



KWAZULU-NATAL PROVINCE

ECONOMIC DEVELOPMENT, TOURISM
AND ENVIRONMENTAL AFFAIRS
REPUBLIC OF SOUTH AFRICA



ANNUAL REPORT 2019 - 2020 FINANCIAL YEAR

VOTE 4

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





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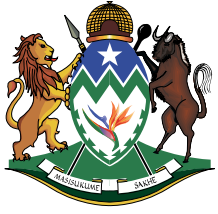
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PART A: GENERAL INFORMATION



I. DEPARTMENT GENERAL INFORMATION



KWAZULU-NATAL PROVINCE

**ECONOMIC DEVELOPMENT, TOURISM
AND ENVIRONMENTAL AFFAIRS**
REPUBLIC OF SOUTH AFRICA

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2. LIST OF ABBREVIATIONS/ACRONYMS

ADDG	- Acting Deputy Director General	KSIA	- King-Shaka International Airport
ADR	- Alternative Dispute Resolution	KZN DARD	- KwaZulu-Natal Department of Agriculture
AHOD	- Acting Head of the Department	KZN IE	- KwaZulu-Natal Informal Economy
AOP	- Annual Operational Plan	KZN LQA	- KwaZulu-Natal Liquor Authority
APMD	- Animal Population Management Database	KZN PPC	- KwaZulu-Natal Provincial Planning Commission
APP	- Annual Performance Plan	KZN SOCDEV	- KwaZulu-Natal Social Development
AQMPs	- Air Quality Management Plans	KZNSB	- KwaZulu-Natal Sharks Board
ARPL	- Artisan Recognition of Prior Learning	KZNFC	- KwaZulu-Natal Film Commission
AWG	- Action Work Group	KZNGBB	- KwaZulu-Natal Gaming and Betting Board
B-BBEE	- Broad-Based Black Economic Empowerment	LED	- Local Economic Development
BMP	- Biodiversity Management Plan	LMs	- Local Municipalities
BPO	- Business Process Outsourcing	LPMs	- Limited Payout Machines
BRICS	- Brazil, Russia, India, China and South Africa	MANCO	- Management Committee
CARC	- Cluster, Audit and Risk Committee	MEC	- Member of the Executive Committee
CATHSSETA	- Culture, Art, Tourism, Hospitality, and Sport Sector Education and Training Authority	MERSSETA	- Manufacturing, Engineering and Related Service SETA
CCIs	- Cultural and Creative Industries	METT	- Management Effectiveness Tracking Tool
CD	- Chief Director	MCS	- Modified Cash Standards
CFO	- Chief Financial Officer	MKI	- Moses Kotane Institute
CMT	- Cut, Make and Trim	MoA	- Memorandum of Agreement
COGTA	- Department of Cooperative Governance and Traditional Affairs	MoU	- Memorandum of Understanding
DDG	- Deputy Director General	MPAs	- Marine Protected Areas
DEFF	- Department of Environment, Forestry and Fisheries	MPAT	- Management Performance Assessment Tool
DORA	- Division of Revenue Act, 2019 (Act No. 16 of 2019)	MPSA	- Minister of Public Service and Administration
DPSA	- Department of Public Service and Administration	MRO	- Maintenance, Repair and Overhaul
DTI	- Department of Trade and Industry	MTEF	- Medium-Term Expenditure Framework
DTP IDZ	- Dube Trade-Port Industrial Development Zone	MTSF	- Medium-Term Strategic Framework
DTP	- Dube Trade Port	NDP	- National Development Plan
DTPC	- Dube Trade-Port Corporation	NEMISA	- National Electronic Media Institute of South Africa
DUT	- Durban University of Technology	NGP	- New Growth Path
EDTEA	- Department of Economic Development, Tourism and Environmental Affairs	NYDA	- National Youth Development Agency
EH&W	- Environmental Health and Wellness	OCC	- Operation Command Centre
EIA	- Environmental Impact Assessment	OHS	- Occupational Health and Safety
EKZNW	- Ezemvelo KwaZulu-Natal Wildlife	OTP	- Office of the Premier
EPMSD	- Employee Performance Management and Development System	OVF	- Operation Vula Fund
EPWP	- Expanded Public works programmes	PAA	- Public Audit Act, 2004 (Act No. 25 of 2004)
ESIEID	- Economic Sectors Investment Employment Infrastructure and Development	PABX	- Private Automatic Branch Exchange
FTEs	- Full Time Equivalents	PARC	- Provincial Audit and Risk Committee
GDP	- Gross Domestic Product	PERSAL	- Personnel and Salary System
GDPR	- Gross Domestic Product Regional	PFMA	- Public Finance Management Act
HCT	- Health Counselling and Testing	PIAS	- Provincial Internal Audit Service
HDIs	- Historically Disadvantaged Individuals	PGDP	- Provincial Growth and Development Plan
HR	- Human Resources	PMU	- Programme Management Unit
IASP	- Invasive Alien Species Programme	PPPFA	- Preferential Procurement Policy Framework Act
ICOREF	- Integrated Compliance and Enforcement Forum	PSEDS	- Provincial Spatial Economic Development Strategy
ICT	- Information and Communications Technology	RASET	- Radical Agrarian Socio-Economic Transformation
ICTE	- Information and Communication Technology and Electronics	RBIDZ	- Richards Bay Industrial Development Zone
IDFC	- Ithala Development Finance Corporation	RLED	- Regional and Local Economic Development
IDZ	- Industrial Development Zone	SALGA	- South African Local Government Association
IEDS	- Integrated Economic Development Services	SAPS	- South African Police Service
IEM	- Integrated Environmental Management	SECO	- Swiss State Secretariat for Economic Affairs
IESBA	- International Ethics Standards Board for Accountants	SEDA	- Small Enterprise Development Agency
IGR	- International and Intergovernmental Relations	SETA	- Sector Education and Training Authority
IPP	- Independent Power Producers	SLA	- Service Level Agreements
ISAs	- International Standards on Auditing	SMME	- Small Medium and Micro Enterprise
IT	- Information Technology	SMS	- Senior Management Service
KGFT	- KZN Growth Fund Trust	SP	- Strategic Plan
		SPLUMA	- The Spatial Planning and Land Use Management Act 16 of 2013
		SSGs	- Small-Scale Sugarcane Growers
		THS	- TongaatHulett Sugar
		TIKZN	- Trade & Investment Kwazulu-Natal
		TVET	- Technical and Vocational Education and Training
		UKZN	- University of KwaZulu-Natal

3. FOREWORD BY THE EXECUTIVE AUTHORITY

When we ushered the new Sixth Administration in the 2019/2020 financial year, a lot was stake in as far as the mandate given to us was concerned. The Premier delivered the State of the Province address under the theme **“Together Growing KwaZulu-Natal.”**

He presented an honest picture of challenges before us. He removed any doubt about the commitment of this government towards the implementation of the Radical Economic Transformation programme.

Accordingly, as we move forward we undertake to ensure that the resources of the department and its entities are used for the direct benefit of the ordinary members of society. The ethos of selflessness in the service of our people will guide all categories of staff to work towards the creation of a developmental state and province.

An important part of being a developmental state is ensuring equal access to economic opportunities. We want the structure of our economy to:

“Reflect the natural endowments of the country and the creativity that a skilled population can offer. It should be an economy in which cutting edge technology, labour absorbing industrial development, a thriving small business and cooperative sector, utilisation of information and communication technologies and efficient forms of production and management all combine to ensure national prosperity.”

A thriving economy in a national democratic society requires efficient markets that address the racial and gender exclusions of the apartheid past as well as address the peri-urban squalor and grinding rural poverty.

The 2019/20 Annual report of the Department of Economic Development, Tourism and Environmental Affairs (EDTEA) good governance, accountability, transparency and exemplary leadership will be the hallmark of this office during this term of office. The department has played a much more assertive and visible role in providing leadership and coordinating key and priority government programmes that will drive us towards achievement radical economic transformation. Critically, our progress is dependent on the co-ordination and integration of the work of all Programmes in order to make an impact. My view is that the quicker our response in dealing with socio-economic challenges faced by ordinary people of this province, the sweeter the taste of our democracy.

It is the marginalized and the downtrodden who must taste the fruits of our democracies. Effectively, this means that all categories of staff must play an active role in deepening democracy. From top management to the lower level, we want our employees to have the capacity, the right attitude and required ethical standards to serve the people of this province. I wish to report that the department is doing final consultations on the organogram with organized labour and staff. This will be submitted to the Office of the Premier and Department of Public Service and Administration for concurrency and approval.

Virtual shortlisting has been taking place in order to ensure that targets are met.



Signature:

Ms Nomusa Dube-Ncube

Executive Authority of Economic Development, Tourism and Environmental Affairs



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

4. REPORT OF THE ACTING ACCOUNTING OFFICER

4.1 FINANCIAL PERFORMANCE

Revenue Collection

Departmental Receipts	2019/2020			2018/2019		
	Estimate	Actual Amount Collected	(over) under collection	Estimate	Actual Amount Collected	(over) under collection
	R'000	R'000	R'000	R'000	R'000	R'000
Tax Receipts						
- Casino taxes						
- Horse Racing taxes						
- Liquor licences						
- Motor vehicle licences						
Sale of goods and services other than capital assets	2 684	2 188	496	2 541	840	1 701
Transfers received						
Fines, penalties and forfeits	587	1 763	(1 176)	555	665	(110)
Interest, dividends and rent on land	7	365	(358)	7	19	(12)
Sale of capital assets	200	-	200	200	1,529	(1 329)
Financial transactions in assets and liabilities	63	45 279	(45 216)	60	513	(453)
Total	3 541	49 595	(46 054)	3 363	3 566	(203)

Tax receipts are largely derived from taxes collected by the KZNGBB in accordance with the KZN Gaming and Betting Tax Act, 2010. Furthermore, Liquor licences are included in this category, and these are collected in accordance with the KZN Liquor Licensing Act, 2010. This category includes Casino taxes, Horse racing taxes and Liquor licences as follows:

- **Casino taxes** includes tax revenue that is derived from Limited Payout Machines (LPMs) and Bingo.
- **Horse racing taxes** includes sports betting tax revenue.
- **Liquor licences** shows a fluctuating trend due to the unpredictable nature of this category as it depends on the number of people applying for new and renewal licences, as well as different types of licences.

Sale of goods and services other than capital assets relates to state property rentals, parking fees, environmental authorisation licence application fees and commission on payroll deductions.

Fines, penalties and forfeits can be attributed to the payment of fines by companies or individuals that transgress EIA regulations.

Interest, dividends and rent on land relates to interest on staff debts.

Sale of capital assets represents revenue collected in respect of the sale of redundant assets, such as motor vehicles and office equipment. The category is influenced by the volume of redundant assets, as well as the performance at the auctions.

Transactions in financial assets and liabilities relates to recoveries of previous years' expenditure such as staff debts, salary overpayment, etc. which are difficult to budget for.



Expenditure by Programme

Programme Name	2019/2020			2018/2019		
	Final Appropriation	Actual Expenditure	(over) under Expenditure	Final Appropriation	Actual Expenditure	(over) under Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000
Administration	293 957	289 661	4 296	252 685	251 776	909
Integrated Economic Development Services	385 088	383 579	1 509	556 364	535 740	20 624
Trade and Sector Development	981 827	978 092	3 735	796 256	761 676	34 580
Business Regulation and Governance	175 867	175 867	-	116 863	114 695	2 168
Economic Planning	19 688	17 255	2 433	32 214	28 615	3 599
Tourism	354 025	349 721	4 304	257 178	244 785	12 393
Environmental Affairs	1 034 933	1 030 630	4 303	1 007 028	973 642	33 386
Total	3 245 385	3 224 805	20 580	3 018 588	2 910 929	107 659

The Department spent 99,35% (2018/19: 96%) of its total budget allocation of R3,2 billion in the 2019/20 financial year.

4.2 ORGANISATIONAL PERFORMANCE

The department initiated a number of projects under the Industrial Economic Hubs, such as the Auto Service Hubs, Radical Agrarian Socio-Economic Transformation (RASET) agro-processing facilities, the Clothing and Textile Special Economic Zone (SEZ), as well as fish processing facilities across 43 communities along the provincial coastline.

The department developed a concept document for the establishment of the KZN SEZ as a textile belt or corridor development initiative stretching from Newcastle via Mooi River to Durban.

With regard to the fish processing facilities, seven co-operatives in the Ugu District were granted fishing rights by the Department of Environment, Forestry and Fisheries (DEFF). EDTEA is in the process of establishing value-added facilities and aquaculture industry for these small-scale fisheries.

Viability assessments and business plans were concluded for three prospective Auto Service Hubs in Pietermaritzburg (Edendale), Newcastle and Richards Bay. The goal of these hubs is to service and repair fleets of government vehicles and privately owned vehicles. These garages will have tyre fitment and incubation centres focusing on capacitating entrepreneurs to conduct their own business. Funding was secured from the Manufacturing, Engineering and Related Services SETA (MERSSETA) for funding the Artisan Recognition of Prior Learning (ARPL) / Recognition of Prior Learning (RPL) training programme for the prospective Auto Service Hubs occupants.

A number of Agro-processing facilities are being set up across the province, comprising pack houses with chillers, shelving, containerised cold rooms, office space and related equipment. The facilities will be situated in the Ndwedwe, Nkosazana Dlamini-Zuma, uMzimkhulu, Nkandla and Mthonjaneni Municipalities, as well as the Shakaville area. The facilities will allow these businesses to supply the local market and retail outlets with fresh produce and thus also support the RASET programme.

The department utilised the KZN Automated Licensing system to provide a platform for businesses in KZN to apply for business licences and informal economy permits online and to track the progress in relation to each application. The system was piloted in Newcastle, Nongoma, Inkosi Langalibalele, Mandeni, Nkandla, Mtubatuba, uMlalazi, Okhahlamba, Mthonjaneni, Jozini, Maphumulo and eMadlangeni Municipalities. Out of 12 local municipalities, 407 business licences and 551 permits were captured and approved. This translated to 667 jobs created through informal employment and a total of 6 300 jobs created through formal businesses, consisting of 5 663 permanent jobs and 637 temporary jobs.

Municipal business licensing technical teams were established to provide technical assistance to municipalities which lack capacity to perform the business licensing function and to assess the status quo of unlicensed businesses. A total of 97 applications from the iNkosi Langalibalele (26), eMadlangeni (13), Mthonjaneni (11), Okhahlamba (29) and eN-dumeni (18) Municipalities were assessed. From the 97 applications assessed, 45 licences were approved as a result of the intervention of the municipal business licensing technical team deployed to the afore-mentioned municipalities.



The consumer Case Management System went live at the end of September. The system is open for access to the general public for the purpose of lodging complaints online as compared to physically coming into the EDTEA offices. The work of the KZN Integrated Regulatory and Compliance Forum intensified in all sectors, coupled with education and outreach programmes to capacitate the offending businesses. The sectors targeted in 2019/20 were the clothing and textile industry and the trucking and logistics industry.

The department successfully assisted the uMhlabuyalingana Municipality in the formulation of an integrated economic development plan for the Kosi Bay Border Development project which identified a number of initiatives to grow the border town as a vehicle to facilitate cross border trade and regional economic integration in general. In addition, the department produced four quarterly macro-economic reviews, as well as the gastronomic tourism and the township and rural economy revitalisation research publications. Technical assistance was provided in respect of various projects, including the implementation of the Aerotropolis development, aviation and the regional airports strategy. The department funded the development of eight technologies in areas of waste recycling, aquaculture, automotive, healthy foods, medicinal and energy efficient cooking devices, among others. The technologies were developed through the University Technology Transfer programme implemented in partnership with four universities. EDTEA facilitated the development of an energy master plan for the Richards Bay Industrial Development Zone (RBIDZ). The KZN Industrial Symbiosis programme aimed at creating new jobs and enterprises through finding waste exchange synergies among KZN companies. This saw five detailed waste assessments being conducted across industrial sites, leading to 10 synergies being facilitated between government departments and waste management companies.

The department conducted municipal tourism consultations in an effort to ascertain the status of tourism, identify gaps and come up with areas of intervention in each district municipality. To accurately ascertain the number of tourists in the province, the department facilitated the establishment of a district based database on regional statistics to provide accurate visitor numbers at regional level. Furthermore, events impact assessment workshops were rolled out in the uThukela, King Cetshwayo, uMgungundlovu and uMzinyathi District Municipalities.

The department continued to support the iMpendle and Mpophomeni Homestays bed and breakfast establishments to ensure sustainability through targeted training in partnership with SEDA as part of the rural and township initiative. Furthermore, 50 tourist guides from the uThukela District were trained in the culture and adventure spaces as part of the plan to professionalise tourist guides. The department also conducted tourist guide inspections in key tourist attractions to ensure compliance with the current legislation.

The department facilitated “grade an establishment” workshops in partnership with the Tourism Grading Council of South Africa and this assisted those who have tourism products, as well as those in local and district municipalities, resulting in an increase in the number of accommodation establishments being star graded.

The department entered into a partnership with key stakeholders in the tourism sector and hosted successful basic business skills workshops focusing on legalities, compliance, financing and business support for various enterprises across the value chain within KZN. As part of the Careers Expo, EDTEA supported learners and educators from Ugu District to participate in the 2019 National Tourism Careers Expo which was held in the North West Province. Furthermore, the department continued to support youth initiatives as part of job creation through the Tourism Graduate Development programme.

The department attained completion of 100 per cent of EIA applications within the legislated timeframes. A total of 110 EIA applications were finalised, and these can potentially unlock an estimated 12 634 construction phase jobs and 4 237 permanent operational phase jobs. In terms of increasing capacity building on environmental rights, 66 capacity building workshops were conducted with various stakeholders including communities, 997 environmental awareness activities were conducted, and 79 clean-up campaigns were implemented as part of the Good Green Deeds project. In terms of protecting the natural environment, 47 496 hectares of alien plants were cleared, while 6 154 work opportunities were created as part of the Invasive Alien Species programme (IASP) utilising the EPWP.

Mr Sihle Mkhize
Acting Accounting Officer
Department of Economic Development Tourism and Environmental Affairs
Date:



5. STATEMENT OF RESPONSIBILITY AND CONFIRMATION OF ACCURACY FOR THE ANNUAL REPORT

To the best of my knowledge and belief, I confirm the following:

- All information and amounts disclosed throughout the annual report are consistent.
- The annual report is complete, accurate and is free from any omissions.
- The annual report has been prepared in accordance with the guideline on the annual report as issued by National Treasury.
- The annual Financial Statements (Part E) have been prepared in accordance with the modified cash standard and the relevant frameworks and guidelines issued by the National Treasury.
- The Accounting Officer is responsible for the preparation of the annual financial statements and for the judgments made in this information.
- The accounting Officer is responsible for establishing, and implementing a system of internal control that has been design to provide reasonable assurance as to the integrity and reliability of the performance information, the human resources information and the annual financial statements.
- The external auditors are engaged to express an independent opinion on the annual financial statements.

In my opinion, the annual report fairly reflects operations, the performance information, the human resources information and the financial affairs of the department for the financial year ended 31 March 2020.

Yours faithfully



Mr. Sihle Mkhize
Acting Accounting Officer
Department of Economic Development, Tourism and Environmental Affairs



6. STRATEGIC OVERVIEW

Vision

Attainment of a radically transformed, growing, inclusive, innovative and sustainable economy, thereby optimizing employment in KwaZulu-Natal.

Mission

To provide creative and innovative leadership towards:

- Facilitating integrated economic planning and growth.
- Being a catalyst for economic transformation, job creation and sustainable development.
- Implementing strategies that drive economic growth and promote sound environmental management and climate resilience.
- Creating a conducive environment for trade, investment and tourism; and
- Developing, monitoring and enforcing a sound business, environmental and consumer protection regulatory framework.

Values

The Department commits itself to adhere to the Batho Pele Principles in the execution of the 2020-2025 strategic plan including the following values:

Ubuntu	<i>In the spirit of “Ubuntu”, place citizens at the centre of public service planning and operations, and foster citizen participation through services and programmes of a democratic nature.</i>
Professionalism	<i>Work in a professional manner and attitude by treating others with respect; keeping your word; being loyal and exceeding expectations.</i>
Exponential, innovative and visionary leadership	<i>Display Exponential, innovative and visionary leadership by, pacing with the ever changing times, not settling for less than the very best of ourselves, regardless of the circumstances; influencing one another to produce creative ideas, products, and services; and being resolute to achieve our collective vision.</i>
Accountability and responsibility.	<i>Be Responsible for our corporate and individual mandates, and Accountable for the manner in which they are discharged, and the outputs achieved or not achieved.</i>
Efficiency	<i>Promote Efficiency through professional planning and implementation of interventions, thereby optimising the ratio of input costs to outputs achieved.</i>
Service Excellence	<i>Embody service excellence by delivering commitments and responding well with any issues, questions and challenges that arise.</i>
Ethical Conduct	<i>Embrace the values and principles set out in Chapter 10 (section 195) of the South Africa Constitution, namely:</i> <ul style="list-style-type: none"> • “A high standard of professional ethics must be promoted and maintained; • Services must be provided impartially, fairly, equitably and without a bias; • Public administration must be accountable; and • Transparency must be fostered by providing the public with timely, accessible and accurate information.”
Integrity	<i>Demonstrate integrity through sound moral and ethical principles at work, with zero tolerance for corruption.</i>
Commitment	<i>Demonstrate commitment to Work through by diligently taking responsibility for the goals, mission, and vision of EDTEA and South African Government.</i>
Passion	<i>Display passion, through enthusiastically discharging each task at hand.</i>



7. LEGISLATIVE AND OTHER MANDATES

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

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, environmental management and conservation).

Schedule 4 A:

- Airports other than international and national airports;
- Casinos, racing, gambling and wagering, excluding lotteries and sports pools;
- Consumer protection;
- Environment;
- Industrial promotion;
- Nature conservation, excluding national parks, national botanical gardens and marine resources;
- Pollution control;
- Soil conservation;
- Tourism; and
- Trade.

Schedule 5 A:

- Liquor licences

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

1. the Public Service Act of 1994 amended in 2007.
2. the Public Service Regulations, 2016
3. the Public Finance Management Act, 1999 (Act No. 1 of 1999) and the Treasury Regulations, 2005.
4. the National Small Enterprise Act, 1996 (Act No. 102 of 1996).
5. the Co-operative Act, 2005 (Act No. 14 of 2005).
6. the National Environmental Management Act, 1998 (Act No. 107 of 1998).
7. the National Environmental Management: Air Quality Act, 2004 (Act No. 39 of 2004).
8. the National Environmental Management: Biodiversity Act, 2004 (Act No. 10 of 2004).
9. the National Environmental Management: Integrated Coastal Management Act, 2008 (Act No. 24 of 2008).
10. the National Environmental Management: Protected Areas Act, 2003 (Act No. 57 of 2003).
11. the National Environmental Management: Waste Act, 2008 (Act No. 59 of 2008).
12. the Tourism Act, 2014 (Act No. 3 of 2014).
13. the Broad-Based Black Economic Empowerment Act, 2003 (Act No. 53 of 2003).
14. the Special Economic Zones Act, 2014 (Act No. 16 of 2014).
15. the Integrated National B-BBEE Strategy and KZN B-BBEE Strategy.
16. the B-BBEE Codes of Good Practice.
17. the National Development Plan, the New Growth Path, and the Industrial Policy Action Plan.
18. Local Economic Development Policy Guideline.
19. the South Africa Trade Policy Framework.
20. the Green Economy Framework.
21. the Mining Beneficiation Strategy.
22. the National Spatial Economic Development Perspective.
23. the Special Economic Zones Policy.
24. the National Framework for Sustainable Development.
25. the National Climate Change Response Strategy.
26. the National Air Quality Management Strategy.
27. the National Waste Management Strategy.
28. the White Paper on the Development and Promotion of Tourism.



29. the National Integrated Coastal Management Strategy.
30. the White Paper on Environmental Management Policy.
1. National Biofuels Framework
2. Integrated Resource Plan
3. the Industrial Policy Action Plan; and
4. the Informal Economic Policy.

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 Licensing 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.
- (x) Aerotropolis strategy;
- (y) Oceans Economy Strategy; and
- (z) RASET

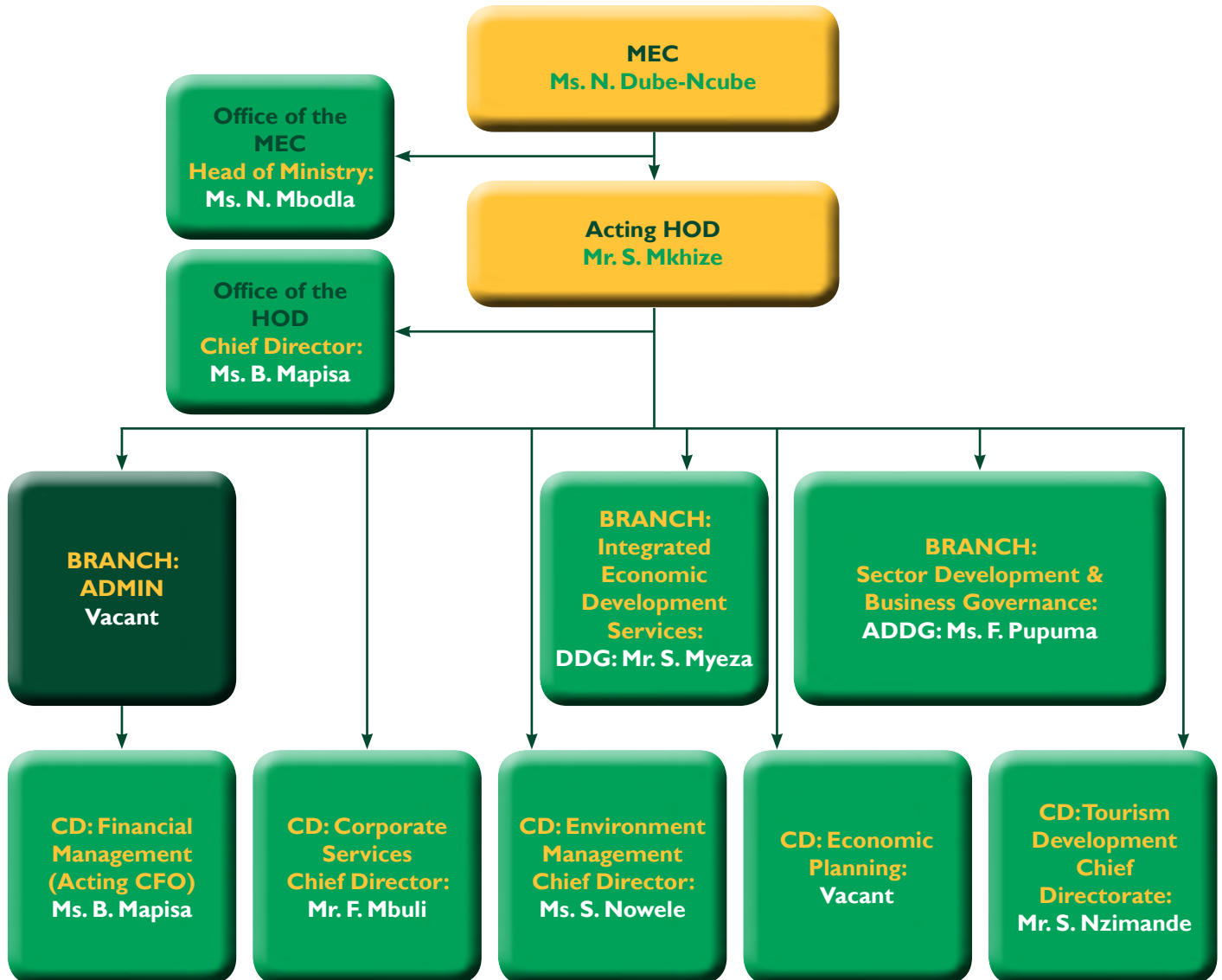
The emphasis in most of the current policies and provincial strategies is the issue of addressing the triple challenges of poverty, unemployment and inequality, and the main policy discussions are currently centred on the following:

- Job creation.
- Special economic zones and industrial economic hubs.
- Beneficiation and value addition.
- Infrastructure development.
- Rural economic development.
- Skills development.
- Economic transformation.
- Economic Growth with sustainable small enterprises participating in the mainstream economy
- The KwaZulu-Natal beach tourism policy
- Trade Policy.
- Spatial economic development.
- Black industrialization; and
- The revitalization of township and rural economies.

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

8. ORGANIZATIONAL STRUCTURE

HIGH LEVEL ORGANISATIONAL STRUCTURE OF EDTEA





The current approved structure for the Department dates back to 2007 and comprises of seven programmes.

- Programme 1 is Administration which in terms of the budget structure, also includes the Office of the MEC and the Office of the HOD. These add to other sub-programmes such as Financial Management and Corporate Services.
- Programme 2 is Integrated Economic Development Services that consists of the Regional & Local Economic Development, Enterprise Development and as well as Economic Empowerment. This programme is headed by a Deputy Director General.
- Programme 3 is Trade & Sector Development which in terms of the organisational structure has Sector Development, Strategic Industrial Intervention and Trade and Investment promotion
- Programme 4 is Business Regulation & Governance and this consists of Regulation Services, Consumer Protection with respect to the organisational structure. Both programmes 3 and 4 currently report to a single Deputy Director General.
- Programme 5 is Economic Planning that features Policy & Planning, Research & Development, Knowledge Management as well as Monitoring & Evaluation. This programme is headed by a Chief Director.
- Programme 6 is Tourism Development, a function that was transferred from the Department of Arts & Culture soon after the 2009 elections from Arts and Culture and this unit is headed by a Chief Director. It comprises of three sub-programmes namely Tourism Planning, Tourism Growth and Development and Tourism Sector Transformation. The programme is responsible for policy, strategy development, capacity building, and destination development.
- Programme 7, which is Environmental Management, was aligned to this portfolio from the Department of Agriculture and Rural Development following the 2014 elections – and is also headed by a Chief Director.

9. ENTITIES REPORTING TO THE EXECUTIVE AUTHORITY

The tables below indicate the entities that report to the MEC.

Public Entity	Trade and Investment	2019/2020 Allocation R'000
Mandate	To attract foreign and domestic investment and to generate exports and exports capacity in KwaZulu-Natal.	102 321
Enabling Legislation	Trade and Investment Act No. 5 of 2010.	
Other Policies	PGDP, Investment Strategy, Export Strategy	

Public Entity	Tourism Authority	2019/2020 Allocation R'000
Mandate	Directly or indirectly develop, promote and market tourism into and within the province of KwaZulu-Natal	199 886
Enabling Legislation	<ul style="list-style-type: none"> • KwaZulu-Natal Tourism Act, Act 11 of 1996 • Provincial Tourism Policy, Approved in March 2008 • National Tourism Sector Strategy, Approved in March 2011 <p>There are three further important documents which will have an impact on the role of TKZN in the future. These are :</p> <ul style="list-style-type: none"> • The National Tourism Sector Strategy • The Provincial Growth and Development Strategy • The Provincial Tourism Master Plan 	
Other Policies	<ul style="list-style-type: none"> • KZN Provincial Tourism Master Plan 	

Public Entity	KZN Sharks Board	2019/2020 Allocation R'000
Mandate	To undertake, initiate and approve measures for safeguarding bathers against shark attack in the Province.	79 587
Enabling Legislation	KwaZulu-Natal Sharks Board Act, 2008 (No. 05 of 2008)	
Other Policies	Draft Provincial Maritime Strategy	

Public Entity	Dube Trade Port Corporation	2019/2020 Allocation R'000
Mandate	<p>The Dube TradePort Corporation must, through the Board:</p> <ul style="list-style-type: none"> • Ensure the strategic planning, establishment, design, construction, operation, management and control of the Dube TradePort; • Implement and give effect to the Master Plan for the economic growth of the Dube TradePort Region and the Province; • Manage and utilise its resources in accordance with its objectives and the requirements of the Master Plan; • Identify, develop, market and promote investment opportunities in the Dube TradePort; and • Develop an investment plan for the Dube TradePort 	478 268
Enabling Legislation	KZN Dube TradePort Corporation Act, 2010 (Act no. 2 of 2010). This needs to be updated as the DTP is now a Special Economic Zone	
Other Policies	Special Economic Zones Act	



Public Entity	Moses Kotane Institute	2019/2020 Allocation R'000
Mandate	To empower individuals through specialist education and training in mathematics, science, engineering, technology and business process outsourcing that will assist them to become employable, enhance service delivery and create employment opportunities for others.	87 538
Enabling Legislation	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 Development Zone	2019/2020 Allocation R'000
Mandate	To accelerate and improve infrastructure for industrial development through the government's Industrial Development Zone (IDZ) Programme	140 283
Enabling Legislation	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	
Other Policies	Special Economic Zones Act	

Public Entity	KZN Liquor Authority	2019/2020 Allocation R'000
Mandate	To control and regulate the retail sale and micro manufacturing of liquor in the province	84 680
Enabling Legislation	KwaZulu Natal Liquor Licensing ACT no. 06 of 2010	

Public Entity	Ithala Development Finance Corporation	2019/2020 Allocation R'000
Mandate	<ul style="list-style-type: none"> Mobilising financial resources and providing financial and supportive services to persons domiciled, ordinarily resident, or carrying on business within the Province; Planning, executing, financing and monitoring the implementation of development projects and programmes in the Province; Promoting, assisting and encouraging the development of the Province's human resources and its social, economic, financial and physical infrastructure; Promoting, encouraging and facilitating private sector investment in the Province and the participation of the private sector and community organisations in development projects and in contributing to economic growth and development generally; Acting as the government's agent for performing any development-related tasks and responsibilities that the government considers may be more efficiently or effectively performed by a corporate entity 	164 717
Enabling Legislation	Ithala Development Finance Corporation Act No. 2 of 1999	

Public Entity	KZN Growth Fund Trust	2019/2020 Allocation R'000
Mandate	The Trust is the custodian of the KZN Growth Fund Trust a structured debt and equity fund. The Trust receives capital contribution from the KZN Provincial Government. The sole beneficiary of the Trust is EDTEA. The "Fund" is a closed, pooled infrastructure project debt and equity fund. It funds capital projects above R30m.	104 100
Enabling Legislation	The Department is in the process of drafting the legislation to govern the entity, list it in the PFMA and register it as a government owned company.	



Public Entity	KZN Film Commission	2019/2020 Allocation R'000
Mandate	<ul style="list-style-type: none"> To promote and market the Province as a global destination for film production; To develop, promote and market, locally, nationally and internationally, the film industry in the Province; To facilitate investment in the film industry in the Province; To provide and encourage the provision of opportunities for persons, especially from disadvantaged communities, to enter and participate in the film industry in the Province; To address historical imbalances in the infrastructure and in the distribution of skills and resources in the film industry in the Province; and To contribute to an enabling environment for job creation in the film industry in the Province. 	90 538
Enabling Legislation	KwaZulu-Natal Film Commission Act No. 3 of 2010	

Public Entity	KZN Ezemvelo Wildlife	2019/2020 Allocation R'000
Mandate	<ul style="list-style-type: none"> The management of nature conservation within the Province of KwaZulu – Natal both inside and outside the protected areas and; The development and promotion of ecotourism facilities within the protected areas. 	769 438
Enabling Legislation	<ul style="list-style-type: none"> 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 	

Public Entity	KZN Gaming and Betting Board	2019/2020 Allocation R'000
Mandate	<p>ENSURE that all gambling authorised under the Act is conducted in a manner which promotes the integrity of the gambling industry and does not cause harm to the public interest</p> <p>ENSURE that all gaming authorised under the Act promotes the province's objectives for developing a gaming industry, the priorities of which are the promotion of tourism, employment and economic and social development in the province</p> <p>PROMOTE opportunities for persons contemplated in the definition of "broad-based black economic empowerment", as contained in the Broad-Based Black Economic Empowerment Act, 2003, to participate in the gambling industry of the Province in the capacity of licensees or registrants under the Act</p> <p>INCREASE the ownership stakes of persons contemplated in the definition of "broad-based black economic empowerment", as contained in the Broad-Based Black Economic Empowerment Act, 2003 in the gambling industry of the Province</p> <p>DEVELOP appreciation for and knowledge of horse racing amongst all communities, particularly those comprised of historically disadvantaged persons</p> <p>LIMIT restrictive practices, the abuse of dominant market position and mergers in the betting industry, as contemplated in the Competition Act, 1998 (Act No. 89 of 1998), and the Board is, for the purposes of the said Act, a regulatory authority as defined in section 1 of that Act.</p>	44 771
Enabling Legislation	<ul style="list-style-type: none"> KwaZulu-Natal Gaming and Betting Act, 08 of 2010 and the KZN Gaming and Betting Amendment Act, No. 04 of 2017 NATIONAL GAMBLING ACT, 2004 	



**PART B:
PERFORMANCE
INFORMATION**



1. AUDITOR GENERAL'S REPORT: PREDETERMINED OBJECTIVES

The AGSA currently performs certain audit procedures on the performance information to provide reasonable assurance in the form of an audit conclusion. The audit conclusion on the performance against predetermined objectives is included in the report to management, with material findings being reported under the Predetermined Objectives heading in the Report on other legal and regulatory requirements section of the auditor's report.

Refer to page 109 of the Report of the Auditor General, published as Part E: Financial Information.

2. OVERVIEW OF DEPARTMENTAL PERFORMANCE

2.1. SERVICE DELIVERY ENVIRONMENT

2.1.1. The Department has engaged itself in the development of organizational structures for its operations. The consideration of the structure is mostly informed by the regulated environment within which the Department operates. Functional structures are regarded by various Departments as suitable for a regulated environment. Notwithstanding their disadvantages they (functional structures) still allow greater operational control at a senior level and linked to this is the clear definition of roles and responsibilities.

2.1.2. The Organizational structure of the Department should enable the Department to focus on the following strategic pillars:-

- Industrial Economic Hubs and Special Economic Zones;
- Aerotropolis;
- Maritime (Ocean Economy);
- Tourism;
- Environmental Management and
- Empowerment of SMMEs and Co-operatives

2.1.3. It should be noted that the Department is one of the delivery Departments with concurrent competencies. These (delivery departments) represent a mix between policy-making and delivery. At a National level they are mainly responsible for policy development, executive oversight, monitoring and evaluation whilst at Provincial level they are responsible for operational delivery of the functional competence. It is noted that the operational delivery of the functional competence is in this department based on the framework of the line function programmes as dictated to by the strategic plan of the Department.

2.1.4. It should be highlighted that whilst the National Departments are responsible for policies to be implemented at all Levels of Government, Provinces are expected to operationalise National priorities programmes in order to discharge their Constitutional mandates. The investigation conducted reveals that in operationalising the National priority programmes, Provinces rely heavily on various strategies designed both by National and Provinces.

2.1.6. The Department is in terms of the strategic plan constituted of six (6) programmes and their associated sub-programmes with their main objectives.

These programmes are the following:

- Administration Services;
- Integrated Economic Development Services;
- Sector Development and Business Governance;
- Economic Research and Planning;
- Tourism Development; and
- Environmental Management

2.2. SERVICE DELIVERY IMPROVEMENT PLAN

The department has completed a service delivery improvement plan. The tables below highlight the service delivery plan and the achievements to date.

Main services and standards

Main Services	Service Standards	Beneficiaries	Desired standard of performance	Actual Achievement
Registration of Tourist Guides	Queries will be resolved as per the approved Complaints/ Compliments Management Framework, which prescribe a maximum of 25 working days.	<ul style="list-style-type: none"> Tourists Tourist Guides Tourism Products (game reserves, museums, etc.) Tourism Business Owners (Restaurants, Bed and Breakfasts etc.) Municipalities 	<ul style="list-style-type: none"> Tourist Guide complying in the sector 	<ul style="list-style-type: none"> Tourist Guides accredited by the department Tourist Guide Inspections
	Access		<ul style="list-style-type: none"> Print media notices for stakeholders Electronic media notices Forums Roadshows 	<ul style="list-style-type: none"> Print media notices for stakeholders Electronic media notices Forums Roadshows
	Information		<ul style="list-style-type: none"> Telephone, brochures and emails Reception services Departmental publication More training on universal accessibility programmes 	<ul style="list-style-type: none"> Telephone, brochures and emails Reception services Departmental publications

Batho Pele arrangements with beneficiaries (Consultation access etc.)

Refer to the SDIP information provided above.

Service delivery information tool

Refer to the SDIP information provided above.

Complaints mechanism

Current/actual complaints mechanism	Desired complaints mechanism	Actual achievements
Approved complaints/compliments Management Framework in place	Electronic based complaints management system	No outstanding complaints

2.3. ORGANISATIONAL ENVIRONMENT

The MEC for the Department of Economic Development, Tourism and Environmental affairs plays a critical role in implementing government priorities in growing the inclusive economic growth as articulated by both the President of the Republic and the Premier of the Province. These priorities are to ensure that employment, poverty and inequalities are eradicated in the Republic of South Africa. These priorities should be in line with the theme as articulated by the Honourable MEC in the budget speech which stipulates that **“POSITIONING KWAZULU-NATAL AS A TECHNOLOGICAL HUB TO HARNESS THE FOURTH INDUSTRIAL REVOLUTION FOR ECONOMIC GROWTH, DEVELOPMENT AND JOB CREATION.”**

It is also imperative to note that the MEC is presiding over thirteen Public Entities in the Province as well responsible for being a Leader of Government Business. Therefore, the organizational structure of the department should be suitably capacitated with sufficient human capital to ensure that the Executive Authority can deliver on her crucial mandate and responsibilities as set out in the Constitution of the Republic.



The Department has since 2007 been responsible for Economic Development portfolio only, due to changes in the Provincial Administration as announced by the Honourable Premier; the department was reconfigured with the inclusion of Tourism in 2009 and Environmental Affairs function has been transferred from the Department of Agriculture to create a new Department of Economic Development, Tourism and Environmental Affairs.

It is important to note that in 2018 the Department had submitted a proposed organizational structure to the Minister for Public Service and Administration (MPSA) through the Office of the Premier for concurrence. Subsequent to the submission of the proposed organisational structure, the MPSA issued a circular which stipulating that 'all request for concurrence should be deferred to the 6th Administration. It is therefore for this reason that the MPSA issue a letter through the Office of the Premier to the department to resubmit/consult on the organisational structure which will take into consideration the service delivery imperatives of the 6th administration.

It is customary that whenever there is a transfer of functions between Departments, the broad structural design indicating roles, responsibilities and reporting is developed. This is imperative for noting by the Department of Public Service and Administration, as prescribed by the Public Service Regulations 1/III/B.2. It is also important to note that the Department is in the process of aligning its organisational structure with the strategic plan (2020/2025) and the following are some of the strategic changes that have taken place:

Operation Vula: As part of the broader commitment to promote local procurement in order to increase domestic production, Operation Vula aims to promote the localisation of KZN's economy by exploiting government buying power from SMMEs and co-operatives, we will be eradicating the problems that are faced by small business which include lack of access to the market, lack of access to finance and low bargaining power with companies and buyers as well as stiff competition from well-established businesses. The following commodities will now be procured from local small businesses as part of piloting Operation Vula: school and prison uniform, protective clothing, school and government furniture, bakery, infrastructure materials, cleaning materials and agricultural produce. The key announcements and developments in the department are:

- **Radical Agrarian Socio-Economic Transformation (RASET)**
- **Activation of Black Industrialist Programme**
- **Maritime**
- **Business Retention and Expansion**
- **Investment Conference**
- **Rationalization of Public Entities**
- **KwaZulu-Natal Investment Conference.**

The creation of the District Organizational Structure was necessitated by a number of service delivery challenges that has been experienced by the departmental clients as well as personnel. These challenges include inter-alia, the system of integration and coordination of programmes between stakeholders, particularly, within the department is very weak. The majority of information emanating from the existing planning processes such as the Integrated Development Planning (IDP'S) and the local development forums is not well coordinated within the department due to lack of leadership assigned to manage the district office. The lack of leadership at the departmental district offices has led to the following challenges:-

- **Lack of administrative support such as Human Resource, Fleet Management, Facility Management;**
- **Project actions not always linked to priority issues and objectives of the municipalities concerned;**
- **Ad-hoc requests from stakeholders/communities that are supposed to be performed by the department are given to other stakeholders; and**
- **Scarce resources (human/budget allocation) not congruent to implementation needs.**

The implementation of the District Model would address the above mentioned challenges by providing leadership and support required by district official at all levels of operations; and addressing stakeholder's issues effectively and efficiently.

The department has tried its level best in this difficult financial period for the government to be efficient and creative in implementing new strategic pillars by redefining some unit under industry development to accommodate Maritime, Aerotropolis and Industrial Economic Hub.



The challenges on filling of post in the province have had tremendous strain in the departmental operations and it has resulted in the following:

- **Increase in staff turnover due to workload**
- **Excessive overtime work claims**
- **Head of Department Office strain due to increase in Public Entities**
- **Risk audit identify the lack of capacity as one of major risk**
- **High number of contracted employees**
- **Lack of capacity throughout the department due to freezing in filling of post**

The austerity measures introduced for the provincial government have necessitated that we prioritise our initiatives and be more focused on our mandate. Whilst the support of the major events has been critical to attracting tourism investment in the province, we have drastically curtailed the number of these events during this financial year. We understand that this is likely to have negative consequences for economic growth in the province, but it is a choice we have had to make.

3. STRATEGIC OUTCOME ORIENTED GOALS

The strategic focus for the KZN EDTEA during the 2015-2020 planning period is to build a resilient KZN provincial economy that can respond to global factors, stimulating provincial economic development, alignment of functions and purpose of all economic development entities as well as building a vibrant organisation. The table below outlines a summary of strategic goals for 2015 to 2020 as well as the strategic objectives that would be key in driving each strategic intervention. These strategic goals inform the programmes of the KZN EDTEA for the afore-mentioned planning period.

KZN EDTEA STRATEGIC OUTCOME ORIENTED GOALS AND OBJECTIVES

Strategic outcome oriented goal 1	Integrated economic planning and development in the Province
Goal statement	Achieve an integrated and coordinated economic planning process and development in the Province of KZN.
Goal indicator	Effective implementation of Provincial interventions by relevant stakeholders
Strategic objectives	1.1 Coordinate social partners and other stakeholders in the Province 1.2 Collect, process, maintain and report on economic and other social data 1.3 Track the implementation of economic interventions 1.4 Provide research on priority and strategic sectors 1.5 Develop and maintain an efficient regulatory and governance framework 1.6 Influence policy direction for economic and infrastructure development

Strategic outcome oriented goal 2	Sustainable and inclusive economic growth for job creation
Goal statement	Achieved economic growth with broad participation by the community
Goal indicator	Higher provincial GDP, lower unemployment, poverty and inequalities and improved key social indicators
Strategic objectives	2.1 Facilitate the implementation of economic transformation strategies and policies 2.2 Implement existing productive and service sector strategies and plans 2.3 Promote SMMEs and Cooperatives 2.4 Facilitate trade and investment

Strategic outcome oriented goal 3	Preferred tourism destination in the country
Goal statement	Deepen and develop the positioning of KZN as a preferred tourism destination for domestic and global tourism
Goal indicator	Increased number of tourists visiting KZN
Strategic objectives	3.1 Provide guidance, support and direction in terms of tourism policies, legislation and strategies 3.2 Implementation of the KZN Tourism Master Plan



Strategic outcome oriented goal 4	Sustainable environmental management
Goal statement	Ensure effective implementation of policies and strategies for sustainable development
Goal indicator	Improved responsible environmental management and impact
Strategic objectives	4.1 Implement environmental management strategies and plans 4.2 Streamline the process of Environmental Impact Assessment 4.3 Promotion and facilitation of integrated environmental management through capacity building and awareness raising programmes and projects.

Strategic outcome oriented goal 5	Achieve institutional excellence responsive to the needs of the country
Goal statement	Establish a dynamic institution through a high performance and value based culture
Goal indicator	Accountable delivery of the mandate of the Department
Strategic objectives	5.1 Lead in the realisation of the vision of the Department and enhance service delivery and guaranteed value for money 5.2 Establish organisational capacity to enable delivery of mandate through effective human and financial management, corporate governance, risk management, and internal control frameworks 5.3 Deploy robust business processes and systems to promote a high performance and value-based culture 5.4 Strengthen planning oversight, monitoring and evaluation capabilities for measuring impact of economic development strategies within the Department and across its entities;

4. PERFORMANCE INFORMATION BY PROGRAMMES

PROGRAMME I: ADMINISTRATION

Purpose of the Programme:

The principal objective of this programme is to oversee and provide executive support to the Executive Authority and Accounting Officer to fulfil the mandate as prescribed by legislation. Furthermore to provide effective and efficient support services to the whole Department regarding Human Resources (HR), Legal Services, Financial Management, Information Communication Technology and Auxiliary Services.

The programme is made up of the following sub-programmes:

- Office of the MEC
- Office of the Head of Department
- Financial Management Unit
- Corporative Service

Strategic objectives, performance indicators, planned targets and actual achievements

The table below provides the details of achievements of targets for the strategic objectives, outputs and performance indicators for the programme for the financial year under review.



Sub-Programme: Office of the MEC							
Strategic Objective: To provide strategic leadership, risk management, strategic planning, executive support and effective management of the Department's programmes in order to fulfil its mandate.							
Performance Indicator	Actual Achievement 2016/17	Actual Achievement 2017/18	Actual Achievement 2018/19	Planned Target 2019/20	Actual Achievement 2019/20	Deviation from planned target to Actual Achievement 2019/2020	Comments on deviations
Number of strategic documents tabled to legislature as per statutory requirements	New	New	New	5	2	-3	Sixth administration APP indicator. A total of five strategic documents was planned to be tabled at the Legislature informed by the legislature calendar and the PFMA. Due to the declaration of the national state of disaster and the regulations issued, the dates for the tabling of the 2021-2025 Strategic Plan and the 2020/21 APP were moved to April 2020, after the end of the year under review. The documents were however, finalised and approved by the executive authority by 31 March 2020.
Number of strategic engagements supported	New	New	New	3	33	30	Sixth administration APP indicator. Target over achieved. The reason for the over-achievement is due to the new programs that were implemented to educate and support the community. Based on the Post Budget Speech 2019/2020, the Department implemented programs to assist the youth, women and previously disadvantaged communities to educate them about funding opportunities and business revitalization. There was also a need to improve the awareness campaigns on climate change and consumer protection. It was also a result of improved planning and coordination between the Department's business units and public entities.



Sub-Programme: Office of the MEC

Strategic Objective: To provide strategic leadership, risk management, strategic planning, executive support and effective management of the Department's programmes in order to fulfil its mandate.

Performance Indicator	Actual Achievement 2016/17	Actual Achievement 2017/18	Actual Achievement 2018/19	Planned Target 2019/20	Actual Achievement 2019/20	Deviation from planned target to Actual Achievement 2019/2020	Comments on deviations
Number of security policies implemented	New	New	New	1	0	-1	Sixth administration APP indicator. The department and the Office of the MEC currently is without a Security Manager. The previous Security Manager took early retirement. The Office is awaiting for the post to be filled.

Sub-Programme: Office of the Head of Department

Strategic Objective: To provide strategic leadership, risk management, strategic planning, executive support and effective management of the Department's programmes in order to fulfil its mandate.

Performance Indicator	Actual Achievement 2016/17	Actual Achievement 2017/18	Actual Achievement 2018/19	Planned Target 2019/20	Actual Achievement 2019/20	Deviation from planned target to Actual Achievement 2018/2019	Comments on deviations
Percentage achievement of EDTEA's annual performance plan targets	New	New	71%	80%	78%	-2%	Fifth administration APP indicator. The target was missed due to inadequate capacity to timeously execute some of the mitigating actions caused by the delays in the approval of the Department's organogram by the DPSA.
Approved five year strategic plan	New	New	New	1	1	0	Sixth administration APP indicator. Target achieved
Approved annual performance plan	New	New	New	1	1	0	Sixth administration APP indicator. Target achieved
Percentage implementation of the risk mitigation strategy	New	New	57%	100%	90%	-10%	The target could not be met as there were delays with the service provider who was appointed by PIAS to assist the department. There is a draft that shall be approved by July 2020.
Percentage implementation of MPAT improvement plans	New	New	43%	100%	0	0	The MPAT performance management system has been discontinued



Sub-Programme: Office of the Head of Department							
Strategic Objective: To provide strategic leadership, risk management, strategic planning, executive support and effective management of the Department's programmes in order to fulfil its mandate.							
Performance Indicator	Actual Achievement 2016/17	Actual Achievement 2017/18	Actual Achievement 2018/19	Planned Target 2019/20	Actual Achievement 2019/20	Deviation from planned target to Actual Achievement 2018/2019	Comments on deviations
Number of public entity oversight report produced	New	New	New	4	3	0	Sixth administration APP indicator. The APP was implemented in the second quarter of the financial year, all Q2-4 targets were achieved.
Percentage implementation of the Annual Internal Audit Programme	New	New	New	100%	72.67%	-27.33	Sixth administration APP indicator. Internal audit unit relies on service providers to execute some of the audits due to capacity constraints within the unit. Sourcing the services providers has taken longer than planned as some of the audits required specialized skills such as Environmental Specialists, etc., as this resulted to some of the audit projects starting late.
Number of Departmental Management structures functional	New	New	New	2	2	0	Sixth administration APP indicator, Target Achieved
Percentage implementation of the intergovernmental Relations Strategy	New	New	New	100%	100%	0	Sixth administration APP indicator, Target Achieved

Sub-Programme: Financial Management							
Strategic Objective: To ensure effective implementation of the PFMA and other regulated financial regulations and policies.							
Performance Indicator	Actual Achievement 2016/17	Actual Achievement 2017/18	Actual Achievement 2018/19	Planned target 2019/20	Actual Achievement 2019/20	Deviation from planned target to Actual Achievement 2019/2020	Comments on deviations
Number of Financial Management Reports	12	12	12	12	3	0	Fifth administration APP indicator, target achieved in Q1



Sub-Programme: Financial Management

Strategic Objective: To ensure effective implementation of the PFMA and other regulated financial regulations and policies.

Performance Indicator	Actual Achievement 2016/17	Actual Achievement 2017/18	Actual Achievement 2018/19	Planned target 2019/20	Actual Achievement 2019/20	Deviation from planned target to Actual Achievement 2019/20	Comments on deviations
Number of financial Planning Reports produced	New	New	New	12	9	0	Sixth administration APP indicator. The annual target was twelve. However the Sixth administration APP came into effect in Q2 of the FY, therefore the department performed against a target of nine which was achieved.
Number of Financial workshops conducted	New	New	New	4	2	-1	Sixth administration APP indicator. Annual target is four. However the Sixth administration APP came into effect in Q2 of the FY, hence the target that could be achieved was 3. The last workshop could not be performed as it was planned for in March when the state of disaster and subsequently the national lockdown was declared.
Percentage implementation of the Annual Internal Control Plan	New	New	New	100%	93.75%	-6.25%	Sixth administration APP indicator. The target was not achieved due to the lack of capacity as a result of the resignation and promotion of the previous incumbents. The recruitment of the deputy director position has been completed.



Sub-Programme: Financial Management

Strategic Objective: To ensure effective implementation of the PFMA and other regulated financial regulations and policies.

Performance Indicator	Actual Achievement 2016/17	Actual Achievement 2017/18	Actual Achievement 2018/19	Planned target 2019/20	Actual Achievement 2019/20	Deviation from planned target to Actual Achievement 2019/2020	Comments on deviations
Percentage of valid invoices paid within 30 days	98%	87%	98%	100%	98%	-2%	The Department settled 98% of all its invoices within the legislated time after successfully undergoing the compliance check. The 2% invoices were not paid due to legitimate reasons that ranged from outstanding documentation and the confirmation of the authenticity of the invoices which was received and confirmed after the 30 day period.
Percentage of total budget spent on BB-BEE service providers	New	New	New	90%	97%	7%	Target over achieved, the Department ensures that it always sources quotations from BBBEE compliant service providers.
Percentage implementation of the Procurement Plans	New	New	New	100%	83%	-17%	The target could not be achieved due to non-compliant or non-responsiveness of bidders. Going forward, the briefing sessions with the bidders will be strengthened to ensure that bidders fully understand what is required of them.
Percentage of satisfaction level	New	New	New	90	0	-90	The Department had to reconsider the approach for this indicator. A decision was taken for it to be led and coordinated by M&E so as to provide objective results. The results of the survey that had been undertaken could not be used in this current financial year as they were not a representative sample of the department.



Sub-Programme: Financial Management

Strategic Objective: To ensure effective implementation of the PFMA and other regulated financial regulations and policies.

Performance Indicator	Actual Achievement 2016/17	Actual Achievement 2017/18	Actual Achievement 2018/19	Planned target 2019/20	Actual Achievement 2019/20	Deviation from planned target to Actual Achievement 2019/2020	Comments on deviations
Number of Contract Management Reports Produced	New	New	New	4	3	0	Sixth administration APP indicator. Annual target is four. However the Sixth administration APP was only implemented from Q2 of the FY resulting in an attainable target of 3 which was achieved.

Sub-Programme: Human Resource Management

Strategic Objective: To implement effective, efficient and compliant Human Resources Management

Performance Indicator	Actual Achievement 2016/17	Actual Achievement 2017/18	Actual Achievement 2018/19	Planned target 2019/20	Actual Achievement 2019/20	Deviation from planned target to Actual Achievement 2019/2020	Comments on deviations
Percentage of Performance Management Process achieved	New	New	New	100%	78%	-22%	Fifth administration APP indicator, the target was not achieved. Not all the performance agreements are due at the end of first quarter. This is because of the new employees that have been recruited to the department who are allowed 3 months before signing new agreements.
Percentage of Staff turnover rate	1%	2%	1%	5%	2%	0.75%	Fifth administration APP indicator. The target was achieved.
Number of Labour Relations Reports finalised	New	New	New	10	3	0	Fifth administration APP indicator, the target for the relevant Q1 was achieved.
Number of Change Management Programmes developed and implemented	New	New	New	4	1	0	Fifth administration APP indicator, the target for the relevant Q1 was achieved.
Number of H R Plan implementation Reports Finalised	New	New	New	1	1	0	Fifth administration APP indicator, the target for the relevant Q1 was achieved.



Sub-Programme: Human Resource Management							
Strategic Objective: To implement effective, efficient and compliant Human Resources Management							
Performance Indicator	Actual Achievement 2016/17	Actual Achievement 2017/18	Actual Achievement 2018/19	Planned target 2019/20	Actual Achievement 2019/20	Deviation from planned target to Actual Achievement 2019/2020	Comments on deviations
Percentage of employees utilizing PILIR Process	New	New	New	3%	0	0	Fifth administration APP indicator, the target for the relevant Q1 was achieved.
Percentage of Departmental Structure reviewed	New	New	New	1	1	0%	Fifth administration APP indicator, the target for the relevant Q1 was achieved.
Percentage of SMS members submitting financial disclosures on time	New	100%	100%	100%	100%	0%	Fifth administration APP indicator, the target for the relevant Q1 was achieved.
Percentage of funded posts in PERSAL which are vacant per quarter (vacancy rate)	16%	17%	17%	19%	21%	2%	Target not achieved. The DPSA initially suspended the process of filling vacant position to await the appointment of the sixth administration. The recruitment process was later disrupted by the declaration of the state of disaster and subsequent lockdown due to the Coved 19 pandemic. However, the Department is seized with the filling of all vacant positions and is using virtual methods to fill the positions even during the COVID period.
Percentage of Women appointed at SMS level	New	New	New	100%	40%	-10%	Sixth administration APP indicator. The Department is working on the targeted recruitment in order to archive the target of SMS.
Number of employees trained and developed	New	New	New	460	348	-112	Target not achieved due to approval for deviation for implementation of training was delayed by OTP. KZN Academy cancelled training due to unavailability of facilitators



Sub-Programme: Human Resource Management							
Strategic Objective: To implement effective, efficient and compliant Human Resources Management							
Performance Indicator	Actual Achievement 2016/17	Actual Achievement 2017/18	Actual Achievement 2018/19	Planned target 2019/20	Actual Achievement 2019/20	Deviation from planned target to Actual Achievement 2019/2020	Comments on deviations
Number of Employee Health and Wellness Reports finalized	New	New	New	11	3	0	Fifth administration APP indicator, target achieved.
Number of Employee Health and Wellness Reports finalized	New	New	New	13	3	0	Sixth administration APP indicator target was incorrectly captured. Correct target is one in each quarter. The intended target was achieved.
Approval organizational organogram and Number of Change Management Programmes	New	New	New	4	3	0	Sixth administration APP indicator. Annual target is four. However the Sixth administration APP was implemented from Q2 therefore attainable annual target was three. This target was achieved.

Sub-Programme: Legal Services							
Strategic Objective: To implement effective, efficient and timeous legal services							
Performance Indicator	Actual Achievement 2016/17	Actual Achievement 2017/18	Actual Achievement 2018/19	Planned target 2019/20	Actual Achievement 2019/20	Deviation from planned target to Actual Achievement 2019/2020	Comments on deviations
Number of reviewed Entity legislative bills	New	New	New	7	10	3	Sixth administration APP indicator. The appointment of additional capacity in the Unit enabled the Unit to achieve above the original target.
Number of finalized SLA	New	New	New	100%	100%	0%	Sixth administration APP indicator. Target Achieved



Sub-Programme: Information Technology and Telecommunication Services							
Strategic Objective: Provide efficient and cost effective and telecommunications support services							
Performance Indicator	Actual Achievement 2016/17	Actual Achievement 2017/18	Actual Achievement 2018/19	Planned target 2019/20	Actual Achievement 2019/20	Deviation from planned target to Actual Achievement 2019/2020	Comments on deviations
Implementation of Departmental wide Information Technology Strategy	New	New	New	100%	51%	-49%	Sixth administration APP indicator. The target was not achieved due to the delays during the system development phase. The projects will be finalised in the 2020/21 financial year.
Percentage of available telecommunication systems	New	New	New	100%	87%	-13%	Sixth administration APP indicator. Target not achieved due to the offices that were reallocated to new premises and the re installation of the PABX system was delayed due to indoor transfer processes that ran beyond schedule.

Sub-Programme: Security and Auxiliary Services							
Strategic Objective: Improved corporate governance for robust business processes and system.							
Performance Indicator	Actual Achievement 2016/17	Actual Achievement 2017/18	Actual Achievement 2018/19	Planned target 2019/20	Actual Achievement 2019/20	Deviation from planned target to Actual Achievement 2019/2020	Comments on deviations
Percentage of the security systems provided to the 11 District offices	New	New	New	100%	100%	0	Sixth administration APP indicator. Target achieved
Percentage improvement of Departmental fleet management	New	New	New	60%	60%	0	Sixth administration APP indicator. Target achieved
Number of health and safety inspections conducted	New	New	New	100%	100%	0	Sixth administration APP indicator. Target achieved



Sub-Programme: Communication Services							
Strategic Objective: 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.							
Performance Indicator	Actual Achievement 2016/17	Actual Achievement 2017/18	Actual Achievement 2018/19	Planned target 2019/20	Actual Achievement 2019/20	Deviation from planned target to Actual Achievement 2019/2020	Comments on deviations
Number of Departmental communication plan to ensure effective communication	New	New	New	3	3	0	Sixth administration APP indicator. Target achieved
Number of communication plans implemented	New	New	New	3	16	13	Sixth administration APP indicator. Target over achieved. The engagements required communication to have communications plans tailor-made for each activity in support of MEC and Department.

PROGRAMME 2: INTEGRATED ECONOMIC DEVELOPMENT SERVICES

Purpose of the Programme:

The purpose of the Integrated Economic Development Services (IEDS) Programme 2 is to create partnerships and implement policies, programmes and projects aimed at creating employment and building capacity of stakeholders, supporting and promoting enterprises owned by previously disadvantaged individuals, groups, or communities in order to bring them into the mainstream of the economy.

The programme is made up of the following sub-programmes:

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

Strategic objectives, performance indicators, planned targets and actual achievements

The table below provide the details of achievements of targets for the strategic objectives, outputs and performance indicators for the programme for the financial year under review.



Sub-Programme: Enterprise Development							
Strategic Objective: To promote small enterprises (SMMEs and Cooperative)							
Performance Indicator	Actual Achievement 2016/17	Actual Achievement 2017/18	Actual Achievement 2018/19	Planned target 2019/20	Actual Achievement 2019/20	Deviation from planned target to Actual Achievement 2019/2020	Comments on deviations
Number of Signed fund agreements with Ithala that results into 2000 indirect jobs	New	New	New	1	0	0	Fifth administration indicator. The target was planned for Q4. It was not implemented in the sixth administration APP which was in effect from Q2 to the end of the FY.
Number of Workshops conducted for small enterprises in districts	New	New	New	88	22	0	Fifth administration indicator. Target achieved.
Number of signed fund agreements with IThala that promotes inclusive participation of small enterprises into the mainstream economy	New	New	New	1	0	0	Fifth administration indicator. The target was planned for Q4. It was not implemented in the sixth administration APP which was in effect from Q2 to the end of the FY.
Number of interventions implemented to support small enterprises in all 11 Districts	New	New	New	10	11	3	Sixth administration indicator. The Q1 target should not have been included because at the time when the sixth administration APP was approved for implementation, quarter 1 had passed. Therefore the actual annual target of eight was over-achieved.
Number of interventions to support small enterprises with access to funding	New	New	New	1	1	0	Sixth administration indicator. The target was achieved.
Number of interventions to support creation of jobs	New	New	New	6	6	0	Sixth administration indicator. The target was achieved.



Sub-Programme: Economic Empowerment

Strategic Objective: To facilitate the implementation of economic transformation strategies and policies.

Performance Indicator	Actual Achievement 2016/17	Actual Achievement 2017/18	Actual Achievement 2018/19	Planned target 2019/20	Actual Achievement 2019/20	Deviation from planned target to Actual Achievement 2019/2020	Comments on deviations
Number of Youth and Women supported through training to participate in the mainstream economy	New	New	New	1100	1	1	Fifth administration indicator. There was no planned target for Quarter 1 as it is normally the planning phase of the project implementation.
Number of Youth and Women businesses supported through enterprise development to participate in the mainstream economy	New	New	New	55	0	0	Fifth administration indicator. There were no planned targets for Q1. The indicator was redefined in the sixth administration APP as outlined in the ensuing indicators.
Number of Youth trained	New	New	New	700	1318	618	Sixth administration indicator. The target was over achieved: This indicator is demand driven and rely on the participation of stakeholders. Strategic partnerships were concluded which contributed to the over-achievement of the target.
Number of Women trained	New	New	New	400	817	417	Sixth administration indicator. The target was over achieved: The indicator is demand driven and rely on the participation of stakeholders. This is the reason why it was over achieved due to participation of more stakeholders.



Sub-Programme: Economic Empowerment

Strategic Objective: To facilitate the implementation of economic transformation strategies and policies.

Performance Indicator	Actual Achievement 2016/17	Actual Achievement 2017/18	Actual Achievement 2018/19	Planned target 2019/20	Actual Achievement 2019/20	Deviation from planned target to Actual Achievement 2019/20	Comments on deviations
Number of Youth businesses supported through enterprise development	New	New	New	35	79	44	Sixth administration indicator. The target was over achieved: The indicator is demand driven and rely on the participation of stakeholders. The introduction of youth fund created an opportunity for the conclusion of strategic partnership between the OTP, Treasury, and EDTEA. The combined efforts from stakeholders made it easier for the implementation of targets which far exceeded the expectation.
Number of Women businesses supported through enterprise development	New	New	New	20	31	11	Sixth administration APP indicator. Target over achieved : This indicator is demand driven and rely on the participation of stakeholders. This is the reason why it was over achieved due to participation of more stakeholders
Number of BBBEE compliance interventions implemented to improve the level of compliance	New	New	New	6	7	2	Sixth administration APP indicator. Annual target is seven. However the Sixth administration APP came into effect only in Q2 of the FY therefore attainable target was five. The target was achieved.
Number of Operation Vula interventions co-ordinated	New	New	New	5	4	0	Sixth administration APP indicator. Annual target is five. However the Sixth administration APP only came into effect in Q2 of the FY therefore the attainable target for Q2-4 was four.



Sub-Programme: Economic Empowerment

Strategic Objective: To facilitate the implementation of economic transformation strategies and policies.

Performance Indicator	Actual Achievement 2016/17	Actual Achievement 2017/18	Actual Achievement 2018/19	Planned target 2019/20	Actual Achievement 2019/20	Deviation from planned target to Actual Achievement 2019/2020	Comments on deviations
Number of KZN Black industrialists supported	New	New	New	5	4	0	Sixth administration APP indicator. Annual target is five. However the Sixth administration APP only came into effect in Q2 of the FY therefore the attainable target for Q2-4 was four.
Number of intervention implemented to support Operation Vula	New	New	New	5	1	0	Fifth administration APP indicator, the target achieved
Number of interventions implemented to support the Black Industrialists	New	New	New	5	1	0	Fifth administration APP indicator, the target achieved

Sub-Programme: Regional and Local Economic Development

Strategic Objective: To implement RLED initiatives that support employment opportunities and build the capacity of RLED stakeholders.

Performance Indicator	Actual Achievement 2016/17	Actual Achievement 2017/18	Actual Achievement 2018/19	Planned target 2019/20	Actual Achievement 2019/20	Deviation from planned target to Actual Achievement 2019/2020	Comments on deviations
Number of projects implemented that support employment opportunities	New	6	5	3	6	3	Target over achieved. Three projects had been planned being Sakhinzuzo, Lusizo and KwaMajomela Construction as projects that would support employment. However the UKZN RLEDI carry over project, design project and the Vuthela PCU also created job opportunities during the 2019/20 which contributed to the over-achievement.



Sub-Programme: Regional and Local Economic Development							
Strategic Objective: To implement RLED initiatives that support employment opportunities and build the capacity of RLED stakeholders.							
Performance Indicator	Actual Achievement 2016/17	Actual Achievement 2017/18	Actual Achievement 2018/19	Planned target 2019/20	Actual Achievement 2019/20	Deviation from planned target to Actual Achievement 2019/2020	Comments on deviations
Number of training interventions implemented	New	6	6	6	9	3	Target over achieved. Carryover capacity building programme UKZN RLEDI which has 6 interventions and through the DUT - EDTEA memorandum of agreement , various demand driven training interventions were completed by DUT in partnership with NEMISA - excel dashboard, web 2.0 and social media, Yarona digital programme and business start-ups.

PROGRAMME 3: TRADE AND INDUSTRIAL DEVELOPMENT

Purpose of the Programme:

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

The programme is made up of the following sub-programmes:

- Strategic Industrial Intervention
- Trade and Investment Promotion
- Sector Development

Strategic objectives, performance indicators, planned targets and actual achievements

The table below provide the details of achievements of targets for the strategic objectives, outputs and performance indicators for the programme for the financial year under review.



Sub-Programme: Strategic Industrial Interventions

Strategic Objective: An integrated infrastructure planning and development that advance SEZ/IEH, Maritime, Aerotropolis and productive use of land management.

Performance Indicator	Actual Achievement 2016/17	Actual Achievement 2017/18	Actual Achievement 2018/19	Planned target 2019/20	Actual Achievement 2019/20	Deviation from planned target to Actual Achievement 2019/2020	Comments on deviations
Number of Investment projects facilitated to support Aerotropolis, Maritime, Techno Hubs, SEZ and industrial Hubs	New	New	New	2	0	0	Fifth administration APP indicator which was only in effect in Q of the FY. The target was planned for Q4.
Number of projects that contribute to jobs opportunities facilitated through Aerotropolis, Maritime, Techno Hubs and Industrial Economic Hubs initiative	New	New	New	1	0	0	Fifth administration APP indicator which was only in effect in Q of the FY. The target was planned for Q4.
Number of projects that contribute to people trained within Aerotropolis, Maritime, Industrial Economic Hubs and Special Economic Zones	New	New	New	4	0	0	Fifth administration APP indicator, no target was planned for Q1
Number of feasibility studies, business plans or master plans initiatives undertaken to completion	New	New	New	2	0	0	Fifth administration APP indicator which was only in effect in Q2 of the FY. The target was planned for Q4.



Sub-Programme: Strategic Industrial Interventions							
Strategic Objective: An integrated infrastructure planning and development that advance SEZ/IEH, Maritime, Aerotropolis and productive use of land management.							
Performance Indicator	Actual Achievement 2016/17	Actual Achievement 2017/18	Actual Achievement 2018/19	Planned target 2019/20	Actual Achievement 2019/20	Deviation from planned target to Actual Achievement 2019/2020	Comments on deviations
Number of jobs created through industrialization	New	New	New	4 500	575	-3925	The target of 4 500 jobs was heavily dependent on jobs to be created by the SEZs both DTPC and RBIDZ. Both IDZs were heavily affected by COVID in the last quarter of the financial year e.g. Willmar project could not break ground as anticipated in March.
Number of jobs created through the Oceans Economy	New	New	New	1 075	0	-1075	The Boat Building Park project study was not finalized as the stakeholder engagements and pre survey to ascertain the need for a boat building park in Durban was only concluded in December and the project subsequently transferred to Ithaca Development Agency as implementing Agent in February. Procuring and installing Fish Processing Facilities equipment could not commence as there were delays in the issuing of fishing permits to the small scale fisheries cooperatives by DEFF.



Sub-Programme: Strategic Industrial Interventions
Strategic Objective: An integrated infrastructure planning and development that advance SEZ/IEH, Maritime, Aerotropolis and productive use of land management.

Performance Indicator	Actual Achievement 2016/17	Actual Achievement 2017/18	Actual Achievement 2018/19	Planned target 2019/20	Actual Achievement 2019/20	Deviation from planned target to Actual Achievement 2019/2020	Comments on deviations
Number of jobs created through infrastructure development	New	New	New	100	0	-100	Sixth administration APP indicator. Delays in approvals (CAA, SPLUMA, Building Plans etc.) for both Margate and Mkhuze Airports. Construction was meant to start in March 2020 and will likely only happen after lock down. The EDTEA M&E Jobs Template has been sent to both Municipalities to record job opportunities once construction commences.
Number of people capacitated within the industrial sector	New	New	New	60	224	164	Sixth administration APP indicator. Target over achieved due to the increase in the number of Co-operatives trained in Aquaculture Sector due to the joint efforts between Programme 3: Trade & Industry Development and Programme 2: IEDS. Co-operatives were trained using the current standing agreement between the Department and TVET Colleges.



Sub-Programme: Strategic Industrial Interventions							
Strategic Objective: An integrated infrastructure planning and development that advance SEZ/IEH, Maritime, Aerotropolis and productive use of land management.							
Performance Indicator	Actual Achievement 2016/17	Actual Achievement 2017/18	Actual Achievement 2018/19	Planned target 2019/20	Actual Achievement 2019/20	Deviation from planned target to Actual Achievement 2019/2020	Comments on deviations
Number of specialists studies approvals to unlock industrial projects	New	New	New	6	7	1	Sixth administration APP indicator. Target over achieved due to the early completion of Richards Bay Oil & Gas Hub study that was anticipated to be finalized in the new financial year and also Aerotropolis conducted two studies instead of one study that was planned for the period under review.

Sub-Programme: Trade and Investment Promotion							
Strategic Objective: To stimulate inclusive growth through trade and investment promotion							
Performance Indicator	Actual Achievement 2016/17	Actual Achievement 2017/18	Actual Achievement 2018/19	Planned target 2019/20	Actual Achievement 2019/20	Deviation from planned target to Actual Achievement 2019/2020	Comments on deviations
No of export initiatives facilitated - B2B, outward bound missions	New	New	New	3	0	0	Fifth administration APP indicator, no planned target for Q1
Number of intervention implemented to support export and investment (KZN Export Competitiveness)	New	New	New	1	0	0	Fifth administration APP indicator, the target was planned for Q4
Number of investment and export (trade) strategies developed	New	New	New	0	0	0	Fifth administration APP indicator, no planned target



Sub-Programme: Trade and Investment Promotion							
Strategic Objective: To stimulate inclusive growth through trade and investment promotion							
Performance Indicator	Actual Achievement 2016/17	Actual Achievement 2017/18	Actual Achievement 2018/19	Planned target 2019/20	Actual Achievement 2019/20	Deviation from planned target to Actual Achievement 2019/2020	Comments on deviations
Number of jobs created and sustained through investment attraction by EDTEA entities	New	New	New	9000	2463	-6537	Sixth administration APP indicator. Protracted deals pipeline owing to a number of compliance bottlenecks. Increased job creation to be facilitated through adoption and implementation of the KZN Trade & Investment Strategy.
Value of investment facilitated through trade initiatives by EDTEA entities	New	New	New	R15.5M	R3.495 Billion	R3.479.5 Billion	Sixth administration APP indicator. Target over achieved due to the increase in value of investment facilitated through trade initiatives by TIKZN and DTPC for the period under review.
Value of exports facilitated by ED-TEA entities through trade initiatives	New	New	New	R10M	R 276 216 339	R 266 216 339	Sixth administration APP indicator. Target over achieved due to the increase in value of exports facilitated through trade initiatives by TIKZN and DTPC for the period under review.
Number of business expansion platforms supported (KZN Growth Coalition)	New	New	New	10	10	0	Sixth administration APP indicator. Target achieved
Number of companies supported for competitiveness	New	New	New	20	20	0	Sixth administration APP indicator. Target achieved



Sub-Programme: Sector Development							
Strategic Objective: To implement existing productive and service sector strategies and plans.							
Performance Indicator	Actual Achievement 2016/17	Actual Achievement 2017/18	Actual Achievement 2018/19	Planned target 2019/20	Actual Achievement 2019/20	Deviation from planned target to Actual Achievement 2019/2020	Comments on deviations
Number of strategic interventions implemented (ICT initiatives; INK ICT for Disability Entrepreneurship; KZN Halaal Hub; Acquaculture Development; Amakha Essential Oils; KZN Horticultural Products; Agribusiness Development Support and BPO Development)	New	New	New	8	0	0	Fifth administration APP indicator, no planned target in Q1
Number of projects that contribute to people trained on sector based skills	New	New	New	4	0	-1	Fifth administration APP indicator, target achieved
Number of Clusters Supported that contribute to job opportunities and people trained (KZN Music Cluster, KZN CTC & KZN FC)	New	New	New	3	0	0	Fifth administration APP indicator, no planned target in Q1
Number of sustainable projects implemented that support employment opportunities	New	New	New	6	5	0	Sixth administration APP indicator. Annual target is six. However the Sixth administration APP was implemented only from Q2 of the FY therefore the attainable target was five and this was achieved.



Sub-Programme: Sector Development							
Strategic Objective: To implement existing productive and service sector strategies and plans.							
Performance Indicator	Actual Achievement 2016/17	Actual Achievement 2017/18	Actual Achievement 2018/19	Planned target 2019/20	Actual Achievement 2019/20	Deviation from planned target to Actual Achievement 2019/2020	Comments on deviations
Number of Business Plans Completed	2	1	7	3	6	3	Sixth administration APP indicator. Target over achieved due to three additional business plans that were conducted and finalized for the ICT and Innovation Hubs.
Number of sector strategic interventions implemented that will unlock jobs	New	New	New	8	6	-2	Sixth administration APP. Target not achieved due to ICT Initiatives and Clothing & Textile Development Fund were not carried out as the funds were re-prioritized towards Operation Vela Fund. The implementation of the fund delayed due to the large volume of applications received and the on-going due diligence process.
Number of people trained on BPO and ICT sector	New	New	New	135	135	0	Sixth administration APP indicator. Target achieved
Number of Industry Clusters supported	New	New	New	3	3	0	Sixth administration APP indicator. Target achieved

PROGRAMME 4: BUSINESS REGULATIONS

Purpose of the Programme:

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



The programme is made up of the following sub-programmes:

- Consumer Protection
- Business Regulation Services
- Policy and Legislation

Strategic objectives, performance indicators, planned targets and actual achievements

The table below provide the details of achievements of targets for the strategic objectives, outputs and performance indicators for the programme for the financial year under review.

Sub-Programme: Consumer Protection							
Strategic Objective: To promote, protect and further the rights of consumers of KZN Province.							
Performance Indicator	Actual Achievement 2016/17	Actual Achievement 2017/18	Actual Achievement 2018/19	Planned target 2019/20	Actual Achievement 2019/20	Deviation from planned target to Actual Achievement 2019/2020	Comments on deviations
Number of consumer education sessions conducted	New	New	New	1 300	221	-104	Fifth administration APP indicator, target not achieved. Challenges with Internal human resource capacity had been experienced with the processing of POEs for this indicator within the reporting period.
Number of consumer educational workshops conducted	New	New	New	1 300	982	7	Sixth administration APP indicator. Annual target is one 1 300, However the Sixth administration APP was only implemented from Q2 of the financial year therefore the attainable target (for Q2-Q4) was 975 which was achieved.
Number of businesses inspected	New	New	New	400	485	85	Target was exceeded due to the extended inspection of a number of businesses arising out of the campaign calling for zero tolerance on non-compliance by businesses as well as the extended role played by the unit during ICOREF inspections .



Sub-Programme: Consumer Protection							
Strategic Objective: To promote, protect and further the rights of consumers of KZN Province.							
Performance Indicator	Actual Achievement 2016/17	Actual Achievement 2017/18	Actual Achievement 2018/19	Planned target 2019/20	Actual Achievement 2019/20	Deviation from planned target to Actual Achievement 2019/2020	Comments on deviations
Percentage of complaints resolved through ADR interventions	New	New	New	80%	78%	-2%	Fifth administration APP indicator, target not achieved. Challenges with Internal human resource capacity had been experienced with the processing of POEs for this indicator within the reporting period.

Sub-Programme: Regulation Services							
Strategic Objective: To create a conducive regulatory environment for sustained development and support the formal and informal business sectors.							
Performance Indicator	Actual Achievement 2016/17	Actual Achievement 2017/18	Actual Achievement 2018/19	Planned target 2019/20	Actual Achievement 2019/20	Deviation from planned target to Actual Achievement 2019/2020	Comments on deviations
Number of Municipalities monitored with the implementation of Business Legislation	40	31	39	43	14	4	Fifth administration APP indicator, target over achieved. Regulation Services has in a number of times been approached by the office of the MEC, HOD, Municipal Managers and critical stakeholders to intervene in a number of transgression by business to applicable legislations. This led to an increased number of interventions for this indicator



Sub-Programme: Regulation Services

Strategic Objective: To create a conducive regulatory environment for sustained development and support the formal and informal business sectors.

Performance Indicator	Actual Achievement 2016/17	Actual Achievement 2017/18	Actual Achievement 2018/19	Planned target 2019/20	Actual Achievement 2019/20	Deviation from planned target to Actual Achievement 2019/20	Comments on deviations
Number of Municipalities monitored with the implementation of the Informal Economy Policy	32	28	37	43	12	2	Fifth administration APP indicator, target over achieved. The Business Unit has during the course of the financial year received a number of requests from Municipalities across the Province for assistance in the Interpretation of the New Migration Regulation and the impact these regulation has in the Business Licensing and Permitting landscape at the Municipal Level. This has resulted in more Municipalities being visited in a Quarter than originally planned.
Number of Municipalities monitored on Business Legislation implementation	New	New	New	43	49	16	Sixth administration APP indicator. Annual target is forty three. However the Sixth administration APP only came into effect in Q2 of the FY therefore the attainable target was thirty three which was over-achieved. This achievement was due to continuous engagement with municipalities and their commitment to ensuring compliance with the Business Legislation.



Sub-Programme: Regulation Services

Strategic Objective: To create a conducive regulatory environment for sustained development and support the formal and informal business sectors.

Performance Indicator	Actual Achievement 2016/17	Actual Achievement 2017/18	Actual Achievement 2018/19	Planned target 2019/20	Actual Achievement 2019/20	Deviation from planned target to Actual Achievement 2019/2020	Comments on deviations
Number of Municipalities monitored on Informal Economy Policy implementation	New	New	New	43	44	11	Sixth administration APP indicator. Annual target is forty three. However the Sixth administration APP only came into effect in Q2 of the FY therefore the attainable target was thirty three which was over-achieved. This achievement was due to continuous engagement with municipalities and their commitment to supporting the informal economy.
Number of barriers identified	3	7	6	4	24	20	Target over achieved. Through Interaction with Municipalities a number substantial barriers were identified which hindered the Business Regulatory regime
Number of barriers addressed	3	7	6	4	10	6	Target over achieved. The Targets was over achieved – As a way of ensuring that red tape associated with business compliance is reduced, the Business Unit was able to resolve identified structural barriers in this regard.



Sub-Programme: Regulation Services

Strategic Objective: To create a conducive regulatory environment for sustained development and support the formal and informal business sectors.

Performance Indicator	Actual Achievement 2016/17	Actual Achievement 2017/18	Actual Achievement 2018/19	Planned target 2019/20	Actual Achievement 2019/20	Deviation from planned target to Actual Achievement 2019/2020	Comments on deviations
Number of Business Inspections conducted to ensure compliance with Business legislation for Business Compliance	New	35	99	50	91	41	Target over achieved. The Unit was requested to drive the campaign with the MEC around zero tolerance on non-compliance by businesses - hence the increased number of business inspections during the financial year

Sub-Programme: Policy and Legislation

Strategic Objective: To promote and maintain an effective and efficient regulatory system for the Liquor Industry, Gaming and betting sector; Consumer and Regulation services.

Performance Indicator	Actual Achievement 2016/17	Actual Achievement 2017/18	Actual Achievement 2018/19	Planned target 2019/20	Actual Achievement 2019/20	Deviation from planned target to Actual Achievement 2019/2020	Comments on deviations
Number of Liquor Authority monitoring reports (tracking the effectiveness of the KZN Liquor Authority in regulating the industry)	New	New	4	4	1	0	Fifth administration APP indicator, target achieved
Number of initiatives undertaken to encourage an effectiveness regulatory system for Liquor licensing, consumer act and business act	New	New	New	4	1	0	Fifth administration APP indicator, target achieved
Number of Liquor Authority monitoring reports (tracking the effectiveness of the KZN Liquor Authority in regulating its respective industry)	New	New	New	4	3	0	Sixth administration APP indicator. Annual target is four. However the Sixth administration APP only came into effect in the Q2 of the FY therefore attainable target was three which was achieved.



Sub-Programme: Policy and Legislation

Strategic Objective: To promote and maintain an effective and efficient regulatory system for the Liquor Industry, Gaming and betting sector; Consumer and Regulation services.

Performance Indicator	Actual Achievement 2016/17	Actual Achievement 2017/18	Actual Achievement 2018/19	Planned target 2019/20	Actual Achievement 2019/20	Deviation from planned target to Actual Achievement 2019/2020	Comments on deviations
Number of KZN Gaming and Betting Board monitoring reports produced (tracking the effectiveness of the KZNGBB in regulating the Gaming and Betting Industry)	New	New	New	4	3	0	Sixth administration APP indicator. Annual target is four. However the Sixth administration APP only came into effect in the Q2 of the FY therefore attainable target was three which was achieved.
Number of catalytic initiatives undertaken to encourage an effective regulatory system for liquor licensing, Gaming and Betting, Consumer Act and Business Act	New	New	New	7	7	1	Target achieved.

PROGRAMME 5: ECONOMIC PLANNING

Purpose of the Programme:

The Economic Planning Programme provides key input into economic development through gathering economic data, conducting micro and macroeconomic analyses and economic modelling to inform economic policies and strategies. Furthermore, policy research ensures that the province's economic policy direction adequately responds to national and global economic and policy trends.

The programme is made up of the following sub-programmes:

- Research and Development
- Knowledge Management
- Monitoring and Evaluation
- Policy and Planning

Strategic objectives, performance indicators, planned targets and actual achievements

The table below provide the details of achievements of targets for the strategic objectives, outputs and performance indicators for the programme for the financial year under review.



Sub-Programme: Research and Development							
Strategic Objective: To conduct and facilitate economic research for development of economic interventions							
Performance Indicator	Actual Achievement 2016/17	Actual Achievement 2017/18	Actual Achievement 2018/19	Planned target 2019/20	Actual Achievement 2019/20	Deviation from planned target to Actual Achievement 2019/2020	Comments on deviations
Number of AWG meetings held	New	New	New	1	1	0	Fifth administration APP indicator, target achieved
Number of sector value chain studies conducted	New	New	New	2	2	0	Sixth administration APP indicator. Target achieved
Number of market intelligence studies conducted	New	New	New	1	1	0	Sixth administration APP indicator. Target achieved
Number of research briefs/factsheets completed	New	New	New	4	3	0	Sixth administration APP indicator. Annual target is four. However the Sixth administration APP only came into effect in Q2 of the FY therefore the attainable target was three which was achieved.
Number of AWG reports submitted to KZN PPC	New	New	New	4	3	0	Sixth administration APP indicator. Annual target is four. However the Sixth administration APP only came into effect in Q2 of the FY therefore the attainable target was three which was achieved.
Number of innovative technologies assessed	New	New	New	7	0	-7	Sixth administration APP indicator. Target not achieved. Seven technologies were to be funded from the operation vula innovation fund. Due to the large volumes of applications received, the department did not conclude disbursement plan of the fund on time affecting attainment of this KPA.



Sub-Programme: Knowledge Management							
Strategic Objective: To develop and maintain an effective knowledge management system that supports informed decision making.							
Performance Indicator	Actual Achievement 2016/17	Actual Achievement 2017/18	Actual Achievement 2018/19	Planned target 2019/20	Actual Achievement 2019/20	Deviation from planned target to Actual Achievement 2019/2020	Comments on deviations
Number of commercialization indigenous knowledge system (IKS) products reports	New	New	New	4	1	0	Fifth administration APP indicator, target achieved in Q1
Number of reports on the knowledge sharing platforms created	New	New	New	4	1	0	Fifth administration APP indicator, target achieved in Q1
Number of knowledge sharing platforms created	New	New	New	4	3	0	Sixth administration APP indicator. Annual target is four. However the Sixth administration APP only came into effect in Q2 of the FY therefore the attainable target was three which was achieved.
Number of projects status reports	New	New	New	4	4	0	Target Achieved
Number of user statistical reports in Resource Centre	New	New	New	4	4	0	Target Achieved

Sub-Programme: Monitoring and Evaluation							
Strategic Objective: To determine effectiveness of the EDTEA policies and strategies.							
Performance Indicator	Actual Achievement 2016/17	Actual Achievement 2017/18	Actual Achievement 2018/19	Planned target 2019/20	Actual Achievement 2019/20	Deviation from planned target to Actual Achievement 2019/2020	Comments on deviations
Number of Monitoring and Evaluation Plans developed	New	New	New	1	1	0	Sixth administration APP indicator. Target achieved
Number of monitoring and evaluation plans/tools reviewed	New	New	1	1	0	0	Fifth administration APP indicator, target was planned for Q4



Sub-Programme: Monitoring and Evaluation							
Strategic Objective: To determine effectiveness of the EDTEA policies and strategies.							
Performance Indicator	Actual Achievement 2016/17	Actual Achievement 2017/18	Actual Achievement 2018/19	Planned target 2019/20	Actual Achievement 2019/20	Deviation from planned target to Actual Achievement 2019/20	Comments on deviations
Number of approved monitoring and evaluation policies reviewed	New	New	1	1	0	-1	Sixth administration APP indicator. Target was not achieved due to the unforeseen lack of capacity caused by resignations of key M&E officials from the department.
Number of Monitoring reports produced	New	New	New	4	3	-1	Sixth administration APP indicator. Target was not achieved due to the unforeseen lack of capacity caused by resignations of key M&E officials from the department.
Number of Evaluation reports produced	New	New	2	1	0	-1	Sixth administration APP indicator. Target was not achieved due to the unforeseen lack of capacity caused by resignations of key M&E officials from the department.
Number of performance information reports produced	New	New	New	5	5	0	Target Achieved.

Sub-Programme: Policy and Planning							
Strategic Objective: To enhance economic policy environment in KwaZulu-Natal.							
Performance Indicator	Actual Achievement 2016/17	Actual Achievement 2017/18	Actual Achievement 2018/19	Planned target 2019/20	Actual Achievement 2019/20	Deviation from planned target to Actual Achievement 2019/20	Comments on deviations
Number of policies/strategies formulated/reviewed	New	New	New	1	0	0	Fifth administration APP indicator, target was planned for Q4
Number of Economic publications	6	6	1	6	1	0	Fifth administration APP indicator, Quarter 1 target is 1. Target achieved



Sub-Programme: Policy and Planning							
Strategic Objective: To enhance economic policy environment in KwaZulu-Natal.							
Performance Indicator	Actual Achievement 2016/17	Actual Achievement 2017/18	Actual Achievement 2018/19	Planned target 2019/20	Actual Achievement 2019/20	Deviation from planned target to Actual Achievement 2019/2020	Comments on deviations
Number of Policy analysis/advocacy reports	2	2	6	12	3	0	Fifth administration APP indicator, Quarter 1 target was 3. Target achieved
Number of ezomnotho publication	New	New	New	4	4	0	Target Achieved
Number of district profile publication	New	New	New	2	2	0	Sixth administration APP. Target Achieved
Number of Policy briefs	New	New	2	12	10	1	Sixth administration APP indicator. Annual target is twelve. However the Sixth administration APP only came into effect in Q2 of the FY, therefore the attainable target was nine which was achieved.
Number of integrated economic policies/strategies reviewed/developed	New	New	New	1	1	0	Sixth administration APP. Target Achieved



PROGRAMME 6: TOURISM DEVELOPMENT

Purpose of the Programme:

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

The programme is made up of the following sub-programmes:

- Tourism Planning
- Tourism Growth and Development
- Tourism Sector Transformation

Strategic objectives, performance indicators, planned targets and actual achievements

The table below provide the details of achievements of targets for the strategic objectives, outputs and performance indicators for the programme for the financial year under review.

Sub-Programme: Tourism Planning							
Strategic Objective: To Provide guidance, support and direction in terms of tourism knowledge management, policies and strategies.							
Performance Indicator	Actual Achievement 2016/17	Actual Achievement 2017/18	Actual Achievement 2018/19	Planned target 2019/20	Actual Achievement 2019/20	Deviation from planned target to Actual Achievement 2019/2020	Comments on deviations
Percentage of resolutions implemented	New	New	New	100%	100%	0	Sixth administration APP indicator. Target Achieved
Number of Tourism strategies identified and developed	New	New	New	4	0	0	Fifth administration APP indicator, was no planned target in Q1
Number of strategic partnership (forums) sustained	New	New	New	12	12	0	Sixth administration APP indicator. Target achieved
Number of Tourism strategies developed	New	New	New	4	4	0	Sixth administration APP indicator. Target achieved
Number of awareness tourism initiatives conducted	New	New	New	4	3	0	Sixth administration APP indicator. Target achieved



Sub-Programme: Tourism Growth and Development

Strategic Objective: To ensure effective and efficient support for the promotion and integrated development of diverse tourism offerings

Performance Indicator	Actual Achievement 2016/17	Actual Achievement 2017/18	Actual Achievement 2018/19	Planned target 2019/20	Actual Achievement 2019/20	Deviation from planned target to Actual Achievement 2019/20	Comments on deviations
Number of homestays initiatives identified and implemented	New	New	New	1	0	0	Fifth administration APP indicator, no planned target in Q1
Number of tourist guides inspections conducted	New	New	7	4	1	0	Fifth administration APP indicator, target was achieved
Number of Tourism community based projects implemented towards growth.	New	New	New	4	0	0	Fifth administration APP indicator, no planned target in Q1
Number of niche areas implemented	New	New	New	1	1	0	Sixth administration APP indicator. Target achieved
Number of Tourist Guides accredited	New	New	277	200	262	62	Target was overachieved. The qualifying of Tourist Guides as well as the continuous inspections conducted in hot spot areas for illegal guiding in the Province has contributed significantly in the increase in the number of Tourist Guides that have been registered and renew their accreditations with the Department during the fourth quarter.
Number of Tourism community based projects/ enterprises implemented towards growth.	New	New	New	4	3	-1	Sixth administration APP indicator. The target was not met owing to the delays in the finalisation and implementation of Operation Vela within the Department which was caused by the large volume of applications received and the on going due diligence process.



Sub-Programme: Tourism Sector Transformation							
Strategic Objective: To identify and drive implementation of targeted interventions aimed at transforming the sector.							
Performance Indicator	Actual Achievement 2016/17	Actual Achievement 2017/18	Actual Achievement 2018/19	Planned target 2019/20	Actual Achievement 2019/20	Deviation from planned target to Actual Achievement 2019/2020	Comments on deviations
Number of assessed tourism enterprises	New	New	New	30	0	0	Fifth administration APP indicator, no target planned in Q1
Number of tourism enterprises supported with grading	New	New	New	4	1	1	Fifth administration APP indicator, target was over achieved due to stakeholder relations so it was indeed an over achievement.
Number of capacity building initiatives implemented	New	New	New	15	3	0	Fifth administration APP indicator, target of 3 was achieved
Tourism Development Programme implemented towards employment Growth	New	New	New	1	0	0	Fifth administration APP indicator, target was only planned for Q4
Number of assessments conducted on compliance with Tourism Sector codes	New	New	New	30	17	-13	Sixth administration APP indicator, target not achieve because of non-response of businesses and the planned intervention for getting the businesses to comply was going to be conducted through workshops which were cancelled due to the Covid-19 pandemic
Number of Service Excellence initiatives implemented	New	2	2	4	3	0	Sixth administration APP indicator. Annual target is four. However the Sixth administration APP only came into effect in Q2 of the FY therefore the attainable target was three which was achieved.



Sub-Programme: Tourism Sector Transformation							
Strategic Objective: To identify and drive implementation of targeted interventions aimed at transforming the sector.							
Performance Indicator	Actual Achievement 2016/17	Actual Achievement 2017/18	Actual Achievement 2018/19	Planned target 2019/20	Actual Achievement 2019/20	Deviation from planned target to Actual Achievement 2019/2020	Comments on deviations
Number of people trained within the Tourism Sector	New	New	New	2500	655	-1695	Sixth administration APP indicator. The Indicator is carried out in partnership with the Department of Education (DoE) and is reliant on the availability of dates issued by the DoE. This expo was set for March 2020. Additional to this, the planned workshops which also forms part of this indicator had to be cancelled due to the DPSA announcement on the COVID19 restrictions (limited number of 50 people per workshop/seminar).
Number of people assisted with employment opportunities within the Tourism Sector	New	New	New	60	53	-7	Sixth administration APP indicator. The Graduate Development Programme intake was extended and some graduates had already secured employment somewhere

PROGRAMME 7: ENVIRONMENTAL MANAGEMENT

Purpose of the Programme:

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

The programme is made up of the following sub-programmes:

- Policy Coordination and Environmental Planning
- Compliance and Enforcement
- Environmental Quality Management
- Biodiversity Management
- Environmental Empowerment Services



Strategic objectives, performance indicators, planned targets and actual achievements

The table below provide the details of achievements of targets for the strategic objectives, outputs and performance indicators for the programme for the financial year under review.

Sub-Programme: Policy Coordination and Environmental Planning							
Strategic Objective: To ensure the implementation of Environmental Management tools to support economic development through enhanced governance systems and capacity							
Performance Indicator	Actual Achievement 2016/17	Actual Achievement 2017/18	Actual Achievement 2018/19	Planned target 2019/20	Actual Achievement 2019/20	Deviation from planned target to Actual Achievement 2019/2020	Comments on deviations
Number of inter-governmental sector tools reviewed	61	54	54	54	54	0	Target Achieved
Number of environmental legislative tools developed	3	2	2	2	2	0	Target Achieved
Number of environmental research projects completed	New	New	New	1	1	0	Target Achieved
Number of functional environmental information management systems	9	10	0	12	11	-1	Target not achieved. UThukela District does not have an environmental planner.
Number of climate change response tools developed	1	1	9	1	1	0	Sixth administration APP indicator. Target achieved
Number of district climate change adaptation interventions implemented	New	New	New	11	11	0	Sixth administration APP indicator. Target achieved
Number of severe weather watch notifications released	New	New	New	18	18	0	Sixth administration APP indicator. Target achieved
Number of provincial green economy reports produced	New	New	New	1	1	0	Sixth administration APP indicator. Target achieved



Sub-Programme: Compliance and Enforcement

Strategic Objective: To achieve effective integrated and co-ordinated compliance monitoring and enforcement of environmental legislation in the province.

Performance Indicator	Actual Achievement 2016/17	Actual Achievement 2017/18	Actual Achievement 2018/19	Planned target 2019/20	Actual Achievement 2019/20	Deviation from planned target to Actual Achievement 2019/2020	Comments on deviations
Number of administrative enforcement notices issued for non-compliance with environmental legislation	310	230	212	250	250	0	Target achieved
Number of completed criminal investigation handed to NPA for prosecutions	New	2	1	4	1	-3	Target not achieved. Insufficient evidence to prosecute alleged offenders submitted to the Public Prosecutor resulting rejection of the dockets. This is also caused by the lack of capacity in various district offices to conduct and investigate criminal cases.
Number of compliance inspections conducted	719	512	835	900	900	0	Target achieved
Number of S24G applications finalized	10	4	4	11	7	-4	Target not achieved. Target not achieved because transgressors did not pay the fine after determination by the department, instead they opted to appeal the fines. Hence Environmental Impact Assessment Unit responsible for the processing and issuance of Environmental Authorisations could not finalise S24G applications.
Number of permitted landfill sites monitored for compliance	New	New	New	15	15	0	Sixth administration APP indicator. Target Achieved



Sub-Programme: Environmental Quality Management							
Strategic Objective: To promote and regulate environmental quality management through environmental impacts mitigate.							
Performance Indicator	Actual Achievement 2016/17	Actual Achievement 2017/18	Actual Achievement 2018/19	Planned target 2019/20	Actual Achievement 2019/20	Deviation from planned target to Actual Achievement 2019/2020	Comments on deviations
Percentage of waste license applications finalised within legislated time-frames	91%	100%	75%	100%	100%	0%	Sixth administration APP indicator. Target Achieved
Number of re-cycling projects supported	New	New	98%	11	13	2	Sixth administration APP indicator. Target over achieved as a result of additional funding obtained by the unit
Number of work opportunities created in the circular economy	New	New	New	200	433	233	Sixth administration APP indicator. Target over achieved. More work opportunities were created as a result of additional funding obtained by the Unit
Percentage of waste licences reviewed	New	New	New	50%	50%	0	Sixth administration APP indicator. Target achieved
Percentage of waste facilities audited on compliance with environmental legislation	New	New	New	100%	133%	33%	Sixth administration APP indicator. Target was overachieved due to follow up audits conducted where complaints or issue of non-compliance in the first audit needed to be followed up on.
Number of Provincial waste Dialogues convened	New	New	New	1	1	0	Sixth administration APP indicator. Target Achieved
Percentage of EIA applications finalised within legislated time-frames	97%	98%	98%	100%	100%	0	Target Achieved
Number of designated organs of state with approved AQMPs	1	1	0	1	1	0	Target Achieved



Sub-Programme: Environmental Quality Management

Strategic Objective: To promote and regulate environmental quality management through environmental impacts mitigate.

Performance Indicator	Actual Achievement 2016/17	Actual Achievement 2017/18	Actual Achievement 2018/19	Planned target 2019/20	Actual Achievement 2019/20	Deviation from planned target to Actual Achievement 2019/2020	Comments on deviations
Percentage atmospheric Emission Licenses with complete applications issued within legislated timeframes	100%	100%	0%	100%	0	-100	Target not achieved.. No personnel to undertake the function
Number of ambient air quality monitoring reports produced	New	New	New	4	3	0	Sixth administration APP indicator. Annual target is four. However the Sixth administration APP only came into effect in Q2 of the FY therefore the attainable target was three which was achieved.

Sub-Programme: Biodiversity Management

Strategic Objective: To control and manage the spread of invasive alien species.

Performance Indicator	Actual Achievement 2016/17	Actual Achievement 2017/18	Actual Achievement 2018/19	Planned target 2019/20	Actual Achievement 2019/20	Deviation from planned target to Actual Achievement 2019/2020	Comments on deviations
Number of coastal management programmes developed	0	0	0	1	1	0	Sixth administration APP indicator. Target achieved
Number of estuarine management plans developed	New	New	New	1	2	1	Sixth administration APP indicator. Target over achieved. One estuarine management plan was concluded through a cooperation agreement with the municipality
Number of Source to Coast clean up interventions implemented	New	New	New	3	3	0	Sixth administration APP indicator. Target achieved



Sub-Programme: Biodiversity Management							
Strategic Objective: To control and manage the spread of invasive alien species.							
Performance Indicator	Actual Achievement 2016/17	Actual Achievement 2017/18	Actual Achievement 2018/19	Planned target 2019/20	Actual Achievement 2019/20	Deviation from planned target to Actual Achievement 2019/2020	Comments on deviations
Number of coastal monitoring and enforcement campaigns conducted	New	New	New	3	5	2	Sixth administration APP indicator. Target over achieved.. As a result of complaints that were brought to the department
Number of coastal vulnerability reports produced	New	New	New	1	1	0	Sixth administration APP indicator. Target achieved
Number of work opportunities created through environmental programmes	10 705	10 357	8 219	7 500	15 888	8 388	Target over achieved. The Environment Unit received additional budget allocation on Environment Programmes. An EPWP Programme on waste removal was initiated and implemented across the Province. The Programme yielded good results in terms creation of work opportunities.
Number of hectares cleared of invasive alien species	109 471	136 543	170 454	120 000	145 977,52	25 977.52	Target over achieved. With the additional budget allocation received for Environment programmes, more beneficiaries were recruited, hence the increase in the number of hectares cleared.
Number of fulltime equivalence /created FTE's	974	2 792	2 180	2 119	2 689.7	570.7	Target over achieved. Additional budget allocation resulted in increased number of person days and number of beneficiaries recruited.



Sub-Programme: Biodiversity Management							
Strategic Objective: To control and manage the spread of invasive alien species.							
Performance Indicator	Actual Achievement 2016/17	Actual Achievement 2017/18	Actual Achievement 2018/19	Planned target 2019/20	Actual Achievement 2019/20	Deviation from planned target to Actual Achievement 2019/2020	Comments on deviations
Number of oversight reports on Biodiversity Mandate implemented by KZN Wildlife produced	New	New	New	1	1	0	Sixth administration APP indicator. Target achieved
Number of beneficiaries trained IASP eradication	New	New	New	150	922	772	Sixth administration APP indicator. With additional budget allocation, more beneficiaries were trained to enable implementation of the Environmental Programmes.

Sub-Programme: Environmental Empowerment Services							
Strategic Objective: To improve community empowerment through environmental awareness and educational programmes							
Performance Indicator	Actual Achievement 2016/17	Actual Achievement 2017/18	Actual Achievement 2018/19	Planned target 2019/20	Actual Achievement 2019/20	Deviation from planned target to Actual Achievement 2019/2020	Comments on deviations
Number of environmental capacity building activities conducted	64	63	62	65	81	16	Target over achieved. More requests for capacity building initiatives and achieved through partnerships with other stakeholders
Number of environmental awareness activities conducted	1 095	964	1 012	1 200	1 261	61	Target over achieved . More requests for environmental awareness initiatives and achieved through partnerships with other stakeholders
Number of Provincial Conceptual Frameworks	New	New	New	1	1	0	Sixth administration APP indicator. Target achieved
Number of clean up campaigns hosted	New	New	New	300	300	0	Sixth administration APP indicator. Target achieved



Sub-Programme: Environmental Empowerment Services

Strategic Objective: To improve community empowerment through environmental awareness and educational programmes

Performance Indicator	Actual Achievement 2016/17	Actual Achievement 2017/18	Actual Achievement 2018/19	Planned target 2019/20	Actual Achievement 2019/20	Deviation from planned target to Actual Achievement 2019/2020	Comments on deviations
Number of provincial environmental events to commemorate environmental days hosted	New	New	New	3	5	2	Sixth administration APP indicator. Target over achieved due to additional funding which led to the inclusion of climate change events

5. TRANSFERS

TRANSFER PAYMENTS TO PUBLIC ENTITIES

Name of Public Entity	Services rendered by the public entity	Amount transferred to the public entity R000'	Amount spent by the public entity R000'	Achievements of the public entity
KZN Liquor Authority	To control and regulate the retail sale and micro-manufacture of liquor in the Province.	84 680	82 006	<ul style="list-style-type: none"> Launched the eLMS Implementation (Online processing of licenses) Issued 312 new licenses to fit and proper applicants Renewed 234 licenses to compliant license holders Issued 277 Special Events Permit 3 jobs committed for every new license translating to 936 jobs facilitated/created Joint Law Enforcement Operations held at eThekweni Metro and Ugu Municipalities to remove illicit and counterfeit alcohol from licensed premises, R450 000.00 worth of alcohol was seized. Held Stakeholder law enforcement working sessions at Harry Gwala, Ugu and Umzinyathi Municipalities to ensure that cases in respect of the KZN Liquor Licensing Act are enrolled in court. Held a Women in Liquor Conference at the eThekweni Metro Municipality to empower female traders on business skills, advise them on issues of safety, financial empowerment whilst recognizing that they form a huge percentage of licensed traders and sustain their families and contribute to the economy.



Name of Public Entity	Services rendered by the public entity	Amount transferred to the public entity R000'	Amount spent by the public entity R000'	Achievements of the public entity
KZN Dube Trade port	DTPC IDZ is a Schedule 3C Provincial Public Entity which is an operator of the Dube Tradeport Special Economic Zones which is mandated by the KwaZulu-Natal Provincial administration to develop the trade port by undertaking or investing in associated projects.	478 268	587 606	<ul style="list-style-type: none"> • Increased own revenue by 20.5% • Achieved a clean audit (based on 2018/19 AFS) for the 7th consecutive year • 23734 tonnes of cargo (domestic and international) processed through the Dube Cargo Terminal. This included international cargo to the value of R8.8billion. • Average occupancy in DTPC-owned buildings was 96.9%, with 99.7% at the Dube AgriZone • 24.8% of energy used at the AgriZone was derived from renewable sources • 37.4ha of land rehabilitated • 5 construction projects reached practical completion (AgriZone workshop, TradeZone mini-factories, double basement parking at Dube City, Aerotropolis model room, and tenant fit-out for a 2nd tenant in the Airchefs building) • Capital spend on construction projects amounted to R290.6million, creating 708 temporary jobs during construction • R124.1million investment secured in the DTP SEZ • 420 permanent jobs created by tenants



Name of Public Entity	Services rendered by the public entity	Amount transferred to the public entity R000'	Amount spent by the public entity R000'	Achievements of the public entity
Ezemvelo KZN Wildlife	To prevent pollution and ecological degradation, promote conservation and secure ecological sustainable development and use of natural resources.	769 438	768 903	<p>Biodiversity Management Plan Implementation Biodiversity Management Plan for Pickersgill's reed frog (<i>Hyperolius Pickersgill</i>): Ezemvelo KZN Wildlife as the lead agent for the implementation of the Pickersgill's reed frog (<i>Hyperolius Pickersgill</i>) Biodiversity Management Plan (BMP-PRF) through the office of the MEC: Economic Development, Tourism and Environmental Affairs. The BMP-PRF was gazetted on the 2nd June 2017.</p> <p>Successful protected area management in the height of resource constrains It is however worth highlighting the fact that District Management effectiveness implemented by Ezemvelo is the first in the country, and probably in the world, for which Ezemvelo prides itself with a drop in Rhino poaching for the year in review rhino poaching fortunately showed a slight drop. There were a number of strategic changes to dealing with illegal incursions, focusing on early detection. Management interventions included the strategic placement of camera traps on known poacher footpaths and gullies. Further, temporary dog kennels have been constructed at the Operation Command Centre (OCC) so that the K9 Unit can position themselves along with the Reaction Unit (RU) at the OCC.</p> <p>Environmental Awareness Programme Implementation This programme is aligned to the Grade 6 national curriculum syllabus. In the 2019/20 financial year, the S'fundimvelo Environmental Education Programme reached more than 1832 learners and 264 educators. This programme has successfully managed to mobilise young people behind conservation initiatives.</p> <p>Job creation and progress on infrastructure development/maintenance Members from all 52 communities were employed and a further 24 community transport owners hired to transport workers from their homes to the various work sites throughout the Park. Work on the HluhluweImfolozi Park's infrastructure, mainly buildings, has been largely successful. All of the accommodation units including the 18 rondavels, the pool gazebo, Mthwazi Lodge and the Hilltop Reception facility, have been rethatched.</p> <p>Funding through UNESCO for World Heritage Site This resulted in UNESCO providing grant funding of about US\$145,000.00 for the implementation of community projects in both Lesotho and South Africa. The projects will be selected from the following potential areas: rangeland and livestock management; strengthening of governance and training; food security; water technology; community tourism and cultural heritage, among others. In an effort to meet the World Heritage Committee conditions for the extension of the World Heritage Site in 2013, the MDTP also facilitated the finalisation of the Joint Cultural Heritage Management Plan for the MDP WHS.</p> <p>Development of Buffer Zone Policy The Buffer Zone Policy aims to address issues of co-operative governance and norms and standards for the management of protected areas. The Draft Buffer Zone Policy was approved by Ezemvelo Board and submitted to the Department of Forestry, Fisheries and the Environment for further processing.</p>



Name of Public Entity	Services rendered by the public entity	Amount transferred to the public entity R000'	Amount spent by the public entity R000'	Achievements of the public entity
				<p>Improved ecotourism revenue for the year in review Income increased from R11.9m to R38.1m in the 2019/20. This is relatively high compared with the previous year's income of R35.5m. Financial performance varies greatly from resort to resort, however this performance indicated an improvement the work being done to increase ecotourism revenue.</p> <p>Hunting Verifications & Permits During the 2019/2020 year, 748 professional hunts were verified to ensure norms and standards were met and compliance with legislation adhered to. A total of 208 hunting outfits and professional hunters' licence renewals were assessed to ensure hunters met the minimum legislative requirements within KwaZulu-Natal. Altogether, 10 hunters passed the Nature Conservation Ordinance Law exam, which qualified them to register with Ezemvelo KZN Wildlife as professional hunters.</p> <p>Permits A total of 5824 permits were issued, while 1833 were unallocated, 1678 incomplete, 893 for Tops, 163 for CITES, and 155 pending applications (see the table below for all permits issued during May 2020).</p> <p>Development of sophisticated biodiversity Database system Key databases amended include the Development Applications Register for the integrated environment management (IEM) Division, and the permits database for the Professional Hunting and Permits Division; the upgrading of the Geospatial Meta-database and the Biodiversity Database; and ongoing support being provided for the Biodiversity Database, Animal Population Management Database (APMD), the Micro-Track Database (a register of microchips used in KZN) and the Compliance Database. The other significant development was the Biodiversity Land-Use coverage (a refinement of the Terrestrial Critical Biodiversity Area and Ecological Support Area Priority Area coverages), which has been specifically developed to inform the development of the SPLUMA Land-Use Schemes. This coverage was developed jointly with the KZN Department of Agriculture (KZN DARD) and reflects zones of high priority extensive rangeland and high priority biodiversity areas, the sustainable management of which requires the same management objectives (protection from extensive development, alien species control and proper fire management)</p> <p>Improvement in the effectiveness on protected areas management When comparing the 2019/2020 effectiveness performance with the previous year's results (2018/2019), significant improvement has taken place in eight of the 13 spheres of management (Figure 1). The Compliance sphere and the Public Education and Awareness sphere demonstrated the highest level of growth (13.05% and 14.72% respectively) for 2019/2020.</p> <p>Invasive Alien Species Programme (IASP) A total of 29903 hectares have been cleared thus far in the last financial year. A total of 1277 people worked in the Programme. On the parthenium project 125 jobs were created.</p> <p>Youth Environmental Services Programme A total of 272 jobs were created for young people throughout the Province. The total includes 63 Trainee Field Rangers</p>



Name of Public Entity	Services rendered by the public entity	Amount transferred to the public entity R000'	Amount spent by the public entity R000'	Achievements of the public entity
KZN Tourism Authority	To include an intensified domestic tourism campaign, to promote business Tourism by to promote the province for the hosting of events with major economic impact, to work with public and private partners to develop and package beach resort concept for investments promotion nationally and internationally.	199 887	153 662	
Natal Sharks board	KwaZulu-Natal Sharks Board provides environmentally sensitive bather protection service against shark attacks and facilitates maritime skills and enterprise development that enhance inclusive economic growth	79 587	73 687	<ul style="list-style-type: none"> • There have been no shark attacks at any protected swimming beaches on the KZN coastline for the financial year 2019/20 as the number of services carried out on shark safety gear exceeded the target set. • Total catches of non-target species in both drumlines and nets – lower number of captures was achieved as per the requirement of the KZNSB Act No. 5 of 2008. • Percentage of salary budget spent on training annually – the target was exceeded • Number of experiential learning opportunities offered – the target was exceeded. • Number of peer-reviewed publications per annum – the target was exceeded • Over 60 schools in different provinces were visited by KZN Sharks Board, to further the information and educate more about bather protection along the KZN coastline beaches. • KZN Sharks Board participated in a number of events and exhibitions – the target was exceeded • The entity also participated in trade shows



Name of Public Entity	Services rendered by the public entity	Amount transferred to the public entity R000'	Amount spent by the public entity R000'	Achievements of the public entity
KZN Trade and Investment	To promote the province of KwaZulu-Natal (KZN) as an investment destination and to facilitate trade by assisting local companies to access international markets.	102 321	93 584	<ul style="list-style-type: none"> • Rand value of new investments attracted into KwaZulu-Natal (R2,76bn). • Number of potential jobs created from new projects (3845 jobs). • New packaged investment projects and opportunities facilitated for Black youth and women-owned businesses (6). • Rand value of company expansion projects committed (R2,203bn). • Number of jobs created or retained from company expansion (2566 jobs). • Number of technical business support programmes implemented to improve business competitiveness and efficiency (27). • Number of distressed companies supported through business retention interventions (15). • Number of destination marketing activities implemented for Investment Promotion and Export Development (10). • Number of annual investment conferences hosted, with the participation of international stakeholders (2). • Number of KwaZulu-Natal companies that have secured export and intra-trade business opportunities (83). • Number of KwaZulu-Natal exporters that have participated at trade events (141). • Number of KwaZulu-Natal export companies that have participated in Trade & Investment KwaZulu-Natal development programmes viz. Training, Mentorship, and Technical Support (176). • Number of Black youth and women-owned businesses that have been developed and which have participated in trade events (11). • Number of capacity- building and joint marketing programmes facilitated in partnerships with DDAs/SALGA/COGTA/IGR and the like (13). • Number of strategic business interventions/ advocacy sessions facilitated viz. 8-a-side, PBU and the like (14). • Number of projects/ companies assisted with regulatory compliance and business support: One-Stop-Shop and the like (54). • Number of investment opportunities and catalytic projects identified, developed and packaged (17). • Number of international organisation/ foreign investor/ trade bloc sessions hosted (34). • Number of public relations programmes and advertising campaigns to market and enhance the visibility of the KwaZulu-Natal Province (62). • Percentage of invoices from all service providers paid within 30 days (91,19%).
Ithala DFC	Ithala focuses on economic development through the provision of financial and non-financial services to businesses and individuals.	164 717	112 998	<ul style="list-style-type: none"> • Ithala SOC - the Company posted a net operating loss of R2.5 million for the financial year ended 31 March 2020 which is a R26.4 million improvement against the prior year and in line with Budget; the operating results were prior to the adjustments required following the onset of the Covid-19 pandemic and its consequential impact on macro-economic factors which gave rise to substantial impairment provisioning requirements. • The improved operating results are supported by the strong Cashflow Statement which highlights that the Company is in cash generating position having generated R96.4 million from Operating Activities.



Name of Public Entity	Services rendered by the public entity	Amount transferred to the public entity R000'	Amount spent by the public entity R000'	Achievements of the public entity
Richards Bay IDZ	To attract local and foreign investors who will benefit South Africa's raw materials, create production capacity, provide services; and create employment and improve the skills base.	140 284	136 784	<ul style="list-style-type: none"> • There have been no shark attacks at any protected swimming beaches on the KZN coastline for the financial year 2019/20 as the number of services carried out on shark safety gear exceeded the target set. • Total catches of non-target species in both drumlines and nets – lower number of captures was achieved as per the requirement of the KZNSB Act No. 5 of 2008. • Over the past five years (2014-2019) of the Medium-Term Strategic Framework, the KZNSB has had Unqualified Audit Report in 2014/15, 2017/18 and 2018/19 with Clean Audit Opinions in 2015/16 and 2016/17 from the Auditor General S.A. • Percentage of salary budget spent on training annually – the target was exceeded • Number of experiential learning opportunities offered – the target was exceeded. • Number of peer-reviewed publications per annum – the target was exceeded. • The development of the Shark Repellent Cable has been completed, piloted, tested and delivered to KZNSB for commercialisation to other countries abroad. • Over 60 schools in different provinces were visited by KZN Sharks Board, to further the information and educate more about bather protection along the KZN coastline beaches through outreach programme. • KZN Sharks Board participated in a number of events and exhibitions – the target was exceeded • The entity also participated in trade shows <p>The KwaZulu-Natal sharks Board has over the years been contributing immensely towards the KZN beach Tourism, which in return, has benefited the KZN province in terms of tourism spend as the tourists visit different strategic places e.g. beaches, shopping malls, hotels restaurants and other places of interest in and around KZN.</p>



Name of Public Entity	Services rendered by the public entity	Amount transferred to the public entity R000'	Amount spent by the public entity R000'	Achievements of the public entity
Moses Kotane Institute	To conduct world class research into training, skills development, provincial strategic economic factors; and to strategically lead on innovation, technology, maritime and implementation activities that respond to the needs of the provincial economy	87 538	74 329	<p>MKI had four programmes which it is operating under for the year 2019-20 and its achievements were as follows:</p> <ul style="list-style-type: none"> Research & Development: This programme had four indicators for year 19-20 and managed to achieve the following targets: 8 Research projects were completed as per annual target. MKI Bursary target was the funding of 100 students but this was over-achieved with a number of 338 students which were funded under the MKI Bursary scheme. Under strategic based fora, there were four fora which were held as per annual target. Two workshops were held on work readiness where students and unemployed youth were capacitated on getting ready to enter the labour market. Innovation and Technology: This programme had five indicators and MKI managed to achieve the following targets under this: Establishment of 4 Digital centres were achieved; MoUs were signed with the following Munics and sites for the digital centres were identified: Umfolozi, Greater Kokstad, Dube City, Phongolo and uKhahlamba (where the set-up was done and completed and the hub is ready for use. This was an over-achievement as the target was the establishment of 3 digital centres. The innovation dialogue was held at the University of Zululand where the stakeholders including youth shared knowledge and information on Innovation and Technology in South Africa, MKI targeted 100 youth but a number exceeded due to the demand which was higher than anticipated. Women in ICT summit was held for the empowerment of women in Innovation and Technology. Maritime and Economics: This programme had the four indicators which were achieved as follows: Enterprise development where entrepreneurs are capacitated in maritime and oceans economy, had targeted to hold four workshops and on Enterprise development. This target was over-achieved by holding 5 workshops due to the enrolment which was higher than anticipated. Another achievement under this programme was Maritime skills where the entrepreneurs were training on marine our guide, development of Business plans and financial management as well as aquaculture. The target for Maritime skills was a training of 300 entrepreneurs and there was an over-achievement of 327 trainees. The target for the Boat building project was 10 and it was over-achieved by 17 and this was due to the number of enrolment which was higher than anticipated which resulted in the building of more boats which were tested in the rivers and dams.



Name of Public Entity	Services rendered by the public entity	Amount transferred to the public entity R000'	Amount spent by the public entity R000'	Achievements of the public entity
KZN Film Commission	To promote and market KwaZulu-Natal as a global destination of choice for film production.	90 538	65 990	<ul style="list-style-type: none"> • 7 Research papers which provide film sector data completed. • 12 Monitoring and Evaluation reports. • 4 MOU's signed with key stakeholder to reduce production costs. • 114% Procurement spent on BBBEE service providers (status level 1-2, EME's and QSE's). • 12 International and national markets and festivals attended. • 168 Temporary jobs were created. The total number before apportionment is 301. • 29 Information sharing sessions with HDI groups throughout the province in communities regarding opportunities in the film industry. • 37 Audience development initiatives with HDI groups were held. • 10 SMMES supported in incubation programme. • 118 People trained throughout the value chain in the film industry. • 61-One production and development projects awarded funding through KZNFC film fund valued at R32,7m. • 24 Bursaries awarded. • 21 Film graduates (FITI) in third year of accelerated programmes developed 6 short films.
Growth Fund Trust	The main objective of the Fund is to finance medium to large projects that create jobs and accelerate the economic development of KZN whilst at the same time promoting Broad-Based Black Economic Empowerment (B-BBEE) and reducing inequality.	104 100	57 200	<ul style="list-style-type: none"> • Jobs created and preserved for Private Sector Projects funded in 2019/20 is 351 jobs • Jobs created for Youth Fund Projects funded in 2019/20 is 417 jobs • R109m was invested/disbursed into the KZN Economy as follows: • R65m was invested in the manufacturing sector • R44m was invested in youth fund different sectors • All funds invested by KZN Growth Fund in 2019/20 were made in line with KGFT new investment policy (all projects funded must have minimum of 26% black African shareholding and they must be directly involved in decision making of the companies)



Name of Public Entity	Services rendered by the public entity	Amount transferred to the public entity R000'	Amount spent by the public entity R000'	Achievements of the public entity
KwaZulu-Natal Gaming and Betting Board	The main objectives are to license, investigate and roll-out new gambling initiatives; conduct revenue and compliance monitoring audits within the gaming industry; ensure effective legal services and risk management; ensure good governance and compliance; minimise illegal gambling, fraud and corruption; and ensure effective management of the Board's financial resources in line with the statutory requirements.	44 771	44 771	<ul style="list-style-type: none"> • The total amount of Betting taxes generated by the Betting Industry during this financial period amounted to R 147 771 134.31. The total amount taxes collected from the Gaming Industry amounted to R 575 990 205.80 • The total taxes and levies including the distribution to Horseracing beneficiaries was R723 770 including distribution • During 2019/2020 Financial Year there were approximately 10 500 existing and new Jobs that were created in the gaming and betting industries. • The contribution to the local through SMME spend by the industry in the year, the period ending February 2020, is approximately. <p>R2 Billion in SMME spend of which the Spend on the local economy is R905 million.</p> <ul style="list-style-type: none"> • Durban July: In 2019, 46 000 patrons on the day enjoyed the racing extravaganza. The Economic value of the event to the city was approximately R268 million. • Dundee July: The event attendance figures reached over 20 000 people in 2017 and this year it is expected that the attendance figures will exceed last year numbers. There is more economic potential that can be derived from this. The Dundee July was attended by an estimated 25 000 spectators, punters, celebrities, top musicians and fashionistas from across the South Region and injecting over R30 million into Dundee's economy, was a clear indication of the growth of the event. Dundee July has not been extended to the Harry Gwala Summer Cup, the Nkandla May Rural Horseracing event and the Willowfontein Rural Horseracing event. • Increased Opportunities in Gaming and Betting Increased opportunities has taken place through: <ul style="list-style-type: none"> • Increase in ownership and participation by black persons in industry; • 41% businesses owned by black persons (50+1); • 29% business black empowered (26% or greater); • One of the PGDP goals are to support implementation of the KZN Industrial Development Investment and Export. • The KwaZulu-Natal Gaming and Betting Board is partnering with the IDZ's (Dube Trade Port) to attract planned investment through the Black Industrialists Programme <p>GBV Interventions and Support</p> <p>The KZNGBB together with EDTEA, KZN LQA, KZN SOCDEV, SAPS, KZN Comm Safety had answered the call to address Gender Based Violence to create a platform to discuss the interventions that could be implemented to address the scourge and to be financial supported as well. The confirmed pledges are approximately R11 million (post Covid-19) with R3.9 million of which has been paid or allocated to projects supporting the overall initiative</p>



Name of Public Entity	Services rendered by the public entity	Amount transferred to the public entity R000'	Amount spent by the public entity R000'	Achievements of the public entity
				<p>Protecting the Public Interest</p> <p>In order to the fulfil the mandate in respect of the protection of the public interest, the KwaZulu-Natal Gaming and Betting Board has partnered with the South African National Responsible Gambling Foundation which provides free treatment and counselling to problem gamblers and their families. The Foundation also undertakes research, training and awareness programmes. The month of November has been declared Responsible Gambling Month by the South African Responsible Gambling Foundation. The commemoration of the month is undertaken on an annual basis. The awareness campaigns and approach employed by the KZNGBB during this period are intensified. The commemoration of the Month involves awareness and training activities which highlight responsible gambling to the public at large as well as the manner in which problem gamblers can be assisted. During November 2019 there were approximately 6000 members of the public that were engaged with.</p> <p>Bookmakers Clerk Internship Programme</p> <p>The KZN Gaming and Betting Board, the South African Bookmakers Association was the roll-out of the Bookmakers Clerk Training Programme. The programme provided learner-ship opportunities to 10 unemployed youth to obtain experiential training within in the bookmaking sector whilst undertaking a bookmakers clerk course. The learners have completed the course and graduated in September 2019. The successful completion of the course will provide opportunities for the youth that participated in the course.</p>

5.1. TRANSFER PAYMENTS TO ALL ORGANISATIONS OTHER THAN PUBLIC ENTITIES

The table below reflects the transfer payments made for the period 1 April 2019 to March 2020

Name of Transferee	Type of Organisation	Purpose for which the funds were used	Did the dept. comply with s38 (1) (j) of PFMA	Amount transferred (R'000)	Amount spent by entity	Reasons for the funds unspent by the entity
Ilembe District Municipality	Municipality	Kwashushu-Hotspings	Yes	1 000	987 880	Balance (unspent) is earmarked for training.
Greater Kokstad Local Municipality	Municipality	Kokstad	Yes	700	700	
uPhongolo Local Municipality	Municipality	Koppie Guest-house (Mahlalela Community Trust)	Yes	1 500	1500	
uPhomgolo Local Municipality	Municipality	Mkhuze Falls	Yes	2 500	2500	
Ugu District Municipality	Municipality	Mzumbe Trails	Yes	2 000	2 000	



Name of Transferee	Type of Organisation	Purpose for which the funds were used	Did the dept. comply with s38 (1) (j) of PFMA	Amount transferred (R'000)	Amount spent by entity	Reasons for the funds unspent by the entity
Zululand District Municipality	Municipality	KwaMajomela	Yes	2 100	324	There were several delays in contracting the project due to the municipality not providing the required information to the Department for contracting on time. This resulted in the delayed transfer of the funds. There were further delays in the procurement processes of the main contractor by ZDM due to lockdowns levels 5 and 4. The process resumed under lockdown level 3 and the main contractor was eventually appointed and contracted by October 2020. Construction effectively began in November 2020.
Zululand District Municipality	Municipality	Tourism Sector Strategy	Yes	700	350	Amount of R99 705 spent on the Inception report and R249 314,25 spent on the Policy Context and Vision.
King Cetshwayo District Municipality	Municipality	Tourism Sector Strategy	Yes	700	0	Procurement processes were not yet finalized by the municipality.
uMkhanyakude District Municipality	Municipality	Tourism Sector Strategy	Yes	700	0	Procurement processes were not yet finalized by the municipality.
uMkhanyakude District Municipality	Municipality	Mkhuze Airport	Yes	30 000	1 668	Additional funding was provided through the adjustment budget and construction only started in August 2020.
Ray Nkonyeni Municipality	Municipality	Margate Airport	Yes	3 000	0	The Municipality was finalizing the appointment of VUMESA to undertake the terminal building expansion/alterations
uMgungundlovu Economic Development Agency	Municipal Agency	N3 Corridor	Yes	1 750	0	Funding for the Agency was only confirmed and approved in January 2020.
Msunduzi Municipality	Municipality	Vehicle Licenses	N/A	68	N/A	The amount is for licensing fees
CSIR	Public Corporation	Industrial Symbiosis	Yes	2 000	962	The contracting process took longer than had been anticipated such that by the time the transfer was effected in the third quarter of the year, no more than four months of project implementation remained.
Bonenhle Investments	Private Enterprises	Greenest Municipality Competition	N/A	175	N/A	This is a competition. No expectation of expenditure.



Name of Transferee	Type of Organisation	Purpose for which the funds were used	Did the dept. comply with s38 (1) (j) of PFMA	Amount transferred (R'000)	Amount spent by entity	Reasons for the funds unspent by the entity
Zakanisto Entertainment (Pty) Ltd	Private Enterprises	uMhlathuze Year End Extravaganza	Yes	1 500	1 500	
033 Pmb Events (Pty) Ltd	Private Enterprises	Spin Sundays	Yes	410	410	
Bongiinjabulo (Pty) Ltd	Private Enterprises	Umzi Musical Festival	Yes	1 200	1 200	
Buhlebuyeza Contracting	Private Enterprises	Sakhisizwe Festival	Yes	565	565	
Conquerir General Services (Pty) Ltd	Private Enterprises	uMkhanyakude Festival	Yes	1 200	1 200	
Durban Jazz Festival (Pty) Ltd	Private Enterprises	Hazel Mere Dam Jazz Festival	Yes	1 200	1 200	
Every Dimension (Pty) Ltd	Private Enterprises	Umgababa New years Picnic	Yes	600	600	
Go King Cetshwayo (Pty) Ltd	Private Enterprises	CD Tourism Development (go King)	Yes	2 000	2 000	
Kas Lam Events	Private Enterprises	INK Kasi Experience	Yes	1 000	1 000	
Ladysmith 150 Events	Private Enterprises	Ladysmith Shut Down Music Festival	Yes	500	500	
Mminathoko Trading 186 CC	Private Enterprises	Asingene-Siphila Gospel Music Ca	Yes	1 700	1 700	
Nonortainment (Pty) Ltd	Private Enterprises	Mandeni Home Coming Picnic	Yes	1 200	1 200	
Ohlange Events	Private Enterprises	INK Youth Career Expo	Yes	1 700	1 700	
Refugee (Pty) Ltd Concepts	Private Enterprises	Inanda Dam Music Festival	Yes	600	600	
Rumbile (Pty) Ltd	Private Enterprises	SoufulExperiene (Rumble Produc)	Yes	3 000	3 000	
Sqhovuvu (Pty) Ltd	Private Enterprises	Umvoti Lake Merthly Music Festival	Yes	700	700	
Strategic Advisory Services (Pty)	Private Enterprises	UmthayiMarula Festival	Yes	4 000	4 000	
Umdabula Music (Pty) Ltd	Private Enterprises	Umdabula Nkosi Music Festival	Yes	2 440	2 440	
Newcastle Mus Fes 27 Dec (Pty) Ltd	Private Enterprises	Newcastle Music Festival	Yes	2 200	2 200	
Bontimadze Consultants	Private Enterprises	Woza Durban Rance	Yes	1 200	1 200	
Fact Durban Rocks (Pty) Ltd	Private Enterprises	Fact Durban Rocks	Yes	1 500	1 500	
Solesa Productions CC	Private Enterprises	Durban Summer Beach Festival	Yes	2 200	2 200	



Name of Transferee	Type of Organisation	Purpose for which the funds were used	Did the dept. comply with s38 (1) (j) of PFMA	Amount transferred (R'000)	Amount spent by entity	Reasons for the funds unspent by the entity
Lusizo Vegetables (Pty) Ltd	Private Enterprises	Lusizo (Gijima)	Yes	2 198	1 142	The money was transferred in February due to the extensive in the classification of the payment and contracting process. The equipment was ordered in March after procurement by Lusizo Vegetables (Pty) Ltd and the deposit was paid. The balance could not be paid until the equipment was manufactured, audited and checked. The manufacturing process was hampered by COVID due to its imports requirements and at a time when SA was in level 5 and 4 lockdown. Production at the manufacturing plant only resumed under Level 3. The machinery was then manufactured and the contracted balance (EDTEA Funds) was paid in July 2020.
KZN Music Cluster	Private Enterprises	KZN Music Cluster	Yes	3 500	3 500	
SAAMBR	Non-Profit Institutions	SAAMBR	Yes	7 159	7 159	
KZN Clothing Textile	Non-Profit Institutions	KZN Clothing Textile	Yes	3 500	3 500	
KZN Fashion Council	Non-Profit Institutions	KZN Fashion Council	Yes	4 500	4 500	
WESSA	Non-Profit Institutions	WESSA	Yes	500	500	
H/H EMPL S/BEN:INJURY ON DUTY	Households	Injury on duty	Yes	16	16	
H/H EMPL S/BEN:LEAVE GRATUITY	Households	Leave gratuity	Yes	791	791	
H/H:BURSARIES (NON-EMPLOYEE)	Households	Bursaries	Yes	2 490	2 490	

The table below reflects the transfer payments which were budgeted for in the period 1 April 2019 to March 2020, but no transfer payments were made.

Name of Transferee	Type of Organisation	Purpose for which the funds were used	Amount budgeted for (R'000)	Amount transferred (R'000)	Reasons why funds were not transferred
Durban Chamber of Commerce	Private enterprises	International Radio Festival	2 000	0	The event did not take place in the 2019/20 financial year
uMgungundlovu Midmar Jazz Festival	Private enterprises	uMgungundlovu Midmar Jazz Festival	1 200	0	The event did not take place in the 2019/20 financial year



6. CONDITIONAL GRANTS

6.1. CONDITIONAL GRANTS AND EARMARKED FUNDS PAID

There were no conditional grants paid in the year under review

6.2. CONDITIONAL GRANTS AND EARMARKED FUNDS RECEIVED

The table/s below details the conditional grants and earmarked funds received during for the period 1 April 2019 to 31 March 2020.

Department who transferred the grant	Public Works (EPWP Integrated Grant for Provinces)
Purpose of the grant	The bulk of this grant is used by Environmental Affairs for IASP.
Expected outputs of the grant	7 500 work opportunities will be created through EPWP
Actual outputs achieved	6 154 work opportunities were created.
Amount per amended DORA (R'000)	5 529
Amount received (R'000)	5 529
Reasons if amount as per DORA was not received	Not Applicable
Amount spent by the department (R'000)	5 529
Reasons for the funds unspent by the entity	Not Applicable
Reasons for deviations on performance	Not Applicable
Measures taken to improve performance	Not Applicable
Monitoring mechanism by the receiving department	Monthly budget expenditure reviews and improvement measures where applicable
Monitoring mechanism by the receiving department	Monthly budget expenditure reviews and improvement measures where applicable



7. DONOR FUNDS

7.1. DONOR FUNDS RECEIVED

There were no donor funds received in the year under review.

8. CAPITAL INVESTMENT

8.1. CAPITAL INVESTMENTS, MAINTENANCE, ASSET MANAGEMENT PLAN

There were no capital investment done in the year under review



PART C: GOVERNANCE



REPORT OF THE AUDIT & RISK COMMITTEE ON VOTE 4 – ECONOMIC DEVELOPMENT, TOURISM & ENVIRONMENTAL AFFAIRS

The Committee reports that it has complied with its responsibilities arising from the Public Finance Management Act, No.1 of 1999 (PFMA), Treasury Regulations 3.1, including all other related prescripts, and is hereby pleased to present its report for the financial year ended 31 March 2020.

The Provincial Audit and Risk Committee (PARC) is the shared audit and risk committee for the provincial departments, and is further sub-divided into three Cluster Audit & Risk Committees (CARC's) that provide oversight of key functions to the KZN Provincial Government Departments. The Department of Economic Development, Tourism & Environmental Affairs is served by the Economic Sectors Investment Employment Infrastructure and Development (ESIEID) Cluster Audit & Risk Committee.

The Committee has adopted appropriate formal terms of reference contained in its Audit and Risk Committee Charter and has regulated its affairs in compliance with this charter; and reports that it has discharged all of its responsibilities as contained therein.

1. AUDIT COMMITTEE MEMBERS AND ATTENDANCE

The PARC and ESIEID CARC is comprised of the members listed hereunder who have met as reflected below, in line with the approved terms of reference.

#	Name of Member	PARC Meetings Attended	Economic CARC Meetings Attended
1.	Mr S Simelane (Acting Chairman of PARC and Economic CARC)	10 of 10	4 of 4
2.	Mr V Ramphal	10 of 10	4 of 4
3.	Mr M Tarr	10 of 10	4 of 4
4.	Mr P Christianson	9 of 10	N/A*
5.	Ms T Njozela	9 of 10	N/A*
6.	Mr D O'Connor	10 of 10	N/A*
7.	Ms N Sithole (resigned in July 2019)	3 of 10	N/A**

* refers to PARC members who did not serve on the ESIEID CARC

2. THE EFFECTIVENESS OF INTERNAL CONTROL

Our review of the reports provided by the Provincial Internal Audit Service (PIAS), revealed that the systems of internal controls were effective in the Department, except for SMME and Co-operatives, where some control deficiencies were identified.

The Committee considered the agreed-upon management interventions to improve the control environment relating to these areas and requested the timeous implementation thereof to avoid repeat audit findings in the future.

3. EFFECTIVENESS OF INTERNAL AUDIT

PIAS activities were reviewed by the Committee during the PARC and CARC monitoring processes. The Committee evaluated PIAS reports detailing the assessment of the adequacy and effectiveness of controls designed to mitigate the risks associated with the operational and strategic activities of the Department.

The PIAS planned to conduct twenty one (21) audit assignments for the period under review, of which seventeen (17) were finalized, one (1) was suspended and three (3) were carried over to the next financial year with the approval of the Audit Committee.

The PIAS performed effectively during the period under review; notwithstanding concerns raised by the Committee in respect of the financial and human resource limitations imposed upon the unit. The Committee will monitor the progress made by the PIAS against its operational plans in order to ensure that it continues to fulfil its mandate and add value to the department.

4. RISK MANAGEMENT

The responsibilities of the Committee with respect to risk management are formally defined in its Charter. For the period under review, the Committee's responsibilities have been focused, amongst other things, on the quarterly review of the Department's risk register and monitoring progress against the Risk Management Operational Plan.

As at 2019/20 financial year-end, the Department's risk register status was as follows:

	Risk Grouping					Total
	Critical	Major	Moderate	Minor	Insignificant	
Number of Identified Risks	2	6	51	16	7	82
Number of Identified Action Plans	7	26	88	19	8	148
Number of Completed Action Plans	2	10	49	18	4	83
% Completed Action Plans	29%	38%	56%	95%	50%	56%

The Committee notes the progress made by the Department on the implementation of its risk mitigation plans with a 56% completion rate. The Department is urged to 1) implement the outstanding risk mitigation plans, particularly for risks classified as critical and major; and 2) update the Department's risk register with strategic risks which should be identified and assessed as part of the 2020/25 strategic planning and the 2020/21 annual planning processes.

Although the Department is commended for having a functional risk management committee which convene on a regular quarterly basis; and having made significant progress on completing improvement plans relating to Fraud Prevention and Business Continuity; the Committee is, however, concerned about the slow progress made by the Department in addressing Occupational Health and Safety (OHS) improvement plans.

With the current focus being on Covid-19 pandemic, the Department is urged to ensure continued compliance with prescribed control measures, including extending OHS compliance to all offices of the Department.

5. QUALITY OF IN-YEAR MANAGEMENT AND MONTHLY/QUARTERLY REPORTS

The Committee was satisfied with the content and quality of quarterly reports in respect of in-year management and quarterly performance prepared and issued by the Accounting Officer of the Department and submitted in terms of the PFMA and the Division of Revenue Act during the year under review.

Based on the report by the Auditor General, the Committee notes with concern the material misstatements with reported performance information under the environmental management programme which were subsequently corrected by management. The management of the Department has been requested to urgently implement the appropriate improvement strategies in order to address the identified shortcomings.

6. EVALUATION OF FINANCIAL STATEMENTS

The Committee has:

- Reviewed and discussed the Annual Financial Statements, including the Audit Report, with the Auditor General and the Accounting Officer;
- Reviewed the Auditor General's Management Report;
- Reviewed the Department's processes for compliance with legal and regulatory provisions where concerns have been noted around the accuracy of performance information reported and the material misstatements of surrendered revenue, cash received and paid over to revenue fund, prepayment expensed, contingent liability and contingent assets identified by the external auditors;
- Reviewed the conclusions regarding the reliability and usefulness of performance information and determined that record keeping has to be improved to enable accurate performance information to be produced.



7. FORENSIC INVESTIGATIONS

During the period under review, the Committee noted that there were sixteen (16) forensic investigations from 1 April 2018 to 31 March 2019, relating to alleged conflict of interest, supply chain management and procurement irregularities and mismanagement of funds, which was referred to the PIAS for investigation.

Seven (7) of these investigations were completed and forensic reports were issued to the department, ie. Phase 1 was completed. Nine (9) investigations are currently in-progress.

Of the seven (7) completed investigations, one (1) matter was closed and six (6) matters had disciplinary action recommended. Only one (1) disciplinary proceeding has been finalized and the others are currently in-progress.

The Committee further noted that four (4) investigations recommended criminal action of which one (1) matter is currently under criminal investigation by the South African Police Service (SAPS), whilst a further three (3) matters are still in the process of having a criminal case registered.

The department and the PIAS are urged to promptly finalize outstanding investigations and work together to implement the recommendations made in the forensic reports.

8. AUDITOR-GENERAL'S REPORT

The Committee has monitored the implementation of corrective action plans to address the audit issues raised by the Auditor General in the prior year. The Committee has met with the Auditor General of South Africa to discuss and evaluate the major issues that emanated from the current regulatory audit. The Committee will ensure that corrective actions in respect of the detailed findings emanating from the current regulatory audit continue to be monitored on a quarterly basis through the CARC processes.

The Committee concurs and accepts the conclusion of the Auditor General's unqualified opinion on the Annual Financial Statements, and is of the opinion that the Audited Annual Financial Statements be accepted and read together with the report of the Auditor General. The Committee commends the Department on obtaining an unqualified audit opinion.

9. APPRECIATION

The Committee wishes to express its appreciation to the Management of the Department, the Auditor General of South Africa, and the Provincial Internal Audit Services for the co-operation and support they have provided to enable us to compile this report.

Mr SP Simelane
Acting Chairman: Provincial Audit and Risk Committee
12 October 2020



**PART D:
HUMAN
RESOURCE
MANAGEMENT**



HUMAN RESOURCE MANAGEMENT

I. INTRODUCTION

The information reported is in respect of Human Resource Management and is in line with the requirements applicable to all Government Departments as outlined in Regulation 31/III/1 of the Public Service Regulations, 2016.

During the reporting period EDTEA had a ratio of 38 % women in Senior Management positions as at 31 March 2020 as compared to 62% men. The Accounting Officer has instructed the Department to strive towards gender parity in the representation of women at Senior Management.

During the year under review the Department has recruited and enrolled Hundred and sixty three (163) interns on a two-year internship programme and they were inducted accordingly. A Workplace Skills plan was developed, submitted to PSETA, and is monitored on a monthly basis.

The Department is continuously reviewing its HR policies and or developed new ones in order to align itself with DPSA regulations. Furthermore, the Executive Authority has approved the Management Delegations to be in line with the "Directive on Public Administration and Management Delegations and Public Service Regulations Delegations, 2016.

Various Departmental Plans were developed which include, amongst others, the Employment Equity Plan, Human Resource Development Plan, Human Resource Development Implementation Plan, Implementation Plan for Job Access, Implementation Plan for Gender Equality, and others. The Department will ensure the implementation thereof. The Department has also successfully reported on Employment Equity to the Department of Labour and reported on the progress of its Human Resource Plan to the DPSA. The Collective Bargaining and consultative structure is fully functional. The Employee Assistance Programme continued to render support services to all EDTEA employees and their family members.

2. EMPLOYEE WELLNESS PROGRAMMES

EDTEA has always been keen on supporting the staff to ensure general wellness. The goals and objectives of this programme are to:

- Ensure the working environment is safe
- Improve employee health habits
- Increase employee level of physical activity
- Help reduce absenteeism and turnover
- Improve productivity

To achieve these goals we are assisted by provincial approved policies and guidance from DPSA. Through the Health Promotion Programme, HIV/AIDS counselling and testing campaigns.

The finalisation of the review of the department's organisational structure remains outstanding. The Executive Authority has signed off the revised Departmental Structure and has been forwarded to the Office of the Premier for onward facilitation to the DPSA for concurrency.

3. HUMAN RESOURCES OVERSIGHT STATISTICS

3.1. PERSONNEL RELATED EXPENDITURE

The following tables summarises the final audited personnel related expenditure by programme and by salary bands. In particular, it provides an indication of the following:

- amount spent on personnel
- amount spent on salaries, overtime, homeowner's allowances and medical aid.



Table 3.1.1: Personnel expenditure by programme for the period 1 April 2019 and 31 March 2020

Programme	Total expenditure (R'000)	Personnel expenditure (R'000)	Training expenditure (R'000)	Professional and special services expenditure (R'000)	Personnel expenditure as a % of total expenditure	Average personnel cost per employee (R'000)
Administration	97 587	95 030	2 005	552	97.4	516.5
Integrated Economic Development	90 827	67 313	18 744	4 770	74.1	547.3
Trade & Sector Development	22 579	15 084	22	7 473	66.8	72
Business Regulations & Governance	31 883	28 513	0	3 370	89.4	570.3
Economic Planning	14 142	11 590	52	2 500	82	610
Tourism	16 949	16 750	199	0	98.8	440.8
Environmental Affairs	124 321	123 346	913	62	99.2	455.3
Total	398 288	357 626	21 935	18 727	89.8	501.6

Table 3.1.2: Personnel costs by salary band for the period 1 April 2019 and 31 March 2020

Salary band	Personnel expenditure (R'000)	% of total personnel cost	No. of employees	Average personnel cost per employee (R'000)
Lower skilled (Levels 1-2)	17 598	4.9	179	98.3
Skilled (level 3-5)	7 565	2.1	29	260.8
Highly skilled production (levels 6-8)	98 911	27.7	238	415.6
Highly skilled supervision (levels 9-12)	173 419	48.5	218	795.5
Senior and Top management (levels 13-16)	59 991	16.8	49	1224.3
Others	141	0.04	1	141
Total	357 625	100	714	500.9

Table 3.1.3: Salaries, Overtime, Home Owners Allowance and Medical Aid by programme for the period 1 April 2019 and 31 March 2020

Programme	Salaries		Overtime		Home Owners Allowance		Medical Aid	
	Amount (R'000)	Salaries as a % of personnel costs	Amount (R'000)	Overtime as a % of personnel costs	Amount (R'000)	HOA as a % of personnel costs	Amount (R'000)	Medical aid as a % of personnel costs
Administration	88 746	93.4	1 022	1.1	2 094	2.2	3 168	3.3
Integrated Economic Development	64 743	96.2	51	0.1	1 068	1.6	1 451	2.2
Trade & Sector Development	14 547	96.4	0	0	309	2	228	1.5
Business Regulations & Governance	26 868	94.2	44	0.2	579	2	1 022	3.6
Economic Planning	11 043	95.3	33	0.3	220	1.9	294	2.5
Tourism	14 750	88.1	0	0	561	3.3	1 439	8.6
Environmental Affairs	115 840	94	0	0	2 570	2.1	4 936	4
Total	336 537	94.1	1150	0.3	7 401	2.1	12 538	3.5

Table 3.1.4: Salaries, Overtime, Home Owners Allowance and Medical Aid by salary band for the period 1 April 2019 and 31 March 2020

Salary band	Salaries		Overtime		Home Owners Allowance		Medical Aid	
	Amount (R'000)	Salaries as a % of personnel costs	Amount (R'000)	Overtime as a % of personnel costs	Amount (R'000)	HOA as a % of personnel costs	Amount (R'000)	Medical aid as a % of personnel costs
Skilled (level 1-2)	17 472	99.3	126	0.01	0	0	0	0
Skilled (level 3-5)	6 285	83.1	196	0.2	411	5.4	673	8.9
Highly skilled production (levels 6-8)	88 631	89.6	406	0.4	3 405	3.4	6 469	6.5
Highly skilled supervision (levels 9-12)	165 154	95.2	422	0.2	2 838	1.6	5 005	2.9
Senior management (level 13-16)	58 854	98.1	0	0	747	1.2	391	0.7
Others	141	100	0	0	0	0	0	0
Total	336 537	94.1	1 150	0.3	7 401	2.1	12 538	3.5

3.2. EMPLOYMENT AND VACANCIES

The tables in this section summarise the position with regard to employment and vacancies.

The following tables summarise the number of posts on the establishment, the number of employees, the vacancy rate, and whether there are any staff that are additional to the establishment.

This information is presented in terms of three key variables:

- Programme;
- Salary band; and
- Critical occupations.

Departments have identified critical occupations that need to be monitored. In terms of current regulations, it is possible to create a post on the establishment that can be occupied by more than one employee. Therefore, the vacancy rate reflects the percentage of posts that are not filled.

Table 3.2.1: Employment and vacancy rate per programme

Programme	Number of posts on approved establishment	Number of posts filled	Vacancy Rate	Number of employees additional to the establishment
Administration	258	184	28.7	44
Business Regulations	69	50	27.5	6
Integrated Economic Development	135	123	8.9	42
Trade and Industry	28	22	21.4	5
Economic Planning	27	19	29.6	7
Tourism	73	38	48	79
Environmental Affairs	329	277	15.8	0
Other	0	0	0	0
TOTAL	919	713	22.4	183



Table 3.2.2: Employment and vacancies by salary band as at 31 March 2020

Salary band	Number of posts on approved establishment	Number of posts filled	Vacancy Rate	Number of employees additional to the establishment
Lower skilled (1-2)	179	179	0	179
Skilled (3-5)	64	29	54.7	1
Highly skilled production (6-8)	303	238	21.5	0
Highly skilled supervision (9-12)	308	218	29.2	2
Senior management (13-16)	65	49	24.6	1
Others	0	0	0	0
Total	919	713	22.4	183

Table 3.2.3: Employment and vacancies by critical occupations as at 31 March 2020

Critical occupation	Number of posts on approved establishment	Number of posts filled	Vacancy Rate	Number of employees additional to the establishment
Administrative related	395	327	17.2	179
Communication and information related	8	6	25	-
Finance and economic related	35	17	51.4	-
General legal administration and professionals	3	3	0	1
Human resource related	31	30	3.2	-
Light vehicle drivers	5	5	0	-
Messengers, porters	3	3	0	-
Secretaries and other keyboard operating	45	39	13.3	-
Trade and industry advisor/ Environmental sciences and related	329	239	27.4	2
Senior managers	65	44	32.3	1
VIP protection	-	-	-	-
Others	-	-	-	-
Total	919	713	22.4	183

3.3. FILLING OF SMS POSTS

The tables in this section provide information on employment and vacancies as it relates to members of the Senior Management Service by salary level. It also provides information on advertising and filling of SMS posts, reasons for not complying with prescribed timeframes and disciplinary steps taken.

Table 3.3.1: SMS post information as at 31 March 2020

SMS Level	Total number of funded SMS posts	Total number of SMS posts filled	% of SMS posts filled	Total number of SMS posts vacant	% of SMS posts vacant
Head of Department	1	0	0	1	100
Salary Level 16	-	-	-	-	-
Salary Level 15	2	2	100	0	0
Salary Level 14	17	12	70.6	5	29.4
Salary Level 13	45	34	75.6	10	24.4
Total	65	48	73.8	16	26.2



Table 3.3.2: SMS post information as at 31 March 2020

SMS Level	Total number of funded SMS posts	Total number of SMS posts filled	% of SMS posts filled	Total number of SMS posts vacant	% of SMS posts vacant
Head of Department	1	0		1	100
Salary Level 16	-	-	-	-	-
Salary Level 15	2	2	100	0	0
Salary Level 14	17	12	70.6	5	29.4
Salary Level 13	45	34	75.6	10	24.4
Total	65	48	73.8	16	26.2

Table 3.3.3: Advertising and filling of SMS posts for the period 1 April 2019 and 31 March 2020

SMS Level	Total number of funded SMS posts	Total number of SMS posts filled	% of SMS posts filled	Total number of SMS posts vacant	% of SMS posts vacant
Head of Department	1	0	-	1	-
Salary Level 16	-	-	-	-	-
Salary Level 15	2	2	100	0	0
Salary Level 14	17	12	70.6	5	29.4
Salary Level 13	45	34	75.6	10	24.4
Total	65	48	73.8	16	26.2

Table 3.3.4: Reasons for not having complied with the filling of funded vacant SMS - Advertised within 6 months and filled within 12 months after becoming vacant for the period 1 April 2019 and 31 March 2020

Reasons for vacancies not advertised within six months
All funded SMS posts were advertised within the timeframe

Reasons for vacancies not filled within six months
All advertised SMS posts were filled within the timeframe

Table 3.3.5: Disciplinary steps taken for not complying with the prescribed timeframes for filling SMS posts within 12 months for the period 1 April 2019 and 31 March 2020

None

3.4. JOB EVALUATION

Within a nationally determined framework, executing authorities may evaluate or re-evaluate any job in his or her organisation. In terms of the Regulations all vacancies on salary levels 9 and higher must be evaluated before they are filled. The following table summarises the number of jobs that were evaluated during the year under review. The table also provides statistics on the number of posts that were upgraded or downgraded.

Table 3.4.1: Job Evaluation by Salary band for the period 1 April 2019 and 31 March 2020

Salary band	Number of posts on approved establishment	Number of Jobs Evaluated	% of posts evaluated by salary bands	Posts Upgraded		Posts downgraded	
				Number	% of posts evaluated	Number	% of posts evaluated
Lower Skilled (Levels 1-2)	0	0	0	0	0	0	0
Skilled (Levels 3-5)	64	0	0	0	0	0	0
Highly skilled production (Levels 6-8)	303	0	0	0	0	0	0
Highly skilled supervision (Levels 9-12)	308	0	0	0	0	0	0
Senior Management Service Band A	45	0	0	0	0	0	0
Senior Management Service Band B	17	0	0	0	0	0	0
Senior Management Service Band C	2	0	0	0	0	0	0



Salary band	Number of posts on approved establishment	Number of Jobs Evaluated	% of posts evaluated by salary bands	Posts Upgraded		Posts downgraded	
				Number	% of posts evaluated	Number	% of posts evaluated
Senior Management Service Band D	1	0	0	0	0	0	0
Total	740	0	0	0	0	0	0

The following table provides a summary of the number of employees whose positions were upgraded due to their post being upgraded. The number of employees might differ from the number of posts upgraded since not all employees are automatically absorbed into the new posts and some of the posts upgraded could also be vacant.

Table 3.4.2: Profile of employees whose positions were upgraded due to their posts being upgraded for the period 1 April 2019 and 31 March 2020

Gender	African	Asian	Coloured	White	Total
Female	0	0	0	0	0
Male	0	0	0	0	0
Total	0	0	0	0	0
Employees with a disability					0

The following table summarises the number of cases where remuneration bands exceeded the grade determined by job evaluation. Reasons for the deviation are provided in each case.

Table 3.4.3: Employees with salary levels higher than those determined by job evaluation by occupation for the period 1 April 2019 and 31 March 2020

Total number of Employees whose salaries exceeded the grades determined by job evaluation	0
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The following table summarises the beneficiaries of the above in terms of race, gender, and disability.

Table 3.4.4: Profile of employees who have salary levels higher than those determined by job evaluation for the period 1 April 2019 and 31 March 2020

Total number of Employees whose salaries exceeded the grades determined by job evaluation	0
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3.5. EMPLOYMENT CHANGES

This section provides information on changes in employment over the financial year. Turnover rates provide an indication of trends in the employment profile of the department. The following tables provide a summary of turnover rates by salary band and critical occupations.

Table 3.5.1: Annual turnover rates by salary band for the period 1 April 2019 and 31 March 2020

Salary band	Number of employees at beginning of period - 1 April 2019 – 31 March 2020	Appointments and transfers into the department	Terminations and transfers out of the department	Turnover rate
Lower skilled (Levels 1-2)	131	77	15	11.5
Skilled (Levels 3-5)	27	1	0	0
Highly skilled production (Levels 6-8)	236	5	6	2.5
Highly skilled supervision (Levels 9-12)	216	1	11	5.1
Senior Management	45	3	2	4.4
Contracts	19	8	12	63.2
Total	670	95	46	6.9



Table 3.5.2: Annual turnover rates by critical occupation for the period 1 April 2019 and 31 March 2020

Critical occupation	Number of employees at beginning of period – 01 April 2019 to 31 March 2020	Appointments and transfers into the department	Terminations and transfers out of the department	Turnover rate
Administrative related	270	84	26	9.6
Communication and Information Technology related	6	-	-	-
Finance & Economics related	16	1	-	-
General Legal administration & professionals	3	-	-	-
Human Resources related	29	1	-	-
Light vehicle drivers	5	-	-	-
Messengers, porters	1	-	-	-
Secretaries and other keyboard operators	37	3	1	2.7
Trade & Industry Advisors & related/ Environmental related	261	1	10	3.8
VIP Protection			5	
Senior Managers	42	5	4	9.5
TOTAL	670	95	46	6.9

The table below identifies the major reasons why staff left the department.

Table 3.5.3 Reasons why staff left the department for the period 1 April 2019 and 31 March 2020

Termination Type	Number	% of Total Resignations
Death	2	4.3
Expiry of contract	10	21.7
Resignation	31	67.4
Retirement	2	4.3
Discharge due to ill-health	1	2.2
Transfer out		
Total	46	100

Table 3.5.4: Promotions by critical occupation for the period 1 April 2019 and 31 March 2020

Occupation	Employees 1 April 2019	Promotions to another salary level	Salary level promotions as a % of employees by occupation	Progressions to another notch within a salary level	Notch progression as a % of employees by occupation
Administrative Related	270	3	1.1	114	42.2
Communications & Information Technology related	6	-	-	2	33.3
Finance & Economics related	16	-	-	14	87.5
General Legal Administration & professionals	3	-	-	-	-
Human Resources Related	29			21	72.4
Light vehicle drivers	5			5	100
Messengers , porters	1			1	100
Secretaries & other keyboard operators	37			26	70.3
Trade & Industry Advisors, Enviro & related	261	1	1.7	117	44.8
VIP protection					
Senior Managers	42	2	4.8	2	4.8
TOTAL	670	6	0.9	302	45.1



Table 3.5.5: Promotions by salary band for the period 1 April 2019 and 31 March 2020

Salary Band	Employees 31 March 2020	Promotions to another salary level	Salary bands promotions as a % of employees by salary level	Progressions to another notch within a salary level	Notch progression as a % of employees by salary bands
Lower skilled (Levels 1-2)	129	0	0	2	1.6
Skilled (Levels3-5)	27	0	0	17	63
Highly skilled production (Levels 6-8)	240	1	0.41	150	62.5
Highly skilled supervision (Levels 9-12)	226	1	0.44	131	58
Senior Management (Level 13-16)	48	4	8.33	2	4.3
Total	670	6		302	45.1

3.6. EMPLOYMENT EQUITY

Table 3.6.1: Total number of employees (including employees with disabilities) in each of the following occupational categories as at 31 March 2020 (EE applicable to permanent appointments only)

Occupational category	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Legislators, senior officials and managers	21	0	1	3	16	0	2	0	43
Professionals / Specialists	124	2	12	6	160	2	28	3	337
VIP Protection/ Drivers	10	0	0	0	0	0	0	0	10
Clerks	5	0	0	0	9	1	0	0	15
Administrative Related	29	0	0	0	41	0	1	1	72
Messengers	1	0	0	0	1	0	0	0	2
PA's	3	0	1	0	25	1	4	1	35
Practitioners	4	0	0	0	10	0	0	0	14
Elementary occupations	2	0	0	0	3	0	0	0	5
Total	199	2	14	9	265	4	35	5	533
Employees with disabilities	1	0	1	1	4	0	1	1	9

Table 3.6.2: Total number of employees (including employees with disabilities) in each of the following occupational bands as on 31 March 2020. (EE applicable to permanent employees only)

Occupational band	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Top Management	2	0	0	0	0	0	0	0	2
Senior Management	23	0	1	3	16	0	2	0	45
Professionally qualified and experienced specialists and mid-management	69	1	8	6	73	1	13	1	172
Skilled technical and academically qualified workers, junior management, supervisors, foreman and superintendents	91	1	5	0	159	2	20	3	281
Semi-skilled and discretionary decision making	14	0	0	0	17	1	0	1	33
Unskilled and defined decision making	0	0	0	0	0	0	0	0	0
Total	199	2	14	9	265	4	35	5	533



Table 3.6.3: Recruitment for the period 1 April 2019 to 31 March 2020

Occupational band	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Top Management	-	-	-	-	-	-	-	-	-
Senior Management	4	-	-	-	1	-	-	-	5
Professionally qualified and experienced specialists and mid-management	-	-	-	-	6	-	-	-	6
Skilled technical and academically qualified workers, junior management, supervisors, foreman and superintendents	1	-	-	-	5	-	-	-	6
Semi-skilled and discretionary decision making	1	-	-	-	-	-	-	-	1
Unskilled and defined decision making	29	-	-	-	47	1	-	-	77
Total	35	-	-	-	59	1	-	-	95
Employees with disabilities	-	-	-	-	-	-	-	-	-

Table 3.6.4: Promotions for the period 1 April 2019 to 31 March 2020

Occupational band	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Top Management	0	0	0	0	0	0	0	0	0
Senior Management	2	0	0	0	2	0	0	0	4
Professionally qualified and experienced specialists and mid-management	0	0	0	0	1	0	0	0	1
Skilled technical and academically qualified workers, junior management, supervisors, foreman and superintendents	0	0	0	0	1	0	-	0	1
Semi-skilled and discretionary decision making	0	0	0	0	0	0	0	0	0
Unskilled and defined decision making	0	0	0	0	0	0	0	0	0
Total	2	0	0	0	4	0	0	0	6
Employees with disabilities	0	0	0	0	0	0	0	0	0

Table 3.6.5: Terminations for the period 1 April 2019 to 31 March 2020

Occupational band	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Top Management	-	-	-	-	-	-	-	-	-
Senior Management	4	-	-	-	-	-	-	-	4
Professionally qualified and experienced specialists and mid-management	10	-	2	-	3	-	1	1	17
Skilled technical and academically qualified workers, junior management, supervisors, foreman and superintendents	3	-	-	-	7	-	-	-	10
Semi-skilled and discretionary decision making	-	-	-	-	-	-	-	-	-
Unskilled and defined decision making	8	-	-	-	7	-	-	-	15
Total	25	-	2	-	17	-	1	-	46

Table 3.6.6: Disciplinary action for the period 1 April 2019 to 31 March 2020

Disciplinary action	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Counselling	4	-	-	1	2	-	1	-	8
Written warning	3	-	-	-	1	-	-	-	4
Final Written Warning	1	-	-	-	-	-	-	-	1
Dismissal	1	-	-	-	-	-	-	-	1
Total	9	-	-	1	3	-	1	-	14



Table 3.6.7: Skills development for the period 1 April 2019 to 31 March 2020

Occupational category	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Legislators, senior officials and managers	21	0	1	3	16	0	2	0	43
Professionals	124	2	12	6	160	2	28	3	337
Administrative related	29	0	0	0	41	0	1	1	72
Clerks	5	0	0	0	9	1	0	0	15
VIP Protection / Drivers	10	0	0	0	0	0	0	0	10
Practitioners	4	0	0	0	10	0	0	0	14
PA's	3	0	1	0	25	1	4	1	35
Service and sales workers	0	0	0	0	0	0	0	0	0
Skilled agriculture and fishery workers	0	0	0	0	0	0	0	0	0
Craft and related trades workers	0	0	0	0	0	0	0	0	0
Plant and machine operators and assemblers	0	0	0	0	0	0	0	0	0
Elementary occupations	3	0	0	0	4	0	0	0	7
Total	199	2	14	9	265	4	35	5	533
Employees with disabilities	1	0	1	1	4	0	1	1	9

3.7. SIGNING OF PERFORMANCE AGREEMENTS BY SMS MEMBERS

Table 3.7.1: Signing of Performance Agreements by SMS members as at 31 May 2019

SMS Level	Total number of funded SMS posts	Total number of SMS members	Total number of signed performance agreements	Signed performance agreements as % of total number of SMS members
Head of Department	1	0	0	0
Salary Level 16	-	-	-	-
Salary Level 15	2	2	2	100
Salary Level 14	17	11	11	100
Salary Level 13	45	34	26	76.47
Total	65	47	39	82.97

Table 3.7.2: Reasons for not having concluded Performance agreements for all SMS members as at 31 May 2019

Reasons
Newly appointed SMS members

Table 3.7.3: Disciplinary steps taken against SMS members for not having concluded Performance agreements as at 31 May 2019

Reasons
None

3.8. PERFORMANCE REWARDS

To encourage good performance, the department has granted the following performance rewards during the year under review. The information is presented in terms of race, gender, disability, salary bands and critical occupations (see definition in notes below).

Table 3.8.1: Performance Rewards by race, gender and disability for the period 1 April 2018 to 31 March 2019

Salary band	Beneficiary Profile			Cost		Total cost as a % of the total personnel expenditure
	Number of beneficiaries	Number of employees	% of total within salary bands	Total Cost (R'000)	Average cost per employee	
Lower Skilled (Levels 1-2)	0	0	0	0	0	0
Skilled (level 3-5)	15	22	68	34572;76	2305	7
Highly skilled production (level 6-8)	154	227	68	726890;05	3747	5
Highly skilled supervision (level 9-12)	144	209	69	2336370;2	16225	0;70
Total	313	458		3097833.01		

Table 3.8.2: Performance Rewards by salary band for personnel below Senior Management Service for the period 1 April 2018 to 31 March 2019

Salary band	Beneficiary Profile			Cost		Total cost as a % of the total personnel expenditure
	Number of beneficiaries	Number of employees	% of total within salary bands	Total Cost (R'000)	Average cost per employee	
Lower Skilled (Levels 1-2)	0	0	0	0	0	0
Skilled (level 3-5)	15	22	68	34572;76	2305	7
Highly skilled production (level 6-8)	154	227	68	726890;05	3747	5
Highly skilled supervision (level 9-12)	144	209	69	2336370;2	16225	0;70
Total	313	458		3097833.01		

Table 3.8.3: Performance Rewards by critical occupation for the period 1 April 2018 to 31 March 2019

Critical occupation	Beneficiary Profile			Cost	
	Number of beneficiaries	Number of employees	% of total within occupation	Total Cost (R'000)	Average cost per employee
Administrative related	234	359	65	1585415;81	1461592;07
Communication & information related	1	2	50	2263;75	2263;75
Finance & Economic related	18	24	75	257041;66	14280
General Legal Administration & professionals	0	1	0	0	0
Human Resources related	22	30	73	211820;28	9628
Light vehicle drivers	5	5	100	4900	980
Messengers, porters	0	2	0	0	0
Secretaries & other keyboard operators	28	31	90	177481;61	6338
Trade and Industry Advisors & related professions	6	7	86	29053;75	4842
VIP Protectors	0	2	0	0	0
SMS	15	65	23	260277	17351;8
Total	329	527		2528253;86	1517275;62

Table 3.8.4: Performance related rewards (cash bonus), by salary band for Senior Management Service for the period 1 April 2018 to 31 March 2019

Salary band	Beneficiary Profile			Cost		Total cost as a % of the total personnel expenditure
	Number of beneficiaries	Number of employees	% of total within salary bands	Total Cost (R'000)	Average cost per employee	
Band A	0	35	0	0	0	0
Band B	0	11	0	0	0	0
Band C	0	2	0	0	0	0
Band D	0	0	0	0	0	0
Total	0	48	0	0	0	0

3.9. FOREIGN WORKERS

The Department does not have foreign workers in its employ.

Table 3.9.1: Foreign workers by salary band for the period 1 April 2019 and 31 March 2020

Salary band	31 March 2019		31 March 2020		Change	
	Number	% of total	Number	% of total	Number	% Change
Lower skilled	0	0	0	0	0	0
Highly skilled production (Lev. 6-8)	0	0	0	0	0	0
Highly skilled supervision (Lev. 9-12)	0	0	0	0	0	0
Contract (level 9-12)	2	0.97	2	0.92	-	-0.05
Contract (level 13-16)	2	4.65	2	4.44	-	-0.21
Total	4		4		-	0

Table 3.9.2: Foreign workers by major occupation for the period 1 April 2019 and 31 March 2020

Major occupation	31 March 2019		31 March 2020		Change	
	Number	% of total	Number	% of total	Number	% Change
Professionals and Managers	4	1.49	4	1.47	0	-0.02
	4		4		0	

3.10. LEAVE UTILISATION

The Public Service Commission identified the need for careful monitoring of sick leave within the public service. The following tables provide an indication of the use of sick leave and disability leave. In both cases, the estimated cost of the leave is also provided.

Table 3.10.1: Sick leave for the period 1 January 2019 to 31 December 2019

Salary band	Total days	% Days with Medical certification	Number of Employees using sick leave	% of total employees using sick leave	Average days per employee	Estimated Cost (R'000)
Lower Skills (Level 1-2)	298	66.4	75	17.6	4	156
Skilled (levels 3-5)	80	96.3	10	2.3	8	75
Highly skilled production (levels 6-8)	1 511	82.3	169	39.7	9	2 337
Highly skilled supervision (levels 9 -12)	1 205	85.6	147	34.5	8	3 575
Top and Senior management (levels 13-16)	136	86	20	47	7	593
	66	100	5	1.2	13	204
Total	3 296	82.9	426	100	8	6 940



Table 3.10.2: Disability leave (temporary and permanent) for the period 1 January 2019 to 31 December 2019

Salary band	Total days	% Days with Medical certification	Number of Employees using disability leave	% of total employees using disability leave	Average days per employee	Estimated Cost (R'000)
Lower skilled (Levels 1-2)	1	100	1	12.5	1	1
Skilled (Levels 3-5)	0	0	0			
Highly skilled production (Levels 6-8)	9	100	2	25	5	16
Highly skilled supervision (Levels 9-12)	85	100	4	50	21	247
Senior management (Levels 13-16)	143	100	1	12.5	143	683
Total	238	100	8	100	30	947

The table below summarises the utilisation of annual leave. The wage agreement concluded with trade unions in the PSCBC in 2000 requires management of annual leave to prevent high levels of accrued leave being paid at the time of termination of service

Table 3.10.3: Annual Leave for the period 1 January 2019 to 31 December 2019

Salary band	Total days taken	Number of Employees using annual leave	Average per employee
Lower skilled (Levels 1-2)	2 013	166	12
Skilled Levels 3-5)	503	28	18
Highly skilled production (Levels 6-8)	5 133	240	21
Highly skilled supervision(Llevels 9-12)	5 104	220	23
Senior management (Levels 13-16)	874	41	21
Other	116	11	11
Total	13 743	706	19

Table 3.10.4: Capped leave for the period 1 January 2019 to 31 December 2019

Salary band	Total days of capped leave taken	Number of Employees using capped leave	Average number of days taken per employee	Average capped leave per employee as on 31 Dec 2019
Lower skilled (Levels 1-2)	0	0	0	0
Skilled Levels 3-5)	0	0	0	50
Highly skilled production (Levels 6-8)	3	2	2	52
Highly skilled supervision(Llevels 9-12)	1	1	1	75
Senior management (Levels 13-16)	-	-	-	42
Total	4	3	1	65

The following table summarise payments made to employees as a result of leave that was not taken.

Table 3.10.5: Leave payouts for the period 1 April 2019 and 31 March 2020

Reason	Total amount (R'000)	Number of employees	Average per employee (R'000)
Leave payout for 2019/20 due to non-utilisation of leave for the previous cycle	0	0	0
Capped leave payouts on termination of service for 2019/20	126	1	126
Current leave payout on termination of service for 2019/20	666	29	22
Total	792	29	27

3.11. HIV/AIDS & HEALTH PROMOTION PROGRAMMES

Table 3.11.1: Steps taken to reduce the risk of occupational exposure

Units/categories of employees identified to be at high risk of contracting HIV & related diseases (if any)	Key steps taken to reduce the risk
<ol style="list-style-type: none"> 1. EDTEA has employees who are at the child bearing age and these are deemed high risk as they are most likely to have unprotected sex. 2. Most of our employees have had to leave their families and moved to pietermaritzburg to get closer to place of employment. 3. Most of our employees are field based and spend most of their time traveling to site and sleeping in hotels. 4. The nature of work is highly stressful and demands good coping mechanisms, some of our employees lack in this regard and end up employing unhealthy coping mechanisms. 	<ul style="list-style-type: none"> • Emphasis on sexual health awareness, coping mechanisms, communication skills and basic family values. • Substance abuse awareness.
All these factors deem our employees high risk.	

Table 3.11.2 Details of Health Promotion and HIV/AIDS Programmes (tick the applicable boxes and provide the required information)

Question	Yes	No	Details, if yes
1. Has the department designated a member of the SMS to implement the provisions contained in Part VI E of Chapter 1 of the Public Service Regulations, 2001? If so, provide her/his name and position.	Yes		HR Manager is usually the designated member, however EDTEA has not had an HR Manager so the Chief Director Mr Fezile Mbuli has been responsible
2. Does the department have a dedicated unit or has it designated specific staff members to promote the health and well-being of your employees? If so, indicate the number of employees who are involved in this task and the annual budget that is available for this purpose.	Yes		The Employee Health and Wellness Practitioner. Budget has been provided within the HR Directorate.
3. Has the department introduced an Employee Assistance or Health Promotion Programme for your employees? If so, indicate the key elements/services of this Programme.	Yes		<ul style="list-style-type: none"> • Counselling services on personal and work-related issues • Personal Finance Management programme • HIV/AIDS Programme • Gender and Disability programme • Diversity Management • Health & Productivity Management
4. Has the department established (a) committee(s) as contemplated in Part VI E.5 (e) of Chapter 1 of the Public Service Regulations, 2001? If so, please provide the names of the members of the committee and the stakeholder(s) that they represent.	Yes		<ul style="list-style-type: none"> • Mr Fezile Mbuli (Chairperson) • Nokuthula Dlamini – EH&W • Mr B Buthelezi- Safety and Security • Ms R M Mkhize- OHS • Mrs T Sithole Auxiliary Services • NEHAWU • PSA
5. Has the department reviewed its employment policies and practices to ensure that these do not unfairly discriminate against employees on the basis of their HIV status? If so, list the employment policies/practices so reviewed.	Yes		<ul style="list-style-type: none"> • The Recruitment, Selection and Benefits Policies and practices • Skills development and training policy practices • HIV Policy and Wellness Policy • Diversity policy • Wellness policy • Productivity management



Question	Yes	No	Details, if yes
6. Has the department introduced measures to protect HIV-positive employees or those perceived to be HIV-positive from discrimination? If so, list the key elements of these measures.	Yes		<p>An HIV/AIDS policy reviewed and approved.</p> <ul style="list-style-type: none"> The policy clearly outlines that discrimination on the basis of HIV status is and prohibited. Education and awareness around the issue of HIV/AIDS also assist in dealing with some of the misconceptions and myths around HIV/AIDS. We also have an open door policy where at any time an HIV positive employee can come and discuss his/her concerns. We also have the behaviour change program, stigma fighting program and human rights program
7. Does the department encourage its employees to undergo Voluntary Counselling and Testing? If so, list the results that you have you achieved.	Yes		<ul style="list-style-type: none"> We are vigorously encouraging HCT (Health Counselling and testing in the department and the response has been very positive. We can pin this success of this program to the stigma and behaviour change programs that we have in the department, more people have participated in the program however this year we were disturbed by Covid-19 and as a result could not test. We encouraged our employees to continue being safe and test with their health care providers until it's safe to test in the workplace
8. Has the department developed measures/indicators to monitor & evaluate the impact of its health promotion programme? If so, list these measures/indicators.	Yes		<ol style="list-style-type: none"> Monitoring the use of sick and vacation leave Internal surveys MANCO Feedback

3.12. Labour Relations

Table 3.12.1 Collective agreements for the period 1 April 2019 and 31 March 2020

Subject matter	Date
No collective agreement was concluded	

The following table summarises the outcome of disciplinary hearings conducted within the department for the year under review.

Table 3.12.2 Misconduct and disciplinary hearings finalised for the period 1 April 2019 and 31 March 2020

Outcomes of disciplinary hearings	Number	% of total
Written warning	4	28.57
Final written warning	1	7.14
Suspension without pay plus final written warning	8	57.14
Dismissal	1	7.14
Total	14	100%

Total number of Disciplinary hearings finalised	14
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Table 3.12.3 Types of misconduct addressed at disciplinary hearings for the period 1 April 2019 and 31 March 2020

Type of misconduct	Number	% of total
Absenteeism	2	14.3
Fraud	1	7.14
Failure to apply diligence during a recruitment process	5	35.71
Improper conduct	3	21.43
Disobeying a lawful instruction	2	14.3
Doing business with an organ of state	1	7.14
Total	14	100%



Table 3.12.4 Grievances logged for the period 1 April 2019 and 31 March 2020

Grievances	Number	% of Total
Number of grievances resolved	17	100%
Number of grievances not resolved	-	
Total number of grievances lodged	17	100%

Table 3.12.5 Disputes logged with Councils for the period 1 April 2019 and 31 March 2020

Disputes	Number	% of Total
Number of disputes upheld	0	
Number of disputes dismissed	0	
Total number of disputes lodged	0	100%

Table 3.12.6 Strike actions for the period 1 April 2019 and 31 March 2020

Total number of persons working days lost	0
Total costs working days lost	0
Amount recovered as a result of no work no pay (R'000)	0

Table 3.12.7 Precautionary suspensions for the period 1 April 2019 and 31 March 2020

Number of people suspended	1
Number of people whose suspension exceeded 30 days	1
Average number of days suspended	289 days
Cost of suspension (R'000)	R754 177.28

3.13. Skills development

This section highlights the efforts of the department with regard to skills development.

Table 3.13.1 Training needs identified for the period 1 April 2019 and 31 March 2020

Occupational category	Gender	Number of employees as at 31 March 2020	Training needs identified at start of the reporting period			Total
			Learnerships	Skills Programmes & other short courses	Other forms of training	
Legislators, senior officials and managers	Female	86	None	Advance Management Development Programme, Project Management, Bid Committee, Employer representative and chairperson, Public sector finance, supply chain and contract management, Leading innovation in the public service, Avoiding irregular, unauthorised and wasteful expenditure, Information and knowledge management, Programme and project management, Coaching and leadership, Finance for non-financial management, Compulsory Induction Programme, Budget analysis in the public service	Conference: Labour Law, Pension administration	15
	Male	80	None	Advance Management Development Programme, Project Management, Bid Committee, Employer representative and chairperson, Public sector finance, supply chain and contract management, Leading innovation in the public service, Avoiding irregular, unauthorised and wasteful expenditure, Information and knowledge management, Programme and project management, Coaching and leadership, Finance for non-financial management, Compulsory Induction Programme, Budget analysis in the public service	Conference: Labour Law, Pension administration	15



Occupational category	Gender	Number of employees as at 31 March 2020	Training needs identified at start of the reporting period			
			Learnerships	Skills Programmes & other short courses	Other forms of training	Total
Professionals	Female	115	None	Supply chain management, Project management, Advance Management Development Programme, Emerging Management Development, Budget analysis in the public service, Diversity management, Gender mainstreaming, Disability management in the workplace, Compulsory Induction Programme	Conference: Ground water, Geographic Information System, Govtech, Public sector trainers	11
	Male	96	None	Supply chain management, Project management, Advance Management Development Programme, Emerging Management Development, Budget analysis in the public service, Diversity management, Gender mainstreaming, Disability management in the workplace, Compulsory Induction Programme	Conference: Ground water, Geographic Information System, Govtech, Public sector trainers	11
Technicians and associate professionals	Female	0	None			
	Male	0	None			
Administrative related	Female	99	None	Supply chain management, Project management, Advance Management Development Programme, Emerging Management Development, Budget analysis in the public service, Diversity management, Gender mainstreaming, Disability management in the workplace, Customer care: Batho Pele way, Compulsory Induction Programme	Conference: Geographic Information System, Public sector trainers	12
	Male	48	None	Supply chain management, Project management, Advance Management Development Programme, Emerging Management Development, Budget analysis in the public service, Diversity management, Gender mainstreaming, Disability management in the workplace, Customer care: Batho Pele way, Compulsory Induction Programme	Conference: Geographic Information System, Public sector trainers	12
Service and sales workers	Female	0	None			
	Male	0	None			
Skilled agriculture and fishery workers	Female	0	None			
	Male	0	None			
Craft and related trades workers	Female	0	None			
	Male	0	None			
VIP protectors/ Drivers	Female	0	None			
	Male	6	None	Advance driving, Customer care: Batho Pele way		2
Elementary occupations	Female	3	None	Customer care: Batho Pele way		1
	Male	0	None			
Sub Total	Female	303				
	Male	230				
Total		533				



Table 3.13.2 Training provided for the period 1 April 2019 and 31 March 2020

Occupational category	Gender	Number of employees as at 31 March 2020	Training provided within the reporting period			
			Learnerships	Skills Programmes & other short courses	Other forms of training	Total
Legislators, senior officials and managers	Female	86	None	Advance Management Development Programme, Project Management, Employer representative and chairperson, Public sector finance, supply chain and contract management, Leading innovation in the public service, Avoiding irregular, unauthorised and wasteful expenditure, Information and knowledge management, Programme and project management, Coaching and leadership, Compulsory Induction Programme	Conferences: Labour Law, Pension administration, Govtech	13
	Male	80	None	Advance Management Development Programme, Project Management, Employer representative and chairperson, Public sector finance, supply chain and contract management, Leading innovation in the public service, Avoiding irregular, unauthorised and wasteful expenditure, Information and knowledge management, Programme and project management, Coaching and leadership, Compulsory Induction Programme	Conferences: Labour Law, Pension administration, Govtech	13
Professionals	Female	115	None	Supply chain management, Project management, Advance Management Development Programme, Emerging Management Development Programme,	Conferences: Ground water, Geographic Information System,	6
	Male	96	None	Supply chain management, Project management, Advance Management Development Programme, Emerging Management Development Programme,	Conferences: Ground water, Geographic Information System,	6
Technicians and associate professionals	Female	0	None			
	Male	0	None			
Administrative related	Female	99	None	Emerging Management Development Programme, Compulsory Induction Programme	Conference: Public sector trainers	3
	Male	48	None			
Service and sales workers	Female	0	None			
	Male	0	None			
Skilled agriculture and fishery workers	Female	0	None			
	Male	0	None			
Craft and related trades workers	Female	0	None			
	Male	0	None			
VIP protectors/ Drivers	Female	0	None			
	Male	6	None	Advance Driving		1
Elementary occupations	Female	3	None			
	Male	0	None			
Sub Total	Female	303				
	Male	230				
Total		533				



3.14. Injury on duty

The following tables provide basic information on injury on duty.

Table 3.14.1 Injury on duty for the period 1 April 2019 and 31 March 2020

Nature of injury on duty	Number	% of total
Required basic medical attention only	4	90
Temporary Total Disablement	-	-
Permanent Disablement	-	-
Fatal	1	10
Total	5	100

3.15. Utilisation of Consultants

Table 3.15.1 Report on consultant appointments using appropriated funds for the period 1 April 2019 and 31 March 2020

Table 3.15.2 Analysis of consultant appointments using appropriated funds, in terms of Historically Disadvantaged Individuals (HDIs) for the period 1 April 2019 and 31 March 2020

Project title	Percentage ownership by HDI groups	Percentage management by HDI groups	Number of consultants from HDI groups that work on the project
-	-	-	-

Table 3.15.3 Report on consultant appointments using Donor funds for the period 1 April 2019 and 31 March 2020

Project title	Total Number of consultants that worked on project	Duration (Work days)	Donor and contract value in Rand
-	-	-	-

Total number of projects	Total individual consultants	Total duration Work days	Total contract value in Rand
-	-	-	-

Table 3.15.4 Analysis of consultant appointments using Donor funds, in terms of Historically Disadvantaged Individuals (HDIs) for the period 1 April 2019 and 31 March 2020

Project title	Percentage ownership by HDI groups	Percentage management by HDI groups	Number of consultants from HDI groups that work on the project
-	-	-	-

3.16. Severance Packages

Table 3.16.1 Granting of employee initiated severance packages for the period 1 April 2019 and 31 March 2020

Salary band	Number of applications received	Number of applications referred to the MPSA	Number of applications supported by MPSA	Number of packages approved by department
Lower skilled (Levels 1-2)	-	-	-	-
Skilled Levels 3-5)	-	-	-	-
Highly skilled production (Levels 6-8)	-	-	-	-
Highly skilled supervision(Levels 9-12)	-	-	-	-
Senior management (Levels 13-16)	-	-	-	-
Total	-	-	-	-



PART E: FINANCIAL INFORMATION



REPORT OF THE AUDITOR-GENERAL TO THE KWAZULU-NATAL PROVINCIAL LEGISLATURE ON VOTE NO. 4: DEPARTMENT OF ECONOMIC DEVELOPMENT, TOURISM AND ENVIRONMENTAL AFFAIRS

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

Opinion

I have audited the financial statements of the Department of Economic Development, Tourism and Environmental affairs set out on pages 114 to 181 which comprise the appropriation statement, statement of financial position as at 31 March 2020, statement of financial performance, statement of changes in net assets and cash flow statement for the year then ended, as well as the notes to the financial statements, including a summary of significant accounting policies.

In my opinion, the financial statements present fairly, in all material respects, the financial position of the Department of Economic Development, Tourism and Environmental Affairs as at 31 March 2020, and its financial performance and cash flows for the year then ended in accordance with the Modified Cash Standard (MCS) prescribed by the National Treasury and the requirements of the Public Finance Management Act of South Africa, 1999 (Act No. 1 of 1999) (PFMA) and the Division of Revenue Act of South Africa, 2019 (Act No. 16 of 2019) (Dora).

Basis for opinion

I conducted my audit in accordance with the International Standards on Auditing (ISAs). My responsibilities under those standards are further described in the auditor-general's responsibilities for the audit of the financial statements section of this auditor's report.

I am independent of the department in accordance with sections 290 and 291 of the Code of Ethics for Professional Accountants and parts 1 and 3 of the International Code of Ethics for Professional Accountants (including International Independence Standards) of the International Ethics Standards Board for Accountants (IESBA codes) as well as the ethical requirements that are relevant to my audit in South Africa. I have fulfilled my other ethical responsibilities in accordance with these requirements and the IESBA codes.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Other matter

I draw attention to the matter below. My opinion is not modified in respect of this matter.

Unaudited supplementary schedules

The supplementary schedules set out on pages 170 to 181 do not form part of the financial statements and is presented as additional information. I have not audited these schedules and, accordingly, I do not express an opinion on them.

Responsibilities of the accounting officer for the financial statements

The accounting officer is responsible for the preparation and fair presentation of the financial statements in accordance with the MCS and the requirements of the PFMA and Dora and for such internal control as the accounting officer determines is necessary to enable the preparation of the financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the accounting officer is responsible for assessing the department's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless the appropriate governance structure either intends to liquidate the department or to cease operations, or has no realistic alternative but to do so.



Auditor-general's responsibilities for the audit of the financial statements

My objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with the ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of my responsibilities for the audit of the financial statements is included in the annexure to this auditor's report.

REPORT ON THE AUDIT OF THE ANNUAL PERFORMANCE REPORT

Introduction and scope

In accordance with the Public Audit Act of South Africa, 2004 (Act No. 25 of 2004) (PAA) and the general notice issued in terms thereof, I have a responsibility to report on the usefulness and reliability of the reported performance information against predetermined objectives for the selected programme presented in the annual performance report. I performed procedures to identify material findings but not to gather evidence to express assurance.

My procedures address the usefulness and reliability of the reported performance information, which must be based on the approved performance planning documents of the department. I have not evaluated the completeness and appropriateness of the performance indicators included in the planning documents. My procedures do not examine whether the actions taken by the department enabled service delivery. My procedures also do not extend to any disclosures or assertions relating to planned performance strategies and information in respect of future periods that may be included as part of the reported performance information. Accordingly, my findings do not extend to these matters.

I evaluated the usefulness and reliability of the reported performance information in accordance with the criteria developed from the performance management and reporting framework, as defined in the general notice, for programme 7: environmental management, presented in the annual performance report of the department for the year ended 31 March 2020.

I performed procedures to determine whether the reported performance information was properly presented and whether performance was consistent with the approved performance planning documents. I performed further procedures to determine whether the indicators and related targets were measurable and relevant, and assessed the reliability of the reported performance information to determine whether it was valid, accurate and complete.

I did not raise any material findings on the usefulness and reliability of the reported performance information for the selected programme.

Other matters

I draw attention to the matters below.

Achievement of planned targets

The annual report on pages 25 to 67 for information on the achievement of planned targets for the year and explanations are also provided for the under and over-achievement of a significant number of targets.

Adjustment of material misstatements

I identified material misstatements in the annual performance report submitted for auditing. These material misstatements were on the reported performance information for the environmental management programme. As management subsequently corrected the misstatements, I did not raise any material findings on the usefulness and reliability of the reported performance information.



REPORT ON THE AUDIT OF COMPLIANCE WITH LEGISLATION

Introduction and scope

In accordance with the PAA and the general notice issued in terms thereof, I have a responsibility to report material findings on the department's compliance with specific matters in key legislation. I performed procedures to identify findings but not to gather evidence to express assurance.

The material findings on compliance with specific matters in key legislation are as follows:

Annual financial statements

The financial statements submitted for auditing were not prepared in accordance with the prescribed financial reporting framework and supported by full and proper records, as required by section 40(1)(a) and (b) of the PFMA. Material misstatements of departmental revenue and national revenue fund receipts to be surrendered to revenue fund, cash received and paid over to revenue fund, prepayment expensed, contingent liability as well as contingent asset identified by the auditors in the submitted financial statements were corrected and the supporting records were provided subsequently, resulting in the financial statements receiving an unqualified opinion.

Consequence management

I was unable to obtain sufficient appropriate audit evidence that disciplinary steps were taken against officials who had incurred irregular expenditure, as required by section 38(1)(h)(iii) of the PFMA because some investigations were not performed.

OTHER INFORMATION

The accounting officer is responsible for the other information. The other information comprises the information included in the annual report. The other information does not include the financial statements, the auditor's report and the selected programme presented in the annual performance report that has been specifically reported in this auditor's report.

My opinion on the financial statements, report on performance information and findings on compliance with legislation do not cover the other information and I do not express an audit opinion or any form of assurance conclusion thereon.

In connection with my audit, my responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements and the selected programme presented in the annual performance report, or my knowledge obtained in the audit, or otherwise appears to be materially misstated.

I did not receive the other information at the date of this report. When I do receive and read this information, if I conclude that there is a material misstatement therein, I am required to communicate the matter to those charged with governance and request that the other information be corrected. If the other information is not corrected, I may have to retract this auditor's report and re-issue an amended report as appropriate. However, if it is corrected this will not be necessary.

INTERNAL CONTROL DEFICIENCIES

I considered internal control relevant to my audit of the financial statements, reported performance information and compliance with applicable legislation; however, my objective was not to express any form of assurance on it. The matters reported below are limited to the significant internal control deficiencies that resulted in the findings on compliance with legislation included in this report.

Senior management did not adequately implement and monitor actions plans to address internal and external audit findings.

Management did not adequately review and monitor controls over the preparation of the financial statements and compliance with legislation.



OTHER REPORTS

I draw attention to the following engagements conducted that had, or could have, an impact on the matters reported in the department's financial statements, reported performance information, compliance with applicable legislation and other related matters. These reports did not form part of my opinion on the financial statements or my findings on the reported performance information or compliance with legislation.

The shared internal audit unit for departments in the province conducted 18 investigations covering the period 2016 to 2019. The investigations related to allegations of the possible irregularities in securing departmental district offices, mismanagement of funds by a cooperative, fraud and corruption in the local economic development project, and irregularities relating to events management expenditure. Six of these investigations were completed and the implementation of recommendations are in progress, while 12 were still in progress at the date of this report.

Auditor General

**Auditor-General
Pietermaritzburg
30 September 2020**



**A U D I T O R - G E N E R A L
S O U T H A F R I C A**

Auditing to build public confidence



ANNEXURE – AUDITOR-GENERAL’S RESPONSIBILITY FOR THE AUDIT

1. As part of an audit in accordance with the ISAs, I exercise professional judgement and maintain professional scepticism throughout my audit of the financial statements and the procedures performed on reported performance information for the selected programme and on the department’s compliance with respect to the selected subject matters.

Financial statements

2. In addition to my responsibility for the audit of the financial statements as described in this auditor’s report, I also:
 - identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error; design and perform audit procedures responsive to those risks; and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal control.
 - obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the department’s internal control.
 - evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the accounting officer.
 - conclude on the appropriateness of the accounting officer’s use of the going concern basis of accounting in the preparation of the financial statements. I also conclude, based on the audit evidence obtained, whether a material uncertainty exists relating to events or conditions that may cast significant doubt on the ability of the Department of Economic Development, Tourism and Environmental Affairs to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor’s report to the related disclosures in the financial statements about the material uncertainty or, if such disclosures are inadequate, to modify my opinion on the financial statements. My conclusions are based on the information available to me at the date of this auditor’s report. However, future events or conditions may cause a department to cease operating as a going concern evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and determine whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation

Communication with those charged with governance

3. I communicate with the accounting officer regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.
4. I also confirm to the accounting officer that I have complied with relevant ethical requirements regarding independence, and communicate all relationships and other matters that may reasonably be thought to have a bearing on my independence and, where applicable, actions taken to eliminate threats or safeguards applied.



ANNUAL FINANCIAL STATEMENTS FOR DEPARTMENT OF ECONOMIC DEVELOPMENT, TOURISM AND ENVIRONMENTAL AFFAIRS FOR THE YEAR ENDED 31 MARCH 2020

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DEPARTMENT OF ECONOMIC DEVELOPMENT, TOURISM AND ENVIRONMENTAL AFFAIRS - VOTE 4

APPROPRIATION STATEMENT FOR THE YEAR ENDED 31 MARCH 2020

Voted funds and Direct charges	Appropriation per programme										
	2019/20						2018/19				
	Adjusted Appropriation R'000	Shifting of Funds R'000	Virement R'000	Final Appropriation R'000	Actual Expenditure R'000	Variance R'000	Expenditure as % of final appropriation %	Final Appropriation R'000	Actual Expenditure R'000		
Programme											
1. Administration	308 602	-	(14 645)	293 957	289 661	4 296	98.5%	252 685	251 776		
2. Integrated Economic Development Services	359 443	-	25 645	385 088	383 579	1 509	99.6%	556 364	535 740		
3. Trade and Sector Development	996 774	-	(14 947)	981 827	978 092	3 735	99.6%	796 256	761 676		
4. Business Regulation and Governance	173 449	-	2 418	175 867	175 867	-	100.0%	116 863	114 695		
5. Economic Planning	19 688	-	-	19 688	17 255	2 433	87.6%	32 214	28 615		
6. Tourism	327 801	-	26 224	354 025	349 721	4 304	98.8%	257 178	244 785		
7. Environmental Affairs	1 059 628	-	(24 695)	1 034 933	1 030 630	4 303	99.6%	1 007 028	973 642		
TOTAL	3 245 385	-	-	3 245 385	3 224 805	20 580	99.4%	3 018 588	2 910 929		
Reconciliation with Statement of Financial Performance											
Add:											
Departmental receipts				49 595				3 566			
Actual amounts per Statement of Financial Performance (Total Revenue)				3 294 980				3 022 154			
Actual amounts per Statement of Financial Performance Expenditure					3 224 805				2 910 929		



Economic classification	Appropriation per economic classification									
	2019/20					2018/19				
	Adjusted Appropriation R'000	Shifting of Funds R'000	Virement R'000	Final Appropriation R'000	Actual Expenditure R'000	Variance R'000	Expenditure as % of final appropriation %	Final Appropriation R'000	Actual Expenditure R'000	
Current payments	893 311	(35 628)	(96 705)	760 978	749 399	11 579	98.5%	735 360	655 830	
Compensation of employees	366 293	-	(6 080)	360 213	357 625	2 588	99.3%	350 250	334 734	
Salaries and wages	322 405	-	(5 769)	316 636	314 303	2 333	99.3%	304 172	294 396	
Social contributions	43 888	-	(311)	43 577	43 322	255	99.4%	46 078	40 338	
Goods and services	527 018	(35 628)	(90 625)	400 765	391 774	8 991	97.8%	385 110	321 096	
Administrative fees	1 789	-	3 393	5 182	5 144	38	99.3%	2 049	1 974	
Advertising	15 766	-	(2 476)	13 290	13 176	114	99.1%	5 296	4 234	
Minor assets	1 848	-	(144)	1 704	1 671	33	98.1%	1 063	496	
Audit costs: External	5 430	-	(604)	4 826	4 826	-	100.0%	3 551	3 551	
Bursaries: Employees	1 088	-	(906)	182	182	-	100.0%	505	505	
Catering: Departmental activities	2 344	-	(1 347)	997	546	451	54.8%	2 955	1 264	
Communication (G&S)	13 666	-	(3 666)	10 000	10 000	-	100.0%	11 702	11 702	
Computer services	30 182	-	(1 575)	28 607	28 607	-	100.0%	23 993	23 993	
Consultants: Business and advisory services	71 353	15 178	(64 417)	22 114	18 727	3 387	84.7%	57 390	32 797	
Laboratory services	-	-	-	-	-	-	-	11	-	
Scientific and technological services	1 815	-	(144)	1 671	-	1 671	-	-	-	
Legal services	4 389	-	(875)	3 514	3 514	-	100.0%	5 037	5 037	
Contractors	78 347	(50 806)	6 404	33 945	33 945	-	100.0%	24 888	22 449	
Agency and support / outsourced services	88 889	-	(5 757)	83 132	83 130	2	100.0%	64 251	56 791	
Fleet services (including government motor transport)	4 509	-	447	4 956	4 956	-	100.0%	5 695	5 695	
Inventory: Clothing material and accessories	13 079	-	(664)	12 415	11 965	450	96.4%	11 678	718	
Inventory: Farming supplies	11 427	-	250	11 677	11 677	-	100.0%	15 670	12 023	
Inventory: Materials and supplies	430	-	56	486	486	-	100.0%	40	-	
Inventory: Other supplies	3 068	-	74	3 142	3 142	-	100.0%	306	258	
Consumable supplies	6 822	-	(3 678)	3 144	3 142	2	99.9%	2 218	1 922	
Consumable: Stationery, printing and office supplies	3 229	-	247	3 476	3 476	-	100.0%	2 896	2 558	
Operating leases	45 705	-	(9 775)	35 930	35 930	-	100.0%	33 687	33 687	
Property payments	34 664	-	9 594	44 258	44 258	-	100.0%	43 261	43 261	
Transport provided: Departmental activity	926	-	(349)	577	497	80	86.1%	817	463	
Travel and subsistence	39 266	-	2 502	41 768	40 632	1 136	97.3%	38 304	35 086	



Economic classification	Appropriation per economic classification										
	2019/20						2018/19				
	Adjusted Appropriation R'000	Shifting of Funds R'000	Virement R'000	Final Appropriation R'000	Actual Expenditure R'000	Variance R'000	Expenditure as % of final appropriation %	Final Appropriation R'000	Actual Expenditure R'000		
Training and development	34 107	-	(10 817)	23 290	21 934	1 356	94.2%	22 880	16 825		
Operating payments	4 577	-	(1 958)	2 619	2 497	122	95.3%	3 141	2 532		
Venues and facilities	5 848	-	(2 774)	3 074	3 073	1	100.0%	495	445		
Rental and hiring	2 455	-	(1 666)	789	641	148	81.2%	1 331	830		
Transfers and subsidies	2 329 801	33 315	94 672	2 457 788	2 450 291	7 497	99.7%	2 271 189	2 243 710		
Provinces and municipalities	46 769	-	-	46 769	46 718	51	99.9%	17 621	7 321		
Provinces	119	-	-	119	68	51	57.1%	121	121		
Provincial Revenue Funds	-	-	-	-	-	-	-	-	-		
Provincial agencies and funds	119	-	-	119	68	51	57.1%	121	121		
Municipalities	46 650	-	-	46 650	46 650	-	100.0%	17 500	7 200		
Municipal bank accounts	46 650	-	-	46 650	46 650	-	100.0%	10 200	7 200		
Municipal agencies and funds	-	-	-	-	-	-	-	7 300	-		
Departmental agencies and ac- counts	1 729 127	-	29 825	1 758 952	1 758 952	-	100.0%	1 515 254	1 515 248		
Departmental agencies	1 729 127	-	29 825	1 758 952	1 758 952	-	100.0%	1 515 254	1 515 248		
Higher education institutions	-	-	-	-	-	-	-	5 000	4 571		
Public corporations and private enterprises	298 932	33 315	14 443	346 690	343 489	3 201	99.1%	412 489	412 489		
Public corporations	295 256	(2 500)	12 245	305 001	305 001	-	100.0%	407 689	407 689		
Other transfers to public corpora- tions	295 256	(2 500)	12 245	305 001	305 001	-	100.0%	407 689	407 689		
Private enterprises	3 676	35 815	2 198	41 689	38 488	3 201	92.3%	4 800	4 800		
Other transfers to private enterpris- es	3 676	35 815	2 198	41 689	38 488	3 201	92.3%	4 800	4 800		
Non-profit institutions	247 935	-	49 900	297 835	297 835	-	100.0%	303 577	291 577		
Households	7 038	-	504	7 542	3 297	4 245	43.7%	17 248	12 504		
Social benefits	303	-	504	807	807	-	100.0%	4 542	4 542		
Other transfers to households	6 735	-	-	6 735	2 490	4 245	37.0%	12 706	7 962		
Payments for capital assets	22 273	2 313	326	24 912	23 408	1 504	94.0%	11 837	11 187		
Buildings and other fixed structures	7 114	2 313	(6 513)	2 914	2 914	-	100.0%	522	522		
Buildings	-	-	487	487	487	-	100.0%	-	-		
Other fixed structures	7 114	2 313	(7 000)	2 427	2 427	-	100.0%	522	522		
Machinery and equipment	13 429	-	8 569	21 998	20 494	1 504	93.2%	11 268	10 618		
Transport equipment	1 500	-	9 842	11 342	11 342	-	100.0%	1 885	1 885		
Other machinery and equipment	11 929	-	(1 273)	10 656	9 152	1 504	85.9%	9 383	8 733		



Economic classification	Appropriation per economic classification									
	2019/20					2018/19				
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure	
R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000	R'000	
Software and other intangible assets	1 730	-	(1 730)	-	-	-	-	47	47	
Payment for financial assets	-	-	1 707	1 707	1 707	-	100.0%	202	202	
Total	3 245 385	-	-	3 245 385	3 224 805	20 580	99.4%	3 018 588	2 910 929	

Sub Programme	Programme 1: Administration									
	2019/20					2018/19				
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure	
R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000	R'000	
1. Office Of The MEC	26 492	-	(1 343)	25 149	25 149	-	100.0%	31 300	31 294	
2. Office Of The HOD	25 210	-	(5 202)	20 008	20 008	-	100.0%	18 770	18 260	
3. Financial Management	36 428	-	(1 077)	35 351	35 351	-	100.0%	28 994	28 601	
4. Corporate Services	220 472	-	(7 023)	213 449	209 153	4 296	98.0%	173 621	173 621	
Total	308 602	-	(14 645)	293 957	289 661	4 296	98.5%	252 685	251 776	

Economic classification	Programme 1: Administration									
	2019/20					2018/19				
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure	
R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000	R'000	
Current payments	289 260	-	(17 473)	271 787	271 787	-	100.0%	241 553	241 160	
Compensation of employees	99 417	-	(4 388)	95 029	95 029	-	100.0%	90 511	90 118	
Salaries and wages	88 784	-	(4 447)	84 337	84 337	-	100.0%	79 786	79 393	
Social contributions	10 633	-	59	10 692	10 692	-	100.0%	10 725	10 725	
Goods and services	189 843	-	(13 085)	176 758	176 758	-	100.0%	151 042	151 042	
Administrative fees	784	-	2 950	3 734	3 734	-	100.0%	802	802	
Advertising	13 248	-	(2 307)	10 941	10 941	-	100.0%	2 789	2 789	
Minor assets	867	-	108	975	975	-	100.0%	181	181	
Audit costs: External	5 430	-	(604)	4 826	4 826	-	100.0%	3 551	3 551	
Bursaries: Employees	1 088	-	(906)	182	182	-	100.0%	505	505	
Catering: Departmental activities	390	-	(249)	141	141	-	100.0%	36	36	
Communication (G&S)	13 666	-	(3 666)	10 000	10 000	-	100.0%	11 702	11 702	
Computer services	29 476	-	(1 075)	28 401	28 401	-	100.0%	23 878	23 878	



Economic classification	Programme 1: Administration									
	2019/20					2018/19				
	Adjusted Appropriation R'000	Shifting of Funds R'000	Virement R'000	Final Appropriation R'000	Actual Expenditure R'000	Variance R'000	Expenditure as % of final appropriation %	Final Appropriation R'000	Actual Expenditure R'000	
Consultants: Business and advisory services	5 071	-	(4 519)	552	552	-	100.0%	944	944	
Legal services	4 250	-	(891)	3 359	3 359	-	100.0%	5 037	5 037	
Contractors	7 625	-	1 903	9 528	9 528	-	100.0%	3 765	3 765	
Agency and support / outsourced services	-	-	-	-	-	-	-	926	926	
Fleet services (including government motor transport)	4 509	-	447	4 956	4 956	-	100.0%	5 695	5 695	
Consumable supplies	1 796	-	(950)	846	846	-	100.0%	211	211	
Consumable: Stationery, printing and office supplies	2 726	-	399	3 125	3 125	-	100.0%	2 296	2 296	
Operating leases	45 705	-	(9 775)	35 930	35 930	-	100.0%	33 687	33 687	
Property payments	34 664	-	9 594	44 258	44 258	-	100.0%	43 246	43 246	
Transport provided: Departmental activity	66	-	(28)	38	38	-	100.0%	15	15	
Travel and subsistence	11 831	-	(136)	11 695	11 695	-	100.0%	9 280	9 280	
Training and development	2 949	-	(944)	2 005	2 005	-	100.0%	1 609	1 609	
Operating payments	2 342	-	(1 076)	1 266	1 266	-	100.0%	790	790	
Venues and facilities	1 300	-	(1 300)	-	-	-	-	-	-	
Rental and hiring	60	-	(60)	-	-	-	-	97	97	
Transfers and subsidies	5 162	-	241	5 403	1 107	4 296	20.5%	4 564	4 048	
Provinces and municipalities	119	-	-	119	68	51	57.1%	121	121	
Provinces	119	-	-	119	68	51	57.1%	121	121	
Provincial Revenue Funds	-	-	-	-	-	-	-	-	-	
Provincial agencies and funds	119	-	-	119	68	51	57.1%	121	121	
Departmental agencies and accounts	-	-	-	-	-	-	-	9	3	
Departmental agencies	-	-	-	-	-	-	-	9	3	
Households	5 043	-	241	5 284	1 039	4 245	19.7%	4 434	3 924	
Social benefits	43	-	294	337	337	-	100.0%	3 924	3 924	
Other transfers to households	5 000	-	(53)	4 947	702	4 245	14.2%	510	-	
Payments for capital assets	14 180	-	2 393	16 573	16 573	-	100.0%	6 443	6 443	
Buildings and other fixed structures	7 000	-	(7 000)	-	-	-	-	6	6	
Other fixed structures	7 000	-	(7 000)	-	-	-	-	6	6	
Machinery and equipment	5 950	-	10 623	16 573	16 573	-	100.0%	6 437	6 437	
Transport equipment	1 500	-	9 842	11 342	11 342	-	100.0%	1 885	1 885	
Other machinery and equipment	4 450	-	781	5 231	5 231	-	100.0%	4 552	4 552	



Economic classification	Programme 1: Administration										
	2019/20					2018/19					
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure		
R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000	R'000		
Software and other intangible assets	1 230	-	(1 230)	-	-	-	-	-	-	-	
Payment for financial assets	-	-	194	194	194	-	100.0%	125	125	125	
Total	308 602	-	(14 645)	293 957	289 661	4 296	98.5%	252 685	251 776	251 776	

Sub Programme	Programme 2: Integrated Economic Development Services										
	2019/20					2018/19					
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure		
R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000	R'000		
• Enterprise Development	288 358	-	51 745	340 103	339 801	302	99.9%	481 490	468 902	468 902	
• Regional And Local Economic Development	23 305	-	(500)	22 805	22 484	321	98.6%	35 816	34 626	34 626	
• Economic Empowerment	47 780	-	(25 600)	22 180	21 294	886	96.0%	39 058	32 212	32 212	
Total	359 443	-	25 645	385 088	383 579	1 509	99.6%	556 364	535 740	535 740	

Economic classification	Programme 2: Integrated Economic Development Services										
	2019/20					2018/19					
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure		
R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000	R'000		
Current payments	145 610	-	(37 186)	108 424	107 128	1 296	98.8%	144 127	123 503	123 503	
Compensation of employees	68 475	-	(585)	67 890	67 313	577	99.2%	69 994	67 505	67 505	
Salaries and wages	61 270	-	(585)	60 685	60 227	458	99.2%	61 648	60 574	60 574	
Social contributions	7 205	-	-	7 205	7 086	119	98.3%	8 346	6 931	6 931	
Goods and services	77 135	-	(36 601)	40 534	39 815	719	98.2%	74 133	55 998	55 998	
Administrative fees	158	-	(38)	120	120	-	100.0%	151	114	114	
Advertising	897	-	(568)	329	329	-	100.0%	381	201	201	
Minor assets	298	-	(116)	182	182	-	100.0%	73	34	34	
Catering: Departmental activities	598	-	(18)	580	175	405	30.2%	1 561	440	440	
Computer services	-	-	-	-	-	-	-	93	93	93	
Consultants: Business and advisory services	12 211	14 991	(22 432)	4 770	4 770	-	100.0%	26 731	20 732	20 732	
Contractors	18 676	(14 991)	1 703	5 388	5 388	-	100.0%	12 608	10 663	10 663	



Programme 2: Integrated Economic Development Services										
Economic classification	2019/20					2018/19				
	Adjusted Appropriation R'000	Shifting of Funds R'000	Virement R'000	Final Appropriation R'000	Actual Expenditure R'000	Variance R'000	Expenditure as % of final appropriation %	Final Appropriation R'000	Actual Expenditure R'000	
Agency and support / outsourced services	20	-	(18)	2	-	2	-	-	-	
Inventory: Clothing material and accessories	472	-	-	472	472	-	100.0%	90	90	
Inventory: Farming supplies	204	-	(35)	169	169	-	100.0%	2 535	592	
Inventory: Materials and supplies	430	-	56	486	486	-	100.0%	-	-	
Inventory: Other supplies	2 532	-	168	2 700	2 700	-	100.0%	258	258	
Consumable supplies	3 306	-	(2 967)	339	339	-	100.0%	1 286	1 286	
Consumable: Stationery, printing and office supplies	67	-	-	67	67	-	100.0%	123	123	
Transport provided: Departmental activity	-	-	110	110	110	-	100.0%	311	311	
Travel and subsistence	5 653	-	(1 003)	4 650	4 650	-	100.0%	6 271	5 381	
Training and development	27 960	-	(9 052)	18 908	18 744	164	99.1%	20 596	14 896	
Operating payments	356	-	(346)	10	10	-	100.0%	60	60	
Venues and facilities	2 522	-	(1 530)	992	992	-	100.0%	143	143	
Rental and hiring	775	-	(515)	260	112	148	43.1%	862	581	
Transfers and subsidies	212 950	-	61 428	274 378	274 378	-	100.0%	411 131	411 131	
Provinces and municipalities	2 100	-	-	2 100	2 100	-	100.0%	-	-	
Municipalities	2 100	-	-	2 100	2 100	-	100.0%	-	-	
Municipal bank accounts	2 100	-	-	2 100	2 100	-	100.0%	-	-	
Departmental agencies and accounts	-	-	-	-	-	-	-	1 500	1 500	
Departmental agencies	-	-	-	-	-	-	-	1 500	1 500	
Public corporations and private enterprises	152 472	-	14 443	166 915	166 915	-	100.0%	275 659	275 659	
Public corporations	152 472	-	12 245	164 717	164 717	-	100.0%	275 659	275 659	
Subsidies on products and production (pc)	-	-	-	-	-	-	-	-	-	
Other transfers to public corporations	152 472	-	12 245	164 717	164 717	-	100.0%	275 659	275 659	
Private enterprises	-	-	2 198	2 198	2 198	-	100.0%	-	-	
Subsidies on products and production (pe)	-	-	-	-	-	-	-	-	-	
Other transfers to private enterprises	-	-	2 198	2 198	2 198	-	100.0%	-	-	
Non-profit institutions	57 200	-	46 900	104 100	104 100	-	100.0%	126 900	126 900	
Households	1 178	-	85	1 263	1 263	-	100.0%	7 072	7 072	



Programme 2: Integrated Economic Development Services										
Economic classification	2019/20						2018/19			
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure	
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000	
Social benefits	213	-	85	298	298	-	100.0%	26	26	
Other transfers to households	965	-	-	965	965	-	100.0%	7 046	7 046	
Payments for capital assets	883	-	-	883	670	213	75.9%	1 096	1 096	
Buildings and other fixed structures	-	-	-	-	-	-	-	76	76	
Other fixed structures	-	-	-	-	-	-	-	76	76	
Machinery and equipment	883	-	-	883	670	213	75.9%	973	973	
Transport equipment	-	-	-	-	-	-	-	-	-	
Other machinery and equipment	883	-	-	883	670	213	75.9%	973	973	
Software and other intangible assets	-	-	-	-	-	-	-	47	47	
Payment for financial assets	-	-	1 403	1 403	1 403	-	100.0%	10	10	
Total	359 443	-	25 645	385 088	383 579	1 509	99.6%	556 364	535 740	

Programme 3: Trade And Sector Development										
Sub programme	2019/20						2018/19			
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure	
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000	
• Trade and Investment Pro-motion	591 137	-	(4 000)	587 137	583 895	3 242	99.4%	450 545	444 517	
• Sector Development	265 353	-	(10 947)	254 406	253 913	493	99.8%	216 181	187 629	
31. Strategic Initiatives (Industry Development)	140 284	-	-	140 284	140 284	-	100.0%	129 530	129 530	
Total	996 774	-	(14 947)	981 827	978 092	3 735	99.6%	796 256	761 676	

Programme 3: Trade and Sector Development										
Economic classification	2019/20						2018/19			
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure	
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000	
Current payments	53 623	(2 313)	(18 533)	32 777	29 042	3 735	88.6%	35 425	20 079	
Compensation of employees	14 872	-	212	15 084	15 084	-	100.0%	12 300	12 300	
Salaries and wages	13 337	-	217	13 554	13 554	-	100.0%	11 037	11 037	
Social contributions	1 535	-	(5)	1 530	1 530	-	100.0%	1 263	1 263	
Goods and services	38 751	(2 313)	(18 745)	17 693	13 958	3 735	78.9%	23 125	7 779	



Economic classification	Programme 3: Trade and Sector Development									
	2019/20					2018/19				
	Adjusted Appropriation R'000	Shifting of Funds R'000	Virement R'000	Final Appropriation R'000	Actual Expenditure R'000	Variance R'000	Expenditure as % of final appropriation R'000	Final Appropriation R'000	Actual Expenditure R'000	
Administrative fees	76	-	147	223	193	30	86.5%	98	96	
Advertising	100	-	179	279	279	-	100.0%	496	105	
Minor assets	46	-	(30)	16	16	-	100.0%	59	26	
Catering: Departmental activities	65	-	(30)	35	9	26	25.7%	62	29	
Consultants: Business and advisory services	34 392	(2 313)	(21 531)	10 548	7 473	3 075	70.8%	17 509	3 855	
Contractors	19	-	809	828	828	-	100.0%	205	67	
Inventory: Clothing material and accessories	-	-	308	308	308	-	100.0%	-	-	
Inventory: Farming supplies	-	-	371	371	371	-	100.0%	149	149	
Inventory: Other supplies	442	-	-	442	442	-	100.0%	-	-	
Consumable supplies	7	-	(5)	2	-	2	-	6	6	
Travel and subsistence	2 319	-	1 110	3 429	2 877	552	83.9%	3 650	3 101	
Training and development	-	-	22	22	22	-	100.0%	296	-	
Operating payments	151	-	(95)	56	6	50	10.7%	200	-	
Venues and facilities	1 134	-	-	1 134	1 134	-	100.0%	321	271	
Rental and hiring	-	-	-	-	-	-	-	74	74	
Transfers and subsidies	942 969	-	3 053	946 022	946 022	-	100.0%	760 037	740 803	
Provinces and municipalities	34 750	-	-	34 750	34 750	-	100.0%	8 000	5 000	
Municipalities	34 750	-	-	34 750	34 750	-	100.0%	8 000	5 000	
Municipal bank accounts	34 750	-	-	34 750	34 750	-	100.0%	8 000	5 000	
Departmental agencies and accounts	580 589	-	-	580 589	580 589	-	100.0%	442 630	442 630	
Departmental agencies	580 589	-	-	580 589	580 589	-	100.0%	442 630	442 630	
Public corporations and private enterprises	143 784	-	-	143 784	143 784	-	100.0%	134 330	134 330	
Public corporations	140 284	-	-	140 284	140 284	-	100.0%	129 530	129 530	
Other transfers to public corporations	140 284	-	-	140 284	140 284	-	100.0%	129 530	129 530	
Private enterprises	3 500	-	-	3 500	3 500	-	100.0%	4 800	4 800	
Other transfers to private enterprises	3 500	-	-	3 500	3 500	-	100.0%	4 800	4 800	
Non-profit institutions	183 076	-	3 000	186 076	186 076	-	100.0%	169 898	157 898	
Households	770	-	53	823	823	-	100.0%	5 179	945	
Social benefits	-	-	-	-	-	-	-	29	29	
Other transfers to households	770	-	53	823	823	-	100.0%	5 150	916	
Payments for capital assets	182	2 313	533	3 028	3 028	-	100.0%	772	772	



Programme 3: Trade and Sector Development									
Economic classification	2019/20					2018/19			
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000
Buildings and other fixed structures	114	2 313	487	2 914	2 914	-	100.0%	378	378
Buildings	-	-	487	487	487	-	100.0%	-	-
Other fixed structures	114	2 313	-	2 427	2 427	-	100.0%	378	378
Machinery and equipment	68	-	46	114	114	-	100.0%	394	394
Transport equipment	-	-	-	-	-	-	-	-	-
Other machinery and equipment	68	-	46	114	114	-	100.0%	394	394
Payment for financial assets	-	-	-	-	-	-	-	22	22
Total	996 774	-	(14 947)	981 827	978 092	3 735	99.6%	796 256	761 676

Programme 4: Business Regulation And Governance									
Sub programme	2019/20					2018/19			
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
5 Regulation Services	7 399	-	52	7 451	7 451	-	100.0%	7 622	6 387
(aa) Consumer Protection	33 724	-	1 226	34 950	34 950	-	100.0%	29 052	28 119
• Liquor Regulation	84 680	-	-	84 680	84 680	-	100.0%	80 189	80 189
• Gaming And Betting	47 646	-	1 140	48 786	48 786	-	100.0%	-	-
Total	173 449	-	2 418	175 867	175 867	-	100.0%	116 863	114 695

Programme 4: Business Regulation And Governance									
Economic classification	2019/20					2018/19			
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Current payments	43 318	-	2 520	45 838	45 838	-	100.0%	36 055	34 222
Compensation of employees	29 443	-	(930)	28 513	28 513	-	100.0%	24 127	23 262
Salaries and wages	25 652	-	(705)	24 947	24 947	-	100.0%	20 969	20 390
Social contributions	3 791	-	(225)	3 566	3 566	-	100.0%	3 158	2 872
Goods and services	13 875	-	3 450	17 325	17 325	-	100.0%	11 928	10 960
Administrative fees	128	-	36	164	164	-	100.0%	188	175
Advertising	851	-	260	1 111	1 111	-	100.0%	1 075	774
Minor assets	155	-	(33)	122	122	-	100.0%	17	17
Catering: Departmental activities	580	-	(495)	85	85	-	100.0%	619	619



Economic classification	Programme 4: Business Regulation And Governance									
	2019/20					2018/19				
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure	
R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000		
Consultants: Business and advisory services	4 193	-	(823)	3 370	3 370	-	100.0%	2 342	2 342	
Legal services	139	-	16	155	155	-	100.0%	-	-	
Contractors	3 052	-	3 774	6 826	6 826	-	100.0%	3 328	3 328	
Consumable supplies	50	-	(33)	17	17	-	100.0%	18	13	
Consumable: Stationery, printing and office supplies	20	-	3	23	23	-	100.0%	-	-	
Transport provided: Departmental activity	200	-	(200)	-	-	-	-	-	-	
Travel and subsistence	2 882	-	1 008	3 890	3 890	-	100.0%	4 065	3 586	
Training and development	500	-	(500)	-	-	-	-	-	-	
Operating payments	329	-	23	352	352	-	100.0%	78	28	
Venues and facilities	425	-	256	681	681	-	100.0%	-	-	
Rental and hiring	371	-	158	529	529	-	100.0%	198	78	
Transfers and subsidies	129 465	-	-	129 465	129 465	-	100.0%	80 207	80 207	
Departmental agencies and accounts	129 451	-	-	129 451	129 451	-	100.0%	80 189	80 189	
Departmental agencies	129 451	-	-	129 451	129 451	-	100.0%	80 189	80 189	
Households	14	-	-	14	14	-	100.0%	18	18	
Social benefits	14	-	-	14	14	-	100.0%	18	18	
Payments for capital assets	666	-	(102)	564	564	-	100.0%	585	250	
Machinery and equipment	666	-	(102)	564	564	-	100.0%	585	250	
Transport equipment	-	-	-	-	-	-	-	-	-	
Other machinery and equipment	666	-	(102)	564	564	-	100.0%	585	250	
Payment for financial assets	-	-	-	-	-	-	-	16	16	
Total	173 449	-	2 418	175 867	175 867	-	100.0%	116 863	114 695	

Sub Programme	Programme 5: Economic Planning									
	2019/20					2018/19				
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure	
R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000		
9. Policy And Planning	5 933	-	(18)	5 915	5 531	384	93.5%	6 239	5 985	
• Research And Development	8 379	-	-	8 379	6 705	1 674	80.0%	14 902	14 420	
• Knowledge Management	3 396	-	18	3 414	3 414	-	100.0%	3 570	3 070	
• Monitoring And Evaluation	1 980	-	-	1 980	1 605	375	81.1%	7 503	5 140	
Total	19 688	-	-	19 688	17 255	2 433	87.6%	32 214	28 615	



Programme 5: Economic Planning

Economic classification	2019/20						2018/19		
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000
Current payments	17 073	2 500	(13)	19 560	17 130	2 430	87.6%	23 339	20 219
Compensation of employees	11 982	-	69	12 051	11 590	461	96.2%	15 415	13 059
Salaries and wages	10 656	-	58	10 714	10 299	415	96.1%	13 439	11 640
Social contributions	1 326	-	11	1 337	1 291	46	96.6%	1 976	1 419
Goods and services	5 091	2 500	(82)	7 509	5 540	1 969	73.8%	7 924	7 160
Administrative fees	39	-	155	194	194	-	100.0%	174	173
Advertising	155	-	(29)	126	104	22	82.5%	222	205
Minor assets	105	-	(38)	67	67	-	100.0%	60	55
Catering: Departmental activities	-	-	-	-	-	-	-	10	2
Computer services	-	-	-	-	-	-	-	22	22
Consultants: Business and advisory services	250	2 500	-	2 750	2 500	250	90.9%	4 386	4 116
Scientific and technological services	1 815	-	(144)	1 671	-	1 671	-	-	-
Agency and support / outsourced services	-	-	-	-	-	-	-	5	-
Consumable supplies	21	-	(21)	-	-	-	-	41	38
Consumable: Stationery, printing and office supplies	205	-	(104)	101	101	-	100.0%	222	105
Travel and subsistence	1 610	-	202	1 812	1 812	-	100.0%	1 712	1 467
Training and development	-	-	52	52	52	-	100.0%	79	20
Operating payments	891	-	(155)	736	710	26	96.5%	991	957
Transfers and subsidies	2 500	(2 500)	7	7	7	-	100.0%	8 809	8 380
Provinces and municipalities	-	-	-	-	-	-	-	1 200	1 200
Municipalities	-	-	-	-	-	-	-	1 200	1 200
Municipal bank accounts	-	-	-	-	-	-	-	1 200	1 200
Higher education institutions	-	-	-	-	-	-	-	5 000	4 571
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	2 500	(2 500)	-	-	-	-	-	2 500	2 500
Public corporations	2 500	(2 500)	-	-	-	-	-	2 500	2 500
Other transfers to public corporations	2 500	(2 500)	-	-	-	-	-	2 500	2 500
Households	-	-	7	7	7	-	100.0%	109	109
Social benefits	-	-	7	7	7	-	100.0%	109	109
Other transfers to households	-	-	-	-	-	-	-	-	-

Economic classification	Programme 5: Economic Planning									
	2019/20					2018/19				
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure	
R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000	
Payments for capital assets	115	-	-	115	112	3	97.4%	66	16	
Machinery and equipment	115	-	-	115	112	3	97.4%	66	16	
Transport equipment	-	-	-	-	-	-	-	-	-	
Other machinery and equipment	115	-	-	115	112	3	97.4%	66	16	
Payment for financial assets	-	-	6	6	6	-	100.0%	-	-	
Total	19 688	-	-	19 688	17 255	2 433	87.6%	32 214	28 615	

Sub Programme	Programme 6: Tourism									
	2019/20					2018/19				
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure	
R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000		
• Tourism Planning	6 900	-	(700)	6 200	5 889	311	95.0%	7 804	4 362	
• Tourism Growth And Development	310 789	-	28 624	339 413	335 435	3 978	98.8%	238 673	233 037	
• Tourism Sector Transformation	10 112	-	(1 700)	8 412	8 397	15	99.8%	10 701	7 386	
Total	327 801	-	26 224	354 025	349 721	4 304	98.8%	257 178	244 785	

Economic classification	Programme 6: Tourism									
	2019/20					2018/19				
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure	
R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000		
Current payments	67 909	(35 815)	(3 629)	28 465	27 642	823	97.1%	27 446	21 353	
Compensation of employees	17 046	-	(9)	17 037	16 750	287	98.3%	19 323	14 696	
Salaries and wages	15 424	-	(35)	15 389	15 145	244	98.4%	16 844	13 270	
Social contributions	1 622	-	26	1 648	1 605	43	97.4%	2 479	1 426	
Goods and services	50 863	(35 815)	(3 620)	11 428	10 892	536	95.3%	8 123	6 657	
Administrative fees	76	-	76	152	152	-	100.0%	139	139	
Advertising	268	-	54	322	279	43	86.6%	218	145	
Minor assets	-	-	18	18	18	-	100.0%	-	-	
Catering: Departmental activities	482	-	(413)	69	49	20	71.0%	539	40	
Consultants: Business and advisory services	1 450	-	(1 415)	35	-	35	-	750	600	



Economic classification	Programme 6: Tourism									
	2019/20					2018/19				
	Adjusted Appropriation R'000	Shifting of Funds R'000	Virement R'000	Final Appropriation R'000	Actual Expenditure R'000	Variance R'000	Expenditure as % of final appropriation R'000	Final Appropriation R'000	Actual Expenditure R'000	
Contractors	42 951	(35 815)	134	7 270	7 270	-	100.0%	3 189	3 189	
Agency and support / outsourced services	300	-	(300)	-	-	-	-	-	-	
Inventory: Clothing material and accessories	70	-	(70)	-	-	-	-	-	-	
Inventory: Materials and supplies	-	-	-	-	-	-	-	40	-	
Consumable supplies	-	-	6	6	6	-	100.0%	-	-	
Consumable: Stationery, printing and office supplies	35	-	-	35	35	-	100.0%	174	34	
Transport provided: Departmental activity	560	-	(131)	429	349	80	81.4%	110	110	
Travel and subsistence	3 164	-	(285)	2 879	2 536	343	88.1%	2 564	2 100	
Training and development	198	-	-	198	198	-	100.0%	300	300	
Operating payments	60	-	(45)	15	-	15	-	-	-	
Rental and hiring	1 249	-	(1 249)	-	-	-	-	100	-	
Transfers and subsidies	259 449	35 815	29 837	325 101	321 901	3 200	99.0%	229 732	223 432	
Provinces and municipalities	9 800	-	-	9 800	9 800	-	100.0%	6 300	-	
Municipalities	9 800	-	-	9 800	9 800	-	100.0%	6 300	-	
Municipal bank accounts	9 800	-	-	9 800	9 800	-	100.0%	-	-	
Municipal agencies and funds	-	-	-	-	-	-	-	6 300	-	
Departmental agencies and accounts	249 649	-	29 825	279 474	279 474	-	100.0%	223 414	223 414	
Social security funds	-	-	-	-	-	-	-	-	-	
Departmental agencies	249 649	-	29 825	279 474	279 474	-	100.0%	223 414	223 414	
Public corporations and private enterprises	-	35 815	-	35 815	32 615	3 200	91.1%	-	-	
Private enterprises	-	35 815	-	35 815	32 615	3 200	91.1%	-	-	
Other transfers to private enterprises	-	35 815	-	35 815	32 615	3 200	91.1%	-	-	
Households	-	-	12	12	12	-	100.0%	18	18	
Social benefits	-	-	12	12	12	-	100.0%	18	18	
Payments for capital assets	443	-	-	443	162	281	36.6%	-	-	
Machinery and equipment	443	-	-	443	162	281	36.6%	-	-	
Transport equipment	-	-	-	-	-	-	-	-	-	
Other machinery and equipment	443	-	-	443	162	281	36.6%	-	-	
Payment for financial assets	-	-	16	16	16	-	100.0%	-	-	
Total	327 801	-	26 224	354 025	349 721	4 304	98.8%	257 178	244 785	



Sub Programme	Programme 7: Environmental Affairs									
	2019/20					2018/19				
	Adjusted Appropriation R'000	Shifting of Funds R'000	Virement R'000	Final Appropriation R'000	Actual Expenditure R'000	Variance R'000	Expenditure as % of final appropriation %	Final Appropriation R'000	Actual Expenditure R'000	
• Environmental Policy Planning And Co-Ordination	14 724	-	(2 000)	12 724	11 661	1 063	91.6%	10 805	6 280	
• Compliance And Enforcement	28 077	-	-	28 077	27 708	369	98.7%	31 646	29 046	
• Environmental Quality Management	45 684	-	(2 322)	43 362	42 298	1 064	97.5%	45 628	41 355	
• Biodiversity Management	927 551	-	(18 000)	909 551	908 158	1 393	99.8%	883 103	862 628	
• Environmental Empowerment Services	39 577	-	(2 373)	37 204	36 940	264	99.3%	31 968	31 181	
• Environmental Services Administrative Support	4 015	-	-	4 015	3 865	150	96.3%	3 878	3 152	
Total	1 059 628	-	(24 695)	1 034 933	1 030 630	4 303	99.6%	1 007 028	973 642	

Economic classification	Programme 7: Environmental Affairs									
	2019/20					2018/19				
	Adjusted Appropriation R'000	Shifting of Funds R'000	Virement R'000	Final Appropriation R'000	Actual Expenditure R'000	Variance R'000	Expenditure as % of final appropriation %	Final Appropriation R'000	Actual Expenditure R'000	
Current payments	276 518	-	(22 391)	254 127	250 832	3 295	98.7%	227 415	195 294	
Compensation of employees	125 058	-	(449)	124 609	123 346	1 263	99.0%	118 580	113 794	
Salaries and wages	107 282	-	(272)	107 010	105 794	1 216	98.9%	100 449	98 092	
Social contributions	17 776	-	(177)	17 599	17 552	47	99.7%	18 131	15 702	
Goods and services	151 460	-	(21 942)	129 518	127 486	2 032	98.4%	108 835	81 500	
Administrative fees	528	-	67	595	587	8	98.7%	497	475	
Advertising	247	-	(65)	182	133	49	73.1%	115	15	
Minor assets	377	-	(53)	324	291	33	89.8%	673	183	
Catering: Departmental activities	229	-	(142)	87	87	-	100.0%	128	98	
Computer services	706	-	(500)	206	206	-	100.0%	-	-	
Consultants: Business and advisory services	13 786	-	(13 697)	89	62	27	69.7%	4 728	208	
Laboratory services	-	-	-	-	-	-	-	11	-	
Contractors	6 024	-	(1 919)	4 105	4 105	-	100.0%	1 793	1 437	
Agency and support / outsourced services	88 569	-	(5 439)	83 130	83 130	-	100.0%	63 320	55 865	
Inventory: Clothing material and accessories	12 537	-	(902)	11 635	11 185	450	96.1%	11 588	628	
Inventory: Farming supplies	11 223	-	(86)	11 137	11 137	-	100.0%	12 986	11 282	



Economic classification	Programme 7: Environmental Affairs									
	2019/20					2018/19				
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure	
R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000		
Inventory: Other supplies	94	-	(94)	-	-	-	-	48	-	
Consumable supplies	1 642	-	292	1 934	1 934	-	100.0%	656	368	
Consumable: Stationery, printing and office supplies	176	-	(51)	125	125	-	100.0%	81	-	
Property payments	-	-	-	-	-	-	-	15	15	
Transport provided: Departmental activity	100	-	(100)	-	-	-	-	381	27	
Travel and subsistence	11 807	-	1 606	13 413	13 172	241	98.2%	10 762	10 171	
Training and development	2 500	-	(395)	2 105	913	1 192	43.4%	-	-	
Operating payments	448	-	(264)	184	153	31	83.2%	1 022	697	
Venues and facilities	467	-	(200)	267	266	1	99.6%	31	31	
Transfers and subsidies	777 306	-	106	777 412	777 411	1	100.0%	776 709	775 709	
Provinces and municipalities	-	-	-	-	-	-	-	2 000	1 000	
Municipalities	-	-	-	-	-	-	-	2 000	1 000	
Municipal bank accounts	-	-	-	-	-	-	-	1 000	1 000	
Municipal agencies and funds	-	-	-	-	-	-	-	1 000	-	
Departmental agencies and accounts	769 438	-	-	769 438	769 438	-	100.0%	767 512	767 512	
Social security funds	-	-	-	-	-	-	-	-	-	
Departmental agencies	769 438	-	-	769 438	769 438	-	100.0%	767 512	767 512	
Public corporations and private enterprises	176	-	-	176	175	1	99.4%	-	-	
Private enterprises	176	-	-	176	175	1	99.4%	-	-	
Other transfers to private enterprises	176	-	-	176	175	1	99.4%	-	-	
Non-profit institutions	7 659	-	-	7 659	7 659	-	100.0%	6 779	6 779	
Households	33	-	106	139	139	-	100.0%	418	418	
Social benefits	33	-	106	139	139	-	100.0%	418	418	
Other transfers to households	-	-	-	-	-	-	-	-	-	
Payments for capital assets	5 804	-	(2 498)	3 306	2 299	1 007	69.5%	2 875	2 610	
Buildings and other fixed structures	-	-	-	-	-	-	-	62	62	
Other fixed structures	-	-	-	-	-	-	-	62	62	
Machinery and equipment	5 304	-	(1 998)	3 306	2 299	1 007	69.5%	2 813	2 548	
Transport equipment	-	-	-	-	-	-	-	-	-	
Other machinery and equipment	5 304	-	(1 998)	3 306	2 299	1 007	69.5%	2 813	2 548	
Software and other intangible assets	500	-	(500)	-	-	-	-	-	-	
Payment for financial assets	-	-	88	88	88	-	100.0%	29	29	
Total	1 059 628	-	(24 695)	1 034 933	1 030 630	4 303	99.6%	1 007 028	973 642	



DEPARTMENT OF ECONOMIC DEVELOPMENT, TOURISM AND ENVIRONMENTAL AFFAIRS - VOTE 4

NOTES TO THE APPROPRIATION STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

1 Detail of transfers and subsidies as per Appropriation Act (after Virement):

Detail of these transactions can be viewed in the note on Transfers and subsidies and Annexure 1 (A-E) to the Annual Financial Statements.

2 Detail of specifically and exclusively appropriated amounts voted (after Virement):

Detail of these transactions can be viewed in note 1 (Annual Appropriation) to the Annual Financial Statements.

3 Detail on payments for financial assets

Detail of these transactions per programme can be viewed in the note to Payments for financial assets to the Annual Financial Statements.

4 Explanations of material variances from Amounts Voted (after Virement):

Per programme	Final Appropriation	Actual Expenditure	Variance	Variance as a % of Final Appropriation
	R'000	R'000	R'000	%
P1: ADMINISTRATION	293 957	289 661	4 296	1.5%

The under spending is mainly due to Bursaries to non-employees for students studying toward qualifications in economic studies disciplines.

Per programme	Final Appropriation	Actual Expenditure	Variance	Variance as a % of Final Appropriation
	R'000	R'000	R'000	%
P2: INTEGRATED ECONOMIC DEVELOPMENT SERVICES	385 088	383 579	1 509	0.4%

The under-spending is mainly due to Compensation of employees due to staff exit and implementation of financial controls.

Per programme	Final Appropriation	Actual Expenditure	Variance	Variance as a % of Final Appropriation
	R'000	R'000	R'000	%
P3: TRADE AND SECTOR DEVELOPMENT	981 827	978 092	3 735	0.4%

The under-spending was largely due to roadshows in respect of the competitive enhancement and the KZN Economic Council that were postponed due to delays in contracting. Also contributing to under-spending was the Fish Processing Facility in respect of Aquaculture development project.

Per programme	Final Appropriation	Actual Expenditure	Variance	Variance as a % of Final Appropriation
	R'000	R'000	R'000	%
P4: BUSINESS REGULATION AND GOVERNANCE	175 867	175 867	0	0.0%



Per programme	Final Appropriation	Actual Expenditure	Variance	Variance as a % of Final Appropriation
	R'000	R'000	R'000	%
P5: ECONOMIC PLANNING	19 688	17 255	2 433	12.4%

The under-spending was mainly due to Innovation and research project and Compensation of employees due to AD and DD Monitoring & Evaluation resignations.

Per programme	Final Appropriation	Actual Expenditure	Variance	Variance as a % of Final Appropriation
	R'000	R'000	R'000	%
P6: TOURISM	354 025	349 721	4 304	1.2%

The under-spending was mainly due to non-transfer of funds against Transfers and subsidies to: Public corporations and private enterprises in respect of uMgungundlovu Jazz Festival that was cancelled, and the International Radio Festival postponed to 2020/21.

Per programme	Final Appropriation	Actual Expenditure	Variance	Variance as a % of Final Appropriation
	R'000	R'000	R'000	%
P7: ENVIRONMENTAL AFFAIRS	1 034 933	1 030 630	4 303	0.4%

The under-spending is mainly due to Compensation as a result of the late filing of vacant posts, the implementation of financial controls as well as the delays in procurement of ambient air equipment.

Per economic classification	Final Appropriation	Actual Expenditure	Variance	Variance as a % of Final Appropriation
	R'000	R'000	R'000	%
Current expenditure				
Compensation of employees	360 213	357 625	2 588	0.7%
Goods and services	400 765	391 774	8 991	2.2%
Transfers and subsidies				
Provinces and municipalities	46 769	46 718	51	0.1%
Departmental agencies and accounts	1 758 952	1 758 952	0	0.0%
Higher education institutions				
Public corporations and private enterprises	346 690	343 489	3 201	0.9%
Non-profit institutions	297 835	297 835	0	0.0%
Households	7 542	3 297	4 245	56.3%
Payments for capital assets				
Buildings and other fixed structures	2 914	2 914	0	0.0%
Machinery and equipment	21 998	20 494	1 504	6.8%
Software and other intangible assets	0	0	0	0
Payments for financial assets	1 707	1 707	0	0.0%

Compensation of employees: The under-spending was due to delays in the filing of vacant posts due to staff that resigned.

Goods and services: The under-spending was largely due to roadshows in respect of the competitive enhancement and the KZN Economic Council that were postponed due to delays in contracting. Also contributing to under-spending was the Fish Processing Facility in respect of Aquaculture development project as well as is innovation Technology project and implementation of good financial controls.



Transfers and subsidies

Provinces and municipalities: This under-spending relates to lower than anticipated cost for motor vehicle licenses.

Public corporations and private enterprises: The under-spending was mainly due to non-transfer of funds against Transfers and subsidies to: Public corporations and private enterprises in respect of uMgungundlovu Jazz Festival that was cancelled and the International Radio Festival that was postponed to 2020/21.

Households: The under-spending is mainly due to Bursaries to non-employees for students studying toward qualifications in economic studies disciplines.

Payments for Capital assets: The under spending was due to delays in procurement of ambient air equipment.

Per conditional grant	Final Appropriation	Actual Expenditure	Variance	Variance as a % of Final Appropriation
	R'000	R'000	R'000	%
<i>Only show the conditional grants applicable to the department</i>				
EPWP	5529	5530	(1)	0.0%

DEPARTMENT OF ECONOMIC DEVELOPMENT, TOURISM AND ENVIRONMENTAL AFFAIRS - VOTE 4

STATEMENT OF FINANCIAL PERFORMANCE FOR THE YEAR ENDED 31 MARCH 2020

	Note	2019/20 R'000	2018/19 R'000
REVENUE			
Annual appropriation	1	3 245 385	3 018 588
Departmental revenue	2	49 595	3 566
TOTAL REVENUE		3 294 980	3 022 154
EXPENDITURE			
Current expenditure			
Compensation of employees	3	357 625	334 734
Goods and services	4	391 774	321 096
Total current expenditure		749 399	655 830
Transfers and subsidies			
Transfers and subsidies	6	2 450 291	2 243 710
Total transfers and subsidies		2 450 291	2 243 710
Expenditure for capital assets			
Tangible assets	7	23 408	11 140
Intangible assets	7	-	47
Total expenditure for capital assets		23 408	11 187
Payments for financial assets	5	1 707	202
TOTAL EXPENDITURE		3 224 805	2 910 929
SURPLUS/(DEFICIT) FOR THE YEAR		70 175	111 225
Reconciliation of Net Surplus/(Deficit) for the year			
Voted Funds		20 580	107 659
Annual appropriation		20 580	107 659
Departmental revenue and NRF Receipts	14	49 595	3 566
SURPLUS/(DEFICIT) FOR THE YEAR		70 175	111 225

DEPARTMENT OF ECONOMIC DEVELOPMENT, TOURISM AND ENVIRONMENTAL AFFAIRS - VOTE 4

STATEMENT OF FINANCIAL POSITION AS AT 31 MARCH 2020

	Note	2019/20 R'000	2018/19 R'000
ASSETS			
Current Assets			
		98 608	79 458
Unauthorised expenditure	8	-	8 094
Cash and cash equivalents	9	75 442	65 396
Prepayments and advances	10	5 615	5 615
Receivables	11	17 551	353
Non-Current Assets			
		1 039 393	1 040 558
Investments	12	1 008 607	1 008 607
Receivables	11	30 786	31 951
TOTAL ASSETS		1 138 001	1 120 016
LIABILITIES			
Current Liabilities			
		125 803	107 801
Voted funds to be surrendered to the Revenue Fund	13	20 580	107 659
Departmental revenue and NRF Receipts to be surrendered to the Revenue Fund	14	46 717	63
Bank overdraft		-	-
Payables	15	58 506	79
Non-Current Liabilities			
TOTAL LIABILITIES		125 803	107 801
NET ASSETS		1 012 198	1 012 215
Represented by:			
Capitalisation reserve		1 008 607	1 008 607
Recoverable revenue		3 591	3 608
TOTAL		1 012 198	1 012 215



DEPARTMENT OF ECONOMIC DEVELOPMENT, TOURISM AND ENVIRONMENTAL AFFAIRS - VOTE 4

STATEMENT OF CHANGES IN NET ASSETS FOR THE YEAR ENDED 31 MARCH 2020

Note	2019/20 R'000	2018/19 R'000
NET ASSETS		
Capitalisation Reserves		
Opening balance	1 008 607	1 008 607
Closing balance	1 008 607	1 008 607
Recoverable revenue		
Opening balance	3 608	3 278
Transfers	(17)	330
Irrecoverable amounts written off	(365)	-
Debts recovered (included in departmental receipts)	(19)	(157)
Debts raised	367	487
Closing balance	3 591	3 608
TOTAL	1 012 198	1 012 215

DEPARTMENT OF ECONOMIC DEVELOPMENT, TOURISM AND ENVIRONMENTAL AFFAIRS - VOTE 4

CASH FLOW STATEMENT FOR THE YEAR ENDED 31 MARCH 2020

	Note	2019/20 R'000	2018/19 R'000
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts		3 294 980	3 020 625
Annual appropriated funds received	1.1	3 245 385	3 018 588
Departmental revenue received	2	49 230	2 018
Interest received	2.3	365	19
Net (increase)/ decrease in working capital		49 323	2 448
Surrendered to Revenue Fund		(110 600)	(107 895)
Current payments		(749 399)	(655 830)
Payments for financial assets		(1 707)	(202)
Transfers and subsidies paid		(2 450 291)	(2 243 710)
Net cash flow available from operating activities	16	32 306	15 436
CASH FLOWS FROM INVESTING ACTIVITIES			
Payments for capital assets	7	(23 408)	(11 187)
Proceeds from Sale of Capital Assets	2.4	-	1 529
(Increase)/decrease in non-current receivables		1 165	-
Net cash flows from investing activities		(22 243)	(9 658)
CASH FLOWS FROM FINANCING ACTIVITIES			
Increase/ (decrease) in net assets		(17)	330
Net cash flows from financing activities		(17)	330
Net increase/ (decrease) in cash and cash equivalents		10 046	6 108
Cash and cash equivalents at beginning of period		65 396	59 288
Cash and cash equivalents at end of period	17	75 442	65 396



DEPARTMENT OF ECONOMIC DEVELOPMENT, TOURISM AND ENVIRONMENTAL AFFAIRS - VOTE 4

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

Summary of significant accounting policies

The financial statements have been prepared in accordance with the following policies, which have been applied consistently in all material aspects, unless otherwise indicated. Management has concluded that the financial statements present fairly the department's primary and secondary information.

The historical cost convention has been used, except where otherwise indicated. Management has used assessments and estimates in preparing the annual financial statements. These are based on the best information available at the time of preparation.

Where appropriate and meaningful, additional information has been disclosed to enhance the usefulness of the financial statements and to comply with the statutory requirements of the Public Finance Management Act (PFMA), Act 1 of 1999 (as amended by Act 29 of 1999), and the Treasury Regulations issued in terms of the PFMA and the annual Division of Revenue Act.

1. Presentation of the financial statements

1.1. Basis of preparation

The financial statements have been prepared in accordance with the Modified Cash Standard.

1.2. Going concern

The financial statements have been prepared on a going concern basis.

1.3. Presentation currency

Amounts have been presented in the currency of the South African Rand (R) which is also the functional currency of the department.

1.4. Rounding

Unless otherwise stated financial figures have been rounded to the nearest one thousand Rand (R'000).

1.5. Comparative information

- **Prior period comparative information**

Prior period comparative information has been presented in the current year's financial statements. Where necessary figures included in the prior period financial statements have been reclassified to ensure that the format in which the information is presented is consistent with the format of the current year's financial statements.

1.6. Current year comparison with budget

A comparison between the approved, final budget and actual amounts for each programme and economic classification is included in the appropriation statement.

2. Revenue

2.1. Appropriated funds

Appropriated funds comprises of departmental allocations as well as direct charges against the revenue fund (i.e. statutory appropriation).



Appropriated funds are recognised in the statement of financial performance on the date the appropriation becomes effective. Adjustments made in terms of the adjustments budget process are recognised in the statement of financial performance on the date the adjustments become effective.

The net amount of any appropriated funds due to / from the relevant revenue fund at the reporting date is recognised as a payable / receivable in the statement of financial position.

2.2. Departmental revenue

Departmental revenue is recognised in the statement of financial performance when received and is subsequently paid into the relevant revenue fund, unless stated otherwise.

Any amount owing to the relevant revenue fund at the reporting date is recognised as a payable in the statement of financial position.

2.3. Accrued departmental revenue

Accruals in respect of departmental revenue (excluding tax revenue) are recorded in the notes to the financial statements when:

- it is probable that the economic benefits or service potential associated with the transaction will flow to the department; and
- the amount of revenue can be measured reliably.

The accrued revenue is measured at the fair value of the consideration receivable.

Accrued tax revenue (and related interest and / penalties) is measured at amounts receivable from collecting agents.

Write-offs are made according to the department's debt write-off policy

3. Expenditure

3.1. Compensation of employees

3.1.1. Salaries and wages

Salaries and wages are recognised in the statement of financial performance on the date of payment.

3.1.2. Social contributions

Social contributions made by the department in respect of current employees are recognised in the statement of financial performance on the date of payment.

Social contributions made by the department in respect of ex-employees are classified as transfers to households in the statement of financial performance on the date of payment.

3.2. Other expenditure

Other expenditure (such as goods and services, transfers and subsidies and payments for capital assets) is recognised in the statement of financial performance on the date of payment. The expense is classified as a capital expense if the total consideration paid is more than the capitalisation threshold.

3.3. Accruals and payables not recognised

Accruals and payables not recognised are recorded in the notes to the financial statements at cost at the reporting date.



3.4. Leases

3.4.1. Operating leases

Operating lease payments made during the reporting period are recognised as current expenditure in the statement of financial performance on the date of payment.

The operating lease commitments are recorded in the notes to the financial statements.

3.4.2. Finance leases

Finance lease payments made during the reporting period are recognised as capital expenditure in the statement of financial performance on the date of payment.

The finance lease commitments are recorded in the notes to the financial statements and are not apportioned between the capital and interest portions.

Finance lease assets acquired at the end of the lease term are recorded and measured at the lower of:

- cost, being the fair value of the asset; or
- the sum of the minimum lease payments made, including any payments made to acquire ownership at the end of the lease term, excluding interest.

4. Cash and cash equivalents

Cash and cash equivalents are stated at cost in the statement of financial position.

Bank overdrafts are shown separately on the face of the statement of financial position as a current liability.

For the purposes of the cash flow statement, cash and cash equivalents comprise cash on hand, deposits held, other short-term highly liquid investments and bank overdrafts.

5. Prepayments and advances

Prepayments and advances are recognised in the statement of financial position when the department receives or disburses the cash.

Prepayments and advances are initially and subsequently measured at cost.

6. Loans and receivables

Loans and receivables are recognised in the statement of financial position at cost plus accrued interest, where interest is charged, less amounts already settled or written-off. Write-offs are made according to the department's write-off policy.

7. Investments

Investments are recognised in the statement of financial position at cost.

8. Payables

Payables recognised in the statement of financial position are recognised at cost.



9. Capital Assets

9.1. Immovable capital assets

Immovable assets reflected in the asset register of the department are recorded in the notes to the financial statements at cost or fair value where the cost cannot be determined reliably. Immovable assets acquired in a non-exchange transaction are recorded at fair value at the date of acquisition. Immovable assets are subsequently carried in the asset register at cost and are not currently subject to depreciation or impairment.

Subsequent expenditure of a capital nature forms part of the cost of the existing asset when ready for use.

Additional information on immovable assets not reflected in the assets register is provided in the notes to financial statements.

9.2. Movable capital assets

Movable capital assets are initially recorded in the notes to the financial statements at cost. Movable capital assets acquired through a non-exchange transaction is measured at fair value as at the date of acquisition.

Where the cost of movable capital assets cannot be determined reliably, the movable capital assets are measured at fair value and where fair value cannot be determined; the movable assets are measured at R1.

All assets acquired prior to 1 April 2002 (or a later date as approved by the OAG) may be recorded at R1.

Movable capital assets are subsequently carried at cost and are not subject to depreciation or impairment.

Subsequent expenditure that is of a capital nature forms part of the cost of the existing asset when ready for use.

9.3. Intangible assets

Intangible assets are initially recorded in the notes to the financial statements at cost. Intangible assets acquired through a non-exchange transaction are measured at fair value as at the date of acquisition.

Internally generated intangible assets are recorded in the notes to the financial statements when the department commences the development phase of the project.

Where the cost of intangible assets cannot be determined reliably, the intangible capital assets are measured at fair value and where fair value cannot be determined; the intangible assets are measured at R1.

All assets acquired prior to 1 April 2002 (or a later date as approved by the OAG) may be recorded at R1.

Intangible assets are subsequently carried at cost and are not subject to depreciation or impairment.

Subsequent expenditure of a capital nature forms part of the cost of the existing asset when ready for use.



10. Provisions and Contingents

10.1. Provisions

Provisions are recorded in the notes to the financial statements when there is a present legal or constructive obligation to forfeit economic benefits as a result of events in the past and it is probable that an outflow of resources embodying economic benefits or service potential will be required to settle the obligation and a reliable estimate of the obligation can be made. The provision is measured as the best estimate of the funds required to settle the present obligation at the reporting date.

10.2. Contingent liabilities

Contingent liabilities are recorded in the notes to the financial statements when there is a possible obligation that arises from past events, and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not within the control of the department or when there is a present obligation that is not recognised because it is not probable that an outflow of resources will be required to settle the obligation or the amount of the obligation cannot be measured reliably.

10.3. Contingent assets

Contingent assets are recorded in the notes to the financial statements when a possible asset arises from past events, and whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events not within the control of the department.

10.4. Capital commitments

Capital commitments are recorded at cost in the notes to the financial statements.

11. Unauthorised expenditure

Unauthorised expenditure is recognised in the statement of financial position until such time as the expenditure is either:

- approved by Parliament or the Provincial Legislature with funding and the related funds are received; or
- approved by Parliament or the Provincial Legislature without funding and is written off against the appropriation in the statement of financial performance; or
- transferred to receivables for recovery.

Unauthorised expenditure is measured at the amount of the confirmed unauthorised expenditure.

12. Fruitless and wasteful expenditure

Fruitless and wasteful expenditure is recorded in the notes to the financial statements when confirmed. The amount recorded is equal to the total value of the fruitless and or wasteful expenditure incurred.

Fruitless and wasteful expenditure is removed from the notes to the financial statements when it is resolved or transferred to receivables or written off.

Fruitless and wasteful expenditure receivables are measured at the amount that is expected to be recoverable and are de-recognised when settled or subsequently written-off as irrecoverable.

13. Irregular expenditure

Irregular expenditure is recorded in the notes to the financial statements when confirmed. The amount recorded is equal to the value of the irregular expenditure incurred unless it is impracticable to determine, in which case reasons therefor are provided in the note.



Irregular expenditure is removed from the note when it is either condoned by the relevant authority, transferred to receivables for recovery, not condoned and removed or written-off.

Irregular expenditure receivables are measured at the amount that is expected to be recoverable and are de-recognised when settled or subsequently written-off as irrecoverable.

14. Changes in accounting estimates and errors

Changes in accounting estimates are applied prospectively in accordance with MCS requirements.

Correction of errors is applied retrospectively in the period in which the error has occurred in accordance with MCS requirements, except to the extent that it is impracticable to determine the period-specific effects or the cumulative effect of the error. In such cases the department shall restate the opening balances of assets, liabilities and net assets for the earliest period for which retrospective restatement is practicable.

15. Events after the reporting date

Events after the reporting date that are classified as adjusting events have been accounted for in the financial statements. The events after the reporting date that are classified as non-adjusting events after the reporting date have been disclosed in the notes to the financial statements.

16. Recoverable revenue

Amounts are recognised as recoverable revenue when a payment made in a previous financial year becomes recoverable from a debtor in the current financial year. Amounts are either transferred to the National/Provincial Revenue Fund when recovered or are transferred to the statement of financial performance when written-off.

17. Related party transactions

Related party transactions within the MEC's portfolio are recorded in the notes to the financial statements when the transaction is not at arm's length.

The number of individuals and the full compensation of key management personnel is recorded in the notes to the financial statements.

18. Transfers of functions

Transfers of functions are accounted for by the acquirer by recognising or recording assets acquired and liabilities assumed at their carrying amounts at the date of transfer.

Transfers of functions are accounted for by the transferor by derecognising or removing assets and liabilities at their carrying amounts at the date of transfer.

19. Mergers

Mergers are accounted for by the combined department by recognising or recording assets acquired and liabilities assumed at their carrying amounts at the date of the merger.

Mergers are accounted for by the combining departments by derecognising or removing assets and liabilities at their carrying amounts at the date of the merger.



1. Annual Appropriation

1.1 Annual Appropriation

Programmes	2019/20			2018/19		
	Final Appropriation	Actual Funds Received	Funds not requested/ not received	Final Appropriation	Appropriation Received	Funds not requested/ not received
	R'000	R'000	R'000	R'000	R'000	R'000
Administration	293 957	293 957	-	252 685	252 685	-
Integrated Economic Development Services	385 088	385 088	-	556 364	556 364	-
Trade And Sector Development	981 827	981 827	-	796 256	796 256	-
Business Regulation And Governance	175 867	175 867	-	116 863	116 863	-
Economic Planning	19 688	19 688	-	32 214	32 214	-
Tourism	354 025	354 025	-	257 178	257 178	-
Environmental Affairs	1 034 933	1 034 933	-	1 007 028	1 007 028	-
Total	3 245 385	3 245 385	-	3 018 588	3 018 588	-

1.2 Conditional grants**

	Note	2019/20 R'000	2018/19 R'000
Total grants received	33	5 529	3 740
Provincial grants included in Total Grants received		-	-

(** It should be noted that the Conditional grants are included in the amounts per the Final Appropriation in Note 1.1)

DEPARTMENT OF ECONOMIC DEVELOPMENT, TOURISM AND ENVIRONMENTAL AFFAIRS - VOTE 4

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

	Note	2019/20 R'000	2018/19 R'000
2. Departmental Revenue			
Sales of goods and services other than capital assets	2.1	2 188	840
Fines, penalties and forfeits	2.2	1 763	665
Interest, Dividends and Rent on land	2.3	365	19
Sale of Capital Assets	2.4	-	1 529
Transactions in financial assets and liabilities	2.5	45 279	513
Total revenue collected		49 595	3 566
Less: Own revenue included in appropriation	19	-	-
Departmental revenue collected		49 595	3 566

For the 2019/20 FY the department received the following revenue (R26,112m from KZN liquor Authority for liquor licences as well as R698,833m from Gambling and Betting). This is not recognised as revenue in the financial statements as the department is only a conduit for the receiving of the cash on behalf of the Revenue Fund, as per the Modified Cash Standard.

In 2019/20 Financial Year KZN Provincial Treasury re-called an amount of R45,324 million back from Ithala for various projects that were funded by the department such as Industrial Economic Hub, Ndumo Regeneration Project, Drakensberg Cable car as well as Co-Operative Project.

	Note	2019/20 R'000	2018/19 R'000
2.1 Sales of goods and services other than capital assets	2		
Sales of goods and services produced by the department		2 188	840
Sales by market establishment		43	55
Administrative fees		1 817	482
Other sales		328	303
Total		2 188	840

	Note	2019/20 R'000	2018/19 R'000
2.2 Fines, penalties and forfeits	2		
Fines		1 763	665
Total		1 763	665

	Note	2019/20 R'000	2018/19 R'000
2.3 Interest, dividends and rent on land	2		
Interest		365	19
Total		365	19



Note	2019/20 R'000	2018/19 R'000
------	------------------	------------------

2.4 Sale of Capital assets

2

Tangible Assets	-	1 529
Machinery & equipment	-	1 529
Total	-	1 529

Note	2019/20 R'000	2018/19 R'000
------	------------------	------------------

2.5 Transactions in financial assets and liabilities

2

Receivables	33	92
Other Receipts including Recoverable Revenue	45 246	421
Total	45 279	513

2.6 Cash received not recognised (not included in the main note) – 2019/20

Name of entity	Amount received	Amount paid to Revenue Fund	Balance
	R'000	R'000	R'000
KZN Liquor Authority	26 112	26 112	-
Gaming and Betting	698 833	640 738	58 095
Total	724 945	666 850	58 095

Cash received not recognised (not included in the main note) – 2018/19

Name of entity	Amount received	Amount paid to Revenue Fund	Balance
	R'000	R'000	R'000
KZN Liquor Authority	23 226	23 226	-
Total	23 226	23 226	-

An amount of R58,095 m was not paid over to the Revenue Fund as they were received late at year end.

Note	2019/20 R'000	2018/19 R'000
------	------------------	------------------

3. Compensation of Employees

3.1 Salaries and wages

Basic salary	257 556	240 746
Performance award	2 375	3 461
Service Based	941	151
Compensative/circumstantial	3 807	4 189
Periodic payments	113	1 079
Other non-pensionable allowances	49 511	44 770
Total	314 303	294 396



Note	2019/20 R'000	2018/19 R'000
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3.2 Social Contributions

Employer contributions

Pension	30 747	28 936
Medical	12 524	11 351
Bargaining council	51	51
Total	43 322	40 338
Total compensation of employees	357 625	334 734
Average number of employees	713	752

Note	2019/20 R'000	2018/19 R'000
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4. Goods and services

Administrative fees		5 145	1 974
Advertising		13 175	4 234
Minor assets	4.1	1 670	496
Bursaries (employees)		182	505
Catering		546	1 264
Communication		10 000	11 702
Computer services	4.2	28 609	23 993
Consultants: Business and advisory services		18 726	32 797
Infrastructure and planning services		-	-
Legal services		3 513	5 037
Contractors		33 944	22 449
Agency and support / outsourced services		83 130	56 791
Audit cost – external	4.3	4 826	3 551
Fleet services		4 956	5 695
Inventory	4.4	27 271	12 999
Consumables	4.5	6 618	4 480
Operating leases		35 930	33 687
Property payments	4.6	44 258	43 261
Rental and hiring		641	830
Transport provided as part of the departmental activities		497	463
Travel and subsistence	4.7	40 634	35 086
Venues and facilities		3 073	445
Training and development		21 934	16 825
Other operating expenditure	4.8	2 496	2 532
Total		391 774	321 096



	Note	2019/20 R'000	2018/19 R'000
4.1 Minor assets	4		
Tangible assets		1 522	496
Machinery and equipment		1 504	496
Transport assets		18	-
Intangible assets		148	-
Software		148	-
Total		1 670	496

	Note	2019/20 R'000	2018/19 R'000
4.2 Computer services	4		
SITA computer services		25 649	19 079
External computer service providers		2 960	4 914
Total		28 609	23 993

	Note	2019/20 R'000	2018/19 R'000
4.3 Audit cost – external	4		
Regularity audits		4 529	3 551
Investigations		297	-
Total		4 826	3 551

	Note	2019/20 R'000	2018/19 R'000
4.4 Inventory	4		
Clothing material and accessories		11 965	718
Farming supplies		11 678	12 023
Materials and supplies	4.4.1	486	-
Other supplies		3 142	258
Total		27 271	12 999

4.4.1 Other Supplies			
Assets for distribution		3 142	258
Machinery and equipment		2 766	-
Other assets for distribution		376	258
Total		3 142	258



	Note	2019/20 R'000	2018/19 R'000
4.5 Consumables	4		
Consumable supplies		3 142	1 921
Uniform and clothing		45	54
Household supplies		1 341	228
Building material and supplies		11	1 118
IT consumables		-	1
Other consumables		1 745	520
Stationery, printing and office supplies		3 476	2 559
Total		6 618	4 480
	Note	2019/20 R'000	2018/19 R'000
4.6 Property payments	4		
Municipal services		5 130	3 953
Property maintenance and repairs		1 089	1 361
Other		38 039	37 947
Total		44 258	43 261
	Note	2019/20 R'000	2018/19 R'000
4.7 Travel and subsistence	4		
Local		38 221	33 502
Foreign		2 413	1 584
Total		40 634	35 086
	Note	2019/20 R'000	2018/19 R'000
4.8 Other operating expenditure	4		
Professional bodies, membership and subscription fees		1 215	883
Resettlement costs		48	585
Other		1 233	1 064
Total		2 496	2 532
	Note	2019/20 R'000	2018/19 R'000
5. Payments for financial assets			
Debts written off	5.1	1 707	202
Total		1 707	202



5.1 Debts written off

5

Nature of debts written off

	2019/20 R'000	2018/19 R'000
Cellphone Debt		3
Salary Overpayment	284	82
Salary Tax Debt	12	113
Other	15	1
Ex-employees		
Bursary	4	3
Supplier	1 392	-
Total	1 707	202
Total debt written off	1 707	202

6. Transfers and Subsidies

	2019/20 R'000	2018/19 R'000
Provinces and municipalities	46 718	7 321
Departmental agencies and accounts	1 758 952	1 515 248
Higher education institutions	-	4 571
Public corporations and private enterprises	343 489	412 489
Non-profit institutions	297 835	291 577
Households	3 297	12 504
Total	2 450 291	2 243 710

7. Expenditure for capital assets

	2019/20 R'000	2018/19 R'000
Tangible assets	23 408	11 140
Building & Other Fixed Structure	2 914	522
Machinery and equipment	20 494	10 618
Intangible assets	-	47
Software	-	47
Total	23 408	11 187



7.1 Analysis of funds utilised to acquire capital assets - 2019/20

	Voted Funds R'000	Aid assistance R'000	TOTAL R'000
Tangible assets	23 408	-	23 408
Building & Other Fixed Structure	2 914	-	2 914
Machinery and equipment	20 494	-	20 494
Intangible assets	-	-	-
Software	-	-	-
Total	23 408	-	23 408

Analysis of funds utilised to acquire capital assets – 2018/19

	Voted Funds R'000	Aid assistance R'000	TOTAL R'000
Tangible assets	11 140	-	11 140
Buildings and other fixed structures	522	-	522
Machinery and equipment	10 618	-	10 618
Intangible assets	47	-	47
Software	47	-	47
Total	11 187	-	11 187

Note	2019/20 R'000	2018/19 R'000
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8. Unauthorised Expenditure

8.1 Reconciliation of unauthorised expenditure

Opening balance	8 094	8 094
As restated	8 094	8 094
Unauthorised expenditure - discovered in the current year (as restated)	-	-
Less: Amounts approved by Parliament/Legislature with funding	(8 094)	-
Closing balance	-	8 094

Analysis of closing balance

Unauthorised expenditure awaiting authorisation	-	8 094
Total	-	8 094

Note	2019/20 R'000	2018/19 R'000
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8.2 Analysis of unauthorised expenditure awaiting authorisation per economic classification

Current	-	8 094
Capital	-	-
Transfers and subsidies	-	-
Total	-	8 094



Note	2019/20 R'000	2018/19 R'000
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8.3 Analysis of unauthorised expenditure awaiting authorisation per type

Unauthorised expenditure relating to overspending of the vote or a main division within the vote	-	8 094
Total	-	8 094

Note	2019/20 R'000	2018/19 R'000
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9. Cash and Cash Equivalents

Consolidated Paymaster General Account	75 442	65 396
Total	75 442	65 396

Note	2019/20 R'000	2018/19 R'000
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10. Prepayments and Advances

Travel and subsistence	-	-
Prepayments (Not expensed)	5 615	5 615
Total	5 615	5 615

10.1 Prepayments (Not expensed)

Note	Balance as at 1 April 2019 R'000	Less: Amount expensed in current year R'000	Add/ Less Other R'000	Add: Current Year prepayments R'000	Balance as at 31 March 2020 R'000
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Listed by economic classification

Other	5 615	-	-	-	5 615
Total	5 615	-	-	-	5 615

Prepayments (Not expensed)

Note	Balance as at 1 April 2019 R'000	Less: Amount expensed in current year R'000	Add/ Less Other R'000	Add: Current Year prepayments R'000	Balance as at 31 March 2020 R'000
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Listed by economic classification

Other	5 615	-	-	-	5 615
Total	5 615	-	-	-	5 615



10.2 Prepayments (Expensed)

Note	Balance as at 1 April 2019	Less: Received in the current year	Add/ Less Other	Add: Current Year prepayments	Balance as at 31 March 2020
	R'000	R'000	R'000	R'000	R'000

Listed by economic classification 10

Goods and Services	26 060	(19 159)	-	2 000	8 901
Transfers and subsidies		(5 090)	-	55 087	49 997
Total	26 060	(24 249)	-	57 087	58 898

In 19/20 the department made a prepayment of R2.0m to TongaatHulleths as well as to various Transfers & Subsidies.

Prepayments (Expensed)

Note	Balance as at 1 April 2019	Less: Received in the current year	Add/ Less Other	Add: Current Year prepayments	Balance as at 31 March 2020
	R'000	R'000	R'000	R'000	R'000

Listed by economic classification 10

Goods and Services	11 553	(11 553)	-	26 060	26 060
Total	11 553	(11 553)	-	26 060	26 060

11. Receivables

	Note	2019/20			2018/19		
		Current	Non-current	Total	Current	Non-current	Total
		R'000	R'000	R'000	R'000	R'000	R'000
Claims recoverable	11.1	17 440	30	17 470	-	-	-
Recoverable expenditure	11.2		220	220	276	220	496
Staff debt	11.3	83	81	164	77	231	308
Other Receivables		28	30 455	30 483	-	31 500	31 500
Total		17 551	30 786	48 337	353	31 951	32 304

Note	2019/20 R'000	2018/19 R'000
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11.1 Claims recoverable 11

National departments	17 470	-
Public entities	-	-
Total	17 470	-



	Note	2019/20 R'000	2018/19 R'000
11.2 Recoverable expenditure (disallowance accounts)	11		
Sal: Tax Debt:CA			111
Pension Recoverable Account		-	3
Sal: Income Tax		-	152
Sal:Reversal Control: CA		-	10
Disallowance payment fraud:CA		220	220
Disall:Damages&Losses:Recover:CA		129	129
Disall:Damages&Losses:CA		-129	-129
Total		220	496

	Note	2019/20 R'000	2018/19 R'000
11.3 Staff debt	11		
Bursary		-	3
Other		5	17
Private telephone & Cellphone		-	6
Salary & allowance overpayments		131	253
Tax Debt		28	29
Total		164	308

	Note	2019/20 R'000	2018/19 R'000
11.4 Other Receivables	11		
Supplier Debt		30 483	31 500
Total		30 483	31 500

Methodology of Impairment Assessment: The companies involved in these cases do not publish their financial statements/ affairs, the determination of whether there is objective evidence of impairment is a subjective exercise. The valuation and recoverable amount of the debtors of the department is determined from the consideration of advice from legal counsel on the probability of successful litigation and the evaluation of any information that is publicly available in relation to the debtor and circumstances surrounding the debt, including reports of ongoing criminal investigations. The department is of the view that it has a strong case against the defendant and it is probable that the court will find in favour of the department. It is the intention of the department to exhaust all avenues available to it to recover the debt through the assets that are reported to have been illegally procured from the funding advanced by the Department.

	Note	2019/20 R'000	2018/19 R'000
11.5 Impairment Of Receivables			
Estimate of Impairment of Receivables		3 568	-
Total		3 568	-

The department is still in the process of initiating the collection process of the debt and investigating whether the full amount will be recoverable. The debtor has therefore been impaired in full.



12. Investments

Non-Current Shares and other equity

Ithala Development Finance Cooperation

African Bank

Total non-current

1 008 582

25

1 008 607

1 008 582

25

1 008 607

Note

2019/20
R'000

2018/19
R'000

Securities other than shares

(List investments at cost)

Total

Total non-current

-

-

-

-

1 008 607

1 008 607

Note

2019/20
R'000

2018/19
R'000

Analysis of Non-Current investments

Opening balance

Additions in cash

Disposals for cash

Non-cash movements

Closing balance

1 008 607

-

-

-

1 008 607

1 008 607

-

-

-

1 008 607

Note

2019/20
R'000

2018/19
R'000

13. Voted Funds to be Surrendered to the Revenue Fund

Opening balance

As restated

Transfer from statement of financial performance (as restated)

Add: Unauthorised expenditure for current year

Voted funds not requested/not received

Paid during the year

Closing balance

107 659

107 659

20 580

8

-

1.1

-

(107 659)

20 580

104 531

104 531

107 659

-

-

(104 531)

107 659

Note

2019/20
R'000

2018/19
R'000



Note	2019/20 R'000	2018/19 R'000
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14. Departmental revenue and NRF Receipts to be surrendered to the Revenue Fund

Opening balance		63	-139
As restated	14.1	63	-139
Transfer from Statement of Financial Performance (as restated)		49 595	3 566
Paid during the year		(2 941)	-3 364
Closing balance		46 717	63

In 2019/20 Financial Year KZN Provincial Treasury re-called an amount of R45,324 million back from Ithala for various projects as detailed under Note 3

Note	2019/20 R'000	2018/19 R'000
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15. Payables - current

Advances received	15.1	260	30
Clearing accounts	15.2	151	49
Other payables	15.3	58 095	-
Total		58 506	79

Note	2019/20 R'000	2018/19 R'000
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15.1 Advances received

Provincial departments	Annex 5A	260	30
Total		260	30

Note	2019/20 R'000	2018/19 R'000
------	------------------	------------------

15.2 Clearing accounts

15

(Identify major categories, but list material amounts)

Sal: income tax		109	
Sal : Pension fund			6
Sal: ACB Recalls		-	-
Sal: Fin Institut Study Loans		-	7
Sal: GEHS Refund Control		25	36
Sal: Reversal Control: CA		17	-
Total		151	49



	Note	2019/20 R'000	2018/19 R'000
15.3 Other payables	15		
(Identify major categories, but list material amounts)			
Tax Receipts		58 095	-
Total		58 095	-

16. Net cash flow available from operating activities

	Note	2019/20 R'000	2018/19 R'000
Net surplus/(deficit) as per Statement of Financial Performance		70 175	111 225
Add back non cash/cash movements not deemed operating activities		(37 869)	(95 789)
(Increase)/decrease in receivables		(17 198)	2 427
(Increase)/decrease in prepayments and advances		-	11
(Increase)/decrease in other current assets		8 094	-
Increase/(decrease) in payables – current		58 427	10
Proceeds from Sale of Capital Assets		-	(1 529)
Expenditure on capital assets		23 408	11 187
Surrenders to Revenue Fund		(110 600)	(107 895)
Voted funds not requested/not received		-	-
Net cash flow generated by operating activities		32 306	15 436

17. Reconciliation of cash and cash equivalents for cash flow purposes

	Note	2019/20 R'000	2018/19 R'000
Consolidated Paymaster General account		75 442	65 396
Total		75 442	65 396

18. Contingent liabilities and contingent assets

18.1 Contingent liabilities

Liable to	Nature		2019/20 R'000	2018/19 R'000
Housing loan guarantees	Employees	<i>Annex 2A</i>	-	-
Other guarantee		<i>Annex 2A</i>	300 000	300 000
Claims against the department		<i>Annex 2B</i>	8 178	297 902
Total			308 178	597 902

The Ithala SOC Ltd guarantee is unlikely to be exercised as the entity has a clear plan of operations to mitigate the guarantee being invoked. The claims against the department are classified as one matter being probable (R2m) and five matters being possible (R6,178m).



Note	2019/20 R'000	2018/19 R'000
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Contingent assets

Nature of contingent asset

Undue Salary payment	840	-
Damage to the vehicle	154	154
Misappropriation of funds	-	800
Breach of Contract	31	11 914
Total	1 025	12 868

It is not practicable to determine the timing of the inflow of the contingent assets as the cases are subject to legal recovery processes which may lead to court proceedings against the parties.

Note	2019/20 R'000	2018/19 R'000
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19. Capital Commitments

Specify class of asset

Machinery and equipment	3 228	-
Total Commitments	3 228	-

20. Accruals and payables not recognised

21.1 Accruals

Listed by economic classification	30 days	30+ days	Total	Total
Goods and services	1 575	135	1 710	27 290
Capital assets				306
Total	1 575	135	1 710	27 596

Note	2019/20 R'000	2018/19 R'000
------	------------------	------------------

Listed by programme level

Programme 1: Administration	1 369	7 978
Programme 2: Integrated Economic Development services	126	14 432
Programme 3: Trade and Sector Development	-	106
Programme 4: Business Regulations & Governance	2	387
Programme 5: Economic Planning	31	97
Programme 6: Tourism	19	29
Programme 7: Environmental Affairs	163	4 567
Total	1 710	27 596

20.2 Payables not recognised

Listed by economic classification	30 days	30+ days	Total	Total
Goods and services				1 340
Capital assets	-	-	-	-
Total	-	-	-	1 340



Note	2019/20 R'000	2018/19 R'000
------	------------------	------------------

Listed by programme level

Programme 1: Administration	-	974
Programme 2: Integrated Economic Development services	-	36
Programme 3: Trade and Sector Development	-	38
Programme 4: Business Regulations & Governance	-	114
Programme 5: Economic Planning	-	1
Programme 6: Tourism	-	34
Programme 7: Environmental Affairs	-	143
Total	-	1 340

Note	2019/20 R'000	2018/19 R'000
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Included in the above totals are the following:

Confirmed balances with departments	<i>Annex 4</i>	-	405
Total		-	405

Note	2019/20 R'000	2018/19 R'000
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21. Employee benefits

Leave entitlement	21 427	19 362
Service bonus (Thirteenth cheque)	9 495	8 825
Performance awards	2 243	2 036
Capped leave commitments	10 090	8 784
Other	1 905	3 449
Total	45 160	42 456

At this stage the department is not able to reliably measure the long term portion of the long service awards.

22. Lease commitments

22.1 Operating leases

2019/20	Specialised military assets	Land	Buildings and other fixed structures	Machinery and equipment	Total
	R'000	R'000	R'000	R'000	R'000
Not later than 1 year			32 360	1 352	33 712
Later than 1 year and not later than 5 years			14 302	883	15 185
Later than five years	-	-	-	-	-
Total lease commitments	-	-	46 662	2 235	48 897

EDTEA photocopying machines leased do not escalate for the entire leased periods of 36 months for all contracts. Rental for office accommodation is per the lease contract and they escalate between 5 to 10% as per lease agreement entered into between landlord and public works on our behalf. Five of the lease commitments disclosed have expired however the department is still occupying the buildings. For these the department disclosed a commitment of 12 months.



2018/19	Specialised military assets	Land	Buildings and other fixed structures	Machinery and equipment	Total
	R'000	R'000	R'000	R'000	R'000
Not later than 1 year	-	-	31 536	1 151	32 687
Later than 1 year and not later than 5 years	-	-	27 056	907	27 963
Later than five years	-	-	-	-	-
Total lease commitments	-	-	58 592	2 058	60 650

22.2 Finance leases **

2019/20	Specialised military assets	Land	Buildings and other fixed structures	Machinery and equipment	Total
	R'000	R'000	R'000	R'000	R'000
Not later than 1 year	-	-	-	940	940
Later than 1 year and not later than 5 years	-	-	-	-	-
Later than five years	-	-	-	-	-
Total lease commitments	-	-	-	940	940

2018/19	Specialised military assets	Land	Buildings and other fixed structures	Machinery and equipment	Total
	R'000	R'000	R'000	R'000	R'000
Not later than 1 year	-	-	-	2 257	2 257
Later than 1 year and not later than 5 years	-	-	-	940	940
Later than five years	-	-	-	-	-
Total lease commitments	-	-	-	3 197	3 197

Mobile cellphones and internet data cards leases are fixed for a period of 24 months and packages allocated to officials of the Department are according to RT15 Transversal Contract arranged by National Treasury.

Note	2019/20 R'000	2018/19 R'000
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23. Irregular expenditure

23.1 Reconciliation of irregular expenditure

Opening balance	169 442	162 338
Prior period error	-	-
As restated	169 442	162 338
Add: Irregular expenditure - relating to prior year	55 850	-
Add: Irregular expenditure - relating to current year	-	13 063
Less: Prior year amounts condoned	-	-
Less: Current year amounts condoned	-	(5 959)
Less: Amounts not condoned and recoverable	-	-
Less: Amounts not condoned and not recoverable	-	-
Irregular expenditure awaiting condonation	225 292	169 442



Note	2019/20 R'000	2018/19 R'000
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Analysis of closing balance

Current year

7 104

Prior years

225 292

162 338

Total

225 292

169 442

23.2 Details of irregular expenditure – added current year (relating to current and prior years)

Incident	Disciplinary steps taken/ criminal proceedings	2019/20 R'000
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Proper procurement process not followed on appointing the service provider

9 742

Transfer payment not authorised by Provincial Treasury

No approval for deviation obtained before service rendered

No tax clearance certificate at the time of award

Approval of Extension of scope was not obtained before service rendered

17 563

Contract Expired and no approval was obtained to extend the contract before service rendered

Proper procedures not followed

28 545

Total

55 850

Note	2019/20 R'000	2018/19 R'000
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24. Fruitless and wasteful expenditure

24.1 Reconciliation of fruitless and wasteful expenditure

Opening balance

2 908

2 908

As restated

2 908

2 908

Fruitless and wasteful expenditure – relating to prior year

839

-

Fruitless and wasteful expenditure – relating to current year

-

-

Less: Amounts resolved

-

-

Closing balance

3 747

2 908

24.2 Details of current and prior year fruitless and wasteful expenditure – added current year (under determination and investigation)

Incident	Disciplinary steps taken/ criminal proceedings	2019/20 R'000
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Undue salary payment

Civil Claim
- Summons
Issued by State
Attorney

839

Total

839



Note	2019/20 R'000	2018/19 R'000
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25. Loan to/from Related parties

Other

Guarantees issued/received

Total

300 000	300 000
300 000	300 000

Note	2018/19 R'000
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In kind goods and services provided/received

List in kind goods and services between department and related party

Acting Head of Department was seconded from Moses Kotane

456

456

EDTEA has a significant number of Public Entities under its mandate. These Public Entities budget is included as part of the department's budget and the funds are transferred to these entities during the course of the financial year as tranche payment.

These Public Entities are:

- | | |
|---|----------------------------|
| 1. KZN Sharks Board | 7. KZN Growth Fund |
| 2. KZN Tourism Authority | 8. KZN Liquor Authority |
| 3. Trade and Investment KZN | 9. Moses Kotane Institute |
| 4. RichardsBay IDZ | 10. KZN Film Commission |
| 5. Dube Trade Port Corporation | 11. KZN Ezemvelo Wildlife |
| 6. Ithala Development Finance Corporation | 12. KZN Gaming and Betting |

The KZN MEC for finance has granted approval for the KZN MEC EDTEA to issue a guarantee to the value of R300m annually over three years to enable Ithala Limited to comply with the capital adequacy and to protect the depositors funds held by this institution. This guaranteed amount will be held in the KwaZulu-Natal Provincial Revenue Fund and will be drawn upon as and when required.

No. of Individuals	2019/20 R'000	2018/19 R'000
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26. Key management personnel

Political office bearers

2

2 118

2 098

Officials:

Level 15 to 16

2

3 489

5 478

Level 14 (incl CFO if at a lower level)

13

16 115

11 941

Family members of key management personnel

-

Total

21 722

19 517

Members of the Executive Management Committee (EXCO) are entrusted with taking Key Management decisions on the Operational Policies and Performance of the Department.

2019/20

R'000

27. Non-adjusting events after reporting date

Include an estimate of the financial effect of the subsequent non-adjusting events or a statement that such an estimate cannot be made.

Budget cut due to Covid-19

417 658

Total**417 658**

EDTEA had a net effect of R417 658 million budget cut in 2020/21 due to Covid-19 pandemic. This budget cut was as a result of the required contribution to the Covid-19 relief fund of R500 billion as announced by the president of SA and has no effect on the Impairment or Receivables as well as on the going concern assumption of the Department.

28. Movable Tangible Capital Assets**MOVEMENT IN MOVABLE TANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2020**

	Opening balance R'000	Additions R'000	Disposals R'000	Closing balance R'000
MACHINERY AND EQUIPMENT	79 927	20 495	22	100 400
Transport assets	25 360	11 342	-	36 702
Computer equipment	33 087	5 521	22	38 586
Furniture and office equipment	11 498	2 238	-	13 736
Other machinery and equipment	9 982	1 394	-	11 376
TOTAL MOVABLE TANGIBLE CAPITAL ASSETS	79 927	20 495	22	100 400

28.1 ADDITIONS TO MOVABLE TANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2020

	Cash R'000	Non-cash R'000	(Capital work-in-progress current costs and finance lease payments) R'000	Received current, not paid (Paid current year, received prior year) R'000	Total R'000
MACHINERY AND EQUIPMENT	20 495	-	-	-	20 495
Transport assets	11 342				11 342
Computer equipment	5 521				5 521
Furniture and office equipment	2 238				2 238
Other machinery and equipment	1 394				1 394
TOTAL ADDITIONS TO MOVABLE TANGIBLE CAPITAL ASSETS	20 495	-	-	-	20 495

Disposals

28.2 DISPOSALS OF MOVABLE TANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2020

	Sold for cash	Non-cash disposal	Total disposals	Cash received Actual
	R'000	R'000	R'000	R'000
MACHINERY AND EQUIPMENT	-	22	22	-
Transport assets			-	
Computer equipment		22	22	
Furniture and office equipment			-	
Other machinery and equipment			-	
TOTAL DISPOSAL OF MOVABLE TANGIBLE CAPITAL ASSETS	-	22	22	-

28.3 Movement for 2018/19

MOVEMENT IN MOVABLE TANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2019

	Opening balance	Prior period error	Additions	Disposals	Closing balance
	R'000	R'000	R'000	R'000	R'000
MACHINERY AND EQUIPMENT	74 343	197	10 793	5 406	79 927
Transport assets	28 881		1 885	5 406	25 360
Computer equipment	29 247	(108)	3 948	-	33 087
Furniture and office equipment	13 338	(2 412)	572	-	11 498
Other machinery and equipment	2 877	2 717	4 388	-	9 982
TOTAL MOVABLE TANGIBLE CAPITAL ASSETS	74 343	197	10 793	5 406	79 927

Note	2018/19 R'000
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28.3.1 Prior period error

Nature of prior period error

Relating to 2018/19 (affecting the opening balance)

Adjustment to Computer Equipment	(108)
Adjustment to Other Machinery and Equipment	2 717
Adjustment to Furniture and Office Equipment	(2 412)
Total	197

The above adjustment relates to re-alignment of the asset categories in the March 2019 FAR note. The corresponding adjustments are reflected in minor assets note.

28.4 Minor assets

MOVEMENT IN MINOR ASSETS PER THE ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2020

	Specialised military assets	Intangible assets	Heritage assets	Machinery and equipment	Biological assets	Total
	R'000	R'000	R'000	R'000	R'000	R'000
Opening balance	-	913	-	10 937	-	11 850
Additions		148		1 523		1 671
TOTAL MINOR ASSETS	-	1 061	-	12 460	-	13 521

	Specialised military assets	Intangible assets	Heritage assets	Machinery and equipment	Biological assets	Total
	R'000	R'000	R'000	R'000	R'000	R'000
Number of R1 minor assets		17		4 131		4 148
Number of minor assets at cost		262		7 261		7 523
TOTAL NUMBER OF MINOR ASSETS	-	279	-	11 392	-	11 671

Minor assets

MOVEMENT IN MINOR ASSETS PER THE ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2019

	Specialised military assets	Intangible assets	Heritage assets	Machinery and equipment	Biological assets	Total
	R'000	R'000	R'000	R'000	R'000	R'000
Opening balance	-	912	-	10 626	-	11 538
Prior period error	-	1	-	-188	-	-187
Additions	-	-	-	499	-	499
Disposals	-	-	-	-	-	-
TOTAL MINOR ASSETS	-	913	-	10 937	-	11 850

	Specialised military assets	Intangible assets	Heritage assets	Machinery and equipment	Biological assets	Total
	R'000	R'000	R'000	R'000	R'000	R'000
Number of R1 minor assets	-	18	-	3 962	-	3 980
Number of minor assets at cost	-	261	-	6 049	-	6 310
TOTAL NUMBER OF MINOR ASSETS	-	279	-	10 011	-	10 290



Note	2018/19 R'000
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28.4.1 Prior period error

Nature of prior period error

Relating to 2018/19 (affecting the opening balance)

Adjustments to Machinery and Equipment	-188
Adjustments to Intangibles	1
Total	-187

The above adjustment relates to re-alignment of the asset categories in the March 2019 FAR note. The corresponding adjustments are reflected in capital asset.

29. Intangible Capital Assets

MOVEMENT IN INTANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2020

	Opening balance R'000	Value adjustments R'000	Additions R'000	Disposals R'000	Closing balance R'000
SOFTWARE	15 614		-	-	15 614
TOTAL INTANGIBLE CAPITAL ASSETS	15 614	-	-	-	15 614

Movement for 2018/19

29.1 MOVEMENT IN INTANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2019

	Opening balance R'000	Prior period error R'000	Additions R'000	Disposals R'000	Closing balance R'000
SOFTWARE	15 577	-10	47	-	15 614
TOTAL INTANGIBLE CAPITAL ASSETS	15 577	-10	47	-	15 614

Note	2018/19 R'000
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29.1.1 Prior period error

Nature of prior period error

Relating to 2018/19 (affecting the opening balance)

Software	-10
Total	-10

30. Immovable Tangible Capital Assets

MOVEMENT IN IMMOVABLE TANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2020

	Opening balance	Value adjustments	Additions	Disposals	Closing balance
	R'000	R'000	R'000	R'000	R'000
BUILDINGS AND OTHER FIXED STRUCTURES	6 879	-	2 913	-	9 792
Other fixed structures	6 879	-	2 913	-	9 792
TOTAL IMMOVABLE TANGIBLE CAPITAL ASSETS	6 879	-	2 913	-	9 792

30.1 ADDITIONS TO IMMOVABLE TANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2020

	Cash	Non-cash	(Capital work-in-progress current costs and finance lease payments)	Received current, not paid (Paid current year, received prior year)	Total
	R'000	R'000	R'000	R'000	R'000
BUILDINGS AND OTHER FIXED STRUCTURES	2 913	-	-	-	- 2 913
Other fixed structures	2 913	-	-	-	- 2 913
TOTAL ADDITIONS TO IMMOVABLE TANGIBLE CAPITAL ASSETS	2 913	-	-	-	- 2 913

Movement for 2018/19

30.2 MOVEMENT IN IMMOVABLE TANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2019

	Opening balance	Prior period error	Additions	Disposals	Closing balance
	R'000	R'000	R'000	R'000	R'000
BUILDINGS AND OTHER FIXED STRUCTURES	6 357	-	522	-	6 879
Other fixed structures	6 357	-	522	-	6 879
TOTAL IMMOVABLE TANGIBLE CAPITAL ASSETS	6 357	-	522	-	6 879



Note	2019/20 R'000	2018/19 R'000
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31. Principal-agent arrangements

31.1 Department acting as the principal

Invasive alien species project	4 324	2 640
Total	4 324	2 640

The Department implements its Invasive Alien Plants Clearing Projects using Expanded Public Works Programme (EPWP). The Department uses contract method to manage and implement these projects and this is done through contracting of project work to locally based EPWP contractors. This method has been found to be effective and contributing to government objectives which include creation of jobs, skills development, SMME development and it is contributing to rural economic development. The department recruits IASP contractors using the Departmental EPWP Policy and once the contractor has been selected, he/she enters into a service level agreement (SLA) with the Department and the SLA provides terms of reference that govern the contractual obligations. Contractors are paid for signed off completed polygons/sites (monthly tasks) on part- payment bases against the contractors issued order amount. For every contract invoiced, there is a management fee which is calculated at 7% out of wages that is paid to the contractor.

32. TRANSFER OF FUNCTIONS AND MERGERS

32.1 Transfer of functions

The Department received a budget allocation increase of R49 512m arising from the transfer of the function of casinos, racing, gambling and wagering (excluding lotteries and sports pools) and the administration of all provincial laws relating to that functional area from the Office of the Premier to the Department of Economic Development, Tourism and Environmental Affairs.' The function shift was proclaimed in terms of section 137 of the Constitution of the Republic of South Africa 1996 (Act No 108 of 1996) with effect from 1 April 2019.

NOTES TO THE APPROPRIATION STATEMENT FOR THE YEAR ENDED 31 MARCH 2020

33. STATEMENT OF CONDITIONAL GRANTS RECEIVED

NAME OF GRANT	GRANT ALLOCATION					SPENT				2018/19	
	Division of Revenue Act/ Provincial Grants	Roll Overs	DORA Adjustments	Other Adjustments	Total Available	Amount received by department	Amount spent by department	Under / (overspending)	% of available funds spent by department	Division of Revenue Act	Amount spent by department
	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
EPWP Integrated Grant for Provinces	5 529	-	-	-	5 529	5 529	5 530	-1	100%	3 740	3 740
	5 529	-	-	-	5 529	5 529	5 530	-1		3 740	3 740

NOTES TO THE APPROPRIATION STATEMENT FOR THE YEAR ENDED 31 MARCH 2020

34. STATEMENT OF CONDITIONAL GRANTS AND OTHER TRANSFERS TO MUNICIPALITIES

NAME OF MUNICIPALITY	2019/20					2018/19		
	GRANT ALLOCATION		Total Available	TRANSFER		Re-allocations by National Treasury or National Department	Division of Revenue Act	Actual Transfer
	DoRA and other transfers	Roll Overs		Funds Withheld	Actual Transfer			
R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000
Msunduzi Municipality (Motor Vehicle licences)	119	-	119	68	121	121	121	121
Zululand Municipality	2 800	-	2 800	2 800	1 700	1 700	1 700	1 700
Mkhanyakude Municipality	30 700	-	30 700	30 700	3 700	3 700	3 700	2 000
Ray Nkonyeni Municipality	3 000	-	3 000	3 000	5 250	5 250	5 250	3 250
Phongola Municipality	4 000	-	4 000	4 000	1 200	1 200	1 200	1 200
Ilembe District Municipality	1 000	-	1 000	1 000	700	700	700	700
King Cetshwayo District	700	-	700	700	2 000	2 000	2 000	2 000
Ugu District Municipality	2 000	-	2 000	2 000	700	700	700	700
Greater Kokstad Municipality	700	-	700	700	1 750	1 750	1 750	1 750
Umgungundlovu District	1 750	-	1 750	1 750	-	-	-	-
Umlabuyalingana	-	-	-	-	1 200	1 200	1 200	1 200
EThekweni Municipality	-	-	-	-	3 000	3 000	3 000	3 000
Umvoti Municipality	-	-	-	-	150	150	150	150
Newcastle Municipality	-	-	-	-	150	150	150	150
Umhlatuze Municipality	-	-	-	-	100	100	100	100
Umzimkhulu Municipality	-	-	-	-	100	100	100	100
Umlalazi Municipality	-	-	-	-	250	250	250	250
Total	46 769	-	46 769	46 718	17 621	17 621	17 621	7 321

35. BROAD BASED BLACK ECONOMIC EMPOWERMENT PERFORMANCE

Information on compliance with the B-BBEE Act is included in the annual report under the section titled B-BBEE Compliance Performance Information.

DEPARTMENT OF ECONOMIC DEVELOPMENT, TOURISM AND ENVIRONMENTAL AFFAIRS - VOTE 4

ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS

ANNEXURE 1A

NAME OF MUNICIPALITY	STATEMENT OF CONDITIONAL GRANTS AND OTHER TRANSFERS TO MUNICIPALITIES													
	GRANT ALLOCATION			TRANSFER			SPENT			2018/19				
	DoRA and other transfers	Roll Overs	Adjustments	Total Available	Actual Transfer	Funds Withheld	Re-allocations by National Treasury or National Department	Amount received by Municipality	Amount spent by municipality	Unspent funds	% of available funds spent by municipality	Division of Revenue Act	Actual Transfer	
R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000	
Msunduzi Municipality (Motor Vehicle licences)	119			119	68			68				0%	121	121
Zululand Municipality	2 800			2 800	2 800			2 800	324	2 476		12%	1 700	1 700
Mkhanyakude Municipality	30 700			30 700	30 700			30 700	1 668	29 032		5%	3 700	2 000
Ray Nkonyeni Municipality	3 000			3 000	3 000			3 000	3 000	-		100%	5 250	3 250
Phongola Municipality	4 000			4 000	4 000			4 000	184	3 816		5%		
Ilembe District Municipality	1 000			1 000	1 000			1 000	809	191		81%	1 200	1 200
King Cetshwayo District	700			700	700			700	-	700		0%	700	700
Ugu District Municipality	2 000			2 000	2 000			2 000	-	2 000		0%		
Greater Kokstad Municipality	700			700	700			700	-	700		0%		
Umgungundlovu District	1 750			1 750	1 750			1 750	-	1 750		0%		
EThekweni				-									3 000	
Umlabuyalingana				-									1 200	1 200
Umvoti Municipality				-									150	150
Newcastle Municipality				-									150	150
Umlathuze Municipality				-									100	100
Umzimkhulu Municipality				-									100	100
Umlalazi Municipality				-									250	250
Total	46 769	-	-	46 769	46 718	-	-	46 718	5 985	40 665	-	17 621	7 321	7 321

**DEPARTMENT OF ECONOMIC DEVELOPMENT, TOURISM AND ENVIRONMENTAL AFFAIRS - VOTE 4
ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS**

ANNEXURE 1B

DEPARTMENT/AGENCY/ACCOUNT	STATEMENT OF TRANSFERS TO DEPARTMENTAL AGENCIES AND ACCOUNTS						2018/19 Final Appropriation R'000
	TRANSFER ALLOCATION			TRANSFER		% of Available funds transferred %	
	Adjusted appropriation R'000	Roll Overs R'000	Adjustments R'000	Total Available R'000	Actual Transfer R'000		
KZN Liquor Authority	84 680			84 680	84 680	100%	80 189
KZN Dube Tradeport	478 268			478 268	478 268	100%	356 695
Ezemvelo KZN Wildlife	769 438			769 438	769 438	100%	767 512
KZN Tourism Authority	170 062		29 825	199 887	199 887	100%	151 117
Natal Sharks board	79 587			79 587	79 587	100%	72 297
KZN Trade and Investment SABC	102 321			102 321	102 321	100%	85 935
NYDA Funding Partnership				-	-		9
KZN Gambling & Betting Board	44 771			44 771	44 771	100%	1 500
Total	1 729 127	-	29 825	1 758 952	1 758 952		1 515 254

**DEPARTMENT OF ECONOMIC DEVELOPMENT, TOURISM AND ENVIRONMENTAL AFFAIRS - VOTE 4
ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS**

ANNEXURE 1C

INSTITUTION NAME	STATEMENT OF TRANSFERS TO HIGHER EDUCATION INSTITUTIONS						2018/19 Final Appropriation R'000
	TRANSFER ALLOCATION			TRANSFER		% of Available funds transferred %	
	Adjusted appropriation R'000	Roll Overs R'000	Adjustments R'000	Total Available R'000	Actual Transfer R'000		
University of KwaZulu-Natal	-	-	-	-	-	-	2 404
Durban University of Technology	-	-	-	-	-	-	1 043
University of Zulu land	-	-	-	-	-	-	1 553
Total	-	-	-	-	-	-	5 000

DEPARTMENT OF ECONOMIC DEVELOPMENT, TOURISM AND ENVIRONMENTAL AFFAIRS - VOTE 4

ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS

ANNEXURE 1D

NAME OF PUBLIC CORPORATION/ PRIVATE ENTERPRISE	TRANSFER ALLOCATION			EXPENDITURE			2018/19 Final Appropriation		
	Adjusted appropriation Act	Roll Overs	Adjustments	Total Available	Actual Transfer	% of Available funds transferred		Capital	Current
	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000	R'000
Public corporations									
Transfers	295 256	-	9 745	305 001	305 001	100.0%	(140 284)	(164 717)	407 689
Ithala Limited	152 472	-	12 245	164 717	164 717	100.0%	-	164 717	275 659
Richards Bay IDZ	140 284	-	-	140 284	140 284	100.0%	140 284	-	129 530
CSIR	2 500	-	(2 500)	-	-	-	-	-	2 500
Sub-total: Public corporations	295 256	-	9 745	305 001	305 001	100.0%	140 284	164 717	407 689
Private enterprises									
Transfers	3 676	-	38 013	41 689	38 488	92.3%	-	38 488	4 800
KZN Music Cluster	3 500	-	-	3 500	3 500	100.0%	-	3 500	4 000
Africa Television Market	176	-	-	-	-	99.4%	-	175	800
Bonenhle Investments	-	-	-	176	175	100.0%	-	1 500	1 500
Zakanisto Entertainment (Pty)Ltd	-	-	1 500	1 500	1 500	100.0%	-	410	410
033 Pmb Events Pty Ltd	-	-	410	410	410	100.0%	-	1 200	1 200
Bonginjabulo Pty Ltd	-	-	1 200	1 200	1 200	100.0%	-	565	565
Buhlebuyeza Contracting	-	-	565	565	565	100.0%	-	1 200	1 200
Conquerir General Services Pty	-	-	1 200	1 200	1 200	100.0%	-	2 000	2 000
Durban Jazz Festival Pty Ltd	-	-	1 200	1 200	1 200	100.0%	-	1 000	1 000
Every Dimension Pty Ltd	-	-	600	600	600	100.0%	-	600	600
Go King Cetshwayo Pty Ltd	-	-	2 000	2 000	2 000	100.0%	-	1 700	1 700
Kas Lam Events	-	-	1 000	1 000	1 000	100.0%	-	500	500
Ladysmith 150 Events	-	-	500	500	500	100.0%	-	1 700	1 700
Mminathoko Trading 186 CC	-	-	1 700	1 700	1 700	100.0%	-	1 200	1 200
Nonorntainment Pty Ltd	-	-	1 200	1 200	1 200	100.0%	-	1 700	1 700
Ohlange Events	-	-	1 700	1 700	1 700	100.0%	-	600	600
Refugee Pty Ltd Concepts	-	-	600	600	600	100.0%	-	3 000	3 000
Rumbile (Pty)Ltd	-	-	3 000	3 000	3 000	100.0%	-	-	-

STATEMENT OF TRANSFERS/SUBSIDIES TO PUBLIC CORPORATIONS AND PRIVATE ENTERPRISES

NAME OF PUBLIC CORPORATION/ PRIVATE ENTERPRISE	TRANSFER ALLOCATION			EXPENDITURE			2018/19 Final Appropriation
	Adjusted appropriation Act	Roll Overs	Adjustments	Total Available	Actual Transfer	% of Available funds transferred	
	R'000	R'000	R'000	R'000	R'000	%	R'000
Sqhovuvu Pty Ltd		700		700	700	100.0%	700
Strategic Advisory Services Pty		4 000		4 000	4 000	100.0%	4 000
Umdabula Music (Pty)Ltd		2 440		2 440	2 440	100.0%	2 440
Newcastle Mus Fes 27 Dec (Pty) Ltd		2 200		2 200	2 200	100.0%	2 200
Bomtimadze Consultants		1 200		1 200	1 200	100.0%	1 200
Fact Durban Rocks Pty Ltd		1 500		1 500	1 500	100.0%	1 500
Solea Productions CC		2 200		2 200	2 200	100.0%	2 200
International Radio Festival		2 000		2 000	-	-	
uMgungundlovu Midmar Jazz Festival		1 200		1 200	-	-	
The Lisizo Vegetable ProcesProj		2 198		2 198	2 198	100.0%	2 198
Sub-total: Private enterprises	3 676	-	38 013	41 689	38 488	92.3%	4 800
TOTAL	298 932	-	47 758	346 690	343 489	99.1%	412 489

Audit Adjustment: CSIR shift of funds from Transfer Payments to Goods and Services

DEPARTMENT OF ECONOMIC DEVELOPMENT, TOURISM AND ENVIRONMENTAL AFFAIRS - VOTE 4

ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS

ANNEXURE 1E

NON-PROFIT INSTITUTIONS	STATEMENT OF TRANSFERS TO NON-PROFIT INSTITUTIONS						2018/19 Final Appropriation R'000
	TRANSFER ALLOCATION			EXPENDITURE		2018/19 Final Appropriation R'000	
	Adjusted appropriation Act R'000	Roll Overs R'000	Adjustments R'000	Total Available R'000	Actual Transfer R'000		
Moses Kotane Institute	87 538			87 538	87 538	100%	55 131
KZN Film Commission	90 538			90 538	90 538	100%	96 267
KZN Growth Fund Trust	57 200		46 900	104 100	104 100	100%	126 900
SAAMBR	7 159			7 159	7 159	100%	6 779
EThekweni Maritime cluster				-			1 000
KZN Clothing Textile	3 500			3 500	3 500	100%	1 000
KZN Fashion council	1 500		3 000	4 500	4 500	100%	6 500
WESSA	500			500	500	100%	-
Ugu ICT incubator				-			500
INK ICT for disability Entrepreneurship				-			1 000
Msunduzi Incubator				-			3 000
Nature, Envir. & Wildlife Filmmakers				-			1 000
Richards Bay ICT				-			1 500
Smart city Innovation ICT Hub				-			3 000
Total	247 935	-	49 900	297 835	297 835		303 577

DEPARTMENT OF ECONOMIC DEVELOPMENT, TOURISM AND ENVIRONMENTAL AFFAIRS - VOTE 4
ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS

ANNEXURE 1F

HOUSEHOLDS	STATEMENT OF TRANSFERS TO HOUSEHOLDS							2018/19 Final Appropriation R'000	
	TRANSFER ALLOCATION			EXPENDITURE		Total Available R'000	Actual Transfer R'000		% of Available funds transferred %
	Adjusted appropriation Act R'000	Roll Overs R'000	Adjustments R'000	%	%				
Transfers									
H/H EMPL S/BEN: INJURY ON DUTY			16	16	16	16	100%	3	
H/H EMPL S/BEN: LEAVE GRATUITY	303		488	791	791	791	100%	2 126	
H/H: BURSARIES (NON-EMPLOYEE)	6 735			6 735	6 735	2 490	37%	12 706	
H/H EMPL S/BEN: SEVERANCE PACKAGE				-	-			2 413	
Total	7 038	-	504	7 542	7 542	3 297		17 248	



DEPARTMENT OF ECONOMIC DEVELOPMENT, TOURISM AND ENVIRONMENTAL AFFAIRS - VOTE 4

ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS

ANNEXURE 1H

STATEMENT OF GIFTS, DONATIONS AND SPONSORSHIPS RECEIVED

NAME OF ORGANISATION	NATURE OF GIFT, DONATION OR SPONSORSHIP	2019/20 R'000	2018/19 R'000
Received in kind			
SAB and IN BEV	5 piece BBQ set (<R350 valued at R300)		
Tsogo Sun obo TIKZN	Accommodation gift voucher from Tsogo Sun for assisting TIKZN with Adjudication of annual Business Awards (Not used due to Covid19 lockdown)		
TOTAL		-	-

DEPARTMENT OF ECONOMIC DEVELOPMENT, TOURISM AND ENVIRONMENTAL AFFAIRS - VOTE 4
ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS

ANNEXURE 2A

GUARANTOR INSTITUTION	Guarantee in respect of	STATEMENT OF FINANCIAL GUARANTEES ISSUED AS AT 31 MARCH 2020 - FOREIGN							Realised losses not recoverable i.e. claims paid out		
		Original guaranteed capital amount	Opening balance 1 April 2019	Guarantees drawdowns during the year	Guaranteed repayments/ cancelled/ reduced/ released during the year	Revaluations	Closing balance 31 March 2020	Guaranteed interest for year ended 31 March 2020		R'000	R'000
		R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000
Other											
Capital adequacy		300 000	300 000	-	-	-	-	300 000	-	-	-
Subtotal		300 000	300 000	-	-	-	-	300 000	-	-	-
Total		300 000	300 000	-	-	-	-	300 000	-	-	-

DEPARTMENT OF ECONOMIC DEVELOPMENT, TOURISM AND ENVIRONMENTAL AFFAIRS - VOTE 4
ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS

ANNEXURE 2B

STATEMENT OF CONTINGENT LIABILITIES AS AT 31 MARCH 2020						
NATURE OF LIABILITY	Opening balance 1 April 2019	Liabilities incurred during the year	Liabilities paid/ cancelled/ reduced during the year	Liabilities recoverable (Provide details hereunder)	Closing balance 31 March 2020	
	R'000	R'000	R'000	R'000	R'000	R'000
Claims against the department	35 522		35 522		-	
Soft Skills (North sea Jazz)	3 000				3 000	
Nkosini Projects Marketing	75				75	
Rainov8 Concepts Trading under DJ Production v EDTEA	85				85	
Malherbe M v MEC for Economic Development, Tourism and Environmental Affairs KZN	18				18	
Nandz Construction and Projects	2 000				2 000	
Durban Stars	254 202		254 202		-	
Jali Bird	3 000				3 000	
TOTAL	297 902		289 724		8 178	

DEPARTMENT OF ECONOMIC DEVELOPMENT, TOURISM AND ENVIRONMENTAL AFFAIRS - VOTE 4
ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS

ANNEXURE 3

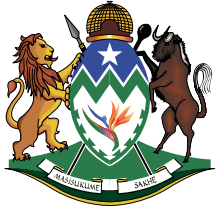
GOVERNMENT ENTITY	INTER-GOVERNMENT PAYABLES						Cash in transit at year end 2019/20*	
	Confirmed balance outstanding		Unconfirmed balance outstanding		Total		Payment date up to six (6) working days before year end	Amount
	31/03/2020	31/03/2019	31/03/2020	31/03/2019	31/03/2020	31/03/2019		
R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000	
DEPARTMENTS								
Current								
Departments of Public Works KZN		108						108
KZN Provincial Treasury		297						297
TOTAL INTERGOVERNMENTAL	405							405

DEPARTMENT OF ECONOMIC DEVELOPMENT, TOURISM AND ENVIRONMENTAL AFFAIRS - VOTE 4

ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS

ANNEXURE 4A

ENTITY	INTER-ENTITY ADVANCES RECEIVED (NOTE 21 AND NOTE 22)					
	Confirmed balance outstanding		Unconfirmed balance outstanding		Total	
	31/03/2020	31/03/2019	31/03/2020	31/03/2019	31/03/2020	31/03/2019
R'000	R'000	R'000	R'000	R'000	R'000	
OTHER INSTITUTIONS						
Current						
Office of the Premier (Gaming & Betting)	260				260	
National Treasury (Swiss state)		30				30
TOTAL	260	30	30	-	260	30



KWAZULU-NATAL PROVINCE

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DEPARTMENT OF ECONOMIC DEVELOPMENT, TOURISM AND ENVIRONMENTAL AFFAIRS

ANNUAL REPORT 2019-2020

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NOTES

Horizontal lines for notes.



KWAZULU-NATAL PROVINCE

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