Funding Policy** (transparent and fair beneficiary selection process)
- Using the Funding Policy as a tool for driving **Radical Economic Transformation**

### *Performance Information*

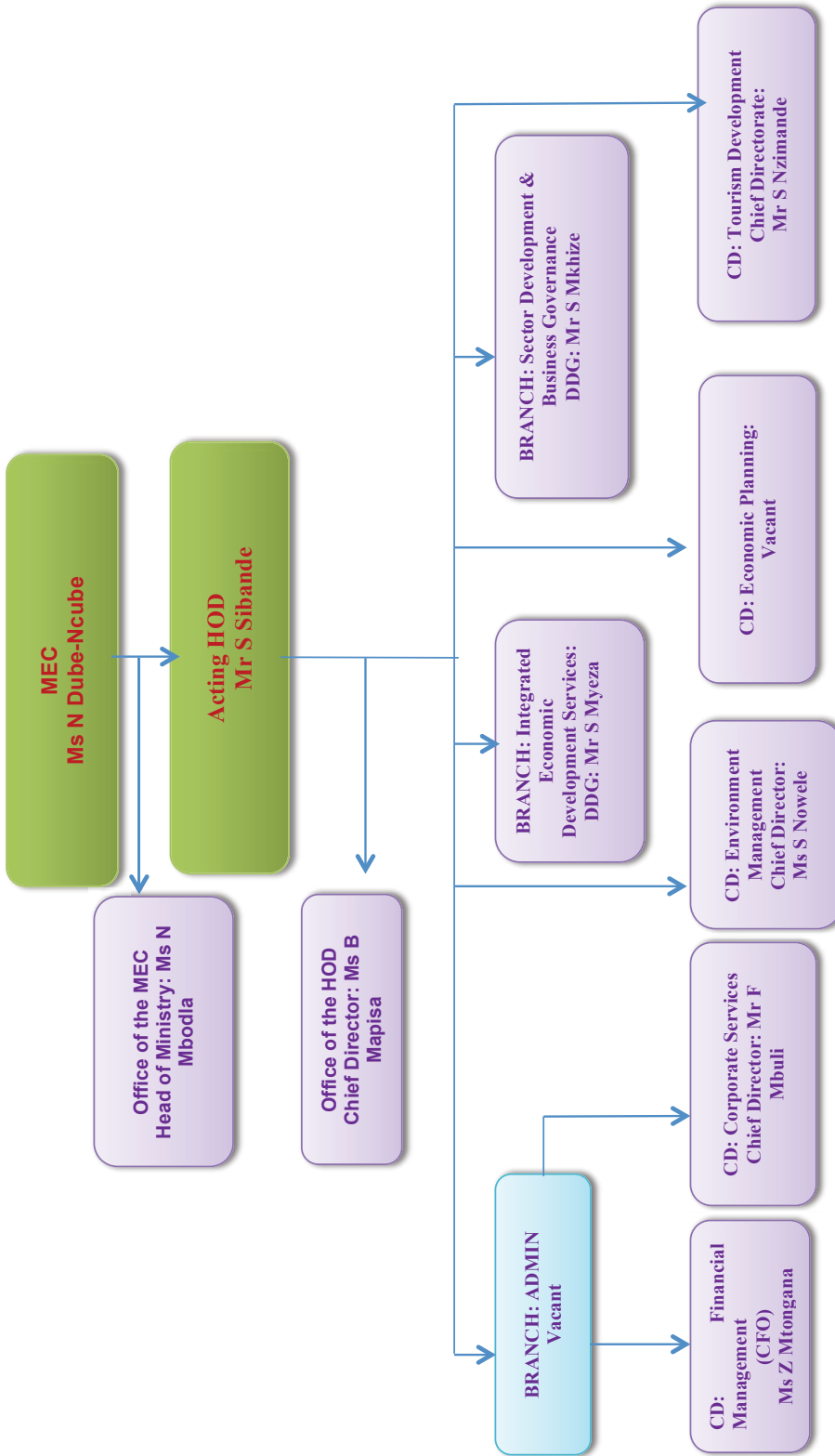
The Monitoring and Evaluation unit has suffered the loss of its critical positions, the Director and the two Deputy Directors which led to a momentary dysfunctional of the unit, however, these three critical positions have been advertised. In the interim period, the Director: Planning has been appointed to provide additional support to the Monitoring and Evaluation and ensure Performance Information compliance requirements are adhered to. Given the strategic nature of this unit, the Department is prioritising the positions within the sub-programme.

### *Action Work Groups reporting to the Department*

EDTEA, as part of the ESID cluster, working closely with its public entities have managed the functioning of the Action Work Groups and will continue to do so. Some of the key achievements to date are:

- *Marine Transport and Manufacturing*
- *Research, Innovation, Skills, and SMMEs Development*
- *Oil and Gas Exploration*
- *Small Harbour and Coastal State Land Development*
- *SMME and Cooperative Development*

**HIGH LEVEL ORGANISATIONAL STRUCTURE OF EDTEA**





## 5. ALIGNMENT WITH NATIONAL AND PROVINCIAL PLANS

KWAZULU-NATAL DEPARTMENT OF ECONOMIC DEVELOPMENT, TOURISM & ENVIRONMENTAL AFFAIRS' GOALS AND PROGRAMMES ALIGNED TO PROVINCIAL GROWTH & DEVELOPMENT PLAN WHICH ALSO RESONATES WITH THE NATIONAL DEVELOPMENT PLAN

The Departmental Annual Performance Plan for 2019/2020 financial year has been aligned to both national and provincial strategies such as the National Development Plan and the Provincial Growth and Development Plan.

### NATIONAL DEVELOPMENT PLAN

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

- Decent employment through inclusive growth;
- An efficient, competitive and responsive economic infrastructure network;
- Protecting and enhancing our environmental assets and natural resources; and
- An efficient, effective and development oriented public service.

As a national framework to guide the country's socio-economic advancement the NDP it serves as the bench-mark for the development of provincial governments and municipalities hence the Provincial Growth and Development plan could be referred as the province's replica of the national plan.

## 6. KZN PROVINCIAL GROWTH & DEVELOPMENT PLAN

The Fourteen (14) Key Priority Outcomes of the NDP were incorporated into the updated KwaZulu-Natal Provincial Growth and Development Strategy and Plan 2030 which systematically aligns the Province of KwaZulu-Natal with the national developmental priorities. Flowing from this, the KwaZulu-Natal Department of Economic Development had envisaged sustainable development as the fundamental driver of economic growth, social and environmental management. These are fundamental elements of both the NDP and the PGDP which is reflected in the province's strategic vision below:-

***By 2030 KwaZulu-Natal 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 for the achievement of vision 2030 objectives (the bold being more relevant to EDTEA):

- **Job creation;**
- Human resource development;
- **Human and community development;**
- **Strategic infrastructure development**
- **Appropriate responses to climate change;**
- **Effective governance and policy;** and
- Spatial equity achievement.

### PGDP FRAMEWORK

The key goals that this Department is expected to align with its own strategic mandate and programmes are listed below. The Department has therefore a responsibility to ensure that these goals and the related strategic objectives are co-ordinated and implemented and reported to the Provincial Planning Commission.



## KWAZULU-NATAL DEPARTMENT OF ECONOMIC DEVELOPMENT, TOURISM & ENVIRONMENTAL AFFAIRS' STRATEGIC GOALS ALIGNED TO MTSF AND PGDP GOALS

Driven through the programmes and sub-programmes of the Department, below is a table illustrating the MTSF and PGDP Goals that are aligned to this portfolio.

**TABLE 2: MTSF AND PGDP GOALS AND DEPARTMENTAL STRATEGY ALIGNMENT**

<b>Outcome 4: Decent employment through inclusive economic growth</b>				
<b>MTSF High Impact Indicator</b>	<b>MTSF Target</b>	<b>Provincial Indicator</b>	<b>Provincial Target</b>	<b>EDTEA Aligned Indicator</b>
GDP growth (annualised and quarterly)	5% growth in 2019	GDP per capita within the provincial economy	R39 760	3% GDP Growth by 2020 as per MEC pronouncement
Employment creation	Annual employment growth to increase by 350 000 a year in 2014-15 and thereafter the rate of employment growth to increase, with targets set annually.	Total employment in all sectors within the provincial economy	3 300 000	55 0000 decent employment opportunities facilitated by Departmental interventions by 2020
Investment rate (% of GDP)	25% of GDP	Unknown	Unknown	R8 billion worth of investments attracted to KwaZulu-Natal by 2020

<b>Outcome 6: An efficient, competitive and responsive economic infrastructure network</b>				
<b>MTSF High impact Indicator</b>	<b>MTSF Target</b>	<b>Provincial Indicator</b>	<b>Provincial Target</b>	<b>EDTEA Aligned Indicator</b>
Increased broadband penetration	80% at 5Mbps; 50% at 50Mbps	Number of kilometres of backbone Fibre Optic cables rolled out	Unknown	Minimum broadband speed available within the Province
Increased public and private ICT investment in telecoms networks	10% increase	Number of kilometres of backbone Fibre Optic cables rolled out	Unknown	Number of ICT Infrastructure Nodes

<b>Outcome 10: Protect and Enhance our Environmental Assets and Natural Resources</b>				
<b>MTSF High Impact Indicator</b>	<b>MTSF Target</b>	<b>Provincial Indicator</b>	<b>Provincial Target</b>	<b>EDTEA Aligned Indicator</b>
Percentage of area of state managed protected areas assessed with a METT score above 67%	90% of area of state managed protected areas assessed with a METT score above 67%	Unknown	Unknown	TBC
Percentage of coastline with full protection	12%	Unknown	Unknown	% of coastline with full protection
Percentage of coastline with partial protection	15%	Unknown	Unknown	TBC
Reduced total emissions of CO2	34% reduction from "Business As Usual" by 2020 and 42% by 2025	Unknown	Unknown	TBC
Reduced vulnerability and risks associated with climate change impacts	Climate Change Response for 5 key sectors implemented	Unknown	Unknown	TBC

<b>Outcome 12: An efficient, effective and development-oriented public service</b>				
<b>MTSF High impact Indicator</b>	<b>MTSF Target</b>	<b>Provincial Indicator</b>	<b>Provincial Target</b>	<b>EDTEA Aligned Indicator</b>
% of national and provincial departments that achieve at least level 3 within 50% of the Management Performance Assessment Tool (MPAT) standards for each cycle	70%	Unknown	Unknown	MPAT Score level 4 in all KPA by 2020
Funded vacancy rate (average % of posts on PERSAL which are vacant over a quarter, for all national and provincial departments)	Less than 10%	Unknown	Unknown	10% or less t of funded posts in PERSAL which are vacant per quarter (vacancy rate)
Average number of days taken to resolve disciplinary cases (all national and provincial departments)	90 days	Unknown	Unknown	Disciplinary & grievances cases are finalised within 60 days
Number of qualified, adverse and disclaimer annual audit reports on national and provincial government	15 or below	Unknown	Unknown	Achieve unqualified audit findings
% of legitimate invoices from suppliers reported as not paid within 30 days in monthly reports from departments to Treasury	Not yet calculated as a percentage	Unknown	Unknown	Achieve 100 on % of valid invoice paid within 30 days

## 7. OVERVIEW OF 2019/2020 BUDGET AND MTEF ESTIMATES

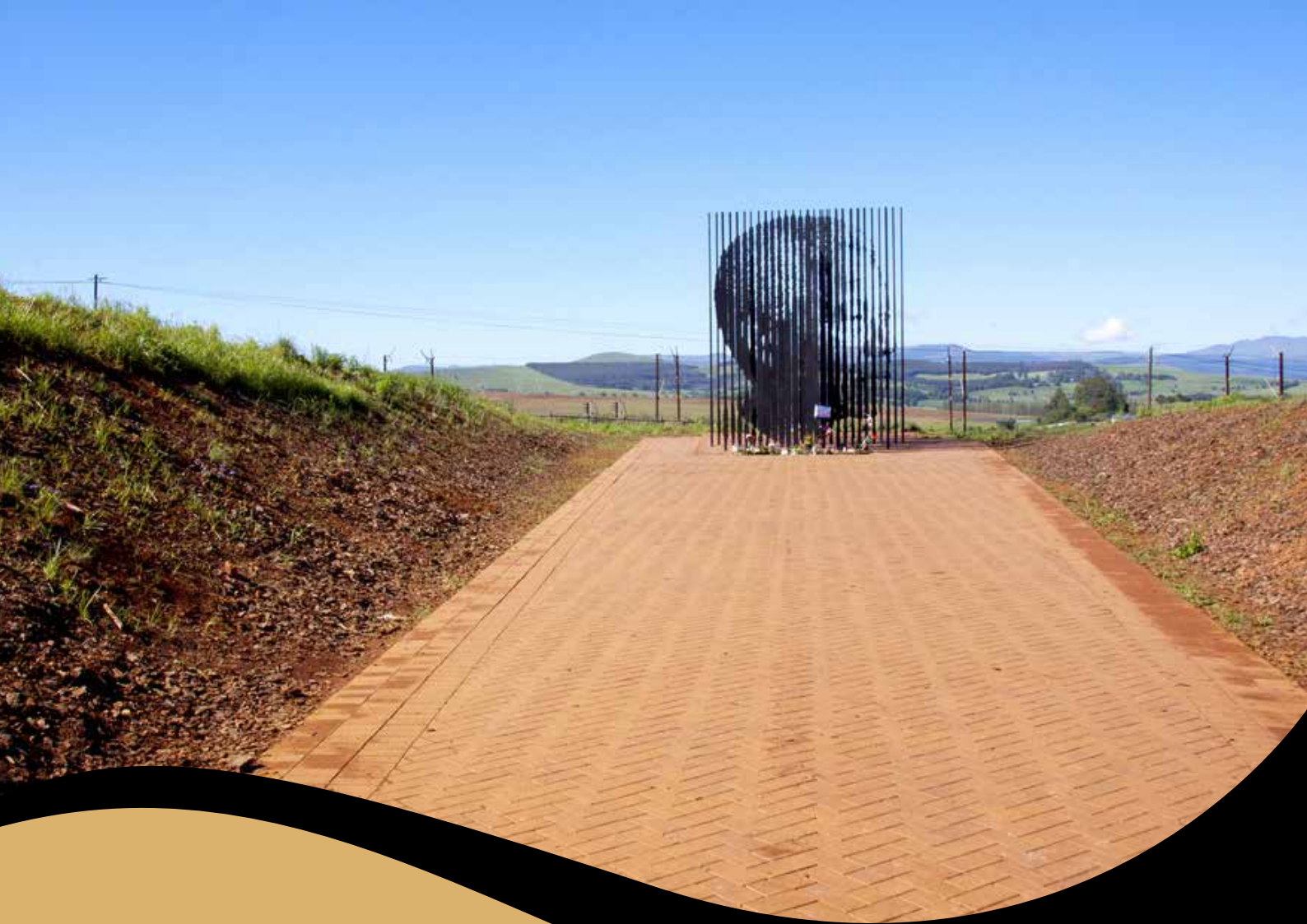
### TABLE 4: KWAZULU-NATAL DEPARTMENT OF ECONOMIC DEVELOPMENT, TOURISM & ENVIRONMENTAL AFFAIRS

Table 4.4 : Summary of payments and estimates by programme: Economic Development, Tourism and Environmental Affairs

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22
1. Administration	185 577	281 845	228 775	271 110	262 645	253 085	305 476	321 277	339 855
2. Integrated Economic Development Services	427 599	311 759	390 291	419 310	564 764	564 764	442 746	463 876	489 387
3. Trade and Sector Development	939 786	800 724	806 994	901 244	796 256	796 256	933 959	985 930	1 040 161
4. Business Regulation and Governance	133 102	144 142	169 545	120 145	116 863	116 863	176 463	187 136	197 431
5. Economic Planning	29 492	35 799	23 814	40 024	32 214	32 214	42 066	44 151	46 625
6. Tourism	375 674	246 708	208 197	247 786	231 678	248 378	288 997	316 715	333 206
7. Environmental Affairs	928 753	819 784	936 069	1 009 677	1 014 168	1 007 028	1 045 385	1 096 638	1 156 952
<b>Total</b>	<b>3 019 983</b>	<b>2 640 761</b>	<b>2 763 685</b>	<b>3 009 296</b>	<b>3 018 588</b>	<b>3 018 588</b>	<b>3 235 092</b>	<b>3 415 723</b>	<b>3 603 617</b>
Unauth. Exp (1st charge) not available for spending	(236)	-	-	-	-	-	-	-	-
<b>Baseline available for spending after 1st charge</b>	<b>3 019 747</b>	<b>2 640 761</b>	<b>2 763 685</b>	<b>3 009 296</b>	<b>3 018 588</b>	<b>3 018 588</b>	<b>3 235 092</b>	<b>3 415 723</b>	<b>3 603 617</b>

Table 4.5 : Summary of payments and estimates by economic classification: Economic Development, Tourism and Environmental Affairs

	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22
<b>R thousand</b>									
<b>Current payments</b>	<b>654 090</b>	<b>697 739</b>	<b>601 311</b>	<b>902 818</b>	<b>850 094</b>	<b>830 100</b>	<b>1 050 841</b>	<b>1 149 023</b>	<b>1 215 249</b>
Compensation of employees	280 139	291 529	299 032	395 703	360 615	352 404	439 841	467 445	494 093
Goods and services	373 951	406 210	302 279	507 115	489 479	477 696	611 000	681 578	721 156
Interest and rent on land	-	-	-	-	-	-	-	-	-
<b>Transfers and subsidies to:</b>	<b>2 361 443</b>	<b>1 936 018</b>	<b>2 150 285</b>	<b>2 099 465</b>	<b>2 157 441</b>	<b>2 177 694</b>	<b>2 178 201</b>	<b>2 263 036</b>	<b>2 384 503</b>
Provinces and municipalities	9 552	10 003	33 096	19 938	16 563	16 611	22 615	23 812	25 141
Departmental agencies and accounts	1 576 098	1 413 667	1 553 927	1 590 754	1 489 754	1 506 454	1 693 904	1 755 291	1 851 832
Higher education institutions	2 000	10 617	-	31 138	5 000	5 000	5 100	5 396	5 693
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	540 534	288 348	341 904	251 662	352 489	352 489	246 282	259 819	274 109
Non-profit institutions	222 421	200 098	211 823	198 577	280 077	280 077	208 835	217 180	226 105
Households	10 838	13 285	9 535	7 396	13 558	17 063	1 465	1 538	1 623
<b>Payments for capital assets</b>	<b>3 843</b>	<b>5 288</b>	<b>12 025</b>	<b>7 013</b>	<b>11 053</b>	<b>10 797</b>	<b>6 050</b>	<b>3 664</b>	<b>3 865</b>
Buildings and other fixed structures	17	-	-	-	516	522	-	-	-
Machinery and equipment	3 826	5 206	11 898	7 013	10 537	10 251	4 895	2 442	2 576
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	82	127	-	-	24	1 155	1 222	1 289
<b>Payments for financial assets</b>	<b>607</b>	<b>1 716</b>	<b>64</b>	<b>-</b>	<b>-</b>	<b>(3)</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total</b>	<b>3 019 983</b>	<b>2 640 761</b>	<b>2 763 685</b>	<b>3 009 296</b>	<b>3 018 588</b>	<b>3 018 588</b>	<b>3 235 092</b>	<b>3 415 723</b>	<b>3 603 617</b>
Unauth. Exp (1st charge) not available for spending	(236)	-	-	-	-	-	-	-	-
<b>Baseline available for spending after 1st charge</b>	<b>3 019 747</b>	<b>2 640 761</b>	<b>2 763 685</b>	<b>3 009 296</b>	<b>3 018 588</b>	<b>3 018 588</b>	<b>3 235 092</b>	<b>3 415 723</b>	<b>3 603 617</b>



# *Part B: Programmes and Sub-Programmes*



**edtea**

Department :  
Economic Development, Tourism and  
Environmental Affairs  
PROVINCE OF KWAZULU-NATAL

- PROGRAMME PURPOSE
- RECONCILING PERFORMANCE TARGETS AND BUDGETS

## **PROGRAMME ONE: 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 public 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 policy directives and the aligned strategic objectives, each of the programmes and their respective sub-programme are 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 informed by and aligned to 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 and Integrity management, Internal Audit, Strategic Planning, Intergovernmental Relations, Administration and effective management of the Department's programmes and Public Entities in order to fulfill its mandate.

Central to the functions of the HOD's office is provision of the oversight responsibility for the implementation of the Department's programmes and the related public entities, key strategic interventions and flagship projects. The office is also responsible for the fostering and maintaining of strategic partnerships and relations outside and within the province that will make a positive contribution towards the economic growth of the province.

### **FINANCIAL MANAGEMENT**

The strategic objective of the sub-programme is to ensure the effective implementation of the PFMA and other related financial regulations and policies. The financial management unit, which manages the financial aspects of each the sub-programmes, 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 Department's human resources, improving the audit opinion as well as risk management and fraud prevention initiatives.

### **CORPORATE SERVICES**

Corporate Services is informed by various pieces of legislation and frameworks most importantly being the general functional grouping of programme one (1) as approved by the Minister of Public Service and Administration (DPSA). Corporate Services should be understood in a sense, that is not directly involved in providing public services, however, it plays a pivotal role in supporting the core business in delivering services to the broader clientele of the Department.

**RECONCILING PROGRAMME PERFORMANCE WITH MTEF BUDGET  
EXPENDITURE ESTIMATES**

**TABLE 1.1: ADMINISTRATION - SUMMARY OF PAYMENT PER SUB-PROGRAMME**

**Table 4.12 : Summary of payments and estimates by sub-programme: Administration**

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22
								2018/19	
1. Office of the MEC	24 172	28 282	29 884	29 000	29 937	30 788	31 001	32 682	34 651
2. Office of the HOD	29 316	68 565	25 379	23 069	20 971	21 295	24 043	25 310	26 827
3. Financial Management	33 381	41 270	35 946	45 064	33 433	30 933	48 311	50 969	54 022
4. Corporate Services	98 708	143 728	137 566	173 977	178 304	170 069	202 121	212 316	224 355
<b>Total</b>	<b>185 577</b>	<b>281 845</b>	<b>228 775</b>	<b>271 110</b>	<b>262 645</b>	<b>253 085</b>	<b>305 476</b>	<b>321 277</b>	<b>339 855</b>



TABLE 1.2: SUMMARY OF PAYMENTS AND ESTIMATES BY ECONOMIC CLASSIFICATION ADMINISTRATION

Table 4.13 : Summary of payments and estimates by economic classification: Administration

	Audited Outcome		Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates			
	2015/16	2016/17				2017/18	2019/20	2020/21	2021/22
<b>R thousand</b>									
<b>Current payments</b>	<b>181 171</b>	<b>275 331</b>	<b>218 322</b>	<b>266 715</b>	<b>255 119</b>	<b>242 422</b>	<b>303 386</b>	<b>319 853</b>	<b>338 353</b>
Compensation of employees	71 157	75 311	80 335	111 297	98 694	93 621	127 683	135 554	143 914
Goods and services	110 014	200 020	137 987	155 418	156 425	148 801	175 703	184 299	194 439
Interest and rent on land	-	-	-	-	-	-	-	-	-
<b>Transfers and subsidies to:</b>	<b>1 297</b>	<b>2 962</b>	<b>696</b>	<b>582</b>	<b>1 022</b>	<b>4 426</b>	<b>65</b>	<b>69</b>	<b>73</b>
Provinces and municipalities	52	3	146	63	63	111	65	69	73
Departmental agencies and accounts	7	9	-	9	9	9	-	-	-
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	256	-	-	-	-	-	-	-	-
Non-profit institutions	-	-	-	-	-	-	-	-	-
Households	982	2 950	550	510	950	4 306	-	-	-
<b>Payments for capital assets</b>	<b>2 977</b>	<b>2 997</b>	<b>9 754</b>	<b>3 813</b>	<b>6 504</b>	<b>6 240</b>	<b>2 025</b>	<b>1 355</b>	<b>1 429</b>
Buildings and other fixed structures	17	-	-	-	-	6	-	-	-
Machinery and equipment	2 960	2 915	9 754	3 813	6 504	6 234	870	133	140
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	82	-	-	-	-	1 155	1 222	1 289
<b>Payments for financial assets</b>	<b>132</b>	<b>555</b>	<b>3</b>	<b>-</b>	<b>-</b>	<b>(3)</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total</b>	<b>185 577</b>	<b>281 845</b>	<b>228 775</b>	<b>271 110</b>	<b>262 645</b>	<b>253 085</b>	<b>305 476</b>	<b>321 277</b>	<b>339 855</b>



## STRATEGIC OBJECTIVES AND PERFORMANCE INDICATORS: OFFICE OF THE MEC

<b>Strategic Goals:</b> Achieve institutional excellence responsive to the needs of the province.									
<b>Goals Statement:</b> Establish a dynamic institution through a high performance and value based culture.									
Strategic Objective	Objective indicator	Strategic Target	Audited/Actual performance			Estimated Performance 2018/2019	Medium-term targets		
			2015/2016	2016/2017	2017/2018		2019/2020	2020/2021	2021/2022
To provide strategic leadership, risk management, strategic planning, executive support and effective management of the Department's programmes in order to fulfill its mandate.	Improve compliance level of strategic planning	100% achievement in compliance of strategic planning	New	New	New	New	(100%)	100%	100%
	Improve compliance Level of EDTEA Management structures	100% achievement in compliance of EDTEA Management structures	New	New	New	New	(100%)	100%	100%

### PROGRAMME PERFORMANCE INDICATORS AND ANNUAL TARGETS FOR 2019/2020

<b>Strategic Goals:</b> Achieve institutional excellence responsive to the needs of the province.									
<b>Strategic Objective:</b> To provide strategic leadership, risk management, strategic planning, executive support and effective management of the Department's programmes in order to fulfill its mandate.									
Interventions	Programme Performance Indicator	Audited/Actual Performance				Estimated Performance 2018/2019	Medium-Term Targets		
		2015/2016	2016/2017	2017/2018	2019/2020		2020/2021	2021/2022	
Tabling of strategic documents: • 2021/2025 Strategic Plan • 2020/2021 Annual Performance Plan • 2020/2021 Budget Speech 2018/2019 Annual Report	Number of strategic documents tabled to the legislature as per statutory requirements	New	New	New		New	(5)	3	3
Strategic engagements: • Community engagements • Business Engagement • Entity oversight	Number of strategic engagements supported	New	New	New		New	(3)	3	3
Implement Minimum Information Security Standards	Number of security policies implemented	New	New	New		New	(1)	1	1



## QUARTERLY TARGETS FOR 2019/2020

<b>Strategic Goals:</b> Achieve institutional excellence responsive to the needs of the province.							
<b>Strategic Objective:</b> To provide strategic leadership, risk management, strategic planning, executive support and effective management of the Department's programmes in order to fulfill its mandate.							
Interventions	Performance Indicator	Reporting Period	Annual Target 2019/2020	Quarterly Targets			
				1 <sup>st</sup> (April-June)	2 <sup>nd</sup> (July-Sep)	3 <sup>rd</sup> (Oct-Dec)	4 <sup>th</sup> (Jan-March)
Tabling of strategic documents: • 2021/2025 Strategic Plan • 2019/2020 Annual Performance Plan • 2020/2021 Annual Performance Plan • 2020/2021 Budget Speech • 2018/2019 Annual Report	Number of strategic documents tabled to the legislature as per statutory requirements	Annual	5	-	3	-	2
Strategic engagements: • Community engagements • Business engagements • Entity oversight	Number of strategic engagements supported	Quarterly	3	-	3	3	3
Implement • Minimum Information Security Standards	Number of security policies implemented	Annual	1	-	1	1	1

**STRATEGIC OBJECTIVES AND PERFORMANCE INDICATORS: OFFICE OF THE HOD**

<b>Strategic Goals:</b> Achieve institutional excellence responsive to the needs of the province.										
<b>Goals Statement:</b> Establish a dynamic institution through a high performance and value based culture.										
<b>Strategic Objective</b>	<b>Objective indicator</b>	<b>Strategic Target</b>	<b>Audited/Actual performance</b>				<b>Estimated Performance 2018/2019</b>	<b>Medium-term targets</b>		
			<b>2015/2016</b>	<b>2016/2017</b>	<b>2017/2018</b>	<b>2019/2020</b>		<b>2020/2021</b>	<b>2021/2022</b>	
To provide strategic leadership, risk management, strategic planning, executive support and effective management of the Department's programmes in order to fulfil its mandate.	Improve compliance level of strategic planning	100% achievement in compliance of strategic planning	New	New	New	New	(100%)	100%	100%	100%
	Improve compliance Level of EDTEA Management structures	100% achievement in compliance of EDTEA Management structures	New	New	New	New	(100%)	100%	100%	100%



## PROGRAMME PERFORMANCE INDICATORS AND ANNUAL TARGETS FOR 2019/2020

<b>Strategic Goal:</b> Achieve institutional excellence responsive to the needs of the province.								
<b>Strategic Objective:</b> To provide strategic leadership, risk management, strategic planning, executive support and effective management of the Department's programmes in order to fulfill its mandate.								
Interventions	Programme Performance Indicator	Audited/Actual Performance			Estimated Performance 2018/2019	Medium-Term Targets		
		2015/2016	2016/2017	2017/2018		2019/2020	2020/2021	2021/2022
Conduct strategic planning session with EDTEA and its entities for the 2021-2025 term	Approved Five Year Strategic Plan	1	-	-	-	-	(1)	-
Develop an annual performance plan for 2020-2021.	Approved Annual Performance Plan	Approved APP	Approved APP	1	1	(1)	(1)	1
- Develop and monitor the risk management improvement plan - Conduct risk assessment workshops - Produce CARC quarterly reports on risk management	Percentage implementation of the risk mitigation strategy	New	New	100%	100%	(100%)	(100%)	100%
N/A	Percentage implementation of MPAT improvements plans	New	New	100%	100%	-	-	-

**PROGRAMME PERFORMANCE INDICATORS AND ANNUAL TARGETS FOR 2019/2020 (CONTINUED)**

<b>Strategic Goal:</b> Achieve institutional excellence responsive to the needs of the province.								
<b>Strategic Objective:</b> To provide strategic leadership, risk management, strategic planning, executive support and effective management of the Department's programmes in order to fulfill its mandate.								
Interventions	Programme Performance Indicator	Audited/Actual Performance			Estimated Performance 2018/2019	Medium-Term Targets		
		2015/2016	2016/2017	2017/2018		2019/2020	2020/2021	2021/2022
<ul style="list-style-type: none"> <li>- Provide strategic guidance to entities</li> <li>- Review budget submissions against APP</li> <li>- Attend board meetings of entities</li> <li>- Attend audit committee meetings of entities</li> <li>- Coordinate and attend public entity quarterly oversight meetings</li> </ul>	Number of public entity oversight reports produced	New	New	New	New	(13)	13	13
<ul style="list-style-type: none"> <li>- Develop and implement an internal audit programme</li> <li>- Review internal audit plan against risk registers of the department, internal and external audit findings</li> <li>- Conduct internal review/investigation of irregular, unauthorized and fruitless and wasteful expenditure</li> </ul>	Percentage implementation of the annual internal audit programme	New	New	New	New	(100%)	100%	100%



**PROGRAMME PERFORMANCE INDICATORS AND ANNUAL TARGETS FOR 2019/2020 (CONTINUED)**

<b>Strategic Goal:</b> Achieve institutional excellence responsive to the needs of the province.							
<b>Strategic Objective:</b> To provide strategic leadership, risk management, strategic planning, executive support and effective management of the Department's programmes in order to fulfill its mandate.							
<b>Interventions</b>	<b>Programme Performance Indicator</b>	<b>Audited/Actual Performance</b>			<b>Estimated Performance 2018/2019</b>	<b>Medium-Term Targets</b>	
		<b>2015/2016</b>	<b>2016/2017</b>	<b>2017/2018</b>		<b>2019/2020</b>	<b>2020/2021</b>
- Develop an annual programme for EXCO and MANCO - Ensure implementation of resolutions	Number of Departmental management structures functional	New	New	New	New	(2)	2
- Develop an IGR Implementation Plan - Support the coordination of IGR structures in the department	Percentage Implementation of the Intergovernmental Relations Strategy	New	New	New	New	(100%)	100%



### QUARTERLY TARGETS FOR 2019/2020

<b>Strategic Goal:</b> Achieve institutional excellence responsive to the needs of the province.							
<b>Strategic Objective:</b> To provide strategic leadership, risk management, strategic planning, executive support and effective management of the Department's programmes in order to fulfill its mandate.							
Interventions	Performance Indicator	Reporting Period	Annual Target 2019/2020	Quarterly Targets			
				1 <sup>st</sup> (April-June)	2 <sup>nd</sup> (July-Sep)	3 <sup>rd</sup> (Oct-Dec)	4 <sup>th</sup> (Jan-March)
Conduct strategic planning session with EDTEA and its entities for the 2021-2025 term	Approved Five Year Strategic Plan	Annual	1				1
Develop an annual performance plan for 2020-2021.	Approved Annual Performance Plan	Annual	1	0	0	0	1
- Develop and monitor the risk management improvement plan - Conduct risk assessment workshops - Produce CARC quarterly reports on risk management	Percentage implementation of the risk mitigation strategy	Quarterly	100%	100%	100%	100%	100%
N/A	Percentage implementation of MPAT improvements plans	Quarterly	100%	0	0	100%	0



## QUARTERLY TARGETS FOR 2019/2020 (CONTINUED)

<b>Strategic Goal:</b> Achieve institutional excellence responsive to the needs of the province.							
<b>Strategic Objective:</b> To provide strategic leadership, risk management, strategic planning, executive support and effective management of the Department's programmes in order to fulfill its mandate.							
Interventions	Performance Indicator	Reporting Period	Annual Target 2019/2020	Quarterly Targets			
				1 <sup>st</sup> (April-June)	2 <sup>nd</sup> (July-Sep)	3 <sup>rd</sup> (Oct-Dec)	4 <sup>th</sup> (Jan-March)
<ul style="list-style-type: none"> <li>- Provide strategic guidance to entities</li> <li>- Review budget submissions against APP</li> <li>- Attend board meetings of entities</li> <li>- Attend audit committee meetings of entities</li> <li>- Coordinate and attend public entity quarterly oversight meetings</li> </ul>	Number of public entity oversight reports produced	Quarterly Reports <sup>4</sup>	4	1	1	1	1
<ul style="list-style-type: none"> <li>- Develop and implement an internal audit programme</li> <li>- Review internal audit plan against risk registers of the department, internal and external audit findings</li> <li>- Conduct internal review/ investigation of irregular, unauthorized and fruitless and wasteful expenditure</li> </ul>	Percentage Implementation of the Annual Internal Audit Programme	Quarterly	-	100%	100%	100%	100%

## QUARTERLY TARGETS FOR 2019/2020 (CONTINUED)

<b>Strategic Goal:</b> Achieve institutional excellence responsive to the needs of the province.							
<b>Strategic Objective:</b> To provide strategic leadership, risk management, strategic planning, executive support and effective management of the Department's programmes in order to fulfill its mandate.							
Interventions	Performance Indicator	Reporting Period	Annual Target 2019/2020	Quarterly Targets			
				1 <sup>st</sup> (April-June)	2 <sup>nd</sup> (July-Sep)	3 <sup>rd</sup> (Oct-Dec)	4 <sup>th</sup> (Jan-March)
- Develop an annual programme for EXCO and MANCO - Ensure implementation of resolutions	Number of Departmental management structures functional	Annual	-	-	-	2	
- Develop an IGR Implementation Plan - Support the coordination of IGR structures in the department	Percentage Implementation of the Intergovernmental Relations Strategy	100%	New	100%	100%	100%	



## STRATEGIC OBJECTIVES AND PERFORMANCE INDICATORS: FINANCIAL MANAGEMENT

Strategic Goals: Achieve institutional excellence responsive to the needs of the province									
Goal Statement: Improved sound financial management practice									
Strategic Objective	Objective Indicator	Strategic Target	Audited/Actual Performance			Estimated Performance 2018/2019	Medium-Term Targets		
			2015/2016	2016/2017	2017/2018		2019/2020	2020/2021	2021/2022
To ensure effective implementation of the PFMA and other related financial regulations and policies	Clean audit opinion on financial statements	Clean audit Opinion	unqualified audit opinion	unqualified audit opinion	unqualified audit opinion	unqualified audit opinion	(Clean audit opinion)	Clean audit opinion	Clean audit opinion

**PROGRAMME PERFORMANCE INDICATORS AND ANNUAL TARGETS FOR 2019/2020**

Strategic Goals: Achieve institutional excellence responsive to the needs of the province									
Goal Statement: Improved sound financial management practice									
Interventions	Programme Performance Indicator	Audited/Actual Performance			Estimated Performance 2018/2019	Medium-Term Targets			
		2015/2016	2016/2017	2017/2018		2019/2020	2020/2021	2021/2022	
Monthly budget meetings	Number of Financial Planning reports produced	New	New	12	12	(12)	12	12	12
Conducting financial workshops	Number of Financial workshops conducted	New	New	New	New	(4)	4	4	4
Develop and implement Annual Control Plan	% implementation of the Annual Internal Control Plan	New	New	New	New	(100%)	100%	100%	100%
Compliant with PFMA section 38 1F	% of valid invoices paid within 30 days	New	New	87%	90%	(100%)	100%	100%	100%
Ensure compliance of EDTEA spent on BBBEE service providers	% of total budget spent on BBBEE service providers	New	New	97%	90%	(90%)	90%	90%	90%
Develop and implement Annual Procurement Plan	% implementation of the Procurement Plan	New	New	New	New	(100%)	100%	100%	100%
Commission an Internal Stakeholder Surveys	% of satisfaction level	New	New	New	New	60%	80%	90%	90%
Compliance with contract management framework	Number of Contract Management Reports Produced	New	New	New	New	(4)	4	4	4



## QUARTERLY TARGETS FOR 2019/2020

<b>Strategic Goal:</b> Achieve institutional excellence responsive to the needs of the province.							
<b>Strategic Objective:</b> Provide efficient and cost effective and telecommunications support services							
Interventions	Performance Indicator	Reporting Period	Annual Target 2019/2020	Quarterly Targets			
				1 <sup>st</sup> (April-June)	2 <sup>nd</sup> (July-Sep)	3 <sup>rd</sup> (Oct-Dec)	4 <sup>th</sup> (Jan-March)
Monthly budget meetings	Number of Financial Planning reports produced	Monthly	12	3	3	3	3
Conducting financial workshops	Number of Financial workshops conducted	Quarterly	4	1	1	1	1
Develop and implement Annual Control Plan	% implementation of the Annual Internal Control Plan	Quarterly	100%	100%	100%	100%	100%
Compliant with <b>PFMA</b> section 38 1F	% of valid invoices paid within 30 days	Quarterly	100%	100%	100%	100%	100%
Ensure compliance of EDTEA spent on BBBEE service providers (level 4 specifically)	% of total budget spent on BBBEE service providers	Quarterly	80%	80%	90%	90%	90%
Develop and implement Annual Procurement Plan	% implementation of the Procurement Plan	Quarterly	100%	100%	100%	100%	100%
Commission an Internal Stakeholder Surveys	% of satisfaction level	Bi-annually	New	New	60%	80%	90%
Compliance with contract management framework	Number of Contract Management Reports Produced	Quarterly	4	1	1	1	1

## CORPORATE SERVICES

### PURPOSE

Corporate Services is informed by various pieces of legislation and frameworks most importantly being the general functional grouping of programme one(1) as approved by the Minister of Public Service and Administration(DPSA). Corporate Services should be understood in a sense, that is not directly involved in providing public services, however, it plays a pivotal role in supporting the core business in delivering services to the broader clientele of the Department. The programme is committed in providing the following services efficiently and effectively in accordance with all the Batho Pele Principles:

- Human Resource Management;
- Legal Services;
- Information Technology & Telecommunication services;
- Auxiliary and Security Services;
- Communication Services

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

- Caring & Supportive;
- Ethics & Integrity;
- Accountability;
- Transparency;
- Innovation;
- Commitment;
- Legislative Compliance and Governance



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

Programme 1 Corporate Services	Sub-Programme
Corporate Services	<p><b>Sub-programme 1: Human Resources Management &amp; Development</b> The Human Resources Management &amp; Development directorate is comprised of the following sub-units:</p> <ul style="list-style-type: none"> <li>• <i>Organizational Development</i></li> <li>• <i>HR Strategy and policy development</i></li> <li>• <i>Employee wellness</i></li> <li>• <i>Training, Development and Performance management.</i></li> <li>• <i>promote &amp; sustain sound labour relations practices</i></li> <li>• <i>Policy and Planning</i></li> </ul>
	<p><b>Sub-programme 2: Legal Services</b> To provide effective and timeous legal services</p> <ul style="list-style-type: none"> <li>• <i>Implementation of systems that promote legal compliance in the Department;</i></li> <li>• <i>Effective management of <b>litigation matters</b> affecting the department;</i></li> <li>• <i>Quality <b>legal opinions</b>;</i></li> <li>• <i>Effective <b>contract management</b> services in the Department and</i></li> <li>• <i>Implementation of effective <b>legislative reform</b> programme for the Department.</i></li> </ul>
	<p><b>Sub-programme 3. Information Technology &amp; Telecommunication services</b> The directorate is to provide Information Technology services and telecommunications to the department</p> <ul style="list-style-type: none"> <li>• <i>Implement and monitor dependable IT systems</i></li> <li>• <i>Develop and implement IT strategies and policies</i></li> <li>• <i>Provide effective telecommunication services to the department inclusive of cell phone services.</i></li> </ul>
	<p><b>Sub-programme 4: Auxiliary and Security Services</b></p> <ul style="list-style-type: none"> <li>• <i>Provide effective <b>access control</b> to the department</i></li> <li>• <i>Provide effective <b>document security</b> to the department</i></li> <li>• <i>Provide effective <b>vetting</b> to the staff of the department</i></li> </ul> <p><b>Auxiliary support services</b></p> <ul style="list-style-type: none"> <li>• <i>Effective and efficient <b>records management</b></i></li> <li>• <i>Management of Department's <b>facilities and work space</b></i></li> </ul>
	<p><b>Sub-programme 5: Communication Services</b></p> <ul style="list-style-type: none"> <li>• <i>The Directorate provides internal and external communication and branding of the Department to ensure that their programmes are known and accessible to the broader community.</i></li> </ul>



**STRATEGIC OBJECTIVES AND PERFORMANCE INDICATORS 2019/2020: HUMAN RESOURCE MANAGEMENT**

<b>Strategic Goals:</b> Achieve institutional excellence responsive to the needs of the province.										
<b>Goals Statement:</b> Establish a dynamic institution through a high performance and value based culture.										
Strategic Objective	Objective indicator	Strategic Target	Audited/Actual performance				Estimated Performance 2018/2019	Medium-term targets		
			2015/ 2016	2016/ 2017	2017/ 2018	2019/ 2020		2020/ 2021	2021/ 2022	
To implement effective, efficient and compliant Human Resources Management	Improve the status of the Human Resource Directorate	Achieve 100% compliance of Policies and prescribed legislation relating to Human Resource Management	New	New	New	New	(100%)	100%	100%	



## PROGRAMME PERFORMANCE INDICATORS AND ANNUAL TARGETS FOR 2019/2020

Strategic Goal: Achieve institutional excellence responsive to the needs of the province.										
Strategic Objective: To implement effective, efficient and compliant Human Resources										
Interventions	Programme Performance indicator	Audited Performance				Estimated Performance	Medium-term targets			
		2015/ 2016	2016/ 2017	2017/ 2018	2018/ 2019		2019/ 2020	2020/ 2021	2021/ 2022	
Development and Implementation of recruitment plan Develop Retention plan	% of funded posts in PERSAL which are vacant per quarter (Vacancy rate)	10%	10%	17.00%	22%	(10%)	10%	10%	10%	10%
Strict enforcement and compliance with EPMDS Policy Add key actions	% of EPMDS completed at all levels	New	New	New	100%	(100%)	100%	100%	100%	100%
Targeted recruitment in accordance with DPSA employment equity	% of Women appointed to SMS LEVEL	New	21%	33%	43%	50%	50%	50%	50%	50%
Implementation and compliance of the National skills development Act	Number of Employees Trained	New	New	New	440	(460)	490	490	520	520
Implementation of KZN Health and wellness framework	Number of Employee Health and Wellness Reports finalised.	New	New	New	11	(13)	11	11	11	11
Development of the Departmental strategic plan and Annual Human Resources Plan	Approved Aligned Organizational organogram and Number of Change Management Programmes	New	New	New	New	(1)	1	1	1	1

### QUARTERLY TARGETS FOR 2019/2020

<b>Strategic Goal:</b> Achieve institutional excellence responsive to the needs of the province.								
<b>Strategic Objective:</b> To implement effective, efficient and compliant Human Resources								
Interventions	Performance indicator	Means of Verification Quarterly Monitoring Report, Verification	Reporting Period	Annual target 2019/2020	Quarterly targets			
					1 <sup>st</sup> (April-June)	2 <sup>nd</sup> (July-Sep)	3 <sup>rd</sup> (Oct-Dec)	4 <sup>th</sup> (Jan-March)
Development and Implementation of recruitment plan	% of funded posts in PERSAL which are vacant per quarter (Vacancy rate)	Persal Report	Quarterly	19%	10%	10%	10%	10%
Strict enforcement and compliance with EPMDS Policy	Number of Employees Trained & Developed	Quarterly Training Reports	Quarterly	(460)	50	180	180	50
Targeted recruitment in accordance with DPISA employment equity	% of women appointed at SMS	Persal Reports	Annually	(100%)	43%	47%	50%	50%
Implementation of KZN framework Health and wellness	Number of Employee Health & Wellness Reports finalised.	Quarterly Reports	Quarterly	(13)	3	3	3	4
Development of the Departmental strategic plan and Annual Human Resources Plan	Approval Organizational organogram and Number of Change Management Programmes	Evaluation Report	Annually	(4)	1	1	1	1



## STRATEGIC OBJECTIVES AND PERFORMANCE INDICATORS 2019/2020: LEGAL SERVICES

Strategic Goals: Achieve institutional excellence responsive to the needs of the province.									
Goals Statement: Establish a dynamic institution through a high performance and value based culture.									
Strategic Objective	Objective indicator	Strategic Target	Audited/Actual performance			Estimated Performance		Medium-term targets	
			2015/2016	2016/2017	2017/2018	2018/2019	2019/2020	2020/2021	2021/2022
To implement effective, efficient and timeous legal services	Improve the efficiency of the Legal services	Achieve 100% compliance with legal prescripts and departmental SOPs	New	New	New	New	(100%)	100%	100%

## PROGRAMME PERFORMANCE INDICATORS AND ANNUAL TARGETS FOR 2019/2020

Strategic Goal: Achieve institutional excellence responsive to the needs of the province.							
Strategic Objective: To implement effective, efficient and timeous legal services							
Interventions	Programme Performance Indicator	Audited Performance			Estimated Performance 2018/2019	Medium-term targets	
		2015/2016	2016/2017	2017/2018		2019/2020	2020/2021
Conduct review of departmental entity founding acts	Number of reviewed entity legislative bills	New	New	New	New	(7)	-
Capacitating employees towards drafting SLA's	% of finalised SLA	-	-	-	100%	(100%)	100%

## QUARTERLY TARGETS FOR 2019/2020

Strategic Goal: Achieve institutional excellence responsive to the needs of the province.							
Strategic Objective: To implement effective, efficient and timeous legal services							
Interventions	Performance indicator	Reporting Period	Annual target 2019/2020	Quarterly targets			
				1 <sup>st</sup> (April-June)	2 <sup>nd</sup> (July-Sep)	3 <sup>rd</sup> (Oct-Dec)	4 <sup>th</sup> (Jan-March)
Conduct review of departmental entity founding acts	Number of reviewed Entity Legislative Bills	Annual	7	-	-	-	7
Capacitate employees towards drafting SLA's by training	% of finalised SLA	Quarterly	100%	100%	100%	100%	100%

## STRATEGIC OBJECTIVES AND PERFORMANCE INDICATORS 2019/2020: INFORMATION TECHNOLOGY AND TELECOMMUNICATION SERVICES

Strategic Goals: Achieve institutional excellence responsive to the needs of the province.									
Goals Statement: Establish a dynamic institution through a high performance and value based culture.									
Strategic Objective	Objective indicator	Strategic Target	Audited/Actual performance			Estimated Performance		Medium-term targets	
			2015/2016	2016/2017	2017/2018	2018/2019	2019/2020	2020/2021	2021/2022
Provide efficient and cost effective and tele-communications support services	Improve the efficiency of tele-communication services	Achieve 100% improvement of tele-communication service	New	New	New	New	(100%)	100%	100%



## PROGRAMME PERFORMANCE INDICATORS AND ANNUAL TARGETS FOR 2019/2020

Strategic Goal: Achieve institutional excellence responsive to the needs of the province.									
Strategic Objective: Provide efficient and cost effective and telecommunications support services									
Interventions	Programme Performance Indicator	Audited Performance			Estimated Performance	Medium-term targets			
		2015/ 2016	2016/ 2017	2017/ 2018		2019/ 2020	2020/ 2021	2021/ 2022	
Business systems automation	Implementation of Departmental wide Information Technology Strategy	New	New	New	New	(100%)	100%	100%	
Signing of transversal contracts	% of Deployed unified Telecommunication Solutions	New	New	New	New	(100%)	100%	100%	

### QUARTERLY TARGETS FOR 2019/2020

Strategic Goal: Achieve institutional excellence responsive to the needs of the province.							
Strategic Objective: Provide efficient and cost effective and telecommunications support services							
Interventions	Performance indicator	Reporting Period	Annual target 2019/2020	Quarterly targets			
				1 <sup>st</sup> (April-June)	2 <sup>nd</sup> (July-Sep)	3 <sup>rd</sup> (Oct-Dec)	4 <sup>th</sup> (Jan-March)
Business systems automation	Implementation of Departmental wide Information Technology Strategy	Quarterly	100%	25%	25%	25%	25%
Signing of transversal contracts	% of available telecommunications systems	Quarterly	100%	15%	35%	35%	15%

### STRATEGIC OBJECTIVES AND PERFORMANCE INDICATORS 2019/2020: SECURITY AND AUXILIARY SERVICES

Strategic Goals: Achieve institutional excellence responsive to the needs of the province.								
Goals Statement: Establish a dynamic institution through a high performance and value based culture.								
Strategic Objective	Objective indicator	Strategic Target	Audited/Actual performance			Estimated Performance 2018/2019	Medium-term targets	
			2015/2016	2016/2017	2017/2018		2019/2020	2020/2021
Provide efficient, cost effective and telecommunications support services	Improved proficiency of shared services	Achieve 100% proficiency of services	New	New	New	New	(100%)	100%



## PROGRAMME PERFORMANCE INDICATORS AND ANNUAL TARGETS FOR 2019/2020

<b>Strategic Goal:</b> Achieve institutional excellence responsive to the needs of the province.									
<b>Strategic Objective:</b> Improved corporative governance for robust business processes and system									
Interventions	Programme Performance Indicator	Audited Performance				Estimated Performance 2018/2019	Medium-term targets		
		2015/2016	2016/2017	2017/2018	2019/2020		2020/2021	2021/2022	
Improvement of security systems through -Biometric system -Security personnel -Surveillance services	Percentage of the security systems provided to the 11 District offices	New	New	New	New	(100%)	100%	100%	100%
Efficient fleet management services	Percentage improvement of Departmental fleet management	New	New	New	New	(60%)	60%	60%	60%
Improvement of Health and Safety standards	Number of health and safety inspections conducted	New	New	New	New	(100%)	100%	100%	100%



### QUARTERLY TARGETS FOR 2019/2020

Strategic Goal: Achieve institutional excellence responsive to the needs of the province.							
Strategic Objective: Improved corporate governance for robust business processes and system							
Interventions	Performance indicator	Reporting Period	Annual target 2019/2020	Quarterly targets			
				1 <sup>st</sup> (April-June)	2 <sup>nd</sup> (July-Sep)	3 <sup>rd</sup> (Oct-Dec)	4 <sup>th</sup> (Jan-March)
Improvement of security services through -installation of Biometric system -sourcing of Security personnel - Installation of Surveillance systems	Percentage of the security systems provided to the 11 District offices	Annual	100%	-	-	-	100%
Improving fleet management services by: -regular services -inspections	Percentage improvement of Departmental fleet management	Quarterly	60%	-	60%	60%	60%
Conduct regularly inspections	Number of health and safety inspections conducted	Quarterly	100%	100%	100%	100%	100%



## STRATEGIC OBJECTIVES AND PERFORMANCE INDICATORS 2019/2020: COMMUNICATION SERVICES

<b>Strategic Goals:</b> Achieve institutional excellence responsive to the needs of the province.									
<b>Goals Statement:</b> Establish a dynamic institution through a high performance and value based culture.									
<b>Strategic Objective</b>	<b>Objective indicator</b>	<b>Strategic Target</b>	<b>Audited/Actual performance</b>				<b>Medium-term targets</b>		
			<b>2015/2016</b>	<b>2016/2017</b>	<b>2017/2018</b>	<b>Estimated Performance 2018/2019</b>	<b>2019/2020</b>	<b>2020/2021</b>	<b>2021/2022</b>
To adequately inform and empower stakeholders of the department by providing access and connectivity to Departmental activities which are aligned to the Departments strategies imperatives.	% of internal and external stakeholders empowered	100% of internal and external stakeholders empowered	New	New	New	New	(100%)	100%	100%

### PROGRAMME PERFORMANCE INDICATORS AND ANNUAL TARGETS FOR 2019/2020

<b>Strategic Goal:</b> Achieve institutional excellence responsive to the needs of the province.									
<b>Strategic Objective:</b> To adequately inform and empower stakeholders of the department by providing access and connectivity to Departmental activities which are aligned to the Departments strategies imperatives.									
Interventions	Programme Performance Indicator	Audited Performance			Estimated Performance 2018/2019	Medium-term targets			
		2015/2016	2016/2017	2017/2018		2019/2020	2020/2021	2021/2022	
To implement the Departmental Communication Strategy	Number of Departmental communication plan implemented	New	New	New	New	(3)	3	3	
	Number of communication plans implementation	New	New	New	New	(3)	4	4	

### QUARTERLY TARGETS FOR 2019/2020

Interventions	Performance indicator	Reporting Period	Annual target 2019/2020	Quarterly targets			
				1 <sup>st</sup> (April-June)	2 <sup>nd</sup> (July-Sep)	3 <sup>rd</sup> (Oct-Dec)	4 <sup>th</sup> (Jan-March)
- Implementation of Departmental communication strategy	Number of departmental communication plan to ensure effective communication	Quarterly	3	-	1	1	1
	Number of communication plans implementation	Quarterly	3	-	1	1	1



## PROGRAMME TWO: INTEGRATED ECONOMIC DEVELOPMENT SERVICES

### PURPOSE

The purpose of the Integrated Economic Development Services (IEDS) programme is to advance economic growth and job creation initiatives that prioritize historically disadvantaged individuals and groups through:

- Enterprise Development;
- Economic Empowerment;
- Regional and Local Economic Development.

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
<p><b>Purpose:</b> The purpose of IEDS Branch is to advance economic growth and job creation initiatives that prioritize historically disadvantaged individuals and groups through:</p> <ul style="list-style-type: none"> <li>• Enterprise Development;</li> <li>• Economic Empowerment;</li> <li>• Regional and Local Economic Development.</li> </ul>	<p><b>Sub-Programme 1: Enterprise Development</b> <b>Purpose:</b> The purpose of Enterprise Development sub – programme is to co-ordinate the support and development of sustainable SMMEs and Co-operatives/Social enterprises that contribute to wealth and job creation.</p>
	<p><b>Sub-programme 2: Economic Empowerment</b> <b>Purpose:</b> 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</p>
	<p><b>Sub-programme 3: Regional and Local Economic Development</b> <b>Purpose:</b> To implement RLED initiatives that support employment opportunities and builds the capacity of RLED stakeholders.</p>

### SPECIFIC POLICIES, PRIORITIES, AND STRATEGIC OBJECTIVES

The Integrated Economic Development Service derives its mandate mainly from the Broad-based Black Economic Empowerment Act, the National Small Business Act, the Co-operatives Act and the Skills Development Act.

In addition to these pieces of legislation, provincial policies and strategies, notably the Provincial Growth and Development Strategy and Plan (PGDS & P), the Provincial Spatial Economic Development Strategy (PSEDS), Integrated National B-BBEE Strategy, KwaZulu-Natal B-BBEE Strategy, B-BBEE Codes of Good Practice, KwaZulu-Natal Youth Economic Empowerment Strategy, Draft KwaZulu-Natal Women Economic Empowerment Strategy, the National Co-operatives Strategy (draft), Integrated Strategy on the Promotion of Entrepreneurship and Small Enterprises, the KwaZulu-Natal 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 programme also has oversight over the provincially established Small Enterprise Development Fund, and the Swiss Funded LED Programme at iLembe District Municipality, and fulfills its mandate in terms of structured legal agreements. The priorities of the programme include:

- Institutional development and capacity building support to SMMEs, 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 SMMEs, social enterprises and partnership groups;
- Formulating and implementing strategies that support economic empowerment, SMMEs and social enterprises as well as regional and local economic development;
- Co-ordination and facilitation of economic transformation structures to promote empowerment of youth, women, people with disabilities and B-BBEE compliance in the province;
- The creation of wealth and sustainable jobs opportunities.

**RECONCILING PROGRAMME PERFORMANCE WITH MTEF BUDGET  
INTEGRATED ECONOMIC DEVELOPMENT SERVICES**

**Table 4.14 : Summary of payments and estimates by sub-programme: Integrated Economic Development Services**

	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22
<b>R thousand</b>					<b>2018/19</b>		<b>2019/20</b>	<b>2020/21</b>	<b>2021/22</b>
1. Enterprise Development	367 978	205 417	317 064	308 426	466 390	466 390	307 518	321 181	338 845
2. Regional and Local Economic Development	18 004	33 294	31 850	53 056	38 316	38 316	56 302	59 159	62 412
3. Economic Empowerment	41 617	73 048	41 377	57 828	60 058	60 058	78 926	83 536	88 130
<b>Total</b>	<b>427 599</b>	<b>311 759</b>	<b>390 291</b>	<b>419 310</b>	<b>564 764</b>	<b>564 764</b>	<b>442 746</b>	<b>463 876</b>	<b>489 387</b>

Table 4.15 : Summary of payments and estimates by economic classification: Integrated Economic Development Services

	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates			
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22	
<b>R thousand</b>										
<b>Current payments</b>	<b>115 832</b>	<b>125 716</b>	<b>114 850</b>	<b>209 851</b>	<b>236 488</b>	<b>236 488</b>	<b>279 663</b>	<b>295 237</b>	<b>314 465</b>	
Compensation of employees	54 286	55 049	59 643	67 923	69 994	69 994	79 911	84 809	89 473	
Goods and services	61 546	70 667	55 207	141 928	166 494	166 494	199 752	210 428	224 992	
Interest and rent on land	-	-	-	-	-	-	-	-	-	
<b>Transfers and subsidies to:</b>	<b>311 575</b>	<b>184 656</b>	<b>275 364</b>	<b>209 206</b>	<b>327 631</b>	<b>327 631</b>	<b>162 613</b>	<b>168 539</b>	<b>174 816</b>	
Provinces and municipalities	2 000	2 000	-	-	-	-	4 250	4 463	4 708	
Departmental agencies and accounts	-	-	2 000	20 000	1 500	1 500	-	-	-	
Higher education institutions	-	2 000	-	20 688	-	-	-	-	-	
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-	
Public corporations and private enterprises	206 480	106 629	191 414	107 232	215 659	215 659	102 998	108 663	114 639	
Non-profit institutions	95 000	64 400	74 400	54 400	103 400	103 400	54 400	54 400	54 400	
Households	8 095	9 627	7 550	6 886	7 072	7 072	965	1 013	1 069	
<b>Payments for capital assets</b>	<b>82</b>	<b>435</b>	<b>76</b>	<b>253</b>	<b>645</b>	<b>645</b>	<b>470</b>	<b>100</b>	<b>106</b>	
Buildings and other fixed structures	-	-	-	-	76	76	-	-	-	
Machinery and equipment	82	435	76	253	569	545	470	100	106	
Heritage assets	-	-	-	-	-	-	-	-	-	
Specialised military assets	-	-	-	-	-	-	-	-	-	
Biological assets	-	-	-	-	-	-	-	-	-	
Land and sub-soil assets	-	-	-	-	-	-	-	-	-	
Software and other intangible assets	-	-	-	-	-	-	-	-	-	
<b>Payments for financial assets</b>	<b>110</b>	<b>952</b>	<b>1</b>	<b>-</b>	<b>-</b>	<b>24</b>	<b>-</b>	<b>-</b>	<b>-</b>	
<b>Total</b>	<b>427 599</b>	<b>311 759</b>	<b>390 291</b>	<b>419 310</b>	<b>564 764</b>	<b>564 764</b>	<b>442 746</b>	<b>463 876</b>	<b>489 387</b>	



## **SUB-PROGRAMME: ENTERPRISE DEVELOPMENT**

### **PURPOSE**

The purpose of Enterprise Development sub – programme is to co-ordinate the support and development of sustainable SMMEs and co-operatives/social enterprises that contribute to wealth and job creation.

#### Specific policies, priorities and strategic objectives

The Enterprise Development sub-programme comprises of two components such as the Small Business Development and the Co-operatives Development. It 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 economic growth, employment and job creation.

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 1996 as amended, Integrated Strategy on the Promotion of Entrepreneurship and Small Enterprises, Co-operatives Act 6 of 2013 as amended, Co-operatives Bank Act 40 of 2007, Skills Development Act 97 of 1998, Annual National and Provincial Budget Speeches, PSEDS, KwaZulu-Natal Co-operatives Development Strategy, KwaZulu-Natal 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 KwaZulu-Natal B-BBEE Strategy.

The strategic objective of the Enterprise Development sub-programme is to promote small enterprises and entrepreneurial development of SMMEs and co-operatives/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;
- Promote and support of competitive sector-based SMMEs and co-operatives in the province;
- Support and promotion of entrepreneurship.

Supporting and/or funding the activities of the Small Business Development and the Co-operatives Development components is conducted mainly through the Small Enterprise Development Fund which is briefly explained below:

### **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 KwaZulu-Natal Provincial Government to promote the growth of SMMEs and co-operatives in pursuit of the priority objective of stimulating economic growth, employment creation and reduction of poverty levels.

The interventions implemented by the Enterprise Development sub – programme focuses on the following:

- Training – providing both technical and soft skills to small enterprises in their respective sectors and district municipal areas.
- Mentorship/Incubation – supporting small enterprises to manage and sustain their businesses.
- Funding – provide business financing through the Enterprise Development Fund and grant funding to deserving small enterprises, e.g. machinery, equipment, raw materials, etc.



- Business registration – pre establishment and formalisation of the business entities.
- Business advisory services – information dissemination, knowledge and skills necessary for small enterprises to start and manage their businesses effectively.
- The focus areas and interventions will be prioritizing the following sectors:
  - Clothing and textile
  - Pulp and paper
  - Bakery
  - Detergents and chemicals
  - Construction
  - ICT
  - Agriculture and agro – processing, etc.



## STRATEGIC OBJECTIVES AND ANNUAL TARGETS: SUB-PROGRAMME – ENTERPRISE DEVELOPMENT

Strategic Goals: Inclusive and Sustainable economic growth that supports decent employment									
Goal Statement: Increase economic growth that supports decent jobs, HDI's, SMME's and Social Enterprises. Improve skills and capable workforce to support inclusive economic growth									
Strategic Objective	Objective indicator	Strategic Target	Audited/Actual performance			Estimated Performance 2018/2019	Medium-term targets		
			2015/2016	2016/2017	2017/2018		2019/2020	2020/2021	2021/2022
To promote small enterprises (SMMEs and Cooperatives)	Number of small enterprises supported by providing training, mentorship, funding, incubation, registration and business advisory service	11775 Small enterprises (SMMEs & COOPS) supported	2119	3410	2119	SMME =1163	(SMME =899)	SMME =1263	SMME =1390
						COOPS =1167	(COOPS =898)	COOPS =1381	COOPS =1591
	Number of small enterprises participating in the economy over a two year period	4333 Small enterprises (SMME: 2167 COOPS: 2166 surviving over a two year period *)	New	New	New	SMME =1000	(SMME =1167)	SMME =1172	SMME =1289
						COOPS =1000	(COOPS =1166)	COOPS =1172	COOPS =1289
	Number of jobs created through supported small enterprises	3700 Annual employment growth	New	New	New	SMME = 850	(SMME =1000)	SMME =750	SMME =1200
						COOPS =850	(COOPS =1000)	COOPS =750	COOPS =1200

**PROGRAMME PERFORMANCE INDICATORS AND ANNUAL TARGETS FOR 2019/2020**

Strategic Goals: Inclusive and Sustainable economic growth that supports decent employment									
Strategic Objective: To promote small enterprises (SMMEs and Cooperatives)									
Interventions	Programme Performance indicator	Audited Performance			Estimated Performance 2018/2019	Medium-term targets			
		2015/2016	2016/2017	2017/2018		2019/2020	2020/2021	2021/2022	
<ul style="list-style-type: none"> <li>- Training</li> <li>- Mentorship/ Incubation</li> <li>- Registration</li> <li>- Business advisory services</li> <li>- <b>(support 1797 Small enterprises)</b></li> </ul>	Number of interventions implemented to support small enterprises in all 11 districts	New	New	New	New	(SMME = 5)	SMME = 5	SMME = 5	
<ul style="list-style-type: none"> <li>- Allocation of capital to the Small Enterprise Development Fund</li> <li>- Monitoring of Fund performance (terms, conditions, targets, sectors targeted)</li> <li>- Information dissemination, promotion of the Fund</li> <li>- Business plan assessment and referral</li> <li>- <b>(support 2333 Small Enterprises)</b></li> </ul>	Number of interventions to support small enterprises with access to funding	New	New	New	New	(1)	1	1	
<ul style="list-style-type: none"> <li>- Monitoring of Fund performance (terms, conditions, targets, sectors targeted)</li> <li>- Monitoring of the performance of the Cooperative Grant Fund</li> <li>- Negotiate partnerships with private and public sector</li> <li>- Establishment of shared production facilities for small <b>(2000 jobs created)</b></li> </ul> Facilitate and monitor the mentorship of small enterprises	Number of interventions to support creation of jobs	New	New	New	New	(SMME=3)	SMME=3	SMME=3	
						(COOPS=3)	COOPS=3	COOPS=3	



## QUARTERLY TARGETS FOR 2019/2020

Strategic Goals: Inclusive and Sustainable economic growth that supports decent employment							
Strategic Objective: To promote small enterprises (SMMEs and Cooperatives)							
Interventions	Performance indicator	Reporting Period	Annual target 2019/2020	Quarterly targets			
				1 <sup>st</sup> (April-June)	2 <sup>nd</sup> (July-Sept)	3 <sup>rd</sup> (Oct-Dec)	4 <sup>th</sup> (Jan-March)
<ul style="list-style-type: none"> <li>- Training</li> <li>- Mentorship/Incubation</li> <li>- Registration</li> <li>- Business advisory services</li> <li>- <b>(support 197 Small enterprises)</b></li> </ul>	Number of interventions implemented to support small enterprises in all 11 districts	Quarterly	SMME= 5	1	1	2	1
			COOPS= 5	1	1	2	1
<ul style="list-style-type: none"> <li>- Allocation of capital to the Small Enterprise Development Fund</li> <li>- Monitoring of Fund performance (terms, conditions, targets, sectors targeted)</li> <li>- Information dissemination, promotion of the Fund</li> <li>- Business plan assessment and referral</li> <li>- <b>(support 233 Small Enterprises)</b></li> </ul>	Number of interventions to support small enterprises with access to funding	Quarterly	1	1	1	1	1
<ul style="list-style-type: none"> <li>- Monitoring of Fund performance (terms, conditions, targets, sectors targeted)</li> <li>- Monitoring of the performance of the Cooperative Grant Fund</li> <li>- Negotiate partnerships with private and public sector</li> <li>- Establishment of shared production facilities for small</li> <li>- Facilitate and monitor the mentorship of small enterprises</li> <li>- <b>(200 jobs created)</b></li> </ul>	Number of interventions to support creation of jobs	Quarterly	SMME=3	-	1	1	1
			COOPS=3	-	1	1	1

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

### **PURPOSE**

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

### **SPECIFIC POLICIES, PRIORITIES, AND STRATEGIC OBJECTIVES**

The sub-programme derives its mandate from the Employment Equity Act 55 of 1998, and the B-BBEE Act 46 of 2013 (Act 53 of 2003), as well as B-BBEE Codes of Good Practice (as amended). Its objective amongst others is 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 ensure successful implementation of B-BBEE Policy the sub-programme conducts information driven initiatives to heighten public awareness about the available economic empowerment opportunities and co-ordination of compliance towards the achievement of genuine socio-economic transformation.

To fulfil its mandate and meet its strategic objective this sub-programme continues to pursue the following strategic objectives in the province:

- Facilitating the implementation of the B-BBEE Strategy and empowerment policies;
- Co-ordinate key stakeholders for B-BBEE strategy implementation;
- Ensuring empowerment of women and youth;
- Facilitating or handle B-BBEE complaints and compliance in the Province;
- Verification and monitoring of B-BBEE implementation.

The Following Interventions are implemented to achieve the above objectives:

- Youth Technical Training and Placement: Artisans; apprenticeships training & graduates training & placements.
- Women Technical & Business Training: Technical training on specific business sectors.
- Focus Sectors - Agro-processing, ICT; creative industry, Tourism, Manufacturing; Clothing & textile, bakery, construction, agro-processing, recycling;
- Enterprise Development for target groups: Business advisory; business linkages; access to markets; franchising, and funding.
- BEE Compliance: Verification, complaints handling, fronting management, B-BBEE advocacy
- Operation Vula: Stakeholders co-ordination, commodities support (bakeries, textile & clothing, paper & pulp, Furniture, Construction, and Fertilizer).
- Black Industrialists: Co-ordination with DTI and KZN Growth Fund. Applications support

## STRATEGIC OBJECTIVES AND ANNUAL TARGETS: SUB-PROGRAMME – ECONOMIC EMPOWERMENT

<b>Strategic Goals:</b> Inclusive and Sustainable economic growth that supports decent employment										
<b>Goal Statement:</b> Increase economic growth that supports decent jobs, HDI's, SMME's and Social Enterprises. Improve skills and capable workforce to support inclusive economic growth										
Strategic Objective	Strategic Objective indicator	Strategic Target	Audited/Actual performance				Estimated Performance 2018/2019	Medium-term targets		
			2015/2016	2016/2017	2017/2018	2019/2020		2020/2021	2021/2022	
To facilitates the implementation of economic transformation strategies and policies	% of Youth and Women participating in economic opportunities	100%	1	3	3	100%	(100%)	100%	100%	
	Level of B-BBEE Compliance in the Province of KZN	Level 3	3	3	5	3	(3)	3	3	

**PROGRAMME PERFORMANCE INDICATORS AND ANNUAL TARGETS FOR 2019/2020**

<b>Strategic goals:</b> To facilitate the implementation of economic transformation strategies and policies									
<b>Strategic objectives:</b> Inclusive and sustainable economic growth that support decent employment									
Interventions	Programme Performance indicator	Audited Performance			Estimated Performance 2018/2019	Medium-term targets			
		2015/2016	2016/2017	2017/2018		2019/2020	2020/2021	2021/2022	
- Technical Training and Placement of the 70% - Business Trainings	Number of Youth trained	New	New	New	1000	(700)	800	900	
- Technical Training and Placement of the 70% - & Business Training	Number of Women trained	New	New	New	1000	(400)	500	600	
- Business advisory; business linkages; access to markets; franchising, and funding. Sector ( e.g. Agro-processing, ICT; creative industry, Tourism and Manufacturing)	Number of Youth businesses supported through enterprise development	New	New	New	50	(35)	40	50	
- Business advisory; business linkages; access to markets; franchising, and funding (e.g. Clothing & textile, bakery, construction, agro-processing, recycling)	Number of Women supported through enterprise development	New	New	New	50	(20)	25	30	



**PROGRAMME PERFORMANCE INDICATORS AND ANNUAL TARGETS FOR 2019/2020 (CONTINUED)**

<b>Strategic goals:</b> To facilitates the implementation of economic transformation strategies and policies									
<b>Strategic objectives:</b> Inclusive and sustainable economic growth that support decent employment									
Interventions	Programme Performance indicator	Audited Performance			Estimated Performance 2018/2019	Medium-term targets			
		2015/2016	2016/2017	2017/2018		2019/2020	2020/2021	2021/2022	
- Verification, complaints handling, fronting management, B-BBEE advocacy	Number of B-BBEE compliance interventions implemented to improve the level of compliance	New	New	New	5	(6)	6	10	
- Stakeholders co-ordination, implementation plan facilitation and monitoring, and commodity support (bakeries, textile & clothing, paper & pulp, Furniture, Construction, Fertilizers	Number of Operation Vula interventions co-ordinated	New	New	3	4	(5)	6	10	
- Co-ordination with DTI and KZN Growth Fund. - Applications support	Number of KZN Black Industrialists supported	New	New	3	4	(5)	6	10	



### QUARTERLY TARGETS FOR 2019/2020

Strategic goals: To facilitate the implementation of economic transformation strategies and policies							
Strategic objectives: Inclusive and sustainable economic growth that support decent employment							
Interventions	Performance indicator	Reporting Period	Annual target 2019/20	Quarterly targets			
				1 <sup>st</sup> (April-June)	2 <sup>nd</sup> (July-Sep)	3 <sup>rd</sup> (Oct-Dec)	4 <sup>th</sup> (Jan-March)
<ul style="list-style-type: none"> <li>- Technical Training and Placement of the 70%</li> <li>- Business Trainings</li> </ul>	Number of Youth trained	Quarterly	700 (KZN)	0	200	200	300
<ul style="list-style-type: none"> <li>- Technical Training and Placement of the 70%</li> <li>- &amp; Business Training</li> </ul>	Number of Women trained	Quarterly	400 (KZN)	0	100	100	200
<ul style="list-style-type: none"> <li>• Business advisory; business linkages; access to markets; franchising, and funding. Sector ( e.g. Agro-processing, ICT; creative industry, Tourism and Manufacturing</li> </ul>	Number of Youth businesses supported through enterprise development	Quarterly	35 (KZN)	0	10	10	15
<ul style="list-style-type: none"> <li>• Business advisory; business linkages; access to markets; franchising, and funding (e.g. Clothing &amp; textile, bakery, construction, agro-processing, recycling)</li> </ul>	Number of Women supported through enterprise development	Quarterly	20 (KZN)	0	5	5	10
<ul style="list-style-type: none"> <li>• Verification, complaints handling, fronting management, B-BBEE advocacy</li> </ul>	Number of B-BBEE compliance interventions implemented to improve the level of compliance	Quarterly	6 (KZN)	1	2	2	1
<ul style="list-style-type: none"> <li>• Stakeholders co-ordination, implementation plan facilitation and monitoring, and commodity support (bakeries, textile &amp; clothing, paper &amp; pulp, Construction, Fertilizer)</li> </ul>	Number of Operation Vula interventions co-ordinated	Quarterly	5 (KZN)	1	1	1	2
<ul style="list-style-type: none"> <li>• Co-ordination with DTI and KZN Growth Fund. Applications support</li> </ul>	Number of KZN Black Industrialists supported	Quarterly	5 (KZN)	1	1	1	2



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

### **PURPOSE**

To implement regional and local economic development initiatives that support employment opportunities and builds the capacity of RLED stakeholders.

### **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 (Strategic Goal 1) and Outcome 4 of 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 risk sharing partnership based RLED projects that stimulate competitiveness and sustainable employment opportunities. The sub-programme also seeks to build and strengthen institutions of regional and local economic development through education and training.

Our interventions linked to achieving supporting employment opportunities include the following:

- Operation Sakhinzuzo - a multi-year project between the Department and Tongaat Hulett Sugar Ltd for assisting small scale cane growers in the Ilembe, eThekweni, King Cetshwayo and Umkhanyakude District Municipalities. All sugar cane produced by the SSG's are purchased by THS. The project aims to create 150 jobs this financial year.
- KwaMajomela Light Manufacturing Centre in Nongoma in the Zululand District. The beneficiaries are small rural enterprises who will operate from the centre. It is expected that 20 jobs will be created during the construction period.
- Lusizo Vegetable Processing project that is based in Ethekewini Metro. This is a 100% women owned business that processes vegetables for the hospitality sector amongst other markets. It is expected that 30 jobs will be created this financial year.

RLED is also involved in the following initiatives that will create jobs in the future:

- Supporting the implementation the Swiss Funded LED Programme (branded as Vuthela) in Ilembe District. EDTEA is providing the Programme Administration services for the Fund. The job targets will only be determined once the components' research has been finalized and implementation commences. The programme has the following components:
  - Municipal infrastructure
  - Private sector development
  - Building Inclusive Growth
  - Public Finance Management
- Informal Economy Development initiative targets infrastructure and equipment support for informal enterprises. This initiative will provide funding on a competitive basis for municipal proposals supporting informal enterprises. It is expected that there will cost sharing between the Department and the qualifying Municipality on behalf of the informal sector. Jobs to be created will be determined on the approved proposals.

In relation to Capacity Building interventions, RLED is involved in 6 interventions this financial year:

- UKZN Partnership Masters' Degree Programme
- UKZN RLED Postgraduate Diploma
- Annual Winter School
- Young Researchers Programme
- Social Entrepreneurship (LED Champions)
- E-learning Partnership with Durban University of Technology

**STRATEGIC OBJECTIVES AND ANNUAL TARGETS: SUBPROGRAMME – REGIONAL AND LOCAL ECONOMIC DEVELOPMENT**

<b>Strategic Goal:</b> Inclusive and Sustainable economic growth that supports decent employment								
<b>Goal Statement:</b> Increase economic growth that supports decent jobs, HDI's, SMME's and Social Enterprises. Improve skills and capable workforce to support inclusive economic growth								
<b>Strategic Objective</b>	<b>Objective Indicator</b>	<b>Strategic Target</b>	<b>Audited/Actual performance</b>			<b>Estimated Performance 2018/2019</b>	<b>Medium-term targets</b>	
			<b>2015/2016</b>	<b>2016/2017</b>	<b>2017/2018</b>		<b>2019/2020</b>	<b>2020/2021</b>
To implement RLED initiatives that support employment opportunities and builds the capacity of RLED stakeholders	Number of employment opportunities supported	1030	309	80	250	200	(200)	200
	Number of people trained	540	165	122	100	100	(800)	50



## PROGRAMME PERFORMANCE INDICATORS AND ANNUAL TARGETS FOR 2019/2020

Strategic Goal: Inclusive and Sustainable economic growth that supports decent employment									
Strategic Objective: To implement RLED initiatives that support employment opportunities and builds the capacity of RLED stakeholders									
Interventions	Programme Performance indicator	Audited Performance			Estimated Performance 2018/2019	Medium-term targets			
		2015/2016	2016/2017	2017/2018		2019/2020	2020/2021	2021/2022	
<ul style="list-style-type: none"> <li>• Operation Sakhinzuzo</li> <li>• Lusizo Vegetable processing</li> <li>• KwaMajomela Light Manufacturing Centre</li> </ul>	Number of projects implemented that support employment opportunities	New	New	6	3	(3)	5	5	
<ul style="list-style-type: none"> <li>• UKZN RLED Programme:</li> <li>• Masters Degree</li> <li>• Postgraduate Diploma</li> <li>• Young Researchers</li> <li>• Winter School (noncredited)</li> <li>• Social Entrepreneurship (LED Champions)</li> <li>• E-learning Partnership with Durban University of Technology</li> </ul>	Number of training interventions implemented	New	New	6	6	(6)	3	3	

### QUARTERLY TARGETS FOR 2019/2020

Strategic Goal: Inclusive and Sustainable economic growth that supports decent employment							
Strategic Objective: To implement RLED initiatives that support employment opportunities and builds the capacity of RLED stakeholders							
Interventions	Performance indicator	Reporting Period	Annual target 2019/20	Quarterly targets			
				1 <sup>st</sup> (April-June)	2 <sup>nd</sup> (July-Sep)	3 <sup>rd</sup> (Oct-Dec)	4 <sup>th</sup> (Jan-March)
<ul style="list-style-type: none"> <li>• Operation Sakhinzuzo</li> <li>• Lusizo Vegetable processing</li> <li>• KwaMajomela Light Manufacturing Centre</li> </ul>	Number of projects implemented that support employment opportunities	Quarterly	3	0	0	2	1
UKZN RLED Programme: <ul style="list-style-type: none"> <li>• Masters Degree</li> <li>• Postgraduate Diploma</li> <li>• Young Researchers</li> <li>• Winter School</li> <li>• Social Entrepreneurship (LED Champions)</li> <li>• E-learning Partnership with Durban University of Technology</li> </ul>	Number of training interventions implemented	Quarterly	6	2	1	1	2



## PROGRAMME THREE: TRADE AND INDUSTRY DEVELOPMENT

### PURPOSE

The Trade and Industry Development programme comprises three sub-units namely Strategic Industrial Interventions, Trade and Investment Promotion and Sector Development. The prime objective of the programme is to stimulate economic growth through trade and investment, development of priority sectors and implementing strategic industrial interventions. The key strategic focus of the programme is to increase manufacturing capabilities of the province and to support our industries to remain globally competitive and sustainable. Key to the work of the programme includes assisting SMME's to access local and international markets.

Programme 3: Trade and Industry Development	Sub-programmes
<p><b>Purpose:</b> To stimulate economic growth through trade and investment promotion, development of selected sectors, and industry development</p>	<p><b>Sub-programme 1: Strategic Industrial Interventions</b> <b>Purpose:</b> To provide and facilitate the development of strategic industrial interventions</p>
	<p><b>Sub-programme 2: Trade and Investment Promotion</b> <b>Purpose:</b> To facilitate trade promotion and to attract investment</p>
	<p><b>Sub-programme 3: Sector Development</b> <b>Purpose:</b> To facilitate the implementation of strategic programmes that will stimulate the competitiveness of priority sectors</p>

RECONCILING PROGRAMME PERFORMANCE WITH MTEF BUDGET  
 PROGRAMME 3: TRADE AND INDUSTRY DEVELOPMENT

Table 4.17 : Summary of payments and estimates by sub-programme: Trade and Sector Development

	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates			
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22	
<b>R thousand</b>					2018/19					
1. Trade and Investment Promotion	580 705	480 536	485 748	576 993	450 545	450 545	588 950	621 786	655 986	
2. Sector Development	160 134	193 818	188 641	194 721	216 181	216 181	208 225	219 837	231 931	
3. Strategic Initiatives	198 947	126 370	132 605	129 530	129 530	129 530	136 784	144 307	152 244	
<b>Total</b>	<b>939 786</b>	<b>800 724</b>	<b>806 994</b>	<b>901 244</b>	<b>796 256</b>	<b>796 256</b>	<b>933 959</b>	<b>985 930</b>	<b>1 040 161</b>	

**Table 4.18 : Summary of payments and estimates by economic classification: Trade and Sector Development**

	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates			
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22	
<b>R thousand</b>										
<b>Current payments</b>	<b>34 261</b>	<b>43 922</b>	<b>28 574</b>	<b>53 736</b>	<b>35 841</b>	<b>35 841</b>	<b>72 440</b>	<b>77 199</b>	<b>81 449</b>	
Compensation of employees	10 673	11 481	9 985	15 021	12 215	12 215	15 324	16 261	17 157	
Goods and services	23 588	32 441	18 589	38 715	23 626	23 626	57 116	60 938	64 292	
Interest and rent on land	-	-	-	-	-	-	-	-	-	
<b>Transfers and subsidies to:</b>	<b>905 455</b>	<b>756 670</b>	<b>778 358</b>	<b>847 508</b>	<b>760 037</b>	<b>760 037</b>	<b>861 519</b>	<b>908 731</b>	<b>958 712</b>	
Provinces and municipalities	500	6 000	30 200	11 000	8 000	8 000	6 000	6 300	6 647	
Departmental agencies and accounts	573 975	472 691	477 962	554 630	442 630	442 630	567 959	599 197	632 153	
Higher education institutions	-	-	-	5 150	-	-	-	-	-	
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-	
Public corporations and private enterprises	214 664	150 946	139 505	139 830	134 330	134 330	140 284	147 982	156 121	
Non-profit institutions	116 316	127 033	130 543	136 898	169 898	169 898	146 776	154 727	163 237	
Households	-	-	148	-	5 179	5 179	500	525	554	
<b>Payments for capital assets</b>	<b>55</b>	<b>44</b>	<b>61</b>	<b>-</b>	<b>378</b>	<b>378</b>	<b>-</b>	<b>-</b>	<b>-</b>	
Buildings and other fixed structures	-	-	-	-	378	378	-	-	-	
Machinery and equipment	55	44	61	-	-	-	-	-	-	
Heritage assets	-	-	-	-	-	-	-	-	-	
Specialised military assets	-	-	-	-	-	-	-	-	-	
Biological assets	-	-	-	-	-	-	-	-	-	
Land and sub-soil assets	-	-	-	-	-	-	-	-	-	
Software and other intangible assets	-	-	-	-	-	-	-	-	-	
<b>Payments for financial assets</b>	<b>15</b>	<b>88</b>	<b>1</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	
<b>Total</b>	<b>939 786</b>	<b>800 724</b>	<b>806 994</b>	<b>901 244</b>	<b>796 256</b>	<b>796 256</b>	<b>933 959</b>	<b>985 930</b>	<b>1 040 161</b>	



## **SUB-PROGRAMME: STRATEGIC INDUSTRIAL INTERVENTIONS**

### **PURPOSE**

The purpose of this sub-programme is to promote industrialization and beneficiation through implementing the following catalytic initiatives: Maritime (Oceans Economy); Special Economic Zones, Industrial Economic Hubs, and Aerotropolis.

### **SPECIFIC POLICIES, PRIORITIES, AND STRATEGIC OBJECTIVES**

The Sub-programme derives its mandate from national policies such as the New Growth Path, the National Development Plan, the National Industrial Policy Framework (NIPF) and the Industrial Policy Action Plan (IPAP) which is consistent with the Provincial Industrial Development Strategy (PIDS), Provincial Growth and Development Strategy (PGDS), and the KwaZulu-Natal Investment Strategy. Over and above these strategies, the following are applicable to the Oceans Economy:

- KwaZulu-Natal Integrated Maritime Strategy (KIMS);
- Draft National Maritime Transport Policy, and;
- African Integrated Maritime Strategy (AIMS).

Moreover, to fulfil its mandate and meet its strategic objective, the sub-programme pursues the following strategic priorities in KwaZulu-Natal:

- Promote the development and implementation of Marine Sub-sectors; Marine Manufacturing, Aquaculture, Oil and Gas, in conjunction with other sub-sectors;
- Promote the development of the Aerotropolis and implementation of the Master Plan;
- Promote the development and implementation of the Industrial Economic Hubs (IEH);
- Promote skills development, education and research for the development of the Maritime Industry, Aerotropolis and Industrial Economic Hubs (IEHs);
- Promote transformation through the involvement of the previously disadvantaged individuals, women, youth, into the Maritime Industry, Aerotropolis and Industrial Economic Hubs (IEHs);
- Promote and support Special Economic Zones (RBIDZ, DTP) through the implementation of SEZs strategies;
- Promote Public and Private Partnership to effect the implementation of Trade and Investment Policies; and
- To support and provide impetus to the aims of the KwaZulu-Natal Economic Council



## STRATEGIC OBJECTIVES AND ANNUAL TARGETS: SUB-PROGRAMME: STRATEGIC INDUSTRIAL INTERVENTIONS

<b>Strategic Goal:</b> Sustainable and inclusive economic growth for job creation.									
<b>Strategic Objectives:</b> An integrated infrastructure planning and development that advance SEZ/IEH, Maritime, Aerotropolis and productive use of land management									
Strategic Objective	Objective Indicator	Strategic Target	Audited/Actual Performance			Estimated Performance 2018/2019	Medium-Term Targets		
			2015/2016	2016/2017	2017/2018		2019/2020	2020/2021	2021/2022
To provide and facilitate the development of strategic industrial interventions	Strategic infrastructure projects facilitated to support Aerotropolis, Maritime, Techno Hubs, SEZ and Industrial Hubs	2 infrastructure projects facilitated through Aerotropolis and Maritime	New	New	New	New	(2)	4	4
	Number of employment opportunities created through Industrial Economic Hubs, Techno Hubs, Aerotropolis, Maritime and Sector Economic Zone	614 jobs opportunities facilitated through Aerotropolis, Maritime, and Industrial Economic Hubs Initiative	New	130	54	150	(280)	1882	1882
	Number of people capacitated within Aerotropolis, Techno Hubs, Industrial Economic Hubs (IEHs) Special Economic Zones (SEZs) and Maritime initiatives	412 people capacitated within Aerotropolis, Maritime, Industrial Economic Hubs and Special Economic Zones	New	70	134	104	(104)	182	182

**PROGRAMME PERFORMANCE INDICATORS AND ANNUAL TARGETS FOR 2019/2020**

<b>Strategic Goal:</b> Sustainable and inclusive economic growth for job creation.								
<b>Strategic Objectives:</b> An integrated infrastructure planning and development that advance SEZ/IEH, Maritime, Aerotropolis and productive use of land management								
Interventions	Performance Indicators	Audited/Actual Performance			Estimated Performance 2018/2019	Medium-Term Targets		
		2015/2016	2016/2017	2017/2018		2019/2020	2020/2021	2021/2022
DTPC, RBIDZ, IEH and ASP will create 4500 jobs. Leather Processing Fund	Number of jobs created through industrialization	New	New	New	New	(4500)	6000	7500
Fish processing facility, small scale fishing, Gas to power plant, Oil Refinery, boat building, Aquaculture development Fund (Amatikulu Aquaculture Development Zone), Maritime Fund	Number of jobs created through the Oceans Economy	New	New	New	New	(1075)	2000	3000
Airport infrastructure (Mkhuze Airport, Margate Airport, and PMB Airport). Public transport solution for KSIA	Number of jobs created through infrastructure development	New	New	New	New	(100)	200	300
Aerotropolis learnership, Aerotropolis Institute, and Maritime, (Aquaculture, Hides and Skins, Small Scale Fisheries	Number of people capacitated within the industrial sector.	New	New	New	New	(60)	180	300
Amatikulu EIA, ASP Rezoning Applications, aquaculture study, IEH layout and boat building	Number of specialists studies approvals to unlock industrial projects	New	New	New	New	(6)	7	8



## QUARTERLY TARGETS FOR 2019/2020

<b>Strategic Goal:</b> Sustainable and inclusive economic growth for job creation.							
<b>Strategic Objectives:</b> An integrated infrastructure planning and development that advance SEZ/IEH, Maritime, Aerotropolis and productive use of land management							
Interventions	Performance Indicator	Reporting Period	Annual Target 2019/2020	Quarterly Targets			
				1 <sup>st</sup> (April-June)	2 <sup>nd</sup> (July-Sept)	3 <sup>rd</sup> (Oct-Dec)	4 <sup>th</sup> (Jan-March)
DTPC, RBIDZ, IEH and ASP will create 4500 jobs. Leather Processing Fund	Number of jobs created through industrialization	Quarterly	4500	0	1000	1500	2000
Fish processing facility, small scale fishing, Gas to power plant, Oil Refinery, boat building, Aquaculture development Fund (Amatikulu Aquaculture Development Zone). Maritime Fund	Number of jobs created through the Oceans Economy	Quarterly	1075	0	175	350	550
Airport infrastructure (Mkhuze Airport, Margate Airport, and PMB Airport). Public transport solution for KSIA	Number of jobs created through infrastructure development	Quarterly	100	0	0	50	50
Aerotropolis learnership, <i>Aerotropolis Institute</i> , and Maritime, ( <i>Aquaculture, Hides and Skins, Small Scale Fisheries</i> )	Number of people capacitated within the industrial sector.	Annual	60	0	0	0	60
Amatikulu EIA, ASP Rezoning Applications, aquaculture study, IEH layout and boat building	Number of specialists studies approvals to unlock industrial projects	Quarterly	6	0	0	1	5

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

### **PURPOSE**

The Trade and Investment Programme comprise two sub-programmes which are Trade Promotion and Logistics. In the area of Trade Promotion the objective is to assist largely SMMEs with access to local and international markets. With regards to logistics the primary objective is to address logistics challenges such as infrastructure and development of logistics skills. An emphasis is placed on improving rural logistics and supporting SMMEs.

### **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 National Development Plan, New Growth Path, Provincial Growth and Development Plan, KwaZulu-Natal Investment Strategy and the Draft KwaZulu-Natal Export Strategy – all provide the policy context for this sub-programme, which further subscribes to the following policy priorities:

- Identification, promotion and utilization of opportunities for trade and investment within the province;
- Investment attraction and export growth in order to develop and grow the economy as well as create jobs;
- Policy development and implementation in the area of trade and investment;
- Provision of trade and investment support in the development of the provincial growth sectors and priority sectors; and
- Positioning of KwaZulu-Natal province as Africa's trade gateway.



## STRATEGIC OBJECTIVES AND PERFORMANCE INDICATORS: TRADE AND INVESTMENT PROMOTION

Strategic Goals: Sustainable Inclusive and inclusive economic growth programmes									
Goal Statement: Enhanced KZN global competitiveness for trade and investment promotion									
Strategic Objective	Objective Indicator	Strategic Target	Audited/Actual Performance			Estimated Performance 2018/2019	Medium-Term Targets		
			2015/2016	2016/2017	2017/2018		2019/2020	2020/2021	2021/2022
To stimulate inclusive growth through trade and investment promotion	Rand value of investment attracted to KZN, and exports facilitated	R19.8m value of exports facilitated through trade initiatives.	New	New	R 1.5m	R 8.8m	(R9,5m)	R10,2m	R10.2m
			New	New	New	R14,5m	(R15,5m)	R16,5m	R16,5m

**PROGRAMME PERFORMANCE INDICATORS AND ANNUAL TARGETS FOR 2019/2020**

<b>Strategic Goal:</b> Sustainable Inclusive and inclusive economic growth programmes									
<b>Strategic Objective:</b> To stimulate inclusive growth through trade and investment promotion									
Interventions	Performance Indicators	Audited/Actual Performance			Estimated Performance 2018/2019	Medium-Term Targets			
		2015/2016	2016/2017	2017/2018		2019/2020	2020/2021	2021/2022	
Business to Business Initiatives, Outward and Inward Missions (SEZ areas)	Number of jobs created through DTPC	New	New	New	New	(9,000)	11,000	13,000	
	Investment attraction by EDTEA entities	New	New	New	New	(9,000)	11,000	13,000	
Business to Business Initiatives, Outward and Inward Missions KZN Investment Conference	Number of jobs created through RBIDZ	New	New	New	R8,8m	(R9,5m)	R10,2m	R10,2m	
	Value of investment facilitated through trade initiatives by EDTEA entities	New	New	R1.5m	R8,8m	(R9,5m)	R10,2m	R10,2m	
Business to Business Initiatives, Outward and Inward Missions KZN Export Week PUM Programme KZN Halaal Hub	Value of exports facilitated by EDTEA entities through trade initiatives	New	New	New	R14,5m	(R15,5m)	R16,5m	R16,5m	
	Number of business expansion platforms supported	New	New	New	10	(10)	10	10	
KZN Competitiveness (exports, investment and job retention) Enhancement Programme (10 emerging and 10 existing companies)	Number of companies supported for competitiveness	New	New	New	20	(20)	20	20	
		New	New	New	20	(20)	20	20	



## QUARTERLY TARGETS FOR 2019/2020

<b>Strategic Goal:</b> Sustainable Inclusive and inclusive economic growth programmes							
<b>Strategic Objective:</b> To stimulate inclusive growth through trade and investment promotion							
Interventions	Performance indicator	Reporting Period	Annual target 2019/2020	Quarterly targets			
				1st (April-June)	2nd (July-Sep)	3rd (Oct-Dec)	4th (Jan-March)
Business to Business Initiatives, Outward and Inward Missions	Number of jobs created and sustained through investment attraction by EDTEA entities	Annual	9,000	0	0	0	9,000
Business to Business Initiatives, Outward and Inward Missions KZN Investment Conference	Value of investment facilitated through trade initiatives by EDTEA entities	Annual	R15,5m	0	0	0	R15,5m
Business to Business Initiatives, Outward and Inward Missions KZN Export Week PUM Programme KZN Halaal Hub	Value of exports facilitated by EDTEA entities through trade initiatives	Annual	R10m	0	0	0	R10m
KZN Competitiveness Enhancement Programme	Number of business expansion platforms supported (KZN Growth Coalition)	Annual	10	0	0	0	10
KZN Competitiveness (exports, investment and job retention) Enhancement Programme	Number of companies supported for competitiveness	Annual	20	0	0	0	20



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

### **PURPOSE**

This programme is based on an understanding that economic growth and job creation should 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 (IPAP); 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 (IPAP) that provide substance to the framework for implementation of National Industrial Policy Framework (NIPF);
- Where potential exists for sustainable growth, employment generation, the diversification and growth of exports and broad economic participation;
- 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, continued to inform provincial and sectoral priorities.

Specific policies relating to the development of 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), Media, Advertising, Publishing, Printing and Packaging SETA (MAPPPSETA), Information Society and Provincial BPO Strategy and the KwaZulu-Natal Wood Processing Sector Strategy (KZNPSS).



## STRATEGIC OBJECTIVES AND PERFORMANCE INDICATORS: SECTOR DEVELOPMENT

<b>Strategic Goals:</b> Inclusive and sustainable economic growth that supports decent employment									
<b>Goals Statement:</b> Increased economic growth that supports decent jobs, HDIs, SMMEs and social enterprises.									
Strategic Objective	Objective indicator	Strategic Target	Audited/Actual performance			Estimated Performance 2018/2019	Medium-term targets		
			2015/2016	2016/2017	2017/2018		2019/2020	2020/2021	2021/2022
To implement existing productive and service sector strategies and plans	sustainable projects implemented that supports employment opportunities created and sustained	385 employment opportunities created and sustained over MTSF period	50	60	75	90	(110)	150	150
	Number of people benefited from capacity building	1265 people benefited from capacity building over MTSF period	300	300	165	200	(300)	250	250
	Number of Economic Strategies, Policies and Policies developed	15 Economic Strategies and Policies developed	2	2	3	5	(3)	0	0

**PROGRAMME PERFORMANCE INDICATORS AND ANNUAL TARGETS FOR 2019/2020**

<b>Strategic Goals:</b> Inclusive and sustainable economic growth that supports decent employment									
<b>Strategic Objective:</b> Increased economic growth that supports decent jobs, HDIs, SMMEs and social enterprises.									
Interventions	Programme Performance Indicator	Audited/Actual Performance				Estimated Performance 2018/2019	Medium-Term Targets		
		2015/2016	2016/2017	2017/2018	2019/2020		2020/2021	2021/2022	
Amakha Essential Oils Community Project(1)	Number of sustainable projects implemented that support employment opportunities								
KZN Horticulture Products Projects(4)		New	New	1	6	(6)	5	5	
Agribusiness Fund (1) 110 jobs in total									
1)Automotive Strategy	Number of Business Plans Completed	2	2	1	5	(3)	0	0	
2) Auto Hubs Edendale, Amajuba & uMhlatuze (2)									
RASET Development Fund (4 Value Adding Facilities in 4 DMs)	Number of sector strategic interventions implemented that will unlock jobs								
Creative Industry Initiatives(2)		20	20	12	10	(8)	10	10	
ICT Initiative(1)									
Clothing and Textile Development Fund(1) (100 jobs)									
BPO Initiative (135 people)	Number of people trained on BPO and ICT sector	New	New	New	New	(135)	400	450	
ICT Fund									
KZN Music Cluster	Number of Industry Clusters Supported	5	5	3	3	(3)	3	3	
KZN Clothing and Textile Cluster									
KZN Fashion Council (to unlock 140 job opportunities and industry competitiveness									



## QUARTERLY TARGETS FOR 2019/2020

Strategic Goals: Inclusive and sustainable economic growth that supports decent employment							
Strategic Objective: Increased economic growth that supports decent jobs, HDIs, SMMEs and social enterprises.							
Interventions	Programme Performance Indicator	Reporting Period	Annual Target 2019/2020	Quarterly Targets			
				1 <sup>st</sup> (April-June)	2 <sup>nd</sup> (July-Sept)	3 <sup>rd</sup> (Oct-Dec)	4 <sup>th</sup> (Jan-March)
Amakha Essential Oils Community Project(1)	Number of sustainable projects implemented that support employment opportunities	Quarterly	6	0	2	2	2
KZN Horticulture Products Projects(4)				0	2	2	2
Agribusiness Fund (1)				0	2	2	2
Automotive Strategy				0	2	2	2
Auto Hubs Edendale, Amajuba & uMhlatuze (2)	Number of Business Plans Completed	Quarterly	3	0	3	0	0
RASET Development Fund(4 Value Adding Facilities in 4 DMs)	Number of sector strategic interventions implemented that will unlock jobs	Quarterly	8	0	1	2	5
Creative Industry Initiatives(2)				0	1	2	5
ICT Initiative(1)				0	1	2	5
Clothing and Textile Development Fund(1)	Number of people trained on BPO and ICT sector	Annually	135	0	0	0	135
BPO Initiative(135 people)				0	0	0	135
ICT Fund				0	0	0	135
1)KZN Music Cluster	Number of Industry Clusters Supported	Quarterly	3	-	-	3	0
2) KZN Clothing and Textile Cluster				-	-	3	0
3) KZN Fashion Council				-	-	3	0

## PROGRAMME FOUR: BUSINESS REGULATIONS

### PURPOSE

The purpose of Business Regulations is to manage and implement the Constitution and legislative mandate of the Province in relation to liquor (policy and legislation function only), gaming and betting (policy and legislation function), 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
<b>Purpose:</b> The overall objective of this programme is to develop an equitable and socially responsible business environment	<b>Sub-programme 1: Consumer Protection</b> <b>Purpose:</b> To promote, protect and further the rights of consumers in the Province
	<b>Sub-programme 2: Regulation Services</b> <b>Purpose:</b> To create an enabling environment for the sustained development and support to the formal and informal trade sector
	<b>Sub-programme 3: Policy and Legislation</b> <b>Purpose:</b> To promote and maintain an effective and efficient regulatory system for the Liquor Industry; Gambling 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 is 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 and the KZN Consumer Protection Act of 2013 being the most important.

**RECONCILING PROGRAMME PERFORMANCE WITH MTEF BUDGET**

**PROGRAMME 4: BUSINESS REGULATIONS**

**Table 4.20 : Summary of payments and estimates by sub-programme: Business Regulation and Governance**

R thousand	Audited Outcome			Main Appropriation		Adjusted Appropriation		Revised Estimate		Medium-term Estimates		
	2015/16	2016/17	2017/18	2018/19	2018/19	2018/19	2018/19	2018/19	2018/19	2019/20	2020/21	2021/22
1. Regulation Services	6 872	4 650	4 882	9 268	7 622	7 622	7 622	7 622	11 180	11 180	11 752	12 398
2. Consumer Protection	19 824	21 875	18 948	30 688	29 052	29 052	29 052	29 052	31 091	31 091	32 885	34 694
3. Liquor Regulation	70 008	73 753	77 990	80 189	80 189	80 189	80 189	80 189	84 680	84 680	89 337	94 251
4. Gambling and Betting	36 398	43 864	67 725	-	-	-	-	-	49 512	49 512	53 162	56 088
<b>Total</b>	<b>133 102</b>	<b>144 142</b>	<b>169 545</b>	<b>120 145</b>	<b>116 863</b>	<b>116 863</b>	<b>116 863</b>	<b>116 863</b>	<b>176 463</b>	<b>176 463</b>	<b>187 136</b>	<b>197 431</b>

Table 4.21 : Summary of payments and estimates by economic classification: Business Regulation and Governance

	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates				
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22		
<b>R thousand</b>											
<b>Current payments</b>	<b>30 519</b>	<b>30 334</b>	<b>28 150</b>	<b>39 686</b>	<b>36 071</b>	<b>36 071</b>	<b>46 884</b>	<b>49 619</b>	<b>52 350</b>		
Compensation of employees	20 234	20 963	22 560	21 486	23 389	23 400	33 504	35 543	37 498		
Goods and services	10 285	9 371	5 590	18 200	12 682	12 671	13 380	14 076	14 852		
Interest and rent on land	-	-	-	-	-	-	-	-	-		
<b>Transfers and subsidies to:</b>	<b>102 463</b>	<b>113 555</b>	<b>141 226</b>	<b>80 189</b>	<b>80 207</b>	<b>80 207</b>	<b>129 451</b>	<b>137 498</b>	<b>145 061</b>		
Provinces and municipalities	-	-	-	-	-	-	-	-	-		
Departmental agencies and accounts	102 406	113 120	141 186	80 189	80 189	80 189	129 451	137 498	145 061		
Higher education institutions	-	-	-	-	-	-	-	-	-		
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-		
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-		
Non-profit institutions	-	-	-	-	-	-	-	-	-		
Households	57	435	40	-	18	18	-	-	-		
<b>Payments for capital assets</b>	<b>49</b>	<b>143</b>	<b>131</b>	<b>270</b>	<b>585</b>	<b>585</b>	<b>128</b>	<b>19</b>	<b>20</b>		
Buildings and other fixed structures	-	-	-	-	-	-	-	-	-		
Machinery and equipment	49	143	131	270	585	585	128	19	20		
Heritage assets	-	-	-	-	-	-	-	-	-		
Specialised military assets	-	-	-	-	-	-	-	-	-		
Biological assets	-	-	-	-	-	-	-	-	-		
Land and sub-soil assets	-	-	-	-	-	-	-	-	-		
Software and other intangible assets	-	-	-	-	-	-	-	-	-		
<b>Payments for financial assets</b>	<b>71</b>	<b>110</b>	<b>38</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>		
<b>Total</b>	<b>133 102</b>	<b>144 142</b>	<b>169 545</b>	<b>120 145</b>	<b>116 863</b>	<b>116 863</b>	<b>176 463</b>	<b>187 136</b>	<b>197 431</b>		



## **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 cannot be resolved are then referred to the Tribunal for final determination and resolution. 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.

### **SPECIFIC POLICIES, PRIORITIES, AND STRATEGIC OBJECTIVES**

Common law, the Constitution, the National Consumer Protection Act as well as the KZN Consumer Protection Act provides 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 OBJECTIVES AND ANNUAL TARGETS: SUB-PROGRAMME – CONSUMER PROTECTION**

<b>Strategic Goal:</b> Integrated economic planning and development in the Province										
<b>Goal Statement:</b> Improved efficiency and effectiveness of Business Regulations for the Liquor industry, Consumer service, Formal and Informal business sector										
<b>Strategic Objective</b>	<b>Objective indicator</b>	<b>Strategic Target</b>	<b>Audited/Actual performance</b>				<b>Estimated Performance 2018/2019</b>	<b>Medium-term targets</b>		
			<b>2015/2016</b>	<b>2016/2017</b>	<b>2017/2018</b>	<b>2019/2020</b>		<b>2020/2021</b>	<b>2021/2022</b>	
To promote, protect and further the rights of consumers of KZN Province	% of Consumers educated on consumer rights during education and awareness sessions conducted	100% of consumers educated	1450	1177	1117	1250	(100%)	100%	100%	100%
	% of businesses compliant with the Consumer protection legislation	100%	384	400	426	400	(100%)	100%	100%	100%
	% of consumer complaints resolved	New	New	New	88%	90%	(80%)	80%	80%	80%



## PROGRAMME PERFORMANCE INDICATORS AND ANNUAL TARGETS FOR 2019/20

Strategic Goal: Integrated economic planning and development in the Province							
Strategic Objective: To promote, protect and further the rights of consumers of KZN Province							
Intervention (regulatory)	Programme Performance indicator	Audited Performance			Estimated Performance 2018/2019	Medium-term targets	
		2015/ 2016	2016/ 2017	2017 / 2018		2019/ 2020	2020/ 2021
To promote Social cohesions and safe communities, the following initiatives will be undertaken: 1. Conduct consumer awareness programmes and Community outreach programmes around the danger and impact of consumption of fake and illicit goods and other consumer protection related themes 2. To transform business behaviour by creating awareness of compliance with the provisions of the Consumer Protection Act	Number of consumer educational workshops conducted	1450	1177	1117	1250	(1300)	1300
Businesses are inspected to ensure that job creation enablers are maintained and key sectors of the economy are protected by the following: 1. Inspections of business to ensure compliance with the provisions of the Consumer Protection Act; 2. Inspection of businesses arising out of consumer complaints. 3. pro-active measure to encourage voluntary compliance by businesses through their commitment to business compliance pledge 4. Collective blitz inspections at ports of entry with SARS Border control unit on counterfeit and illicit goods	No of businesses inspected	384	400	426	400	(400)	400

**PROGRAMME PERFORMANCE INDICATORS AND ANNUAL TARGETS FOR 2019/20 (CONTINUED)**

<b>Strategic Goal:</b> Integrated economic planning and development in the Province									
<b>Strategic Objective:</b> To promote, protect and further the rights of consumers of KZN Province									
<b>Intervention (regulatory)</b>	<b>Programme Performance indicator</b>	<b>Audited Performance</b>				<b>Estimated Performance 2018/2019</b>	<b>Medium-term targets</b>		
		<b>2015/ 2016</b>	<b>2016/ 2017</b>	<b>2017/ 2018</b>	<b>2019/ 2020</b>		<b>2020/ 2021</b>	<b>2021/ 2022</b>	
1. Digitisation of complaints received and processed through Case management system 2. Improve dispute resolution thorough the Establishment of Consumer Tribunal	% of complaints resolved through Alternative Dispute Resolution interventions	New	New	88%	90%	(80%)	80%	80%	



## QUARTERLY TARGETS FOR 2019/2020

Strategic Goal: Integrated economic planning and development in the Province							
Strategic Objective: To promote, protect and further the rights of consumers of KZN Province							
Interventions	Performance indicator	Reporting Period	Annual target 2019/20	Quarterly targets			
				1 <sup>st</sup> (April-June)	2 <sup>nd</sup> (July-Sep)	3 <sup>rd</sup> (Oct-Dec)	4 <sup>th</sup> (Jan-March)
<p>To promote Social cohesions and safe communities, the following initiatives will be undertaken:</p> <p>1. Conduct consumer awareness programmes and Community outreach programmes around the danger and impact of consumption of fake and illicit goods and other consumer protection related themes</p> <p>2. To transform business behaviour by creating awareness of compliance with the provisions of the Consumer Protection Act</p>	Number of consumer educational workshops conducted	Quarterly	1300	325	325	325	325

### QUARTERLY TARGETS FOR 2019/2020 (CONTINUED)

Strategic Goal: Integrated economic planning and development in the Province							
Strategic Objective: To promote, protect and further the rights of consumers of KZN Province							
Interventions	Performance indicator	Reporting Period	Annual target 2019/20	Quarterly targets			
				1 <sup>st</sup> (April-June)	2 <sup>nd</sup> (July-Sep)	3 <sup>rd</sup> (Oct-Dec)	4 <sup>th</sup> (Jan-March)
<p>Businesses are inspected to ensure that job creation enablers are maintained and key sectors of the economy are protected by the ff:</p> <ol style="list-style-type: none"> <li>1. Inspections of business to ensure compliance with the provisions of the Consumer Protection Act;</li> <li>2. Inspection of businesses arising out of consumer complaints.</li> <li>3. pro-active measure to encourage voluntary compliance by businesses through their commitment to business compliance pledge</li> <li>4. Collective blitz inspections at ports of entry with SARS Border control unit on counterfeit and illicit goods.</li> </ol> <p>Digitisation of complaints received and processed through Case management system;</p> <p>Improve dispute resolution through the Establishment of Consumer Tribunal</p>	No of businesses inspected	Quarterly	400	100	100	100	100
	% of complaints resolved through ADR interventions	Quarterly	80%	80%	80%	80%	80%



## **SUB-PROGRAMME: REGULATION SERVICES (FORMAL AND INFORMAL)**

### **PURPOSE**

The specific priorities of this sub-programme are 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 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.

**STRATEGIC OBJECTIVES AND ANNUAL TARGETS: SUB-PROGRAMME – REGULATION SERVICES (FORMAL AND INFORMAL)**

<b>Strategic Goal:</b> Integrated economic planning and development in the Province										
<b>Goal Statement:</b> Improved efficiency and effectiveness of Business Regulations for the Liquor industry, Consumer service, Formal and Informal business sector										
<b>Strategic Objective</b>	<b>Objective indicator</b>	<b>Strategic Target</b>	<b>Audited/Actual performance</b>				<b>Estimated Performance 2018/2019</b>	<b>Medium-term targets</b>		
			<b>2015/2016</b>	<b>2016/2017</b>	<b>2017/2018</b>	<b>2019/2020</b>		<b>2020/2021</b>	<b>2021/2022</b>	
To create a conducive regulatory environment for sustained development and support the formal and informal business sectors.	No. of local municipalities effectively implementing business regulatory policies	51	51	51	51	51	(43)	43	43	



## PROGRAMME PERFORMANCE INDICATORS AND ANNUAL TARGETS FOR 2019/2020

Strategic Goal: Integrated economic planning and development in the Province									
Strategic Objective: To create a conducive regulatory environment for sustained development and support the formal and informal business sectors									
Intervention (support)	Programme Performance indicator	Audited Performance			Estimated Performance 2018/2019	Medium-term targets			
		2015/2016	2016/2017	2017/2018		2019/2020	2020/2021	2021/2022	
500 Job opportunities created through supporting municipalities by implementation of - Digitisation of the KZN automated business licencing and information management system which facilitates for formal businesses KZN Municipal business licencing technical support team (PMU)	No of Municipalities monitored on Business Legislation Implementation	31	31	31	31	(43)	43	43	43
1000 jobs created through supporting the informal economy within 43 LM by implementing the following interventions – 1. Digitisation of the KZN automated business licencing and information management system which facilitates the permitting of informal businesses; 2. roll out of the IE Master plan which will be included in the Municipal IDPs for support of the sector;	No of Municipalities monitored on Informal Economy Policy implementation	20	20	28	20	(43)	43	43	43



**PROGRAMME PERFORMANCE INDICATORS AND ANNUAL TARGETS FOR 2019/2020 (CONTINUED)**

<b>Strategic Goal:</b> Integrated economic planning and development in the Province									
<b>Strategic Objective:</b> To create a conducive regulatory environment for sustained development and support the formal and informal business sectors									
Intervention (support)	Programme Performance indicator	Audited Performance			Estimated Performance 2018/2019	Medium-term targets			
		2015/2016	2016/2017	2017/2018		2019/2020	2020/2021	2021/2022	
The following barriers have been identified which hinders economic opportunities – 1. non-functionality of business licensing at the Municipal level; 2. onerous administrative red tape for businesses compliance; 3. Cumbersome town planning processes in townships; 4. Inconsistent application of business licencing processes at different municipal level	No of barriers identified	1	3	7	4	(4)	4	4	4
The following job creation enablers will be pursued to address the barriers: 1. Roll out of Provincial red tape reduction programme; 2. Finalisation of the KZN Businesses Bill; 3. Facilitating integrated township economy development programme by co coordinating the review of town planning frameworks to promote township economic growth; 4. Development of a Standardised Business process flow chart	No of barriers addressed	1	3	7	4	(4)	4	4	4



## PROGRAMME PERFORMANCE INDICATORS AND ANNUAL TARGETS FOR 2019/2020 (CONTINUED)

Strategic Goal: Integrated economic planning and development in the Province									
Strategic Objective: To create a conducive regulatory environment for sustained development and support the formal and informal business sectors									
Intervention (support)	Programme Performance indicator	Audited Performance			Estimated Performance 2018/2019	Medium-term targets			
		2015/2016	2016/2017	2017/2018		2019/2020	2020/2021	2021/2022	
<p>Sustaining existing jobs by conducting business inspections which contributes to the transformation of the Economy of KZN for pro-growth by the following:</p> <p>Businesses are inspected to ensure compliance with Legislations and ensuring that existing jobs are sustained;</p> <p>Establishment of structures at the Municipal level (DICOREFs) to ensure continuity of compliance.</p>	No of Business Inspected to ensure compliance with Business legislation	New	New	35	18	(50)	75	100	

### QUARTERLY TARGETS FOR 2019/2020

<b>Strategic Goal:</b> Integrated economic planning and development in the Province							
<b>Strategic Objective:</b> To create a conducive regulatory environment for sustained development and support the formal and informal business sectors							
interventions	Performance indicator	Reporting Period	Annual target 2019/2020	Quarterly targets			
				1 <sup>st</sup> (April-June)	2 <sup>nd</sup> (July-Sep)	3 <sup>rd</sup> (Oct-Dec)	4 <sup>th</sup> (Jan-March)
500 Job opportunities created through supporting municipalities by implementation of – 1. KZN automated business licencing and information management system which facilitates for formal businesses; 2. KZN Municipal business	No of Municipalities monitored on Business Legislation Implementation to	Quarterly	43	10	13	10	10
1000 jobs created through supporting the informal economy within 43 LM by implementing the following interventions – 1. KZN automated business licencing and information management system which facilitates the permitting of informal businesses; 2. roll out of the IE Master plan which will be included in the Municipal IDPs for support of the sector;	No of Municipalities monitored on Informal Economy Policy implementation	Quarterly	43	10	13	10	10



## QUARTERLY TARGETS FOR 2019/2020 (CONTINUED)

Strategic Goal: Integrated economic planning and development in the Province							
Strategic Objective: To create a conducive regulatory environment for sustained development and support the formal and informal business sectors							
interventions	Performance indicator	Reporting Period	Annual target 2019/2020	Quarterly targets			
				1 <sup>st</sup> (April-June)	2 <sup>nd</sup> (July-Sep)	3 <sup>rd</sup> (Oct-Dec)	4 <sup>th</sup> (Jan-March)
<p>The fflg barriers have been identified which hinders economic opportunities –</p> <ol style="list-style-type: none"> <li>1. non-functional of business licensing at the Municipal level;</li> <li>2. onerous administrative red tape for businesses compliance;</li> <li>3. Cumbersome town planning processes in townships;</li> <li>4. Inconsistent application of business licencing processes at different municipal level</li> </ol>	No of barriers identified	Quarterly	4	0	1	1	2
<p>The following job creation enablers will be pursued to address the barriers:</p> <ol style="list-style-type: none"> <li>1. Roll out of Provincial red tape reduction programme;</li> <li>2. Finalisation of the KZN Businesses Bill;</li> <li>3. Facilitating integrated township economy development programme by co coordinating the review of town planning frameworks to promote township economic growth;</li> <li>4. Development of a Standardised Business process flow chart</li> </ol>	No of barriers addressed	Quarterly	4	0	1	1	2

### QUARTERLY TARGETS FOR 2019/2020 (CONTINUED)

Strategic Goal: Integrated economic planning and development in the Province							
Strategic Objective: To create a conducive regulatory environment for sustained development and support the formal and informal business sectors							
interventions	Performance indicator	Reporting Period	Annual target 2019/2020	Quarterly targets			
				1 <sup>st</sup> (April-June)	2 <sup>nd</sup> (July-Sep)	3 <sup>rd</sup> (Oct-Dec)	4 <sup>th</sup> (Jan-March)
<p>Sustaining existing jobs by conducting business inspections which contributes to the transformation of the Economy of KZN for pro-growth by the fig –</p> <ol style="list-style-type: none"> <li>Businesses are inspected to ensure compliance with Legislations and ensuring that existing jobs are sustained;</li> <li>Establishment of structures at the Municipal level (DICOREFs) to ensure continuity of compliance.</li> </ol>	No of Business Inspections conducted to ensure compliance with Business legislation for Business Compliance	Quarterly	50	10	15	15	10
<p>The flag barriers have been identified which hinders economic opportunities –</p> <ol style="list-style-type: none"> <li>non-functional of business licensing at the Municipal level;</li> <li>onerous administrative red tape for businesses compliance;</li> <li>Cumbersome town planning processes in townships;</li> <li>Inconsistent application of business licencing processes at different municipal level</li> </ol>	No of barriers identified	Quarterly	4	0	1	1	2



## QUARTERLY TARGETS FOR 2019/2020 (CONTINUED)

<b>Strategic Goal:</b> Integrated economic planning and development in the Province							
<b>Strategic Objective:</b> To create a conducive regulatory environment for sustained development and support the formal and informal business sectors							
interventions	Performance indicator	Reporting Period	Annual target 2019/2020	Quarterly targets			
				1 <sup>st</sup> (April-June)	2 <sup>nd</sup> (July-Sep)	3 <sup>rd</sup> (Oct-Dec)	4 <sup>th</sup> (Jan-March)
<p>The following job creation enablers will be pursued to address the barriers:</p> <ol style="list-style-type: none"> <li>1. Roll out of Provincial red tape reduction programme;</li> <li>2. Finalisation of the KZN Businesses Bill;</li> <li>3. Facilitating integrated township economy development programme by co coordinating the review of town planning frameworks to promote township economic growth;</li> <li>4. Development of a Standardised Business process flow chart</li> </ol>	No of barriers addressed	Quarterly	4	0	1	1	2

## **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 “to build a vibrant institution of superior performance”. Further this sub programme is linked to the strategic objective:

- To develop and maintain an efficient regulatory and governance framework for sustained economic development. This objective 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 are regulating the liquor industry, consumer protection and formal and informal businesses. 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.



## STRATEGIC OBJECTIVES AND ANNUAL TARGETS: SUB-PROGRAMME – POLICY AND LEGISLATION

Strategic Goal: Integrated economic planning and development in the Province							
Goal Statement: Improved efficiency and effectiveness of Business Regulations for the Liquor industry, Consumer service, Formal and Informal business sector							
Intervention (support)	Programme Performance indicator	Audited Performance			Estimated Performance 2018/2019	Medium-term targets	
		2015/2016	2016/2017	2017/2018		2019/2020	2020/2021
To promote and maintain an effective and efficient regulatory system for the Liquor Industry, Gaming and betting sector; Consumer and Regulation services	% of Businesses compliant with legislation (Liquor Act, Consumer Protection Act, Gaming and Betting Act and Business Act )	100%	8	8	8	8	100%



**PROGRAMME PERFORMANCE INDICATORS AND ANNUAL TARGETS FOR 2019/20**

Strategic Goal: Integrated economic planning and development in the Province									
Strategic Objective: To promote and maintain an effective and efficient regulatory system for the Liquor Industry, Gaming and betting sector; Consumer and Regulation services									
Interventions	Programme Performance indicator	Audited Performance			Estimated Performance 2018/2019	Medium-term targets			
		2015/2016	2016/2017	2017/2018		2019/2020	2020/2021	2021/2022	
Monitoring KZNLA in terms of issuance of new licences and retention of current 6 900 licences which translates to approximately 13 800 jobs within the liquor industry.	No. of Liquor Authority monitoring reports produced ,(tracking the effectiveness of the KZNLA in regulating its respective industry	4	4	4	4	(4)	4	4	4
Monitoring KZNGBB in terms of 100 jobs created of issuance of new licences and retention of current licences.	No. of KZN Gaming ND Betting Board monitoring reports produced (tracking the effectiveness of the KZNGBB in regulating the Gaming and Betting Industry)	New	New	new	new	(4)	4	4	4
Initiatives undertaken to which contributes towards contributing creating a conducive business regulatory environment which indirectly contributes to jobs and an improved economy - 1. Review of KZN Liquor Act ( Amendment Bill) ; 2. Liquor Employment Statistical database; 3. Transformation of the Liquor industry by addressing the Micro-manufacturing sector; 4.KZN Gaming and Betting Regulations Amendment 5. KZN Gaming and Betting Tax Amendment Bill 6.KZN Gaming and Betting Appeals 7. Tracking KZNGBB investment of R100 million investment in manufacturing of Gambling equipment	No of catalytic initiatives undertaken to encourage an effective regulatory system for Liquor licencing, KZN Gaming and Betting Industry, Consumer Act and Business Act	4	4	4	4	(7)	7	7	7



## QUARTERLY TARGETS FOR 2019/2020

<b>Strategic Goal:</b> Integrated economic planning and development in the Province							
<b>Strategic Objective:</b> To promote and maintain an effective and efficient regulatory system for the Liquor Industry, Gaming and betting sector; Consumer and Regulation services							
<b>Interventions</b>	<b>Performance indicator</b>	<b>Reporting Period</b>	<b>Annual target 2019/2020</b>	<b>Quarterly targets</b>			
				<b>1<sup>st</sup> (April-June)</b>	<b>2<sup>nd</sup> (July-Sep)</b>	<b>3<sup>rd</sup> (Oct-Dec)</b>	<b>4<sup>th</sup> (Jan-March)</b>
Monitoring KZNLA in terms of issuance of new licences and retention of current 6 900 licenses which translates to 13 800	No. of Liquor Authority monitoring reports produced, (tracking the effectiveness of the KZNLA in regulating its respective industry	Quarterly	4	1	1	1	1
1. Monitoring KZNGBB in to 100 jobs created in terms of o of issuance of new licences and retention of current licences .	No. of KZN Gaming and Betting Board monitoring reports produced (tracking the effectiveness of the KZNGBB in regulating the Gaming and Betting Industry)	Quarterly	4	1	1	1	1

**QUARTERLY TARGETS FOR 2019/2020 (CONTINUED)**

<b>Strategic Goal:</b> Integrated economic planning and development in the Province							
<b>Strategic Objective:</b> To promote and maintain an effective and efficient regulatory system for the Liquor Industry, Gaming and betting sector; Consumer and Regulation services							
<b>Interventions</b>	<b>Performance indicator</b>	<b>Reporting Period</b>	<b>Annual target 2019/2020</b>	<b>Quarterly targets</b>			
				<b>1<sup>st</sup> (April-June)</b>	<b>2<sup>nd</sup> (July-Sep)</b>	<b>3<sup>rd</sup> (Oct-Dec)</b>	<b>4<sup>th</sup> (Jan-March)</b>
Initiatives undertaken to which contributes towards contributing creating a conducive business regulatory environment which indirectly contributes to jobs and an improved economy - 1. Review of KZN Liquor Act ( Amendment Bill) ; 2. Liquor Employment Statistical database; 3. Transformation of the Liquor industry by addressing the Micro-manufacturing sector; 4. KZN Gaming and Betting Regulations Amendment 5. KZN Gaming and Betting Tax Amendment Bill 6. KZN Gaming and Betting Appeals 7. Tracking KZNGBB investment of R100 million investment in manufacturing of Gambling equipment	No of catalytic initiatives undertaken to encourage an effective regulatory system for Liquor licencing, Gaming and Betting, Consumer Act and Business Act	Quarterly	7	1	2	2	2



## PROGRAMME FIVE: ECONOMIC PLANNING

### PURPOSE

The Economic Planning Programme provides key input into economic development through gathering economic data, conducting micro and macroeconomic analyses and building economic models that inform the development of economic policies and strategies. Furthermore, policy research ensures that the province's economic policy direction adequately responds to national and global factors and national policy directives. Key outputs from this programme include integrated economic development strategies, sector studies, economic intelligence reports, policy and research briefs and economic models. The Economic Planning programme comprises four sub-programmes namely Policy and Planning; Research and Development; Knowledge Management, as well as 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
<p><b>Purpose:</b> To coordinate the development of provincial economic policies and strategies that promote the attainment of sustainable economic development</p>	<p><b>Sub-programme 1: Research and Development</b> <i>Purpose:</i> To provide research support that informs the development of effective economic interventions and innovative technologies.</p>
	<p><b>Sub-programme 2: Knowledge Management</b> <i>Purpose:</i> To develop and maintain an effective knowledge management system that supports fluid and informed decision making.</p>
	<p><b>Sub-programme 3: Monitoring and Evaluation</b> <i>Purpose:</i> To determine the effectiveness and impact of departmental economic strategies and interventions.</p>
	<p><b>Sub-programme 4: Policy and Planning</b> <i>Purpose:</i> To provide economic analyses and develop provincial economic policies/strategies</p>

### 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.

This programme undertakes planning and research activities that inform the development of effective provincial economic policies, strategies to drive sustainable economic development. The programme further evaluates implementation of strategies to establish effectiveness and impact in line with the departmental strategic objectives. To this end, 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 strategic priorities of the programme are to monitor and track economic developments and disseminate such economic information regarding the province to key stakeholders in the public and private sectors. In the 2019-2020 financial year, the programme will prioritise the following:

- Closer collaboration with the Moses Kotane Institute in the light of its revised mandate as a research centre;
- Continue with research activities and publications on the KwaZulu-Natal economy;
- Provide effective co-ordination of provincial Action Workgroups 5 and 15;
- Provide effective co-ordination of the department's and province's research committees;
- Support the development of new technologies and;
- Provide effective management of the departments resource centre and project support office.

**RECONCILING PROGRAMME PERFORMANCE WITH MTEF BUDGET  
PROGRAMME FIVE: ECONOMIC PLANNING**

**Table 4.23 : Summary of payments and estimates by sub-programme: Economic Planning**

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22
1. Policy and Planning	5 240	7 125	5 774	8 941	6 239	6 239	8 180	8 413	8 924
2. Research and Development	15 384	17 831	7 118	18 289	14 902	14 902	21 616	22 766	24 016
3. Knowledge Management	2 689	3 181	2 884	3 695	3 570	3 570	3 653	3 877	4 090
4. Monitoring and Evaluation	6 179	7 662	8 038	9 099	7 503	7 503	8 617	9 095	9 595
<b>Total</b>	<b>29 492</b>	<b>35 799</b>	<b>23 814</b>	<b>40 024</b>	<b>32 214</b>	<b>32 214</b>	<b>42 066</b>	<b>44 151</b>	<b>46 625</b>

Table 4.24 : Summary of payments and estimates by economic classification: Economic Planning

	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates			
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22	
<b>R thousand</b>										
<b>Current payments</b>	<b>27 348</b>	<b>24 088</b>	<b>19 018</b>	<b>26 594</b>	<b>23 437</b>	<b>23 339</b>	<b>32 666</b>	<b>34 231</b>	<b>36 139</b>	
Compensation of employees	14 281	14 462	14 238	18 196	15 916	15 818	17 639	18 722	19 782	
Goods and services	13 067	9 626	4 780	8 398	7 521	7 521	15 027	15 509	16 357	
Interest and rent on land	-	-	-	-	-	-	-	-	-	
<b>Transfers and subsidies to:</b>	<b>2 031</b>	<b>11 617</b>	<b>4 535</b>	<b>13 300</b>	<b>8 711</b>	<b>8 809</b>	<b>9 400</b>	<b>9 920</b>	<b>10 486</b>	
Provinces and municipalities	-	500	1 750	2 500	1 200	1 200	1 300	1 350	1 444	
Departmental agencies and accounts	-	2 500	-	2 500	-	-	-	-	-	
Higher education institutions	2 000	8 617	-	5 300	5 000	5 000	5 100	5 396	5 693	
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-	
Public corporations and private enterprises	-	-	2 785	3 000	2 500	2 500	3 000	3 174	3 349	
Non-profit institutions	-	-	-	-	-	-	-	-	-	
Households	31	-	-	-	11	109	-	-	-	
<b>Payments for capital assets</b>	<b>70</b>	<b>88</b>	<b>256</b>	<b>130</b>	<b>66</b>	<b>66</b>	-	-	-	
Buildings and other fixed structures	-	-	-	-	-	-	-	-	-	
Machinery and equipment	70	88	129	130	66	66	-	-	-	
Heritage assets	-	-	-	-	-	-	-	-	-	
Specialised military assets	-	-	-	-	-	-	-	-	-	
Biological assets	-	-	-	-	-	-	-	-	-	
Land and sub-soil assets	-	-	-	-	-	-	-	-	-	
Software and other intangible assets	-	-	127	-	-	-	-	-	-	
<b>Payments for financial assets</b>	<b>43</b>	<b>6</b>	<b>5</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	
<b>Total</b>	<b>29 492</b>	<b>35 799</b>	<b>23 814</b>	<b>40 024</b>	<b>32 214</b>	<b>32 214</b>	<b>42 066</b>	<b>44 151</b>	<b>46 625</b>	



## **SUB-PROGRAMME: RESEARCH AND DEVELOPMENT**

### **PURPOSE**

The Research and Development sub-programme is entrusted with the primary role of leading the discovery and creation of new knowledge for the purpose of enabling development of timeous and relevant policy interventions that give effect to the strategic objective of creating opportunities for inclusive growth and job creation. Therefore, the directorate coordinates the conduct of research to inform government decisions on the choice of economic sectors to pursue, areas to invest in and best practices to replicate in the province. At the same time, the directorate unit supports the development of innovative technologies that bring forth new products, improved manufacturing processes, applications, materials, or services that improve the quality of life for KZN residents. The mandate of the sub-programme is implemented via a three-pronged approach: through in-house resources; through Moses Kotane Institute – a departmental public entity entrusted with implementing the research agenda – and through partnerships with institutions of higher learning and other science councils.

### **SPECIFIC POLICIES, PRIORITIES, AND STRATEGIC OBJECTIVES**

The role of the Research and Development directorate is to provide economic research support to the Department for policy and strategy development. While the overarching policy guiding the provision of research support to the Department is the departmental strategic plan, the Research and Development directorate aligns the research priorities to attain the broad national and provincial goals as presented in the National Development Plan, Provincial Growth and Development Strategy (PGDS), Provincial Spatial Economic Development Strategy (PSEDS), Industrial Action Plan (IPAP), New Growth Path (NGP) among others.

The provision of research support stems from the need to make policy choices that are informed by evidenced based research. Credible data provides a key foundation for strong policy and effective instruments. It is also important to note that in an economic environment that is changing fast, policy makers must continually revise the design and depth of policy products that track these changes if they are to remain relevant. To this end, the Research and Development sub-programme will seek to provide economic intelligence through sector studies, research briefs and factsheets, necessary to assist the Department with key economic information to enable them to make efficient and effective decisions.

The environment characterizing the provision of research support has largely been punctuated with ineffective communication. Going forward, the Research and Development directorate views the communication of economic information as critical, hence will be circulating periodic reviews, mostly on a quarterly basis to keep policy makers on the 'pulse' of economic developments. The economic information disseminated through the periodic circulations is designed to assist programme and project managers as they develop and implement economic interventions for maximum impact. The periodic circulations will be complemented with the provincial coordinating initiatives that the directorate is responsible for such as Action Workgroups 5 and 15, and the Research Committees which provide additional platforms for sharing departmental research outputs. The ultimate goal is to provide research support needed to attain the departmental vision of attaining a radically transformed, inclusive and sustainable economic growth for KwaZulu-Natal.



**STRATEGIC OBJECTIVES AND ANNUAL TARGETS: SUB-PROGRAMME – RESEARCH AND DEVELOPMENT**

<b>Strategic Goal:</b> Integrated economic planning and developed economic in the province									
<b>Goals Statement:</b> Achieve an integrated and coordinated economic planning process and development in the Province of KwaZulu-Natal.									
<b>Strategic Objective</b>	<b>Strategic Objective Indicator</b>	<b>Strategic Target</b>	<b>Audited/Actual Performance</b>			<b>Estimated Performance 2018/2019</b>	<b>Medium-Term Targets</b>		
			<b>2015/2016</b>	<b>2016/2017</b>	<b>2017/2018</b>		<b>2019/2020</b>	<b>2020/2021</b>	<b>2021/2022</b>
To conduct and facilitate economic research for development of economic interventions.	Economic reports completed	39	13	11	5	5	(5)	5	5
	Innovative technologies funded	21	New	New	New	New	(7)	7	7



## PROGRAMME PERFORMANCE INDICATORS AND ANNUAL TARGETS FOR 2019/2020

Strategic Goal: Integrated economic planning and development in the province.									
Strategic Objective: To conduct and facilitate economic research for development of economic interventions.									
Interventions	Programme Performance indicator	Audited/Actual Performance				Estimated Performance 2018/2019	Medium-term targets		
		2015/2016	2016/2017	2017/2018	2019/2020		2020/2021	2021/2022	
Conduct economic research/analyses that inform decision making, outline new job creating opportunities, address challenges, mitigates risks,	Number of sector value chain studies conducted	13	11	5	5	(2)	2	2	
	Number of market intelligence studies conducted	-	-	-	-	(1)	1	1	
	Number of research briefs/ factsheets conducted	-	-	-	-	(4)	4	4	
Coordinate stakeholder platforms to enhance the knowledge economy	Number of AWG reports submitted to KZN PPC	-	-	-	-	(4)	4	4	
Provide grant funding to provincial innovators to develop new technologies that bring forth new products, enhanced manufacturing process,, improved firm competitiveness and applications that address developmental challenges.	Number of innovative technologies funded	New	New	New	New	(7)	7	7	

## QUARTERLY TARGETS FOR 2019/2020

<b>Strategic Goal:</b> Integrated economic planning and development in the province.							
<b>Strategic Objective:</b> To conduct and facilitate economic research for development of economic interventions.							
Intervention	Performance indicator	Reporting Period	Annual Target 2019/2020	Quarterly Targets			
				1 <sup>st</sup> (April-June)	2 <sup>nd</sup> (July-Sep)	3 <sup>rd</sup> (Oct-Dec)	4 <sup>th</sup> (Jan-March)
Conduct economic research/ analyses that inform decision making, outline new job creating opportunities, address challenges and mitigate risks.	Number of sector value chain studies conducted	Annually	2	0	0	0	2
	Number of market intelligence studies conducted	Annually	1	0	0	0	1
	Number of research briefs/ factsheets completed	Quarterly	4	1	1	1	1
Coordinate stakeholder platforms to enhance the knowledge economy.	Number of AWG reports submitted to KZN PPC	Quarterly	4	1	1	1	1
Provide grant funding to provincial innovators to develop new technologies that bring forth new products, enhanced competitiveness and applications that address developmental challenges.	Number of innovative technologies assessed	Annually	7	0	0	0	7



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

### **PURPOSE**

The main purpose of the Knowledge Management (KM) sub-programme is to develop and maintain a knowledge management system that support informed decision making.

### **SPECIFIC POLICIES, PRIORITIES, AND STRATEGIC OBJECTIVES**

The knowledge management mandate is shaped 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.

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

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

**STRATEGIC OBJECTIVES AND ANNUAL TARGETS: SUB-PROGRAMME – KNOWLEDGE MANAGEMENT**

<b>Strategic Goal:</b> Integrated economic planning and development in the province.									
<b>Goal Statement:</b> Achieved an integrated and co-ordinated economic and environmental planning process and development in the Province of KwaZulu-Natal.									
<b>Strategic Objective</b>	<b>Strategic Objective Indicator</b>	<b>Strategic Target</b>	<b>Audited/Actual Performance</b>			<b>Estimated Performance 2018/2019</b>	<b>Medium-Term Targets</b>		
			<b>2015/2016</b>	<b>2016/2017</b>	<b>2017/2018</b>		<b>2019/2020</b>	<b>2020/2021</b>	<b>2021/2022</b>
To develop and maintain an effective knowledge management system that supports informed decision making	An effective and functional knowledge management system	Produce 12 reports on the knowledge sharing platforms created over MTEF period	New	New	New	New	(4)	4	4
		Produce 12 reports of project status over MTEF period	New	New	New	New	(4)	4	4
		Produce 12 user statistical reports on Resource Center use over MTEF period	New	New	New	New	(4)	4	4



## PROGRAMME PERFORMANCE INDICATORS AND ANNUAL TARGETS FOR 2019/2020

<b>Strategic Goal:</b> Integrated economic planning and development in the province.									
<b>Strategic objectives:</b> To develop and maintain a knowledge management system to support informed decision making.									
Interventions	Programme Performance Indicator	Audited/Actual Performance			Estimated Performance 2018/2019	Medium-Term Targets			
		2015/2016	2016/2017	2017/2018		2019/2020	2020/2021	2021/2022	
Create knowledge sharing platforms	Number of knowledge sharing platforms created	New	New	New	New	(4)	4	4	4
Coordinate reporting on departmental project progress	Number of project status reports	New	New	New	New	4	4	4	4
Manage the departmental resource center	Number of Resource Center use statistical reports.	New	New	New	New	4	4	4	4

### QUARTERLY TARGETS FOR 2019/2020

Strategic Goal: Integrated economic planning and development in the province.							
Strategic objectives: To develop and maintain a knowledge management system to support informed decision making.							
Interventions	Performance Indicator	Reporting Period	Annual Target 2019/2020	Quarterly Targets			
				1 <sup>st</sup> (April-June)	2 <sup>nd</sup> (July-Sep)	3 <sup>rd</sup> (Oct-Dec)	4 <sup>th</sup> (Jan-March)
Create knowledge sharing platforms	Number of knowledge sharing platforms created	Quarterly	4	1	1	1	1
Coordinate reporting on departmental project progress	Number of project status reports	Quarterly	4	1	1	1	1
Manage the departmental resource center	Number of Resource Center use statistical reports.	Quarterly	4	1	1	1	1



## 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 and environmental policies, strategies and projects, through the monitoring and evaluation of outputs, outcomes and desired impacts in the implementation of the departmental Strategic Plan and the Annual Performance Plan. Monitoring and evaluation programme provides an opportunity for assessing, reflection, learning and improvement in the delivery of services.

### SPECIFIC POLICIES, PRIORITIES, AND STRATEGIC OBJECTIVES

The core purpose of a monitoring and evaluation function 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 include the Public Service legislation and its regulations, Public Finance Management Framework and legislations pertaining to auditing of public institutions. Specific policies include Government Wide Monitoring and Evaluation and Improving Government Performance: Our *outcome-based approach* is based on the National Evaluation Policy Framework, and Framework on Managing Performance Information.



**STRATEGIC OBJECTIVES AND ANNUAL TARGETS: SUB-PROGRAMME – MONITORING AND EVALUATION**

<b>Strategic Goal:</b> Achieve institutional excellence responsive to the needs of the province							
<b>Goal Statement:</b> Improved efficient, effective and accountable public sector Institution							
<b>Strategic Objective</b>	<b>Strategic Objective Indicator</b>	<b>Strategic Target</b>	<b>Audited/Actual Performance</b>			<b>Estimated Performance 2018/2019</b>	<b>Medium-Term Targets</b>
			2015/ 2016	2016/ 2017	2017/ 2018		
To determine effectiveness of the EDTEA policies and strategies	Effective M&E System	MPAT score level 4 on KPA 1				MPAT score level 4	Effective implementation of the Department's policies and strategies



## PROGRAMME PERFORMANCE INDICATORS AND ANNUAL TARGETS FOR 2019/2020

Strategic Goal: Achieve institutional excellence responsive to the needs of the province									
Strategic Objective: To determine effectiveness of the Department's policies and strategies									
Interventions	Programme Performance Indicator	Audited/Actual Performance			Estimated Performance 2018/2019	Medium-Term Targets			
		2015/2016	2016/2017	2017/2018		2019/2020	2020/2021	2021/2022	
Tracking and assessing impact of department's policies, strategies, programs and projects	Number of approved monitoring and evaluation Policies reviewed	New	New	1	1	(1)	1	1	
	Number of monitoring and evaluation Plans developed	New	New	New	New	(1)	1	1	
	Number of monitoring reports produced	4	4	4	4	(4)	4	4	
	Number of evaluation reports produced	5	5	5	5	(1)	5	5	
	Number of performance information Report produced	New	New	4	4	(5)	5	5	
Compliance with performance information reporting requirements									

### QUARTERLY TARGETS FOR 2019/2020

Strategic Goal: Achieve institutional excellence responsive to the needs of the province							
Strategic Objective: To determine effectiveness of the Department's policies and strategies							
Interventions	Performance Indicators	Reporting Period	Annual Target 2019/2020	Quarterly Targets			
				1 <sup>st</sup> (April-June)	2 <sup>nd</sup> (July-Sep)	3 <sup>rd</sup> (Oct-Dec)	4 <sup>th</sup> (Jan-March)
Tracking and assessing impact of department's policies, strategies, programs and projects	Number of approved monitoring and evaluation Policies reviewed	Annually	1	0	0	0	1
	Number of monitoring and evaluation Plans developed	Annually	1	0	1	0	0
	Number of monitoring reports produced	Quarterly	4	0	1	2	1
	Number of evaluation reports produced	Annually	1	0	0	0	1
Compliance with performance information reporting requirements	Number of performance information Report produced	Quarterly	5	2	1	1	1



## **SUB-PROGRAMME: POLICY AND PLANNING**

### **PURPOSE**

The Policy and Planning unit has the responsibility of formulating and reviewing economic strategies that drive the attainment of sustainable economic development in the province. The continuously changing economic environment necessitates periodic review of provincial economic instruments to ensure they remain relevant. The Policy and Planning directorate further supports the implementation of strategies through undertaking detailed spatial economic planning, macroeconomic and policy analysis in the province. The unit, therefore, acts as an advisory arm of the KwaZulu-Natal Department of Economic Development, Tourism and Environmental Affairs on matters of economic policy and the economy in general.

### **SPECIFIC POLICIES, PRIORITIES, AND STRATEGIC OBJECTIVES**

In executing its mandate, the Policy and Planning directorate tracks macroeconomic developments and policy pronouncements in the province and in the country in general. 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 (IPAP), Black Industrialist programme, economic transformation, New Growth Path (NGP), KZN Industrial Development Strategy (IDS), Provincial Spatial Economic Development Strategy (PSEDS), Provincial Growth and Development Strategy (PGDS), SMME Strategy and National Development Plan (NDP).

The Policy and Planning unit endeavors to achieve the following outputs:

- Relevant Sectoral Strategies;
- Policy briefs;
- Policy awareness and stakeholders workshops;
- Policy dialogues;
- Statistical publications;
- Provision of statistical information to provincial stakeholders; and
- Capacity building programmes where necessary.

In producing the aforementioned outputs, the Policy and Planning unit collaborate with provincial and national stakeholders.

**STRATEGIC OBJECTIVES AND ANNUAL TARGETS: SUB-PROGRAMME – POLICY AND PLANNING**

<b>Strategic Goal:</b> Integrated economic planning and development in the province.										
<b>Goal Statement:</b> Achieved an integrated and coordinated economic planning in the Province of KwaZulu-Natal.										
Strategic Objective	Strategic Objective Indicator	Strategic Target	Audited/Actual Performance				Estimated Performance 2018/2019	Medium-Term Targets		
			2015/2016	2016/2017	2017/2018	2019/2020		2020/2021	2021/2022	
To enhance economic policy environment in KwaZulu-Natal	Integrated Economic Development strategy reports produced	4 Policy/ strategy developed/reviewed over the MTEF	1	1	1	(1)	1	1	1	

**PROGRAMME PERFORMANCE INDICATORS AND ANNUAL TARGETS FOR 2019/2020**

<b>Strategic Goal:</b> Integrated economic planning and development in the province.									
<b>Strategic Objective:</b> To enhanced economic policy environment in KwaZulu-Natal									
Interventions	Programme Performance Indicator	Audited/Actual Performance				Estimated Performance 2018/2019	Medium-Term Targets		
		2015/2016	2016/2017	2017/2018	2019/2020		2020/2021	2021/2022	
Produce periodic economic publications to inform policy development and decision making.	Number of ezomnotho publication	4	4	4	4	(4)	4	4	
	Number of district profile publication	-	-	-	-	(2)	2	2	
	Number of policy briefs	-	-	-	-	(12)	12	12	
Develop/review integrated economic development strategy	Number of integrated economic policies/strategies reviewed/developed.	-	-	-	-	(1)	1	1	

## QUARTERLY TARGETS FOR 2019/2020

Strategic Goal: Integrated economic planning and development in the province.							
Strategic Objective: To enhanced economic policy environment in KwaZulu-Natal							
Intervention	Performance indicator	Reporting Period	Annual Target 2019/2020	Quarterly Targets			
				1 <sup>st</sup> (April-June)	2 <sup>nd</sup> (July-Sep)	3 <sup>rd</sup> (Oct-Dec)	4 <sup>th</sup> (Jan-March)
Produce periodic economic publications to inform policy development and decision making.	Number of ezomnotho publication	Quarterly	4	1	1	1	1
	Number of district profile publication	Annually	2	0	0	0	2
	Number of policy briefs	Quarterly	12	4	4	4	4
Develop/review integrated economic development strategy	Number of integrated economic policies/strategies reviewed/developed.	Annual	1	-	0	0	1

## PROGRAMME SIX: TOURISM DEVELOPMENT

### PURPOSE

Tourism is a concurrent function between the national and provincial governments. 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
<p><b>Purpose:</b> 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</p>	<p><b>Sub-programme 1: Tourism Planning</b> <i>Purpose:</i></p> <ul style="list-style-type: none"> <li>To ensure coordinated tourism planning and policy making</li> </ul>
	<p><b>Sub-programme 2: Tourism Growth and Development</b> <i>Purpose:</i></p> <ul style="list-style-type: none"> <li>To drive tourism growth and development in the province</li> </ul>
	<p><b>Sub-programme 3: Tourism Sector Transformation</b> <i>Purpose:</i></p> <ul style="list-style-type: none"> <li>To drive tourism sector transformation</li> </ul>

### 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 Economic 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);
- KwaZulu-Natal Tourism Master Plan Vision 2030
- Service Excellence Strategy;
- National and Provincial Tourism White Paper on the Development and Promotion of Tourism in South Africa;
- New Growth Path;
- National Development Plan;
- Provincial Growth and Development Plan and Strategy;
- Human Resource Development Strategy for the Tourism Sector;
- National Skills Audit 2007 & Provincial Skills Audit 2008;
- Tourism Sector Skills Plan; and the
- National Skills Development Strategy III.

**RECONCILING PROGRAMME PERFORMANCE WITH MTEF BUDGET**  
**PROGRAMME 6: TOURISM DEVELOPMENT**

**Table 4.26 : Summary of payments and estimates by sub-programme: Tourism**

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22
2. Tourism Planning	4 722	7 958	5 195	18 363	7 804	7 804	11 310	12 805	13 509
2. Tourism Growth and Development	367 942	231 227	198 257	214 552	213 173	229 873	254 677	279 592	294 041
3. Tourism Sector Transformation	3 010	7 523	4 745	14 871	10 701	10 701	23 010	24 318	25 656
<b>Total</b>	<b>375 674</b>	<b>246 708</b>	<b>208 197</b>	<b>247 786</b>	<b>231 678</b>	<b>248 378</b>	<b>288 997</b>	<b>316 715</b>	<b>333 206</b>
Unauth. Exp (1st charge) not available for spending	(236)	-	-	-	-	-	-	-	-
<b>Baseline available for spending after 1st charge</b>	<b>375 438</b>	<b>246 708</b>	<b>208 197</b>	<b>247 786</b>	<b>231 678</b>	<b>248 378</b>	<b>288 997</b>	<b>316 715</b>	<b>333 206</b>



Table 4.27 : Summary of payments and estimates by economic classification: Tourism

	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22
<b>R thousand</b>									
<b>Current payments</b>	<b>72 760</b>	<b>26 909</b>	<b>15 275</b>	<b>44 897</b>	<b>27 446</b>	<b>27 438</b>	<b>43 541</b>	<b>90 434</b>	<b>94 481</b>
Compensation of employees	10 546	12 775	12 274	23 913	19 323	19 323	25 442	26 997	28 483
Goods and services	62 214	14 134	3 001	20 984	8 123	8 115	18 099	63 437	65 998
Interest and rent on land	-	-	-	-	-	-	-	-	-
<b>Transfers and subsidies to:</b>	<b>302 678</b>	<b>219 798</b>	<b>192 455</b>	<b>202 889</b>	<b>204 232</b>	<b>220 932</b>	<b>245 456</b>	<b>226 281</b>	<b>238 725</b>
Provinces and municipalities	2 500	1 500	1 000	5 375	6 300	6 300	10 000	10 580	11 161
Departmental agencies and accounts	180 744	188 725	183 059	195 914	197 914	214 614	235 456	215 701	227 564
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	118 834	29 273	8 200	1 600	-	-	-	-	-
Non-profit institutions	600	300	-	-	-	-	-	-	-
Households	-	-	196	-	18	18	-	-	-
<b>Payments for capital assets</b>	<b>-</b>	<b>-</b>	<b>455</b>	<b>-</b>	<b>-</b>	<b>8</b>	<b>-</b>	<b>-</b>	<b>-</b>
Buildings and other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	-	-	455	-	-	8	-	-	-
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	-	-	-	-	-
<b>Payments for financial assets</b>	<b>236</b>	<b>1</b>	<b>12</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total</b>	<b>375 674</b>	<b>246 708</b>	<b>208 197</b>	<b>247 786</b>	<b>231 678</b>	<b>248 378</b>	<b>288 997</b>	<b>316 715</b>	<b>333 206</b>
Unauth. Exp (1st charge) not available for spending	(236)	-	-	-	-	-	-	-	-
<b>Baseline available for spending after 1st charge</b>	<b>375 438</b>	<b>246 708</b>	<b>208 197</b>	<b>247 786</b>	<b>231 678</b>	<b>248 378</b>	<b>288 997</b>	<b>316 715</b>	<b>333 206</b>



## **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 Economic Empowerment Act (Act No. 53 of 2003);
- The White Paper on the Development and Promotion of Tourism in South Africa (1996); and the
- The White Paper on the Development and Promotion of Tourism in KwaZulu-Natal (2008).

### **SPECIFIC POLICIES, PRIORITIES, AND STRATEGIC OBJECTIVES**

The sub-programme will ensure that the tourism activities are conducted professionally, effectively and efficiently through alignment of National, Provincial and Local Plans. The sub-programme also serves to enhance the capacity of the research and knowledge management within the unit and the tourism industry. 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 and Strategy.

### STRATEGIC OBJECTIVES AND ANNUAL TARGETS: TOURISM PLANNING

<b>Strategic Goal:</b> Preferred tourism destination in the province.									
<b>Goal Statement:</b> Developed and deepen the positioning of KwaZulu-Natal as a preferred tourism destination for domestic and global tourism.									
Strategic Objective	Strategic Objective Indicator	Strategic Target	Audited/Actual Performance			Estimated Performance 2018/2019	Medium-Term Targets		
			2015/2016	2016/2017	2017/2018		2019/2020	2020/2021	2021/2022
To Provide guidance, support and direction in terms of tourism knowledge management, policies and strategies.	Percentage of resolutions adopted and implemented through engagements with Social Partners.	Ensure 100% implementation of adopted resolutions over MTSF period	90%	95%	95%	100%	(100%)	100%	100%
		Policy advocacy and awareness initiatives coordinated	New	New	2	3	(4)	4	4



## PROGRAMME PERFORMANCE INDICATORS AND ANNUAL TARGETS FOR 2019/2020

Strategic Goal: Preferred tourism destination in the province.									
Strategic objective: To provide guidance, support and direction in terms of tourism knowledge management, policies and strategies									
Interventions	Programme Performance Indicator	Audited/Actual Performance			Estimated Performance 2018/2019	Medium-Term Targets			
		2015/2016	2016/2017	2017/2018		2019/2020	2020/2021	2021/2022	
Support and sustenance of tourism coordinating structures at national, provincial and local level (MimMEC, Min TECH, PTIC, etc.)	Percentage of resolutions implemented from legislated structures	90%	95%	95%	100%	(100%)	100%	100%	
Review of the KwaZulu-Natal Tourism Master Plan and the development of tourism frameworks with an aim to provide guidance	Number of partnership engagements with social partners.	New	New	12	12	(12)	12	12	
Policy, legislation, frameworks and tourism statistics workshops	Number of tourism strategies developed	6	7	7	7	(4)	3	3	
Events impact assessment model	Number of awareness tourism initiatives conducted	New	New	4	4	(4)	3	3	

**QUARTERLY TARGETS FOR 2019/2020**

<b>Strategic Goal:</b> Preferred tourism destination in the province.							
<b>Strategic objective:</b> To provide guidance, support and direction in terms of tourism knowledge management, policies and strategies							
<b>Interventions</b>	<b>Performance Indicator</b>	<b>Reporting Period</b>	<b>Annual Target 2019/2020</b>	<b>Quarterly Targets</b>			
				<b>1<sup>st</sup> (April-June)</b>	<b>2<sup>nd</sup> (July-Sep)</b>	<b>3<sup>rd</sup> (Oct-Dec)</b>	<b>4<sup>th</sup> (Jan-March)</b>
<b>To provide guidance, support and direction in terms of tourism knowledge management, policies and strategies</b>							
Support and sustenance of tourism coordinating structures at national, provincial and local level (MinMEC, Min TECH, PTIC, etc.)	Percentage of resolutions implemented.	Annual	100%	-	-	100%	
Review of the KwaZulu-Natal Tourism Master Plan and the development of tourism frameworks with an aim to provide guidance	Number of strategic partnership (forums) sustained.	Annual	12	-	-	12	
Policy, legislation, frameworks and tourism statistics workshops Events impact assessment model	Number of awareness tourism initiatives conducted	Quarterly	4	-	2	2	
		Quarterly	4	1	1	1	



## **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. 3 of 2014
- KwaZulu-Natal Tourism Act No. 11 of 1996 as amended in 2002;
- Broad Based Black Economic 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:

**STRATEGIC OBJECTIVES AND ANNUAL TARGETS: SUB-PROGRAMME – TOURISM GROWTH AND DEVELOPMENT**

<b>Strategic Goal:</b> Preferred tourism destination in the province.									
<b>Goal Statement:</b> Develop and deepen the positioning of KwaZulu-Natal as a preferred tourism destination for domestic and global tourism.									
<b>Strategic Objective</b>	<b>Strategic Objective Indicator</b>	<b>Strategic Target</b>	<b>Audited/Actual Performance</b>			<b>Estimated Performance 2018/2019</b>	<b>Medium-Term Targets</b>		
			<b>2015/2016</b>	<b>2016/2017</b>	<b>2017/2018</b>		<b>2019/2020</b>	<b>2020/2021</b>	<b>2021/2022</b>
To ensure effective and efficient support for the promotion and integrated development of diverse tourism offerings	% of tourism product and service supported in KZN.	100% of tourism product and service supported in KZN over MTSF	New	New	100%	100%	(100%)	100%	100%
	% Increase in tourism establishments and tourist guides that are in compliance with tourism sector legislation	80% increase in tourism establishments that are in compliance with tourism sector legislation over MTSF	New	New	50%	60%	(80%)	80%	80%
	Number of people employed in the tourism sector	140 of people employed in the tourism sector over MTSF	New	New	30	50	(60)	60	80



## PROGRAMME PERFORMANCE INDICATORS AND ANNUAL TARGETS FOR 2019/2020

Strategic Goal: Preferred tourism destination in the province									
Strategic objective: To ensure effective and efficient support for the promotion and integrated development of diverse tourism offering									
Interventions	Programme Performance Indicator	Audited/Actual Performance			Estimated Performance 2018/2019	Medium-Term Targets			
		2015/2016	2016/2017	2017/2018		2019/2020	2020/2021	2021/2022	
Identification and Implementation of tourism homestays (around existing tourism events)	Number of niche tourism products implemented	New	New	1	1	(1)	2	2	
Registration and accreditation of Tourist Guides	Number of Tourist Guides accredited	New	New	267	200	(200)	300	400	
Implement tourism products identified in municipalities Ingodini Border Caves Ndumo Lodge upgrade and projects identified through Operation Vula fund	Number of tourism community based projects and enterprises implemented towards employment and growth	5	5	6	6	(4)	4	4	



### QUARTERLY TARGETS FOR 2019/2020

<b>Strategic Goal:</b> Preferred tourism destination in the province							
<b>Strategic objective:</b> To ensure effective and efficient support for the promotion and integrated development of diverse tourism offering							
<b>Interventions</b>	<b>Performance Indicator</b>	<b>Reporting Period</b>	<b>Annual Target 2019/2020</b>	<b>Quarterly Targets</b>			
				<b>1<sup>st</sup> (April-June)</b>	<b>2<sup>nd</sup> (July-Sep)</b>	<b>3<sup>rd</sup> (Oct-Dec)</b>	<b>4<sup>th</sup> (Jan-March)</b>
Identification and Implementation of tourism homestays	Number of niche areas implemented.	Annually	1	-	-	-	1
Registration and accreditation of Tourist Guides	Number of Tourist Guides accredited.	Quarterly	200	40	60	60	40
Implement tourism products identified in municipalities Ingodini Border Caves Ndumo Lodge upgrade and projects identified through Operation Vula fund	Number of tourism community based projects/enterprises implemented towards growth	Annually	4	-	-	-	4



## **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 helps to provide the trainees with better opportunities to increase tourism work-related performance. Well-developed capacities and capabilities within the private sector and local community members involved in tourism businesses will 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 Economic Empowerment Act and its implementation while contributing to the transformation of the tourism sector, as part of creating an inclusive tourism economy. The provision of tourism education and awareness has made a significant contribution in addressing the level of skills and knowledge at schools and also at tertiary education levels. Furthermore, this area of capacity building is extended through creating opportunities for career exposure and placement of young tourism graduates in experiential training roles.

### **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. 3 of 2014
- KwaZulu-Natal Tourism Act No. 11 of 1996 as amended in 2002;
- Broad-Based Black Economic 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; and the
- New Growth Path.

**STRATEGIC OBJECTIVES AND ANNUAL TARGETS: SUB-PROGRAMME – TOURISM SECTOR TRANSFORMATION**

<b>Strategic Goal:</b> Preferred tourism destination in the country.									
<b>Goal Statement:</b> Develop and deepen the positioning of KwaZulu-Natal as a preferred tourism destination for domestic and global tourism.									
<b>Strategic Objective</b>	<b>Strategic Objective Indicator</b>	<b>Strategic Target</b>	<b>Audited/Actual Performance</b>			<b>Estimated Performance 2018/2019</b>	<b>Medium-Term Targets</b>		
			<b>2015/2016</b>	<b>2016/2017</b>	<b>2017/2018</b>		<b>2019/2020</b>	<b>2020/2021</b>	<b>2021/2022</b>
To identify and drive implementation of targeted interventions aimed at transforming the sector	Number of Tourism enterprises complying with the Tourism Sector Codes	Ensure 165 tourism enterprises are complying with tourism sector codes	50	50	50	30	(30)	30	30
	Number of Service Excellence initiatives designed and implemented	9 Service Excellence initiatives implemented	New	New	2	3	(4)	4	4
	Number of people trained within the tourism sector	Ensure 6800 people are capacitated within the tourism sector	New	New	2000	2300	(2500)	2500	2500
	Number of people assisted with employment opportunities within the tourism sector	165 employment opportunities over MTFS period	New	New	New	55	(60)	60	60



## PROGRAMME PERFORMANCE INDICATORS AND ANNUAL TARGETS FOR 2019/2020

<b>Strategic Goal:</b> Preferred tourism destination in the country									
<b>Strategic objective:</b> To identify and drive implementation of targeted interventions aimed at transforming the sector									
Interventions	Programme Performance Indicator	Audited/Actual Performance			Estimated Performance 2018/2019	Medium-Term Targets			
		2015/2016	2016/2017	2017/2018		2019/2020	2020/2021	2021/2022	
Assessment of tourism enterprises and Implementation of targeted intervention	Number of assessments conducted on compliance with Tourism Sector Codes	50	50	50	30	(30)	30	30	
Implementation of tourism safety monitors Tourism grading workshops Basic business skills workshop	Number of Service Excellence initiatives implemented	New	New	2	3	(4)	4	4	
Tourism and Entrepreneurship Careers Expo Tour Operators Workshop Tourism Tertiary Students Enhancement Workshop Tourist Guide Training and up-skilling Educators Seminars	Number of people trained within the tourism sector	New	New	-	2300	(2500)	2500	2500	
Implementation of tourism Graduate Development Programme	Number of people assisted with employment opportunities within the tourism sector	New	New	New	55	(60)	60	60	

**QUARTERLY TARGETS FOR 2019/2020**

<b>Strategic Goal: Preferred tourism destination in the country</b>							
<b>Strategic Objective: To identify and drive implementation of targeted interventions aimed at transforming the sector</b>							
<b>Interventions</b>	<b>Performance Indicator</b>	<b>Reporting Period</b>	<b>Annual Target 2019/2020</b>	<b>Quarterly Targets</b>			
				<b>1<sup>st</sup> (April-June)</b>	<b>2<sup>nd</sup> (July-Sep)</b>	<b>3<sup>rd</sup> (Oct-Dec)</b>	<b>4<sup>th</sup> (Jan-March)</b>
Assessment of tourism enterprises and Implementation of targeted intervention	Number of assessments conducted on compliance with Tourism Sector Codes	Quarterly	(30)	-	10	10	10
Implementation of tourism safety monitors Tourism grading workshops Basic business skills workshop	Number of Service Excellence initiatives implemented	Quarterly	(4)	-	2	1	1
Tourism and Entrepreneurship Careers Expo Tour Operators Workshop Tourism Tertiary Students Enhancement Workshop Tourist Guide Training and up-skilling Educators Seminars	Number of people trained within the tourism sector	Quarterly	(2500)	150	400	150	1 800
Implementation of tourism Graduate Development Programme	Number of people assisted with employment opportunities within the tourism sector	Annually	(60)	-	-	-	60



## PROGRAMME SEVEN: ENVIRONMENTAL MANAGEMENT

### PURPOSE

The purpose of this programme is to advance environmental sustainability for socio-economic development through the promotion of sustainable use of natural resources and healthy environment. The following table presents the structure of the programme and its purpose and as well as its strategic goals and objectives:

Programme 7: Environmental Management	Sub-programmes
<p><b>Purpose:</b> To advance environmental sustainability for socio-economic development, through the promotion of sustainable use of the environment this is safe and healthy.</p>	<p><b>Sub-programme 1: Policy Co-ordination and Environmental Planning</b> <i>Purpose:</i></p> <ul style="list-style-type: none"> <li>• The development of instruments, mechanisms and institutions to ensure sound co-operative environmental governance, in the implementation of sustainable development frameworks;</li> <li>• 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;</li> <li>• 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.</li> </ul>
	<p><b>Sub-programme 2: Compliance and enforcement</b> <i>Purpose:</i> To achieve effective, integrated and co-ordinated compliance monitoring and enforcement of environmental legislation in the Province.</p>
	<p><b>Sub-programme 3: Environmental Quality Management</b> <i>Purpose:</i></p> <ul style="list-style-type: none"> <li>• To facilitate environmental impact mitigation and promote sustainable development;</li> <li>• To develop an integrated plan for sustainable air quality management;</li> <li>• To provide support to other spheres of government stakeholders both internal and external;</li> <li>• To promote the waste management hierarchy (waste minimization, cleaner production, reuse/recycling, treatment);</li> <li>• To provide management, strategic and specialist support and direction for pollution and waste management programmes in KwaZulu-Natal;</li> <li>• To process applications for permits and emission licenses related to air quality management.</li> </ul>

Programme 7: Environmental Management (Continued)	Sub-programmes
<p><b>Purpose:</b> To advance environmental sustainability for socio-economic development, through the promotion of sustainable use of the environment this is safe and healthy.</p>	<p><b>Sub-programme 4: Biodiversity Management</b> <i>Purpose:</i></p> <ul style="list-style-type: none"> <li>• To control the spread of invasive alien plants in communal, public and private terrestrial biomes;</li> <li>• Develop and implement community based natural resource management and action projects for sustainable development;</li> <li>• Co-ordinate, facilitate and promote effective coastal management (including coastal resource use).</li> </ul>
	<p><b>Sub-programme 5: Environmental Empowerment Services</b> <i>Purpose:</i></p> <ul style="list-style-type: none"> <li>• Promote a culture of environmental rights and responsibilities through awareness programmes;</li> <li>• Promote and implement environmental education learnerships for youth;</li> <li>• Implement Environmental Education programmes to assist with the integration of EE into formal education structures; and</li> <li>• Develop and implement capacity building empowerment policy /strategy.</li> </ul>

## 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 within the province and secondly to ensure that development occurs in a responsible and environmentally sustainable manner. The programme also manages and controls environmental impacts to promote a safe and healthy environment. The programme also undertakes capacity building programmes that are aimed at creating awareness on issues of the environment.

## RECONCILING PROGRAMME PERFORMANCE WITH MTEF BUDGET

### PROGRAMME 7: ENVIRONMENTAL MANAGEMENT

**Table 4.29 : Summary of payments and estimates by sub-programme: Environmental Affairs**

	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2015/16	2016/17	2017/18				2019/20	2020/21	2021/22
<b>R thousand</b>	<b>10 943</b>	<b>8 155</b>	<b>8 882</b>	<b>16 413</b>	<b>12 805</b>	<b>10 805</b>	<b>30 973</b>	<b>32 617</b>	<b>34 413</b>
<b>1. Environmental Policy Planning and Co-ordination</b>									
Intergovt. Co-ordination, Spatial and Dev Planning	10 822	8 063	8 857	13 538	10 257	8 257	10 419	11 148	11 761
Climate Change Management	121	92	25	2 875	2 548	2 548	20 554	21 469	22 652
<b>2. Compliance and Enforcement</b>	<b>32 818</b>	<b>29 763</b>	<b>30 712</b>	<b>42 141</b>	<b>31 646</b>	<b>31 646</b>	<b>36 065</b>	<b>38 211</b>	<b>40 313</b>
Enviro. Quality Manage. Compliance and Enforcemt	32 818	29 763	30 712	42 141	31 646	31 646	36 065	38 211	40 313
<b>3. Environmental Quality Management</b>	<b>32 536</b>	<b>36 449</b>	<b>29 973</b>	<b>59 862</b>	<b>48 628</b>	<b>45 628</b>	<b>60 027</b>	<b>63 618</b>	<b>67 116</b>
Impact Management	17 535	15 508	14 907	32 995	25 132	22 132	32 802	34 783	36 695
Air Quality Management	2 323	4 689	2 282	6 250	5 949	5 949	5 280	5 593	5 901
Pollution and Waste Management	12 678	16 252	12 784	20 617	17 547	17 547	21 945	23 242	24 520
<b>4. Biodiversity Management</b>	<b>811 305</b>	<b>700 664</b>	<b>832 802</b>	<b>843 432</b>	<b>885 243</b>	<b>883 103</b>	<b>877 187</b>	<b>919 133</b>	<b>969 684</b>
Biodiversity and Protected Area Plan. and Managemt	79 228	54 976	73 997	94 165	107 524	105 384	103 772	103 184	108 858
Conservation Agencies and Services	718 966	636 622	749 720	737 512	767 512	767 512	761 038	802 895	847 054
Coastal Management	13 111	9 066	9 085	11 755	10 207	10 207	12 377	13 054	13 772
<b>5. Environmental Empowerment Services</b>	<b>33 970</b>	<b>32 023</b>	<b>27 683</b>	<b>41 284</b>	<b>31 968</b>	<b>31 968</b>	<b>36 718</b>	<b>38 348</b>	<b>40 456</b>
Environmental Capacity Development and Support	33 970	32 023	27 683	41 284	31 968	31 968	36 718	38 348	40 456
<b>6. Environmental Services Administrative Support</b>	<b>7 181</b>	<b>12 730</b>	<b>6 017</b>	<b>6 545</b>	<b>3 878</b>	<b>3 878</b>	<b>4 415</b>	<b>4 711</b>	<b>4 970</b>
Environmental Services Administrative Support	7 181	12 730	6 017	6 545	3 878	3 878	4 415	4 711	4 970
<b>Total</b>	<b>928 753</b>	<b>819 784</b>	<b>936 069</b>	<b>1 009 677</b>	<b>1 014 168</b>	<b>1 007 028</b>	<b>1 045 385</b>	<b>1 096 638</b>	<b>1 156 952</b>



Table 4.30 : Summary of payments and estimates by economic classification: Environmental Affairs

	Audited Outcome			Revised Estimate	Medium-term Estimates		
	2015/16	2016/17	2017/18		2019/20	2020/21	2021/22
<b>R thousand</b>							
<b>Current payments</b>	<b>192 199</b>	<b>171 439</b>	<b>177 122</b>	<b>228 501</b>	<b>272 261</b>	<b>282 450</b>	<b>298 012</b>
Compensation of employees	98 962	101 488	99 997	118 033	140 338	149 559	157 786
Goods and services	93 237	69 951	77 125	110 468	131 923	132 891	140 226
Interest and rent on land	-	-	-	-	-	-	-
<b>Transfers and subsidies to:</b>	<b>735 944</b>	<b>646 760</b>	<b>757 651</b>	<b>775 652</b>	<b>769 697</b>	<b>811 998</b>	<b>856 630</b>
Provinces and municipalities	4 500	-	-	1 000	1 000	1 000	1 108
Departmental agencies and accounts	718 966	636 622	749 720	767 512	761 038	802 895	847 054
Higher education institutions	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-
Public corporations and private enterprises	300	1 500	-	-	-	-	-
Non-profit institutions	10 505	8 365	6 880	6 779	7 659	8 053	8 468
Households	1 673	273	1 051	310	-	-	-
<b>Payments for capital assets</b>	<b>610</b>	<b>1 581</b>	<b>1 292</b>	<b>2 875</b>	<b>3 427</b>	<b>2 190</b>	<b>2 310</b>
Buildings and other fixed structures	-	-	-	62	-	-	-
Machinery and equipment	610	1 581	1 292	2 813	3 427	2 190	2 310
Heritage assets	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	-	-	-
<b>Payments for financial assets</b>	<b>-</b>	<b>4</b>	<b>4</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total</b>	<b>928 753</b>	<b>819 784</b>	<b>936 069</b>	<b>1 007 028</b>	<b>1 045 385</b>	<b>1 096 638</b>	<b>1 156 952</b>



## **SUB-PROGRAMME: POLICY COORDINATION AND ENVIRONMENTAL PLANNING**

### **PURPOSE**

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

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

**STRATEGIC OBJECTIVES AND ANNUAL TARGETS: SUB-PROGRAMME – POLICY COORDINATION AND ENVIRONMENTAL PLANNING**

<b>Strategic Goal:</b> Sustainable Environmental management.									
<b>Goal Statement:</b> Enhance governance systems and capacity									
<b>Strategic Objective</b>	<b>Strategic Objective Indicator</b>	<b>Strategic Target</b>	<b>Audited/Actual Performance</b>			<b>Estimated Performance 2018/2019</b>	<b>Medium-Term Targets</b>		
			<b>2015/2016</b>	<b>2016/2017</b>	<b>2017/2018</b>		<b>2019/2020</b>	<b>2020/2021</b>	<b>2021/2022</b>
To ensure the implementation of Environmental Management tools to support economic development through enhanced governance systems and capacity	Number of development policies, programmes, plans and processes compliant with sustainable development principles	284 Intergovernmental sector tools reviewed over MTSF period	61	61	54	54	(54)	54	54
		10 environmental legislative tools developed over MTSF period	4	3	2	2	(2)	1	1
		Produced 10 environmental research projects over MTSF period	1	1	2	0	(1)	2	2
		12 functional environmental information management system	12	12	10	12	(12)	12	12



## PROGRAMME PERFORMANCE INDICATORS AND ANNUAL TARGETS FOR 2019/2020

<b>Strategic Goal:</b> Sustainable Environmental management.									
<b>Strategic Objective:</b> To ensure the implementation of Environmental Management tools to support economic development through enhanced governance systems and capacity									
Interventions	Programme Performance Indicator	Audited/Actual Performance			Estimated Performance 2018/2019	Medium-Term Targets			
		2015/2016	2016/2017	2017/2018		2019/2020	2020/2021	2021/2022	
Environmental Intergovernmental relations enhancement	Number of intergovernmental sector tools reviewed	61	61	54	54	(54)	54	54	
Legislative tools development	Number of environmental legislative tools developed	4	3	2	2	(2)	1	1	
Environmental management research	Number of environmental research projects completed	1	1	2	0	(1)	2	2	
Access to environmental information	Number of functional environmental information management systems	12	12	10	12	(12)	12	12	
Climate change response	Number of climate change response tools developed	1	1	1	1	(1)	1	1	
Climate change response	Number of district climate change adaptation interventions implemented	New	New	new	10	(10)	10	10	
Climate risk awareness	Number of severe weather watch notifications released	New	New	new	18	(24)	24	24	
Green economy implementation	Number of provincial green economy reports developed	New	New	new	1	(1)	1	1	

## QUARTERLY TARGET 2019/2020

<b>Strategic Goal:</b> Sustainable Environmental management.							
<b>Strategic Objective:</b> To ensure the implementation of Environmental Management tools to support economic development through enhanced governance systems and capacity							
Interventions	Performance Indicator	Reporting Period	Annual Target 2019/2020	Quarterly Targets			
				1 <sup>st</sup> (April-June)	2 <sup>nd</sup> (July-Sept)	3 <sup>rd</sup> (Oct-Dec)	4 <sup>th</sup> (Jan-March)
Intergovernmental relations on environmental Management enhancement	Number of intergovernmental sector tools reviewed	Annually	54	-	-	-	54
Legislative tools development	Number of environmental legislative tools developed	Annually	2	-	-	-	2
Environmental management research	Number of environmental research projects completed	Annually	1	-	-	-	1
Access to environmental information	Number of functional environmental information management systems	Quarterly	12	3	3	3	3
Climate change response	Number of climate change response tools developed	Annually	1	-	-	-	1
Climate change response	Number of district climate change adaptation interventions implemented	Annually	11	-	3	4	4
Climate risk awareness	Number of severe weather watch notification released	Annually	18	-	4	7	7
Green economy implementation	Number of provincial green economy reports developed	Annually	1	-	-	-	1



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PROVINCE OF KWAZULU-NATAL



## **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**

## STRATEGIC OBJECTIVES AND ANNUAL TARGETS: SUB-PROGRAMME – COMPLIANCE AND ENFORCEMENT

<b>Strategic Goal:</b> Sustainable Environmental management.									
<b>Goal Statement:</b> Ensure effective implementation of policies and strategies for sustainable development.									
Strategic Objective	Strategic Objective Indicator	Strategic Target	Audited/Actual Performance			Estimated Performance 2018/2019	Medium-Term Targets		
			2015/2016	2016/2017	2017/2018		2019/2020	2020/2021	2021/2022
To achieve effective integrated and co-ordinated compliance monitoring and enforcement of environmental legislation in the province.	Number of development projects that are in compliance with environmental legislation	Finalized 1710 enforcement actions for non-compliance with environmental legislation over MTSF period	399	310	339	250	(250)	240	240
		5670 compliance inspections conducted over MTSF period	739	719	707	850	(900)	900	900
	180 S24G applications finalized over MTSF period	20	25	7	11	(11)	11	11	



## PROGRAMME PERFORMANCE INDICATORS AND ANNUAL TARGETS FOR 2019/2020

<b>Strategic Goal:</b> Sustainable Environmental management.									
<b>Strategic Objective:</b> To achieve effective, integrated and co-ordinated compliance monitoring and enforcement of environmental legislation in the province									
Interventions	Programme Performance Indicator	Audited/Actual Performance				Estimated Performance 2018/2019	Medium-Term Targets		
		2015/2016	2016/2017	2017/2018	2019/2020		2020/2021	2021/2022	
Compliance enforcement	Number of administrative enforcement notices issued for non-compliance with environmental legislation	399	310	339	250	(250)	240	240	
Compliance enforcement	Number of completed criminal investigation handed to NPA for prosecutions	new	New	2	4	(4)	4	4	
Compliance monitoring	Number of compliance inspections conducted	739	719	707	850	(900)	900	900	
Compliance enforcement	Number of S24G applications finalised	20	25	7	11	(11)	11	11	
Joint landfill inspections for compliance monitoring and enforcement	Number of permitted landfill sites monitored for compliance			new	15	(15)	15	20	



**QUARTERLY TARGET 2019/2020**

<b>Strategic Goal:</b> Sustainable Environmental management.							
<b>Strategic Objective:</b> To achieve effective, integrated and co-ordinated compliance monitoring and enforcement of environmental legislation in the province							
<b>Interventions</b>	<b>Performance Indicator</b>	<b>Reporting Period</b>	<b>Annual Target 2019/2020</b>	<b>Quarterly Targets</b>			
				<b>1<sup>st</sup> (April-June)</b>	<b>2<sup>nd</sup> (July-Sep)</b>	<b>3<sup>rd</sup> (Oct-Dec)</b>	<b>4<sup>th</sup> (Jan-March)</b>
Compliance enforcement	Number of administrative enforcement notices issued for non-compliance with environmental management legislation	quarterly	250	50	80	50	70
Compliance enforcement	Number of completed criminal investigation handed to NPA for prosecutions	Quarterly	4	1	1	1	1
Compliance monitoring	Number of compliance inspections conducted	Quarterly	900	200	200	250	250
Compliance enforcement	Number of S24G applications finalized	Quarterly	11	1	1	4	5
Enforcement compliance for waste facilities	Number of permitted landfill sites monitored for compliance	Quarterly	15	-	5	5	5



## **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 both internal and external;
- To promote the waste management hierarchy (waste minimization, cleaner production, reuse/recycling, treatment);
- To provide management, strategic and specialist support and direction for pollution and waste management programmes in KwaZulu-Natal;
- To process applications for permits and emission licenses related to air quality management; and to
- Coordinate, facilitate and promote effective coastal management (including coastal resource use).

**STRATEGIC OBJECTIVES AND ANNUAL TARGETS: SUB-PROGRAMME – ENVIRONMENTAL QUALITY**

<b>Strategic Goal:</b> A sustainable environmental management.									
<b>Goal Statement:</b> Ensure effective implementation of policies and strategies for sustainable development.									
<b>Strategic Objective</b>	<b>Strategic Objective Indicator</b>	<b>Strategic Target</b>	<b>Audited/Actual Performance</b>			<b>Estimated Performance 2018/2019</b>	<b>Medium-Term Targets</b>		
			<b>2015/2016</b>	<b>2016/2017</b>	<b>2017/2018</b>		<b>2019/2020</b>	<b>2020/2021</b>	<b>2021/2022</b>
To promote and regulate environmental quality management through environmental impacts mitigate	Improved integrated environmental management through regulation and impact mitigation management	100% waste licence applications finalised within legislated timeframes	74%	91%	100%	100%	(100%)	100%	100%
			98%	97%	98%	(100%)	100%	100%	
		98% EIA applications finalized within legislated timeframes	1	1	0	1	(1)	1	
			5 designated organs of state with approved AQMPs	100%	100%	100%	(100%)	100%	100%
		100% air emissions licence applications finalised within legislated timeframes	100%	100%	100%	(100%)	100%	100%	



## PROGRAMME PERFORMANCE INDICATORS AND ANNUAL TARGETS FOR 2019/2020

Strategic Goal: A sustainable environmental management.									
Strategic Objective: To promote and regulate environmental quality management through environmental impacts mitigate									
Interventions	Programme Performance Indicator	Audited/Actual Performance			Estimated Performance 2018/2019	Medium-Term Targets			
		2015/2016	2016/2017	2017/2018		2019/2020	2020/2021	2021/2022	
Waste management and regulation	% waste licence applications finalised within legislated timeframes	74%	91%	100%	100%	(100%)	100%	100%	
Circular economy promotion and support	Number of recycling projects supported			new	11	(11)	11	11	
Circular economy promotion and support	Number of work opportunities created in the circular economy			new	200	(200)	500	750	
Review of waste licenses	% of waste licenses reviewed			new	50%	(50%)	75%	100%	
Waste facilities monitoring and compliance	% of waste facilities audited on compliance with environmental legislation			new	100%	(100%)	100%	100%	
Convene and facilitate Provincial Waste Dialogue	Number of Provincial Waste Dialogues convened			new	1	(1)	1	1	
Impact Management and Regulation	% EIA applications finalized within legislated timeframes	98%	97%	98%	98%	(100%)	100%	100%	
Air quality management	Number of designated organs of state with approved AQMPs	1	1	0	1	(1)	1	1	
Air quality management and regulation	% Atmospheric Emission Licenses with complete applications issued within legislated timeframes	100	100%	100%	100%	(100%)	100%	100%	
Auditing of ambient air quality in the Province	Number of ambient air quality monitoring reports produced				3	(4)	4	4	

### QUARTERLY TARGETS 2019/2020

<b>Strategic Goal: A sustainable environmental management.</b>							
<b>Strategic Objective: To promote and regulate environmental quality management through environmental impacts mitigate</b>							
Interventions	Performance Indicator	Reporting Period	Annual Target 2019/2020	Quarterly Targets			
				1 <sup>st</sup> (April-June)	2 <sup>nd</sup> (July-Sept)	3 <sup>rd</sup> (Oct-Dec)	4 <sup>th</sup> (Jan-March)
Waste management and regulation	% of waste license applications finalised within legislated timeframes	Quarterly	100%	100%	100%	100%	100%
Circular economy promotion and support	Number of recycling projects supported	Annually	11	-	3	3	4
Circular economy promotion and support	Number of work opportunities created in the circular economy	Annually	200	-	-	-	200
Review of waste licenses	% of waste licenses reviewed	Annually	50%	-	15%	20%	15%
Waste facilities monitoring and compliance	% of waste facilities audited on compliance with environmental legislation	Annually	100	-	20	30	50
Convene and facilitate Provincial Waste Dialogue	Number of Provincial Waste Dialogues convened	Annually	1	-	--	-	1
Air quality management	Number of designated organs of state with approved AQMP's	Annually	1	-	-	-	1
Air quality management and regulation	% Atmospheric Emission Licenses with complete applications issued within legislated timeframes	Annually	100%	-	-	100%	-
Auditing of ambient air quality in the Province	Number of ambient air quality monitoring reports produced	Annually	4	-	1	1	1



## **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 enables job creation and provides social development and training opportunities for the beneficiaries. To co-ordinate, facilitate and promote effective integrated coastal management for sustainable coastal development and resource use in KwaZulu-Natal.

### **SPECIFIC POLICIES, PRIORITIES, AND STRATEGIC OBJECTIVES**

- To control the spread of invasive alien plants in communal, public and private terrestrial biomes as well as to develop and implement community based natural resource management and action projects to manage sustainable development;
- To ensure coordination of coastal management in the province by creating an environment for engagements by various stake holders;
- To coordinate development, review and implementation of Provincial Coastal Management Programme which is the Provincial Coastal Management Policy.

**STRATEGIC OBJECTIVE SUB-PROGRAMME: BIODIVERSITY MANAGEMENT**

<b>Strategic Goal:</b> A sustainable environmental management.									
<b>Goal Statement:</b> Ensure effective implementation of environmental policies and strategies for sustainable development.									
<b>Strategic Objective</b>	<b>Strategic Objective Indicator</b>	<b>Strategic Target</b>	<b>Audited/Actual Performance</b>			<b>Estimated Performance 2018/2019</b>	<b>Medium-Term Targets</b>		
			<b>2015/2016</b>	<b>2016/2017</b>	<b>2017/2018</b>		<b>2019/2020</b>	<b>2020/2021</b>	<b>2021/2022</b>
To control and manage the spread of invasive alien species	Improved integrated Biodiversity planning that safeguard ecosystems, species and genetic diversity	8 coastal management programmes developed	0	0	0	1	(1)	1	1
		40 500 job opportunities created through environmental programmes	7234	10705	10918	8 500	(7500)	7500	7500
		720 00 hectares cleared of invasive alien species	130 667	109 471	136616	120 000	(120 000)	120 000	120 000



## PROGRAMME PERFORMANCE INDICATORS AND ANNUAL TARGETS FOR 2019/2020

<b>Strategic Goal:</b> A sustainable environmental management.									
<b>Strategic Objective:</b> To control and manage the spread of invasive alien species									
Interventions	Programme Performance Indicator	Audited/Actual Performance			Estimated Performance 2018/2019	Medium-Term Targets			
		2015/2016	2016/2017	2017/2018		2019/2020	2020/2021	2021/2022	
Coastal management and resource utilization	Number of coastal management programmes developed	0	0	0	1	(1)	1	2	
Management of estuaries	Number of estuarine management plans developed			new	1	2)	2	2	
Coastal pollution control	Number of Source to Coast clean up intervention implemented			new	3	4	4	4	
Coastal monitoring and compliance	Number of Coastal monitoring and Enforcement campaigns conducted			new	3	6	6	6	
Coast risk management	Number of Coastal Vulnerability Reports produced			new	1	1	1	1	
Job creation	Number of work opportunities created through environmental programmes	7234	10705	10918	8 500	(7500)	7500	7500	
Ecosystem restoration	No. of hectares cleared of invasive alien species	130 667	109 471	136616	120 000	(120 000)	120 000	120 000	
Job creation	Number of fulltime equivalence /created	New	New	2367	2217	(2119)	2119	2119	
Environmental governance	Number of oversight reports on Biodiversity Mandate implementation by EKZ Wildlife produced			new	1	(1)	1	1	
Skills development within the green sector	Number of beneficiaries trained IASP eradication			new	150	(150)	100	100	



### QUARTERLY TARGETS 2019/2020

Strategic Goal: A sustainable environmental management.							
Strategic Objective: To promote and regulate environmental quality management through environmental impacts mitigate							
Interventions	Performance Indicator	Reporting Period	Annual Target 2019/2020	Quarterly Targets			
				1 <sup>st</sup> (April-June)	2 <sup>nd</sup> (July-Sep)	3 <sup>rd</sup> (Oct-Dec)	4 <sup>th</sup> (Jan-March)
Coastal management and resource utilization	Number of coastal management programmes developed	Annually	1	-	-	-	1
Management of estuaries	Number of estuarine management plans developed	Annually	1	-	-	-	1
Coastal pollution control	Number of Source to Coast clean up intervention implemented	Annually	3	-	1	1	1
Coastal monitoring and compliance	Number of Coastal monitoring and Enforcement campaigns conducted	Annually	3	-	1	1	1
Coast risk management	Number of Coastal Vulnerability Reports produced	Annually	1	-	-	-	1
Job creation	Number of work opportunities created through environmental programmes	Quarterly	7500	-	1 500	3 000	3000
Ecosystem restoration	No. of hectares cleared of invasive alien species	Quarterly	120 000	10 000	30 000	40 000	40 000
Job creation	Number of fulltime equivalence /created FTE's	Annual	2119	-	-	-	2119
Environmental governance	Number of Oversight reports on Biodiversity Mandate implementation by EKZ Wildlife produced	Annually	1	-	-	-	1
Skills development within the green sector	Number of beneficiaries trained on IASP eradication	Quarterly	150	0	0	50	100



## **SUB-PROGRAMME: ENVIRONMENTAL EMPOWERMENT SERVICES**

### **PURPOSE**

To empower the citizens of KwaZulu-Natal to participate in environmental matters and 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 learnerships for youth;
- Implement Environmental Education programmes to assist with the integration of EE into formal education structures; and to
- Develop and implement capacity building empowerment policy/strategy.

**STRATEGIC OBJECTIVE SUB-PROGRAMME: ENVIRONMENTAL EMPOWERMENT SERVICES**

<b>Strategic Goal:</b> A sustainable environmental management.									
<b>Goal Statement:</b> Ensure effective implementation of environmental policies and strategies for sustainable development.									
<b>Strategic Objective</b>	<b>Strategic Objective Indicator</b>	<b>Strategic Target</b>	<b>Audited/Actual Performance</b>			<b>Estimated Performance 2018/2019</b>	<b>Medium-Term Targets</b>		
			<b>2015/2016</b>	<b>2016/2017</b>	<b>2017/2018</b>		<b>2019/2020</b>	<b>2020/2021</b>	<b>2021/2022</b>
To improve community empowerment through environmental awareness and educational programmes	Number of Environmental Education programmes and capacity building programmes undertaken	259 environmental capacity building activities conducted over MTSF period	60	64	63	55	(65)	65	
	Number of institutions reflecting improved knowledge, awareness and commitment towards Environmental management practice	5200 environmental awareness activities conducted over MTSF period	1041	1095	964	1 000	(1200)	1200	



## PROGRAMME PERFORMANCE INDICATORS

<b>Strategic Goal:</b> A sustainable environmental management.							
<b>Strategic Objective:</b> To improved community empowerment through environmental awareness and educational programmes							
<b>Interventions</b>	<b>Programme Performance Indicator</b>	<b>Audited/Actual Performance</b>			<b>Estimated Performance 2018/2019</b>	<b>Medium-Term Targets</b>	
		<b>2015/2016</b>	<b>2016/2017</b>	<b>2017/2018</b>		<b>2019/2020</b>	<b>2020/2021</b>
Environmental capacity building	Number of environmental capacity building activities conducted	60	64	63	55	(65)	65
Environmental awareness creation and enhancement	Number of environmental awareness activities conducted	1041	1095	964	1000	(1200)	1200
Good Green Deed (conceptualization)	Number of Provincial Conceptual Framework Developed			New	1	-	-
Good Green Deeds implementation	Number of clean up campaigns hosted			New	300	(300)	300
Commemoration of environmental days	Number of provincial environmental events to commemorate environmental days hosted			New	3	(3)	3

**QUARTERLY TARGETS 2019/2020**

<b>Strategic Goal:</b> A sustainable environmental management.							
<b>Strategic Objective:</b> To improved community empowerment through environmental awareness and educational programmes							
<b>Interventions</b>	<b>Performance Indicator</b>	<b>Reporting Period</b>	<b>Annual Target 2019/2020</b>	<b>Quarterly Targets</b>			
				<b>1<sup>st</sup> (April-June)</b>	<b>2<sup>nd</sup> (July-Sep)</b>	<b>3<sup>rd</sup> (Oct-Dec)</b>	<b>4<sup>th</sup> (Jan-March)</b>
Environmental capacity building	Number of environmental capacity building activities conducted	Quarterly	65	18	19	13	15
Environmental awareness creation and enhancement	Number of environmental awareness activities conducted	Quarterly	1200	360	360	200	280
Good Green Deed (conceptualization)	Number of Provincial Conceptual Framework	Annually	1	-	-	1	-
Good Green Deeds implementation	Number of clean up campaigns hosted	Quarterly	300	-	100	100	100
Commemoration of environmental days	Number of provincial environmental events to commemorate environmental days hosted	Annually	3	-	1	1	1



## *Part C: Links To Other Plans*



**edtea**

Department :  
Economic Development, Tourism and  
Environmental Affairs  
PROVINCE OF KWAZULU-NATAL

- LINKS TO LONG-TERM INFRASTRUCTURE PLANS
- CONDITONAL GRANTS
- PUBLIC ENTITIES

## LINKS TO LONG-TERM INFRASTRUCTURE PLANS

Not Applicable.

## CONDITIONAL GRANTS

Not Applicable.

## PUBLIC ENTITIES

### CONTEXT

In executing its vast mandate and implementing its programmes, the Department has established several public entities. This has ensured the separation of policy-making and implementation functions, thus, enabling this portfolio to focus on developing policies whilst providing strategic direction to the entities that are tasked with the implementation of such policies that translate into direct provision of services to citizens. A Public Entity Oversight Unit has been created in the revised Organisational Structure of the Department to ensure strong monitoring and alignment of public entities in achieving departmental objectives.

In line with that acknowledgement, key indicators that the Department expects the public entities to achieve during the period under review are outlined later in this plan. There is, however, currently a process to rationalise the Department's public entities in order to streamline their activities to achieve efficiencies whilst reducing costs. The Executive Council of the province has, in this regard, resolved the following in relation to the rationalisation of these entities:

- Merger of the KwaZulu-Natal Film Commission with Tourism KwaZulu-Natal;
- Incorporation of the bather protection services of the KwaZulu-Natal Sharks Board into Ezemvelo KZN Wildlife;
- The repositioning of the Moses Kotane Institute (MKI) as a leading research centre for the province to ensure appropriate response to the needs of the provincial economy, and to coordinate interaction between the line functions/sector departments, established and/or envisaged provincial government training institutions, tertiary institutions, and other external skills training service providers. The MKI will further look into and advise on the appropriate body to undertake the maritime skill development programme currently under the KwaZulu-Natal Sharks Board;
- Consultation on the merger of the KwaZulu-Natal Liquor Authority with the KwaZulu-Natal Gaming and Betting Board and as well as the incorporation of the KwaZulu-Natal Growth Fund Trust into Ithala Development Finance Corporation;
- All public entities to undergo a functional and cost optimization process.



## EDTEA's PUBLIC ENTITIES

### **Ithala Development Finance Corporation (Ithala)**

Ithala is a provincial development finance institution that focuses on economic development through the provision of financial and non-financial services to businesses and individuals.

### **KwaZulu-Natal Sharks Board (KZNSB)**

The core function of the KZNSB is the protection of bathers against shark attacks at designated protected beaches along the KwaZulu-Natal coastline. This mandate is fulfilled through the installation and maintenance of shark safety gear deployed to prevent shark attacks at 37 protected beaches. The KZNSB maintained 22.12 km of shark netting and 107 drum-lines off the KwaZulu-Natal coast. The KZNSB continued with research on the biodiversity of sharks and non-lethal shark repellent cable technology. The shark repellent prototype cable was successfully tested against white sharks at Mossel Bay.

The Maritime Centre of Excellence (MCOE) was established in 2012 with the mandate to facilitate maritime skills development in the province, in line with the KZN Integrated Maritime Strategy.

### **KwaZulu-Natal Tourism Authority (TKZN)**

The KwaZulu-Natal Tourism Authority's mandate is the promotion and marketing of the Province of KwaZulu-Natal as a preferred leisure and business tourism destination in Africa.

### **Dube Trade Port Corporation (DTPC)**

Dube Trade Port Corporation is mandated to facilitate economic growth by developing the Dube Trade Port industrial precinct, by attracting domestic and foreign direct investment to the province and facilitating imports and exports. The entity plays a multi-faceted role in both enabling and driving the development of air logistics businesses and creating a physical environment for the implementation of the re-industrialisation policy. In 2016/2017, the DTP IDZ was converted to a SEZ, with the adoption of the SEZ Regulations.

### **Trade and Investment KwaZulu-Natal (TIK)**

Trade and Investment KwaZulu-Natal's mandate is to attract foreign and domestic investment, and to promote exports and export capacity. Trade and Investment KZN continued to focus on the promotion of key investment opportunities through marketing and project packaging efforts, particularly within the mining, construction, agriculture, automotive and metal sectors of the economy.

### **Richards Bay Industrial Development Zone (RBIDZ)**

Richards Bay Industrial Development Zone is a public entity established to undertake the development of industrial land in the Richards Bay area, in line with a 50-year Master Plan.

### **KZN Liquor Authority (KZNLA)**

The KwaZulu-Natal Liquor Authority is responsible for the regulation of the production and commercial resale of liquor in the province.

### **Ezemvelo KZN Wildlife (EKZNW)**

Ezemvelo KZN Wildlife is a public entity that directs the management of biodiversity conservation within KwaZulu-Natal, including protected areas. This encompasses the development and promotion of eco-tourism facilities within protected areas, as well as establishing good relationships with various communities residing adjacent to the protected areas.



### **KwaZulu-Natal Film Commission (KZNFC)**

The KwaZulu-Natal Film Commission's mandate is to promote and market the province as a preferred film destination in the country. It is also mandate to transform the film industry.

### **KwaZulu-Natal Growth Fund Trust (KZNGFT)**

The KwaZulu-Natal Growth Fund Trust was established to provide competitive and innovative solutions to private sector investment that propel socio-economic growth in KwaZulu-Natal.

### **KwaZulu Natal Gaming and Betting Board (KZNGB)**

The KwaZulu-Natal Gaming and Betting Board is to protect the interests of the public by ensuring the integrity of legalised gambling through strict enforcement of applicable legislation, the licensing of qualified entities and individuals, and fulfilling the objectives of the provincial government to deliver a significant source of revenue, enhance tourism, develop and transform the gaming and horse racing industry, whilst promoting broad socio-economic and employment opportunities.

## **UPDATE ON RATIONALISATION OF EDTEA ENTITIES**

### **KZNFC and TKZN**

Initially, it was recommended that KZNFC and TKZN be merged to form one entity by the cabinet but a new approach has been recommended that KZNFC be incorporated to TKZN instead.

### **KZNSB, MKI and EKZNWL**

EDTEA to consider the feasibility of an amendment to the KZN Shark Board Act 5 of 2008 so that it is more aligned to EKZNW's biodiversity mandate. Thereafter, merge the two entities to implement the combined mandate. A proposed approach is to incorporate KZNSB to EKZNWL and KZNSB Maritime of excellence to be incorporated to Moses Kotane Institute.

### **Update on Gaming and Betting Entity**

The action plan to take over the entity Transfer of this entity to the Department is underway based on the directive from the Office of the Premier for EDTEA to take over the chief directorate and Public entity. The action Plan has been developed by the department with time frames.

The rationalization process of KZNGB and KZN LA will proceed concurrent with the transfer process. The cabinet proposal may be revised by the Hon MEC for a merger of two entities with the KZNGB being an incorporated to KZNLA.



## PUBLIC ENTITIES REPORTING TO THE DEPARTMENT

Public Entity	Trade and Investment KwaZulu-Natal	Strategic Indicators
<b>Core Mandate</b>	To attract foreign and domestic investment and to generate exports and exports capacity in KwaZulu-Natal.	Rand value of new fixed investment attracted into the Province of KwaZulu-Natal Rand value of exports promoted by the province
<b>Enabling Legislation</b>	Trade and Investment Act No. 5 of 2010.	Number of job opportunities facilitated through investment projects % of total procurement spend on BBBEE service providers (from Level III)
<b>Other Policies</b>	PGDP, Investment Strategy, Export Strategy	% of valid invoices paid within 30 days Achievement of a financially unqualified audit opinion with no findings on other matters

Public Entity	KwaZulu-Natal Tourism Authority	Strategic Indicators
<b>Core Mandate</b>	Directly or indirectly develop, promote and market tourism into and within the province of KwaZulu-Natal	Percentage increase in the number of domestic tourists visiting KwaZulu-Natal Percentage increase in the number of international tourists visiting KwaZulu-Natal Percentage increase in tourist spending in KwaZulu-Natal
<b>Enabling Legislation</b>	KwaZulu-Natal Tourism Act, Act 11 of 1996	Percentage increase in tourism sector contribution to the provincial GDP Percentage increase in direct and indirect jobs created within the tourism sector
<b>Other Policies</b>	KZN Provincial Tourism Master Plan	Achievement of a financially unqualified audit opinion with no findings on other matters % of total procurement spend on B-BBEE service providers (from Level III) % of valid invoices paid within 30 days

Public Entity	KwaZulu-Natal Sharks Board	Strategic Indicators
<b>Core Mandate</b>	To undertake, initiate and approve measures for safeguarding bathers against shark attack in the Province.	Annual number of shark attack at protected beaches Annual percentage increase in own revenue Percentage of maritime graduates placed in employment
<b>Enabling Legislation</b>	KwaZulu-Natal Sharks Board Act, 2008 (No. 05 of 2008)	Achievement of a financially unqualified audit opinion with no findings on other matters % of total procurement spend on B-BBEE service providers (from Level III)
<b>Other Policies</b>	Draft Provincial Maritime Strategy	% of valid invoices paid within 30 days

Public Entity	Dube Trade Port Corporation	Strategic Indicators
<b>Core Mandate</b>	The mandate of the entity is to develop the DTPC SEZ to undertake investment in projects, facilitate economic growth in the province by attracting long term private and public investment and facilitating exports and imports.	Rand value of private sector investment facilitated into DTPC Percentage of projects that adhere to environmental principles Percentage increase in own revenue Number of jobs created Percentage increase in international/ regional passengers through KSIA
<b>Enabling Legislation</b>	KZN Dube Trade Port Corporation Act, 2010 (Act no. 2 of 2010). This needs to be updated as the DTP is now a Special Economic Zone	Number of new international routes in KSIA (additional frequency/ new route) Value of exports processed through the DTPC Cargo terminal Achievement of a financially unqualified audit opinion with no findings on other matters
<b>Other Policies</b>	Special Economic Zones Act PGDS/P	% of total procurement spend on BBEE service providers (from Level III) % of valid invoices paid within 30 days



Public Entity	Moses Kotane Institute	Strategic Indicators
<b>Core Mandate</b>	<p>Research into diverse skills required to respond to the needs of the provincial economy.</p> <p>Facilitate cooperation between training institutions and government to address skills required to transform provincial economy (departments, government training institutions, tertiary institutions, and external training providers) delivery and create employment opportunities for others.</p>	<p>Achievement of a financially unqualified audit opinion with no findings on other matters</p> <p>% of total procurement spend on BBBEE service providers (from Level III)</p> <p>% of valid invoices paid within 30 days</p> <p>Rand value raised for STEM skills training</p> <p>Rand value of STEM Fund</p>
<b>Enabling Legislation</b>	The Institute was established in 2009 by the Kwazulu-Natal Department of Economic Development in terms of Public Service Amendment Act No. 30 (2007).	

Public Entity	Richards Bay Industrial Zone	Strategic Indicators
<b>Core Mandate</b>	To accelerate and improve infrastructure for industrial development through the government's Industrial Development Zone (IDZ) Programme	<p>Value of infrastructure investments facilitated to support the SEZ</p> <p>Percentage of projects that adhere to environmental principles</p> <p>Rand value of projects facilitated into the SEZ</p> <p>Number of jobs created</p> <p>Percentage increase in own revenue</p>
<b>Enabling Legislation</b>	The Industrial Development Programme promulgated in terms of the Manufacturing Development Act, 1993 (Act No. 187 of 1993) in Government Notice No R1224 of 1 December 2000 as amended by Government Notice No R1065 of 27 October 2006. This needs to be updated as the DTP is now a Special Economic Zone	<p>Achievement of a financially unqualified audit opinion with no findings on other matters</p> <p>% of total procurement spend on BBBEE service providers (from Level III)</p> <p>% of valid invoices paid within 30 days</p>
<b>Other Policies</b>	Special Economic Zones Act	

Public Entity	KwaZulu-Natal Liquor Authority	Strategic Indicators
<b>Core Mandate</b>	To control and regulate the retail sale and micro manufacturing of liquor in the province	Level of business compliance with the KZN Liquor Act % of licensed Liquor outlets inspected Percentage contribution of the province's liquor industry to the KZN GDP Percentage increase in liquor license fees Number of new businesses licenced to trade in liquor;
<b>Enabling Legislation</b>	KwaZulu-Natal Liquor Licensing ACT no. 06 of 2010	Number of direct jobs created by new licenced businesses. Achievement of a financially unqualified audit opinion with no findings on other matters % of total procurement spend on B-BBEE service providers (from Level III) % of valid invoices paid within 30 days

Public Entity	Ithala Development Finance Corporation	Strategic Indicators
<b>Core Mandate</b>	Mobilising financial resources and providing financial and supportive services to persons domiciled, ordinarily resident, or carrying on business within the Province.	Number of new businesses financed Number of jobs created through SMMEs funded Number of jobs created through RASET Fund Number of businesses supported through the RASET Fund Value of loans approved Rate of non-performing loans
<b>Enabling Legislation</b>	Ithala Development Finance Corporation Act No. 2 of 1999	Percentage increase in own revenue Achievement of a financially unqualified audit opinion with no findings on other matters % of total procurement spend on B-BBEE service providers (from Level III) % of valid invoices paid within 30 days



Public Entity	KwaZulu-Natal Growth Fund Trust	Strategic Indicators
<b>Core Mandate</b>	To support sustainable growth by financing private sector projects that drive economic success, stimulate job creation, promote B-BBEE and reduce inequality.	Value of funding approved for catalytic projects Rate of non-performing loans Percentage increase in own revenue Number of projects that adhere to environmental principles/ standards Number of jobs created Number of African owned businesses (Black Industrialist) funded
<b>Enabling Legislation</b>	The trust was established in terms of a Trust Deed which is legally governed by the Trust Property Control Act, 57 of 1998. The trust complies fully with the PFMA	Achievement of a financially unqualified audit opinion with no findings on other matters % of total procurement spend on B-BBEE service providers (from Level III) % of valid invoices paid within 30 days

Public Entity	KwaZulu-Natal Film Commission	Strategic Indicators
<b>Core Mandate</b>	To promote and market the Province as a global destination for film production;	Number of KwaZulu-Natal film productions facilitated through the KZN Film Commission Rand value of the province's film productions facilitated through the Commission Number of audience development initiatives with previously disadvantaged groups Number of jobs created within the KZN film industry
<b>Enabling Legislation</b>	KwaZulu-Natal Film Commission Act No. 3 of 2010	Percentage increase in own revenue generated Achievement of a financially unqualified audit opinion with no findings on other matters % of total procurement spend on B-BBEE service providers (from Level III) % of valid invoices paid within 30 days



Public Entity	Ezemvelo KZN Wildlife	Strategic Indicators
<b>Core Mandate</b>		Number of jobs created Mortality rate of rhinos in the Province Percentage increase in own revenue generated Progress on the implementation of the commercialisation strategy Achievement of a financially unqualified audit opinion with no findings on other matters
<b>Enabling Legislation</b>	KwaZulu–Natal Conservation Management Act (No. 9 of 1997) National Environmental Management: Biodiversity Act, No. 10 of 2004 National Environmental Management: Protected Areas Act, No. 57 of 2004 Ordinance 15 of 1974	% of total procurement spend on B-BBEE service providers (from Level III) % of valid invoices paid within 30 days



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## ANNEXURES

(Available on the departmental website [www.kznedtea.gov.za](http://www.kznedtea.gov.za))

- ANNEXURE D: Reconciliation of Programme Performance Indicators to The 2015/20 Strategic Plan
- ANNEXURE E: Technical Indicator Descriptions

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## NOTES

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