

## **Economic Development & Tourism**

Department:  
Economic Development & Tourism  
NORTHERN CAPE PROVINCE

# **Annual Report**

**For the Year Ended 31 March 2024**

**Vote 6**



**2024**

# ANNUAL REPORT

For the Year Ended  
31 March 2024



DEPARTMENT OF ECONOMIC DEVELOPMENT AND  
TOURISM

NORTHERN CAPE PROVINCE  
VOTE 6



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# PART A

## GENERAL INFORMATION

### DEPARTMENT OF ECONOMIC DEVELOPMENT AND TOURISM

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## 1.2 LIST OF ABBREVIATIONS/ ACRONYMS

ABBREVIATION	MEANING
AGSA	Auditor-General of South Africa
BBBEE	Broad-Based Black Economic Empowerment
BOT	Build-Operate Transfer
BRICS	Brazil, Russia, India, China and South Africa
CAD	Computer Aided Design
CAM	Computer Aided Manufacturing
CFO	Chief Financial Officer
CIPC	Companies and Intellectual Property Commission
CSD	Central Supplier Database
CSIR	Council for Scientific and Industrial Research
CSP	Concentrating Solar Power
DGDS	District Growth and Development Strategy
DIRCO	The Department of International Relations and Cooperation
DORA	Division of Revenue Act
DSDF	District Spatial Development Framework
DTI	Department of Trade and Industry
EIA	Enterprise Information Architecture
EHW	Employee Health and Wellness.
ETAC	Economic Technical Advisory Committee
EXCO	Executive Committee
EPWP	Extended Public Works Programme
FABCOS	Foundation for African Business and Consumer Services
GDE	Gross Domestic Expenditure
GDP-R	Gross Domestic Product per Region
GIA	Gemological Institution Authority
HIPCC	High Impact Project Coordinating Committee
HRA&D	Human Resource Accounting and Development
HS	Harmonized System (HS) Codes
ICT	Information and Communication Technology
IDC	Industrial Development Cooperation
IDP	Integrated Development Plan
IDT	Independent Development Trust
IMEDP	Informal Micro Enterprise Development Programme
IYM	In-Year Monitoring
KIDJA	Kimberley International Diamond and Jewellery Academy
KIP	Kathu Industrial Park
KD & JC	Kimberley Diamond & Jewellery Centre
LED	Local Economic Development
LFPR	Labour Force Participation Rate



ABBREVIATION	MEANING
mLAB	Mobile Solutions Laboratory
MTEF	Medium Term Expenditure Framework
MTSF	Medium Term Strategic Framework
MIS	Management Information System
M & E	Monitoring and Evaluation
MQA	Mining Qualification Authority
NCYCC	Northern Cape Youth Chamber of Commerce
NDP	National Development Plan
NEF	National Empowerment Fund
NEMISA	National Electronic Media Institute of South Africa
NIMBUS	National Informal Business Upliftment Strategy
NIP	National Infrastructure Plan
NVC	New Venture Creations
OECD	Organisation for Economic Co-operation and Development
PAIA	Promotion of Access to Information Act
PAJA	Promotion of Administrative Justice Act
PFMA	Public Finance Management Act
PGDS	Provincial Growth and Development Strategy
PPP	Public Private Partnership
PSA	Public Service Act
PSDF	Provincial Spatial Development Framework
PSET	Post School Education and Training
PSR	Public Service Regulations
PV	Photovoltaic
RaLED	Regional and Local Economic Development
R&D	Research & Development
REIPPPP	Renewable Energy Independent Power Producer Procurement Programme
RWOPS	Remuneration for Work Outside the Public Service
SABIC	South African Business Incubation Conference
SADPMR	South African Diamond and Precious Metals Regulator
SALT	Southern Africa Large Telescope
SAT	South African Tourism
SA-TIED	Southern Africa- Towards Inclusive Economic Development
SAWIC	South African Women in Construction
SEDA	Small Enterprise Development Agency
SEIF	Shared Economic Infrastructure Facility
SEZ	Special Economic Zone
SOE	State Owned Enterprise
SHERQ	Safety, Health, Environment, Risk and Quality
SIPP	Swiss Import Promotion Programme

ABBREVIATION	MEANING
<b>SITA</b>	State Information Technology Agency
<b>SIP</b>	Strategic Integrated Project
<b>SLA</b>	Service Level Agreement
<b>SPLUMA</b>	The Spatial Planning and Land Use Management Act 16 of 2013 (SPLUMA).
<b>SPU</b>	Sol Plaatje University
<b>TSA</b>	Tourism Satellite Account
<b>TVET</b>	Northern Cape Technical Vocational Education and Training
<b>TWIB</b>	Technology for Women in Business
<b>UNWTO</b>	United Nations World Tourism Organisation
<b>WEMI</b>	Women Empowerment Movement International
<b>WiLAT</b>	Women in Logistics and Transport
<b>WTTC</b>	World Travel and Tourism Council

### 1.3. FOREWORD BY THE MEC



The Medium-Term Strategic Framework 2019-2024 (MTSF), as part of the problem statement, raised several critical socio-economic issues that, within the mandate of the Department of Economic Development and Tourism, needed to be addressed in the province. These included the need to address the lack of economic transformation, economic exclusion, low growth rates, high levels of unemployment, income inequality, and a lack of digital readiness.

The onset of the COVID-19 pandemic, coupled with the Ukraine Russia conflict, impacted negatively on the medium-term growth projections of the province and with it the ability of the province to address poverty, unemployment, and inequality.

Despite the economic onslaught, the Northern Cape Province has demonstrated a hardiness personified by the “halfmens boom.” These iconic “reservoirs of hope” of the Richtersveld can withstand drought, heat, and wind, yet still bloom in winter. This resilience is demonstrated in the Human Development Index of the Province. In 2022 the Northern Cape had a Human Development Index (HDI) of 0.659 compared to the National Total with a HDI of 0.655. In 2022 the Northern Cape Province recorded a lower development index than the country. This translates to better human development for Northern Cape Province. It is a developmental trajectory that we continue to pursue in line with the priorities of the Revised MTSF 2019-2024 which emphasises the call for an accelerated economic recovery in the wake of the COVID-19 pandemic. The current unemployment rate for the year under review, as calculated by StatsSA, is at 26,7%. This falls just shy of the target set in the MTSF 2019-2024.

Support for Economic Growth and Investment summits in each of the districts underscores DEDaT's commitment to fostering collaboration and driving regional development. The first of these was held in the Pixley Ka Seme District municipality emphasising investment in the Tourism sector.

The department remains committed to supporting economic development planning and implementation in municipalities, emphasizing LED strategies, IDP components, and Red Tape Reduction initiatives. Project proposals have been formulated as part of our commitment to supporting provincial development initiatives. Initiatives include the Diamond Trade Centre project proposal for the Nama Khoi Municipality and the Dikgatlong Catfish Project Proposal.

The department has proactively assisted in addressing the challenges at KIDJI. A new CEO and interim board were appointed to improve the functionality. It has established two new SMMEs and facilitated market linkages for SMMEs in assisting them to showcase their products, nationally and internationally, at the Jewellex jewellery exhibition in Johannesburg and the Shanghai Jewellery Summit.

It is a sad reality that “real salaries have deteriorated” by as much as -1,4% year-on-year. This is exacerbated by an inflation rate in the province of 5.5%. In order to combat the fiscal haemorrhaging of ordinary consumers in the province, the Consumer Protection Authority performs an extremely vital function. In the year under review, their interventions saved the consumers R612 058,00. Multi-disciplined teams composed of the officials from the Consumer Protection Authority, the South Africa Police Service and sister departments were able to conduct operations in the province to remove expired products from the shelves of unscrupulous retailers. These expired products included baby formula, medicinal products (some Schedule 2), and



counterfeit goods. These confiscated products were disposed of at undisclosed locations to prevent them from returning to the marketplace.

A Transfer Agreement, between DEDaT and SPU, was signed to support the NC Innovation Platform Funding to the tune of R500 000. The department played a collaborative role in assisting Universal Service and Access Agency of South Africa (USAASA) to install new sites in PKS. This paved the way for the Deputy Minister of Communications and Digital Technologies, Hon. Mohlopi Phillemon Mapulane to launch the Free WiFi hotspot project in the District of Pixley ka Seme in the township of Nonzwakazi, De Aar. These initiatives are aimed at addressing the MTSF's call to "address the lack of digital readiness" by providing accessible internet connectivity to communities, and empowering individuals and small businesses with the tools they need to thrive in the digital age of the Fourth Industrial Revolution (4IR).

In his address to the nation in July 2022, His Excellency President Cyril Ramaphosa mentioned the five key actions where the investment in rooftop solar PV installation was announced as one of the activities to resolve the energy challenge in South Africa. South Africa's renewable energy sets its targets from the Integrated Resource Plan (IRP) and the objective of the document is to determine the least-cost solution to a capacity shortage.

In a continued effort to assist municipalities and companies to take advantage of the renewable energy sector especially in Small Scale Embedded generation, the Renewable Energy (Engineering) function was introduced in the fourth quarter of the financial year. The Department has also appointed a newly established incubator: The Northern Cape Solar and Renewable Energy Business Incubator (NOCSOBI) to implement the rooftop solar programme on behalf of the SMMEs in the Province. NOCSOBI seeks to create a rooftop solar PV installation programme as an entry point for SMMEs. To date, 43 SMMEs have received SAPVIA accredited PV Green Card certificates.

During the third quarter of the year the Centre for Competition, Regulation and Economic Development (CCRED) at the University of Johannesburg was appointed as the preferred bidder to develop a comprehensive Masterplan for the establishment and development of a metals, machinery and equipment (MME) sector industrial cluster in the province. The process of developing the masterplan is expected to continue in the 2024/2025 financial year.

Focusing on global market access for agro-processing and other exportable commodities in the province. The sub-programme initiated and finalised, during the course of the financial year, the procurement process for the TRADE-Decision Support Model (DSM); and Trade Advisory Services Pty Ltd was appointed as the successful service provider. To advance cooperation between the Department and the agro-processing industry on the issue of global market access for the dried grape among other things, a memorandum of understanding (MoU) was signed in April 2023 between the Department and Raisins SA Pty Ltd.

NCEDA is the official economic development, trade and investment promotion agency of the province and is currently implementing the catalytic projects i.e. the Namakwa SEZ, the Boegoebaai Port and Rail Development, the Green Hydrogen Development Programme, the Uptington Industrial Park and the Kathu Industrial Park.

Exports contribute 17% to the GDP of the province and it is therefore important to grow the export base by motivating companies to enter the export sector and earn precious foreign exchange, grow their profit margins and create additional jobs. The interventions of the department succeeded in assisting 119 companies to participate in export awareness and GEPP training of which 22 youth and 76 women owned companies participated including 27 informal businesses and 4 companies owned by people with disabilities. Twenty (20) companies were granted exposure on national, international and media platforms enabling them to market and promote their products.

In terms of rationalisation of the entities in the province in order to improve service delivery and cost-effectiveness, the Northern Cape Liquor Board (NCLB) and the Northern Cape Gambling (NCGB) board were disestablished. They now form a single entity. A temporary board has been appointed in the interim. The NCEDA Mega Entity building was launched by the Hon. Dr. Zumani Saul. NCEDA now houses the former entities such as the Northern Cape Tourism Authority (NCTA), Mme Re ka Thusa Trust, Kalahari Kid and the White Fleet. NCEDA continues to spearhead the high-impact projects that include Kathu Industrial Park, Upington Industrial Park, the Namakwa SEZ and the Boegoeberg SEZ. That Boegoebaai Port & Rail Development will allow the Northern Cape to be positioned as the centre of the Green Hydrogen ecosystem. The Namakwa SEZ is expected to be launched in the first quarter of the new financial year

The department has been compelled to address post-COVID fallout within the context of austerity measures. The “cost-containment” measures led to smaller budgets to implement projects and initiatives strategically positioned to position the Northern Cape as an attractive, competitive, and marketable destination.

In order to address the need to transform the tourism industry, DEDaT provided financial and non-financial support to selected tourism enterprises in priority development nodes such as the astro tourism corridor (Carnarvon/Sutherland) and on the respective tourist routes. Six (6) tourism enterprises were supported with market access as the beneficiaries were funded to attend the annual Africa’s Travel Indaba in Durban. Six (6) tourism enterprises, all youth, were supported in partnership with SARAO and they are now qualified tourist guides. Seven (7) tourism enterprises, mainly tour operators and activity-based tourism enterprises, participated in an incubation programme in partnership with Sol Plaatje University’s Centre for Entrepreneurship and Rapid Incubator.

The department remains committed to achieving a Clean Audit outcome, as attained in the 2022/2023 financial year.

I would like to concur with the sentiments expressed Amílcar Cabral, an agronomist who led an armed struggle that ended Portuguese colonialism in Guinea-Bissau and Cabo Verde. He said that we must, “Always bear in mind that the people are not fighting for ideas, for the things in anyone’s head. They are fighting to win material benefits, to live better and in peace, to see their lives go forward and to guarantee the future of their children.” This is what we are committed to achieving, “a future for our children.”



**Mr Abraham Vosloo**

**MEC for Finance, Economic Development and Tourism**

**31 May 2024**

## 1.4. REPORT OF THE ACCOUNTING OFFICER

### 1.4.1. Overview of the operations of the department



In the year under review, the department spent 95% of its budget and managed to achieve 82,25% of the targets (51/62). Eighteen targets were exceeded. Programme 3: Trade and Sector Development, and Programme 5: Economic Planning achieved 100% of their targets.

The pursuit of the targets, as per the tabled APP 2023/24, was hamstrung by the cost containment measures that the department was called upon to implement. These measures had a direct bearing on the procurement targets as set for women, youth and people living with disabilities.

In addition, the Tyre Crumbling Project fund was surrendered because the feasibility studies were still in process. Another key factor to the non-achievement of the targets as set can be ascribed to the fact that the KDC tender was not concluded as envisaged. It proved a challenge to establish new SMMEs at KIDJI because the SMMEs, whose tenure had expired, did not vacate the incubator to allow new intake. Notwithstanding of these challenges, the department remained committed to addressing poverty,

unemployment and inequality in the province.

In 2022 Northern Cape Province had an HDI of 0.659 compared to the National Total with a HDI of 0.655. Seeing that South Africa recorded a lower HDI in 2022 when compared to Northern Cape Province which translates to better human development for Northern Cape Province compared to South Africa. South Africa's HDI increased at an average annual growth rate of 0.72% and this increase is lower than that of Northern Cape Province (0.76%). In terms of the HDI for each the regions within the Northern Cape Province, Namakwa District Municipality has the highest HDI, with an index value of 0.683. The lowest can be observed in the John Taolo Gaetsewe District Municipality with an index value of 0.626.

The greatest contributor to the Northern Cape Province economy is the Frances Baard District Municipality with a share of 35.2% or R 52,1 billion, increasing from R 27,5 billion in 2012. The economic drivers of the Frances Baard economy were government services as well as finance, with a R 17,1 billion and R 8.7 billion contribution respectively. Whilst, the economy with the lowest contribution is the Namakwa District Municipality with R 15,0 billion growing from R 8,65 billion in 2012.

It is expected that from 2022 to 2027 the John Taolo Gaetsewe District Municipality will achieve the highest average annual growth rate of 3.23%. The region that is expected to achieve the second highest average annual growth rate is Pixley ka Seme District Municipality, averaging 2.24% between 2022 and 2027. On the other hand, the region that performed the poorest relative to the other regions within Northern Cape Province was the Namakwa District Municipality with an average annual growth rate of 0.15% (S&P Global IHS MarkIT, 2022).

Pixley ka Seme had the highest average annual economic growth, averaging 2.27% between 2012 and 2022, when compared to the rest of the regions. The Frances Baard District Municipality had the second highest average annual growth rate of 1.68%. John Taolo Gaetsewe District Municipality had the lowest average annual growth rate of -0.96% between 2012 and 2022. It is expected that Northern Cape Province's GDP will grow at an average annual rate of 1.53% from 2022 to 2027.

It is expected that Northern Cape Province's GDP will grow at an average annual rate of 1.53% from 2022 to 2027. South Africa as a whole is forecasted to grow at an average annual growth rate of 1.76%, which is higher than that of the Northern Cape Province (S&P Global Market Intelligence, 2024). In 2027, Northern Cape's forecast GDP growth will be an estimated R 106 billion (constant 2010 prices) or 2.1% of the total GDP of South Africa.

The Northern Cape Province average annual employment growth rate of 1.31% exceeds the average annual labour force growth rate of 0.90% resulting in unemployment decreasing from 28.46% in 2012 to 25.72% in 2022 in the province (S&P Global Market Intelligence, 2024). The Northern Cape Province experienced an average annual decrease of -



0.12% in the number of unemployed people, which is better than the national which had an average annual increase in unemployment of 5.20% (S&P Global Market Intelligence, 2024). In 2022, the unemployment rate in Northern Cape Province (based on the official definition of unemployment) was 25.72%, which is a decrease of -2.74 percentage points.

According to StatsSA (2024), the provincial official unemployment rate stood at 26.9% at the end of the last quarter of 2023, spelling a marginal increase when compared to the third quarter of the same year. Similarly, on the expanded definition of unemployment it indicated a marginal increase of 0.9 percentage point to 42.9%. The unemployment rate in Northern Cape Province is lower than national rate. The transition in the scenario, has been a gradual feat wherein the provincial unemployment rate is lower than that of the country. This is a clear indication that we are on track with our developmental trajectory and these numbers speak volumes. We must ensure that we sustain these gains and further build on this good work.

During the year under review, the Department transferred R 4 638 040.00 to the National Empowerment Fund (NEF). An additional five (5) enterprises were successful applicants to the Northern Cape Blended Fund during the year. Four (4) of the enterprises are in the Sol Plaatje Local Municipality and one (1) from the Dawid Kruiper Local Municipality. The support resulted in the creation of 272 jobs and costing R 114,36 million.

The department remains committed to supporting economic development planning and implementation in municipalities, emphasizing LED strategies, IDP components, and Red Tape Reduction initiatives. To this end there have been project proposals for the Dikgatlong Catfish Project Proposal and the Diamond Trade Centre project proposal for the Nama Khoi Municipality. The LED Forum serves as a platform for stakeholders to address pertinent issues in economic development. Five LED forums were held in Gamagara, Phokwane (2), Richtersveld and Tsantsabane Local Municipalities.

A total of 247 work opportunities were created through the EPWP programme.

Much work has gone into addressing the challenges within Kimberley International Diamond and Jewellery Academy (KIDJA). A new interim board and CEO have been appointed to provide guidance in this regard. Both KIDJA and KDJI remain committed to their objectives, providing training, job opportunities, and support to enhance skills and entrepreneurship in the diamond and jewellery sectors. KDJI established two new SMMEs. Twenty learners began a L4 learnership in Brillianteering, Crossworking, and Brutting. Nineteen learners commenced a nine-month L3 learnership in Top and Bottom Polishing.

In the financial year 2023/2024 nine mining interventions were targeted. A key focus is to identify a high-impact mining project linked to procurement within the Kgatelopele Municipality.

The demand for CIPC services remains consistently high across all five districts and this year the department assisted 1196 clients. DEDaT in collaboration with Productivity SA also hosted Champions training for 23 enterprises in Griekwastad. Five cooperatives from the province were supported to attend the BRICS Co-operatives Summit event hosted by the South African National Apex Co-operative (SANACO).

DEDaT conducted several initiatives to promote economic empowerment and support SMMEs in the Northern Cape Province. These included a BBBEE Verification Workshops and other interventions in the various districts.

During the third quarter of the financial year the Mining and Mineral Beneficiation function was introduced under the Trade and Investment Promotion sub-programme since the mining and mineral beneficiation sector provide excellent opportunities for growth. The department is therefore taking a pro-active approach in planning towards rolling out provincial mining sector and mineral beneficiation support initiatives which will result in promoting industrialisation and transformation of the Northern Cape economy.

In an effort to assist municipalities and companies to take advantage of the renewable energy sector especially in Small Scale Embedded generation, the Renewable Energy (Engineering) function was introduced in the fourth quarter of the financial year.

The Northern Cape Department has prioritised the Metals, Machinery and Equipment (MME) sector for investigation and analysis to support the process of developing an Industrial Cluster Masterplan for the MME sector. the Centre for Competition, Regulation and Economic Development (CCRED) at the University of Johannesburg was appointed as the

preferred bidder to develop a comprehensive Masterplan for the establishment and development of a metals, machinery and equipment (MME) sector industrial cluster in the province. The process of developing the masterplan is expected to continue during the intervening quarters of the next financial year [2024/25] with the rollout of the following four cascading phases of the project: situation analysis, stakeholder engagement/capabilities assessment, strategy formulation and, masterplan formulation.

Registration of geographical indications (GIs) in the EU for the Orange River Raisins and the Karoo Pistachios was identified as one of the instruments, among others, that can be utilised to grow market share in the EU and maximise export revenues. To this end, the EU-SADC EPA Support Programme contracted an international trade law consultancy firm with expertise on GIs to develop a GI step by step export manual targeting local products with potential for GI status including the Orange River Raisin and the Karoo Pistachios in the Northern Cape province.

The department finalised the procurement process for the TRADE-Decision Support Model (DSM); and Trade Advisory Services Pty Ltd was appointed as the successful service provider. Following the appointment of Trade Advisory Services Pty Ltd, the TRADE-DSM dry run workshop was presented to the Department on the last quarter of the year. In order to advance cooperation between the Department and the agro-processing industry on the issue of global market access for the dried grape among other things, a memorandum of understanding (MoU) was signed in April 2023 between the Department and Raisins SA Pty Ltd.

The Department has appointed a newly established incubator: The Northern Cape Solar and Renewable Energy Business Incubator (NOC SOBI) to implement the rooftop solar programme on behalf of the SMMEs in the Province. NOC SOBI seeks to create a rooftop solar PV installation programme as an entry point for SMMEs. To date, 43 SMMEs have received SAPVIA accredited PV Green Card certificates. In understanding the IPPs' impact on their beneficiary communities, sector development has completed a socio-economic development impact assessment on the community beneficiary in Noupoot.

In terms of rationalisation of the entities in the province in order to improve service delivery and cost-effectiveness, the Northern Cape Liquor Board (NCLB) and the Northern Cape Gambling (NCGB) board were disestablished. They now form a single entity. A temporary board has been appointed in the interim. The NCEDA Mega Entity building was launched by the Hon. Dr. Zumani Saul. NCEDA now houses the former entities such as the Northern Cape Tourism Authority (NCTA), Mme Re ka Thusa Trust, Kalahari Kid and the White Fleet.

NCEDA continues to spearhead the high-impact projects that include Kathu Industrial Park, Upington Industrial Park, the Namakwa SEZ and the Boegoeberg SEZ. The Boegoebaai Port & Rail Development will allow the Northern Cape to be positioned as the centre of the Green Hydrogen ecosystem. The Namakwa SEZ is expected to be launched in the first quarter of the new financial year.

Ten (10) investment projects were marketed through the NC Business publication, Trade Invest Africa e-newsletter and the Africa Decisions Magazine. In growing the export base of the province and improving the international competitiveness and product offer from the Northern Cape Province 90 companies received export awareness training with assistance of dtic and SEDA. In addition, 29 Northern Cape companies participated in Phase 1 -Phase 3 of the Global Exporter Programme in Kimberley and Springbok. In total 119 companies participated in export awareness and GEPP training of which 22 youth and 76 women owned companies participated including 27 informal businesses and 4 companies owned by people with disabilities. Twenty (20) companies were granted exposure on national, international and media platforms enabling them to market and promote their products. Consequently, this enabled them to secure potential export orders.

Tourism enterprise development continues to be regarded as an important tool to enhance destination attractiveness and marketability. The department therefore provides financial and non-financial support to selected tourism enterprises in priority development nodes such as the astro tourism corridor (Carnarvon/Sutherland) and on our respective tourist routes. Six (6) tourism enterprises were supported with market access as the beneficiaries were funded to attend the annual Africa's Travel Indaba in Durban. Six (6) tourism enterprises, all youth, were supported in partnership with SARAO and they are now qualified tourist guides. Seven (7) tourism enterprises, mainly tour operators and activity-based tourism enterprises, participated in an incubation programme in partnership with Sol Plaatje University's Centre for Entrepreneurship and Rapid Incubator. We continued to provide support to two participants in the national department

of Tourism funded incubator for tour operators. The support aimed to improve the tourism business management capacity of the two (2) incubatees, Victoria West Tours (Victoria West / Pixley ka Seme) and Silver Solutions Tours (Port Nolloth / Namakwa) to improve their market readiness, market access and business sustainability.

Four (4) tourist routes received financial support from the department – Quiver Tree Route, Forgotten Highway Route, Karoo Oasis Route and Kalahari Red Dune Route. Four Karoo walking trails were refined and new tourist maps printed for Carnarvon, Sutherland, Fraserburg and Williston. Two events were also financially supported i.e., Tourism Investment Forum Africa (TIFA) presented in Kanoneiland and the Joyous Celebrations concert presented in Kimberley.

The department also provided funding to NCEDA for roof repairs at the Mittah Seperepere International Convention Centre, improving digital connectivity in Witsand nature reserve, building more glamp campsites at Witsand nature reserve. We also provided funding to South African national Parks for constructing a walkway in the Twee Rivieren Rest Camp of the Kgalagadi Transfrontier Park (#Khomani San Cultural Landscape World Heritage Site) and a Day Spa in Riemvasmaak.

#### 1.4.2. Overview of the financial results of the Department

##### 1.4.2.1. Departmental receipts

Departmental receipts	2023/2024			2022/2023		
	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	35 216	35 132	84	33 603	27 971	5 632
Casino taxes	26 836	17 424	9 412	25 607	19 312	6 295
Horse racing taxes	3 339	13 437	(10 098)	3 186	4 540	(1 354)
Liquor licences	5 041	4 271	770	4 810	4 119	691
Motor vehicle licences	-	-	-	-	-	-
Sale of goods and services other than capital assets	128	173	(45)	123	174	(51)
Transfers received	-	-	-	-	-	-
Fines, penalties, and forfeits	18	165	(147)	17	176	(159)
Interest, dividends and rent on land	-	-	-	-	-	-
Sale of capital assets	-	70	(70)	-	-	-
Financial transactions in assets and liabilities	768	65	703	733	41	692
<b>Total</b>	<b>36 130</b>	<b>35 605</b>	<b>525</b>	<b>34 476</b>	<b>28 362</b>	<b>6 114</b>



#### 1.4.2.2 Programme Expenditure

Programme Name	2023/2024			2022/2023		
	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	76,062	72,758	3,304	70 721	70 359	362
Integrated Economic Development Services	70,312	58,830	11,482	51 738	49 896	1 842
Trade and Sector Development	119,390	118,082	1,308	92 261	80 182	12 079
Business Regulation and Governance	45,059	45,059	-	44 641	44 641	-
Economic Planning	18,537	18,213	324	18 846	18 216	630
Tourism	40,918	38,332	2,586	66 837	66 837	-
<b>Total</b>	<b>370,278</b>	<b>351,274</b>	<b>19,004</b>	<b>345 044</b>	<b>330 131</b>	<b>14 913</b>

In the 2023/24 financial year the department underspent by R19 004 000 (R14 913 000 in 2022/23).

However, the Department did request a roll-over of R5 256 000 and if the roll-over is deducted from the underspending the real underspending of the Department amounts to R13 748 000 or 3.71% of the allocated budget.

Compensation of Employees underspent with R1 134 000 for the period ending 31 March 2024. (RNIL in 2022/23)

An under spending, amounting to R3 074 000 was realised on Goods & Services. Orders amounting to R3 063 000 were issued to several service providers. Goods were received prior to year-end, but payment could not be effect since the closure of the BAS system. Orders amounting to R625 000 were issued for minor assets prior to year-end. for These commitments were active on LOGIS as at 31 March 2024 which obligates the DEDaT to process the payment. A roll-over request was submitted to Provincial Treasury for the unspent funds amounting to R3 063 000. A roll-over request amounting to R625 000 were registered for minor assets.

An under spending, amounting to R12 603 000 was realised on Transfers & Subsidies in Integrated Economic Development Services and Tourism A roll-over request was not registered.

An under spending, amounting to R2 193 000 was realised on Payments for Capital Assets. Orders amounting to R1 568 000 was issued to several service providers. Some capital assets were received prior to year-end, payment could not be effect since the closure of the BAS system. These commitments were active on LOGIS as at 31 March 2024 which obligates the DEDaT to process the payment. A roll-over request was submitted to Provincial Treasury for the unspent funds amounting to R1 568 000 and minor assets R 625 000.

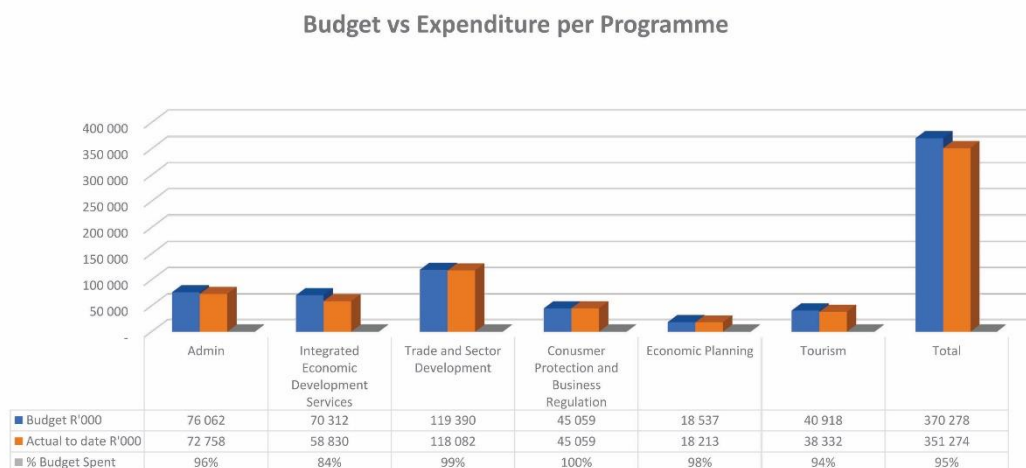
The financial year 2023/24 under spending as per economic classification are:

- Compensation of employees was R1 134 000 (RNIL in 2022/23);
- Goods and Services was R 3 074 000 (R323 000 in 2022/23). A roll-over request was registered in the 2023/24 financial year amounting to R3 063 000 and minor assets R625 000. A roll-over request was registered amounting to R121 000 for Goods and Services for the 2022/23 financial year.
- Transfers and Subsidies was R12 603 000 (R13 321 000 in 2022/23). No roll-over request was registered for Transfers and Subsidies for the 2023/24 financial year. A roll-over request was registered amounting to R13 321 000 for Transfers and Subsidies in the 2022/23 financial year.

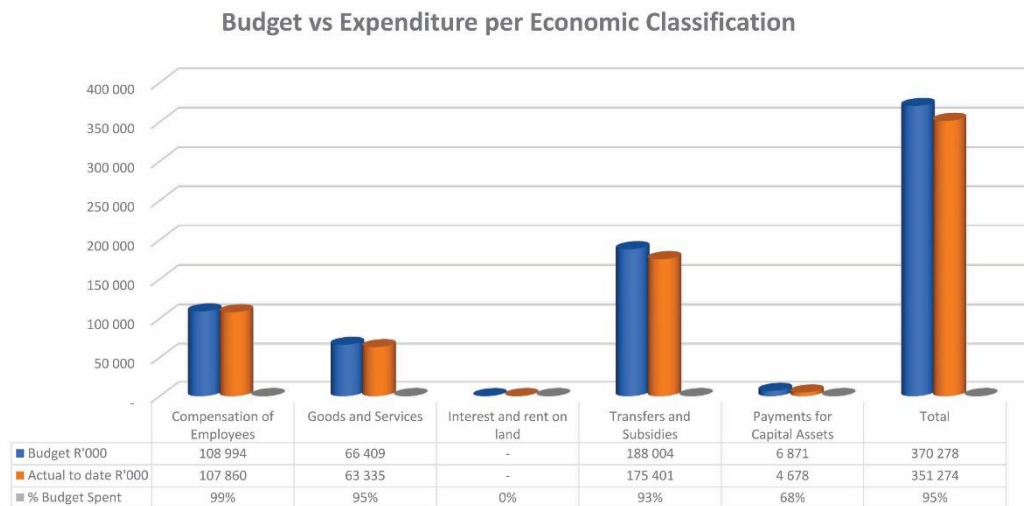
- Payments for Capital Assets was R1 568 000 (R1 269 000 in 2023/24). A roll-over request was registered amounting to R1 568 000 for Payments for Capital Assets in the 2023/24 financial year. A roll-over request was registered amounting to R226 000 for the 2022/23 financial year

The following graphs illustrate the expenditure patterns for the financial year under review as compared with the budget allocations. Graph 1 illustrates the budget versus the expenditure per programme whereas in Graph 2 indicate the budget versus expenditure per economic classification for the financial year under review.

**GRAPH 1: Budget versus Expenditure per Programme for 2023/2024**



**GRAPH 2: Budget versus Expenditure per Economic Classification for 2023/2024**



#### 1.4.2.3. Virements/roll overs

##### Virements

After the Adjusted Appropriation Act of the 2023/24 financial year, the following virement on savings, according to section 43 of the Public Finance Management Act, Act No.1 of 1999 (PFMA), have been applied by the department.

##### Per Programme:

FROM	TO	Amount R'000
Administration	Integrated Economic Development Services	1,411
Administration	Trade and Sector Development	89
Administration	Business Regulation and Governance	680
Administration	Tourism	1,500
Integrated Economic Development Services	Trade and Sector Development	110
Integrated Economic Development Services	Economic Planning	83
Integrated Economic Development Services	Tourism	1,500
Trade and Sector Development	Integrated Economic Development Services	2,000
Business Regulation and Governance	Integrated Economic Development Services	15
Business Regulation and Governance	Economic Planning	150
Business Regulation and Governance	Tourism	78
Economic Planning	Administration	260
Economic Planning	Business Regulation and Governance	175
Tourism	Administration	695
Tourism	Integrated Economic Development Services	3,016
Tourism	Trade and Sector Development	638

For more information, please refer to the Appropriation Statement in the Annual Financial Statements.

### Per Economic Classification:

FROM	TO	Amount R'000
Compensation of Employees	Compensation of Employees	852
Compensation of Employees	Goods and Services	1,358
Compensation of Employees	Transfers and Subsidies	1,500
Goods and Services	Goods and Services	1,874
Goods and Services	Transfers and Subsidies	4,938
Goods and Services	Machinery and Equipment	160
Transfers and Subsidies	Transfers and Subsidies	1,500
Machinery and Equipment	Machinery and Equipment	218

For more information, please refer to the Appropriation Statement in the Annual Financial Statements.

### Roll-Overs

The table below indicates the unspent funds and roll-overs:

After completion of the 2023/24 financial year, the Department realized an under spending on their expenses and requested a roll-over of funds; in terms of section 6.4 of the Treasury Regulations which has been submitted to the Provincial Treasury by 18 April 2024. The submission for roll-over submitted to Provincial Treasury for the Department of Economic Development and Tourism was R5 256 000 and was made up as indicated in the table below.

Programme	Saving Funds R'000	Roll-over requested R'000	Funds not rolled- over R'000
Administration	3,304	2,170	1,134
Integrated Economic Development Services	11,482	633	10,849
Trade and Sector Development	1,308	1,307	1
Business Regulation and Governance	-	-	-
Economic Planning	324	324	-
Tourism	2,586	822	1,764
<b>Total</b>	<b>19,004</b>	<b>5,256</b>	<b>13,748</b>

### Unauthorised Expenditure

The was no unauthorised expenditure.

### Fruitless and Wasteful Expenditure

Fruitless and wasteful expenditure for accommodation and flight (no show) amounting to R 17 707 was recovered from the official after the loss control committee found that the officials are liable to pay back the money.

Fruitless and wasteful expenditure for accommodation and traveling amounting to R 6 998 was written off after the Loss Control Committee recommended that expenditure be written off as the officials were notified late about the cancellation of the meetings.

The Loss Control Committee reviews all unwanted expenditures and makes recommendations to the Accounting Officer.

The Financial Management Checklist ensures that all documents are attached to batches. The Checklist is completed by the Assistant Director, Acting Deputy Director and Director to ensure compliance to all SCM Legislation.



### **Irregular Expenditure**

Irregular expenditure amounting to R 110 000 relates to non-compliance with SCM prescripts. Irregular expenditure amounting to R 7 196 637 was not condoned by Provincial Treasury. The department is still awaiting on Provincial treasury regarding the condonation of Barloworld for car hire and Publication Services for advertising and marketing. The Loss Control Committee reviews all unwanted expenditures and makes recommendations to the Accounting Officer. The Financial Management Checklist ensures that all documents are attached to batches. The Checklist is completed by the Assistant Director, Acting Deputy Director and Director to ensure compliance to all SCM Legislation.

### 1.4.3. Strategic Focus over the short to medium term period

#### FUTURE PLANS OF THE DEPARTMENT 2024/2025

##### OUTLOOK FOR 2024/2025

The department will aggressively pursue the crowding in of investment, both nationally and internationally. The focus is on attracting domestic and foreign investment by promoting the region as an ideal investment location and improve the investment climate in the province. Emphasis will be on improving the business environment for both local and foreign companies, as well as alignment with national initiatives to attract investment from domestic and foreign companies including companies that want to expand their current investments. This will result in an increase in GDP and job creation.

The focus of the department will be on the development of investment project fact sheets on high impact projects and marketing these projects to investors via print and e-media platforms,

During the 2023/24 financial year, the department published an invitation for bids to enable the appointment of a suitable qualified service provider to develop a comprehensive Masterplan for the establishment and development of a metals, machinery and equipment (MME) sector industrial cluster in the province. This process will continue in the 2024/25 financial year to cover the other towns in the province that possess significant activity in the MME sector, notably Kimberley, Upington, Kathu and Kuruman.

The Department will continue to support and implement programmes that will make Northern Cape companies more globally competitive in terms of export activities. This will enable participation in the global economy that will create trade and employment opportunities.

In addition to GreenCard training, skills development initiatives will be implemented that include exporter development, CAD and CAM training. We are targeting a representation of 30% women, youth, and people with disabilities as beneficiaries of these initiatives.

In the 2024/2025 financial year DEDaT will support the Competitive Infrastructure Development: the Namakwa SEZ, Upington Industrial Park, Kathu Industrial Park investments supported by the Invest SA One Stop Shop. The department will also support Marine Economy: Investment in the Boegoeberg se Baai Port and Rail development; and Industrialisation: The NC Industrial corridor and metals and agro-processing cluster development.

Industrialisation is driven by the largescale investment in the megaprojects. These projects, that form part of the Presidential Investment Drive, include the Boegoebaai Green Hydrogen Development Programme which is positioned as a key enabler of the Namakwa Special Economic Zone. The project will unlock mining beneficiation, production of green hydrogen fuel, infrastructure development, renewable energy and agro-processing. These sectors are expected to drive job creation and economic development of the province and the country in the medium to long term future.

In supporting the call to address the energy crisis, the department will continue to implement the provincial renewable energy strategy which focuses on rooftop solar PV installation. The department will actively pursue the upskilling of SMMEs through the PV GreenCard programme in order to help SMMEs to qualify to participate in the renewable energy value chain. Qualification through the GreenCard programme allows SMMEs to negotiate power purchase agreements. The SMMEs who have passed the PV GreenCard training will be admitted to NOCSOBI. The Incubation centre is located in Kimberley and will be administered in a hybrid form, both physically and virtually.

The government is shifting its attention to developing strategies and implementing initiatives to manage and support the informal sector in an effort to stimulate employment and grow the economy (PSEF, 2023). In terms of addressing the latter, the department will continue to roll out the Township and Rural Enterprise Support Programme (TRESP). This programme includes support to existing SMMEs around the Northern Cape with Stock, Material and Equipment to the maximum value of R100 000.00. The enterprises include PTY-LTDs, Co-operatives, Closed Cooperations, Informal Traders and Sole Proprietors, Enterprises are expected to be operational for at least a year to qualify for the grant (No Start-Ups). Only enterprises owned by people living with disabilities are exempted to apply for funding as Start-Ups. Funding for enterprises will continue through the blended funding model in partnership the National Empowerment Fund (NEF).

In support of the SA Connect initiative, the department will continue to support the roll-out of broadband in the province with the assistance of delivery partners the Department of Communications and Digital Technologies and Afrovation Foundation. It is imperative to note that these initiatives are not under the control of the department.

The department will continue to support the development of an attractive and competitive destination Northern Cape as contribution to achieve higher economic growth in the province. DEDAT will thus promote market-matching tourism experiences and destination enhancing initiatives to contribute to a more marketable and competitive destination. This will be done within the prescripts of the National, provincial and district tourism strategy and policy, the national tourism sector strategy, Northern Cape tourism master Plan and the district development model. Through the District Development Model strategic partnerships will be formed with the three spheres of government to implement initiatives that will contribute towards the growth and transformation of the provincial Tourism Industry.

Rationalisation of the entities will continue with more entities being delisted to form part of the Mega Entity. Included in the process is the intent to merge the gambling and the liquor board. The Department drafted a Bill for the rationalisation for the Liquor and Gambling Board, per the EXCO resolution. The EXCO has now approved the merger of the NCLB and the NCGB. The Bills served before EXCO on 1 August 2023 and are now being submitted to Legislature to follow the processes for introduction.

Employment opportunities will also be created through the Expanded Public Works programme in an effort to relieve unemployment in the province.

#### **1.4.4. Public Private Partnerships**

The department does not have any public-private partnerships for the period under review.

#### **1.4.5. Discontinued activities / activities to be discontinued**

No activities in the department have been discontinued or are to be discontinued.

#### **1.4.6. New or proposed key activities**

None.

#### **1.4.7. Supply chain management**

There were no unsolicited bid proposals conducted for the year under review. SCM Processes and Systems are in place to prevent irregular expenditure. Bid Specification, Evaluation and Adjudication Committee members are appointed each year. SCM advertises all bids on the eTender Portal and compiles a Longlist for all bidders. SCM officials are present at all Bid Committee Meetings. The SCM Policy is reviewed and signed on an annual basis.

Challenges experienced in SMC and how they are resolved - In the 2023/24 Financial Year, two of the SCM Admin Officers resigned for better opportunities. One of the positions was filled at year end. The challenges we experience is mostly relating to shortage of staff.

#### **1.4.8. Gifts and Donations received in kind from non-related parties**

No gifts and/or donations were received in kind from any non-related parties.

#### **1.4.9. Exemptions and deviations received from the National Treasury**

There were no exceptions and deviations that the Department received from National Treasury for the period under review.

#### **1.4.10. Events after the reporting date**

None

#### **1.4.11. Other**

In 2022/2023 National Treasury has granted approval to the department "to deviate from the sector-agreed uniform budget programme structure to be aligned with its new organisational structure as requested."

#### **1.4.12 Acknowledgement/s or Appreciation**

The Department wishes to express sincere gratitude to its national sector departments of Economic Development; Small Business Development, Tourism and the dti respectively for assistance and guidance.

Further, we would like to thank the district and local municipalities for their cooperation in order to ensure planning alignment.

I would also like to extend special thanks and appreciation to the DEDaT Audit Committee, the Portfolio Committee of Finance, Economic Development and Tourism, and the office of the AGSA for their guidance and assistance.

Finally, a special vote of thanks is expressed to the personnel of the Department of Economic Development and Tourism, as well as their families, for the support and commitment to ensure the delivery of the Department's mandate.

I hereby approve the Annual Report for the financial year ending 31 March 2024.



Accounting Officer  
Mr T Mabija  
Department of Economic Development and Tourism

Date: 31 May 2024



## 1.5. STATEMENT OF RESPONSIBILITY AND CONFIRMATION OF ACCURACY OF 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 guidelines on the Annual Report as issued by National Treasury.
- The Annual Financial Statements (Part F) 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 judgements made in this information.
- The Accounting Officer is responsible for establishing, and implementing a system of internal control that has been designed 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 the operations, the performance information, the human resources information and the financial affairs of the Department of Economic Development and Tourism for the financial year ended 31 March 2024.

Yours faithfully



Accounting Officer  
Mr T Mabija  
Department of Economic Development and Tourism  
Date: 31 May 2024

## 1.6. STRATEGIC OVERVIEW

### VISION

A radically transformed economy in the Northern Cape.

### MISSION

Accelerating the inclusive economic growth of the Northern Cape Province through modernisation, diversification, and empowerment.

### VALUES AND PRINCIPLES

In delivering a service to its diverse clients the Northern Cape Department of Economic Development and Tourism has laid particular emphasis on the following values and principles:

- Transparency
- Responsiveness
- Accountability
- Professionalism
- Integrity
- Diligence
- Innovation, and
- Accessibility

## 1.7 LEGISLATIVE AND OTHER MANDATES

### Direct Mandates

#### 1.7.1 Constitutional mandates

The broad mandate of the Department is derived from the Constitution of the RSA, 1996, which regulates government's duties and responsibilities to the citizens, in particular the promotion of socio-economic rights.

Specific reference needs to be made to Provisions in the Bill of Rights (chapter 2) relating to equality (section 9); human dignity (section 10); freedom of trade, occupation and profession (section 22); and chapter 3 of the Constitution dealing with intergovernmental relations that inform the Department's work.

#### 1.7.2 Legislative mandates

The following directive commands the mandate of the Department;

National legislation (bills, acts, regulations, charters), of which the following are the most important:

- Constitution of RSA, 1996;
- Public Service Act (PSA) and Public Service Regulations (PSR), as amended;
- Public Finance Management Act (PFMA) and Treasury Regulations (TR), as amended; and the
- Division of Revenue Act (DoRA).
- Promotion of Administrative Justice Act (PAJA).
- Promotion of Access to Information Act (PAIA).
- Northern Cape Gambling and Liquor Act.
- Northern Cape Economic Development, Trade and Investment Promotion Agency Act (NCEDA).
- Northern Cape Consumer Protection Act (NCCPA).

Relevant line function legislation and regulations includes the following (National and Provincial, e.g. legislation pertaining to small businesses, companies, competition, gambling, liquor, consumer protection, local government, inter-governmental relations, development and planning, other standards and procedures, information, security, human resource management and development, labour, etc., including court decisions).

There have been no changes to the Legislative Mandates that govern the functions of the department in the year under review. The passing of the Division of Revenue Amendment Bill of 2019, was tabled in February 2019.

### Indirect Mandates

#### 1.7.3 National and Provincial Government policies

These include White papers, Green papers, Frameworks, Guidelines, Manuals, Strategies and Plans, for example: the National Government Programme of Action, the People's Contract, White Paper of Transformation in the Public Service, State of Nation Address by the President, State of the Province Address by the Premier, National and Provincial Budget speeches, Cabinet resolutions, management decisions endorsed by the Executing Authority, the Northern Cape Innovation Fund Policy, Departmental policies on security, information management, HIV and AIDS etc.

#### 1.7.4 Economic Policy Mandates

##### a) National Development Plan

The National Development Plan is the long-term socio-economic development plan for the country. The plan has a target of increasing employment by 11 million by 2030. In addition to the employment creation, the plan sets out mechanisms by which to improve the living conditions of citizens as measures by the 14 outcome areas that the government will focus on.

This is proposed to be achieved by:

- Realising an environment for sustainable employment and inclusive economic growth,
- Promoting employment in labour-absorbing industries,
- Raising exports and competitiveness,
- Strengthening government's capacity to give leadership to economic development, and
- Mobilising all sectors of society around a national vision.

The Department of Economic Development and Tourism is directly responsible for Chapter 3 (Outcome 4 in the Outcomes Based Approach) of the NDP which focusses on the following amongst others:

- Creating an environment for sustainable employment and economic growth
- Strengthening the capacity of government to implement its economic policies
- Promoting employment in labour absorbing industries
- Promoting exports and competitiveness
- Diversifying the economy etc.

In addition, the Executive Council, according to Resolution No. 022/2015 (04) dated 20th April 2015, approved that "the Department of Economic Development and Tourism leads Outcome 6, assisted by the Department of Infrastructure and Public Works and the Office of the Premier."

The five sub-outcomes are:

- Regulation of infrastructure improved.
- Reliable generation, transmission and distribution of energy ensured through SIPs 1, 8, 9 and 10.
- Maintenance, strategic expansion, operational efficiency, capacity and competitiveness of our transport infrastructure ensured.
- Maintenance and supply availability of our bulk water resources infrastructure ensured.
- Expansion, modernisation, access and affordability of our Information and communications infrastructure ensured.

##### b) Industrial Policy Action Plan

The Industrial Policy Action Plan (IPAP) is aimed at growing the economy and creating about 129 000 jobs in order to reduce unemployment. The aim is to achieve this by preventing industrial decline and supporting the growth and diversification of the South Africa's manufacturing sector. IPAP is aligned to the National Development Plan (NDP) and also located within the New Growth Path (NGP) framework. The plan is reviewed annually to measure progress on implementation and revise targets.

The Northern Cape supports the implementation of IPAP through the Provincial Manufacturing Strategy and its implementation plan. As a Province with mineral wealth there is big opportunity of mineral beneficiation which is one of the pillars of IPAP.



### c) National Infrastructure Plan

The South African Government adopted a National Infrastructure Plan in 2012 that intends to transform the economic landscape while simultaneously creating significant numbers of new jobs and to strengthen the delivery of basic services.

The plan identifies 18 Strategic Infrastructure Projects (SIPs). Of the 18 SIPs there are currently six that are of importance to the province namely:

SIP 3	South-Eastern node and corridor development.
SIP 5	Saldanha – Northern Cape Development Corridor.
SIP 8	Renewable Energy.
SIP 14	Higher Education Infrastructure.
SIP 15	Expanding access to communication technology.
SIP 16	Square Kilometre Array (SKA)

A list of 50 strategic infrastructure projects and 12 special projects were gazetted in July 2020, to be prioritised.

The following are gazetted projects from the Northern Cape:

SIP 19	water and sanitation
SIP 21	Transport
SIP 24	Human Settlements

The full implementation of projects identified within these SIPs will result in more jobs being created in the province.

#### 1.7.5 Bi-lateral agreements

International, National and local Multi-party Agreements and Memoranda of Understanding concluded with the province include the following:

- South Africa – China trade agreements.
- Africa – Brazil – India Free Trade Agreement.
- Hunan-Northern Cape Provinces Friendship Agreement.
- Sweden – South Africa city-to-city twinning agreement.
- UNOPS - Department of Economic Affairs' Memorandum of Understanding.
- TISA – Department of Economic Affairs' Memorandum of Understanding.

The articulation of the specific mandates derived from these frameworks is found in the strategic and business / performance plans of the different programmes and sub-programmes in the Department.

#### 1.7.6 Medium Term Strategic Framework 2019 - 2024

The Medium-Term Strategic Framework (MTSF) sets out government priority focus areas for 5 years. The country adopted the National Development Plan (NDP) which is a 20-year development plan, the NGP, IPAP and National Infrastructure Plan (NIP) which are short to medium term plans that are aimed at implementing the NDP.

The MTSF 2019 – 2024 is developed in line with electoral mandate identifies and the Priorities to be undertaken during 2019-2024 to put the country on a positive trajectory towards the achievement of the 2030 vision. It sets targets for implementation of the priorities and interventions for the 5-year period, and states the Outcomes and Indicators to be monitored.

The new MTSF is now defined as the combination of a NDP Five Year Implementation Plan for the Priorities outlined in the Electoral Mandate and an Integrated Monitoring Framework that:

Is more focused on a limited set of priorities.

- Allows for a clear line of site for the President and the country.
- Outlines the required delivery, resources, and delivery timelines.
- Defines the proposed targets, interventions, outcomes, and indicators.

The MTSF outlines the following set of priorities derived from the electoral mandate and the State of the Nation Address:

- Priority 1: A capable and ethical state.
- Priority 2: Economic transformation and job creation.
- Priority 3: Education, skills, and health.
- Priority 4: Consolidation the social wage through reliable and quality basic services.
- Priority 5: Spatial integration, human settlements, and local government.
- Priority 6: Social cohesion and safe communities.
- Priority 7: A better Africa and world.

The priorities and subsequent impact and outcomes that resonate with the mandate of the Department of Economic Development and Tourism are:

- Priority 2: Economic Transformation and Job Creation, and •
- Priority 7: A better Africa and World.

#### **1.7.7 CHANGES IN THE POLICY ENVIRONMENT**

The new MTSF 2019-2024 has streamlined the vision of Operation Phakisa (Hurry Up) pronounced in July 2014. It still encompasses the Ocean's Economy with its potential to make an exponential contribution to the GDP through significant job creation. The areas for growth include Marine Transport and Manufacturing, Offshore Oil and Gas exploration. Aquaculture and Oceans' Governance and Marine Protection Services. It also refocuses the developmental elements as contained in the "9-point Plan."

Special emphasis is placed on ensuring development at local government level, as well as coordinating and implementation of all three spheres of government priorities and plans through the District Development Model.

### 1.7.8 UPDATES TO INSTITUTIONAL POLICIES AND STRATEGIES

#### **Economic Transformation, Inclusive Growth and Competitiveness: A contribution towards a growth agenda for the South African Economy**

The Economic Policy Division of National Treasury produced the document in 2020 in response to the slow economic growth, rising unemployment rate and lack of investment faced by South Africa at large.

The document is intentionally focused on economic growth and job creation and it acknowledges that a country becomes competitive when it is cost effective, innovative and provides adequate return on investment. The document highlights five fundamental building blocks to achieve long term sustainable growth, namely:

- Improving educational outcomes, with a strong emphasis on early childhood development and a comprehensive reading plan for primary school learners;
- Implementation of youth interventions, including training and apprenticeships;
- Creation of sustainable cities and inclusive transport systems;
- Address the skills gap through a combination of short term (easing immigration regulations for qualified individuals from accredited institutions) and long-term educational reforms; and
- A capable state with functional public-private partnerships.

#### **District Development Model**

The District Development Model will be pursued through the “One District, One Plan” model, whereby single and integrated plans from all three spheres of government are implemented in each district with the aim of providing regulatory and policy certainty to local stakeholders.

All planning and budgeting across the state will be based on a shared understanding of District challenges, employing District-level Integrated Development Plans (IDPs) and Spatial Development Frameworks (SDFs) as a base for planning and resource allocation.

These plans will consider issues such:

- Land release and development,
- Infrastructure investment,
- The provision of basic services and
- Support for local economic drivers.

#### **Provincial Growth and Development Plan**

The Northern Cape PGDP has been developed with the purpose to provide strategic direction in placing the province on a growth trajectory build on four drivers, namely Economic Growth, Development and Prosperity; Social Equity and Human Welfare; Environmental Sustainability and Resilience and Governance.

The document identifies the sectors with high labour intensity and development potential as follows:

- Construction,
- Community, Social and Personal Services,
- Manufacturing,
- Agriculture, Forestry and Fishing,
- Wholesale and Retail Trade, Catering and Accommodation.

### 1.7.9. RELEVANT COURT RULINGS

The matter of Imperial Group (Pty) Ltd t/a Cargo Motors Klerksdorp v Dipico and Others (1260/2015) [2016] ZANCHC 1 (1 April 2016), had a direct impact on the NC Consumer Court, as it related to jurisdiction, by providing clarity as to whether a consumer is bound to a specific regulator based on the area of expertise or whether a consumer has the right

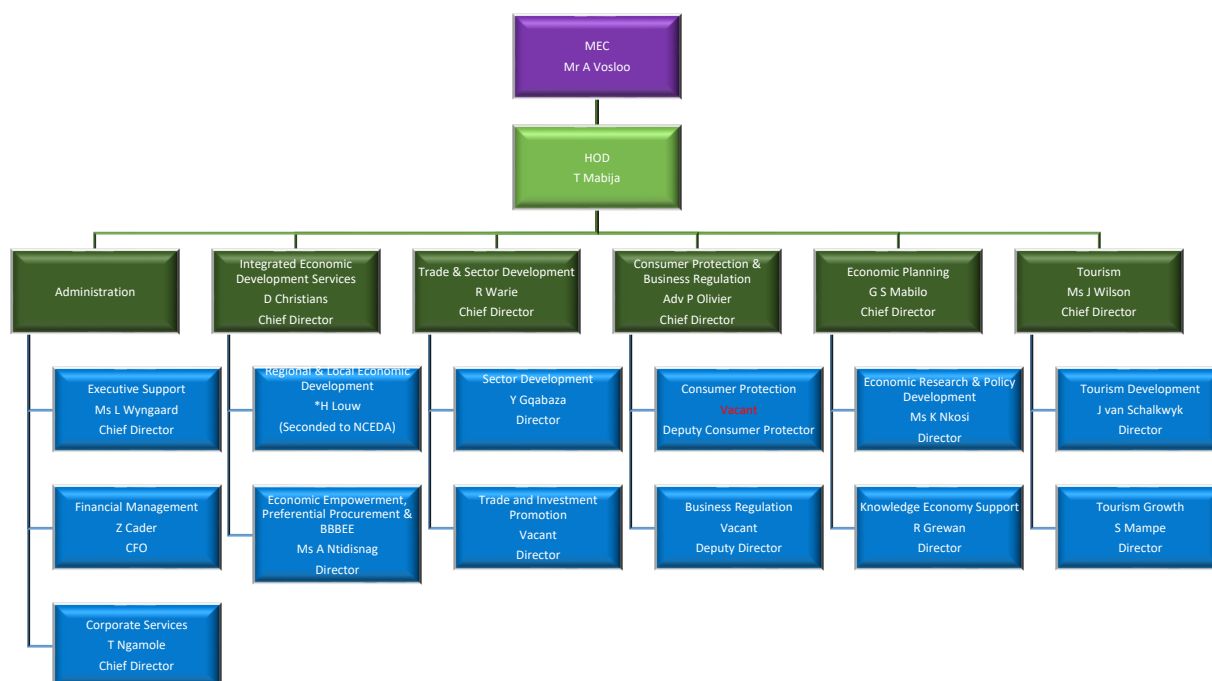
to refer its matter to a Consumer Court where the consumer resides. This directly impacts us as it dictates when matters can be referred to our courts. The Court stipulated that:

"Section 70 puts paid to any doubt on whether the CPA seeks to introduce the hierarchical system of dispute resolution in s 69. It makes plain that a consumer may seek to resolve any dispute in respect of a transaction or agreement with a supplier by referring the matter to an alternative dispute resolution agent who may be any of the institutions listed in the section."

"Therefore, if a consumer resides in a province where there is a consumer court, such consumer is not barred from approaching the consumer court even if an ombud with jurisdiction exists."

"More pertinently, s 75 (1) of the CPA put an end to any uncertainty on the jurisdiction of the NCCC. It provides that if the NCC issues a Notice of non-referral in response to a complaint, other than on the grounds contemplated in section 116, the complainant concerned may refer the matter directly to, inter alia, the consumer court, if any, in the province within which the complainant resides, or in which the respondent has its principal place of business in the Republic, subject to the provincial legislation governing the operation of that consumer court."

## 1.8. ORGANISATIONAL STRUCTURE



- \*H Louw, the Director for RaLED, has been seconded to the Northern Cape Economic Development, Trade and Investment Promotion Agency (NCEDA).



## 1.9 ENTITIES REPORTING TO THE MEC

The following entities report to the Department of Economic Development and Tourism

**Table 1.9.1 Public Entities reporting to the Department**

Name of entity	Legislative Mandate	Financial Relationship	Nature of Operations
Liquor Board	Northern Cape Liquor Act, 2008.  Amendment to the Act 2010.	Transfer Payment.	To fortify the regulatory environment within the liquor industry of the Northern Cape.  Inspections on liquor outlets. Conversion of licenses.  Quarterly reports to the Department of Economic Development and Tourism
Gambling Board	Northern Cape Gambling Act, 2008.	Transfer Payment.	To fortify the regulatory environment within the gambling and betting industry of the Northern Cape.  Inspections on illegal activities Quarterly financial audits Quarterly compliance audits  Quarterly reports to the Department of Economic Development and Tourism
The Northern Cape Trade and Investment Agency (NCEDA)	NCEDA Act, 2008	Transfer Payment.	Attract and facilitate foreign direct investment into the Northern Cape.  Grow exports of products and services from the Northern Cape.  Translate high-level investment and business opportunities in the province, into actual business operations which contribute directly to sustainable economic growth and social equity for the people of the Northern Cape.  Market the Province as a competitive business destination, both nationally and internationally  Quarterly reports to the Department of Economic Development and Tourism
Northern Cape Tourism Authority (NCTA)	Northern Cape Tourism Act, 2008	Transfer Payment.	Managing, planning and directing of destination marketing and promotions of all sectors in the provincial tourism industry – meetings, incentives, conventions, exhibitions, events, leisure marketing and visitor and support services.  Facilitation of the development of new tourism experiences and travel packages.  Co-operate with other bodies to market the province as trade and investment destination.  Facilitation of co-operation and participation between public and tourism private sector in pursuit of tourism growth for the benefit of all people of the province.  Facilitate the pursuit of transformation and empowerment goals within the provincial tourism industry.  Quarterly reports to the Department of Economic Development and Tourism

**The Northern Cape Liquor Board (NCLB)** is a statutory body established in terms of the Northern Cape Liquor Act, 2008 (Act No. 2 of 2008), with the aim of promoting and maintaining an effective regulatory system for the liquor industry in the Northern Cape Province.

**The Northern Cape Gambling Board (NCGB)** is a statutory body established in terms of Section 3 of the Northern Cape Gambling Act, 2008 (Act No. 3 of 2008), as amended and classified as a Schedule 3C Public Entity in terms of The Public Finance Management Act. The NCGB is mandated to regulate the gambling industry in the Northern Cape Province.

**The Northern Cape Trade and Investment Agency (NCEDA)** is statutory body established in terms of the Northern Cape Economic Development Trade and Investment Promotion Act, (Act No. 4 of 2008), and its principal aim is to promote high-impact economic development initiatives, and trade and investment opportunities in the province.

**The Northern Cape Tourism Authority (NCTA)** is a statutory body established in terms of the Tourism Act, 2008 (Act No. 2 of 2008), and is responsible marketing the Northern Cape Province as the premier tourism destination, both nationally and internationally.



# PART B

## PERFORMANCE INFORMATION

## PART B: PERFORMANCE INFORMATION

### 2.1. AUDITOR GENERAL'S REPORT: PREDETERMINED OBJECTIVES

The Auditor-General of South Africa (AGSA) performs the necessary 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.

Please refer to the Report of the Auditor-General, published as Part F: (Annual Financial Statements) of the department's annual report.

### 2.2. OVERVIEW OF DEPARTMENTAL PERFORMANCE

#### 2.2.1. Service Delivery Environment

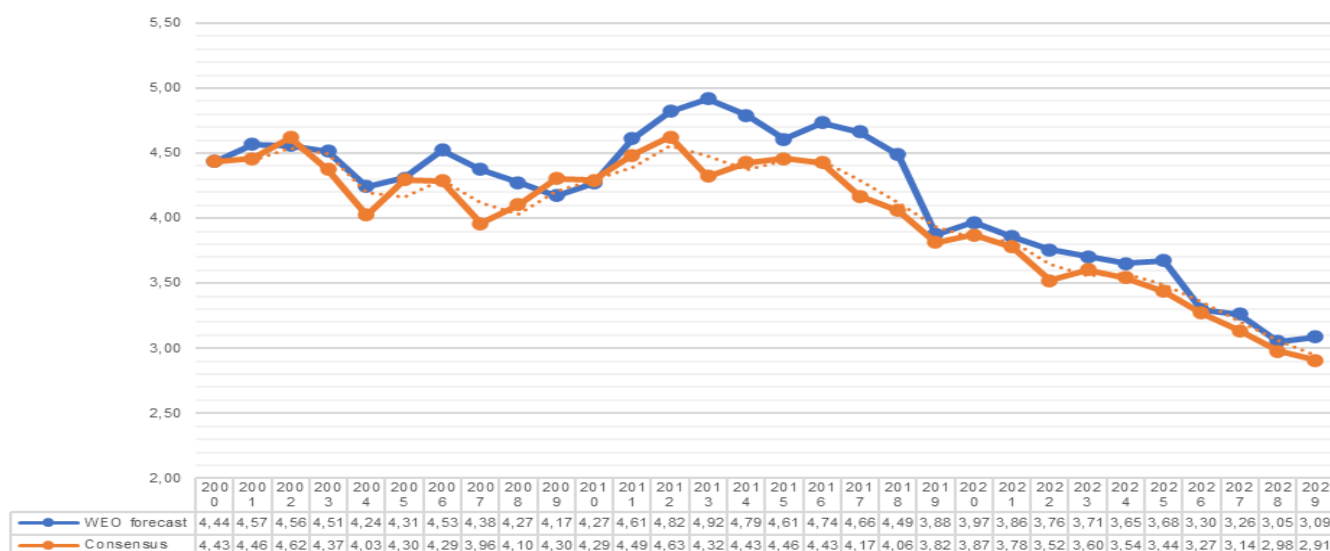
##### 2.2.1.1. Economic Overview

###### Introduction

###### Introduction: Resilience in the midst of global growth divergence

The global economy, while demonstrating remarkable resilience to recent shocks, faces a sobering reality. In its economic outlook, the International Monetary Fund (IMF), suggests the medium-term growth prospects have consistently been revised downward since the 2008–09 global financial crisis. This reflection, is illuminated in the downward trend in actual global growth, with the slowdown starting in the early 2000s in advanced economies and after the crisis in emerging market and developing economies. The IMF (2024) attempted to understand the factors behind this trend, revealing that a significant and broad-based slowdown in total factor productivity growth accounted for more than half of the growth decline. This deceleration was driven in part by increased misallocation of capital and labour across firms within sectors.

Figure 1: Five-Year-Ahead Real GDP Growth Projections, 2000–29



Source: IMF 2024



A widespread drop in postcrisis private capital formation and slower working-age-population growth in major economies exacerbated the slowdown. Without timely policy interventions or a boost from emerging technologies, global growth will be only 2.8 percent by the end of the decade, significantly below its pre-pandemic (2000–19) average by a gap of 1 percentage point. This highlights the urgent need for policies and structural reforms that enhance growth by improving capital and labour allocation to more productive firms, enhancing labour force participation, and harnessing the potential of artificial intelligence. Such measures are critical, especially in light of challenges such as high public debt and geo-economic fragmentation, which could further constrain global growth. The analysis by the IMF (2024), found the following as some of the possible constraints, thwarting global growth:

The decline in medium-term growth projections is widespread, reflecting secular forces rather than forecaster pessimism. Expectations for medium-term growth have been revised downward across all income groups and regions, most significantly in emerging market economies.

Actual growth has similarly declined, and this is largely because of TFP growth dynamics. In advanced economies, productivity growth started to decrease before the global financial crisis. In contrast, TFP growth in emerging market and developing economies rose before the crisis and then fell, mirroring the globalization cycle. For both, changes in TFP growth have significantly shifted overall economic growth, accounting for more than half of the decline in advanced and emerging market economies and nearly all of the decline in low-income countries.

Increased misallocation of capital and labour among firms has exerted a drag on TFP of 0.6 percentage point a year in the economies considered in the analysis. This suggests that TFP growth could have been 50 percent higher if misallocation had not increased. Most of this misallocation increase is because of uneven firm productivity growth within sectors, requiring reallocation of capital and labour, which was impeded by economic frictions. Although shocks may temporarily worsen misallocation, two-thirds of it at any time can be attributed to persistent structural frictions, which policy measures can address to lift productivity.

Reduced private capital formation since the global financial crisis in many advanced and emerging market economies has also contributed to the growth decline. Deterioration in firms' valuations relative to the cost of capital and rising corporate leverage are the two most important firm-specific factors contributing to the decline in business investment. At the macroeconomic level, lacklustre growth performance and uncertainty have inhibited investment in advanced economies (IMF, 2024).

Economic activity in South Africa remained fairly stagnant in the fourth quarter of 2023 as real gross domestic product (GDP) expanded by 0.1% following a contraction of -0.2% in the third quarter. Increased activity was recorded in the secondary and tertiary sectors, while activity decreased in the primary sector. On an annual basis, real economic growth slowed significantly from 1.9% in 2022 to 0.6% in 2023, weighed down by energy and logistical constraints as well as lower domestic and global demand. Nevertheless, annual output in 2023 was still 0.9% more than the pre-pandemic 2019 level (South Africa Reserve Bank(SARB), 2024).

### **Northern Cape Socio-Economic Imperatives**

The total population of a region is the total number of people within that region measured in the middle of the year. Total population can be categorised according to the population group, as well as the sub-categories of age and gender. The population groups include African, White, Coloured and Asian, where the Asian group includes all people originating from Asia, India, and China. The age subcategory divides the population into 5-year cohorts, e.g. 0-4, 5-9, 10-13, etc (S&P Global Market Intelligence, 2024).



Table 1: South Africa Population and Population per province

	Male	Female	Total
Northern Cape	653,943	686,007	1,339,951
Western Cape	3,458,735	3,557,170	7,015,905
Eastern Cape	3,576,606	3,894,676	7,471,281
Free State	1,457,837	1,533,086	2,990,924
KwaZulu-Natal	5,791,795	6,182,096	11,973,891
North-West	2,095,627	2,102,382	4,198,010
Gauteng	7,681,695	7,630,181	15,311,876
Mpumalanga	2,268,313	2,405,211	4,673,523
Limpopo	2,915,695	3,220,780	6,136,475
<b>National Total</b>	<b>29,900,246</b>	<b>31,211,589</b>	<b>61,111,836</b>

Source: (S&P Global Market Intelligence, 2024)

Northern Cape Province's male/female split in population was 95.3 males per 100 females in 2022. The Northern Cape Province appears to be a fairly stable population with the share of female population (51.20%) being very similar to the national average of (51.07%). In total there were 686 000 (51.20%) females and 654 000 (48.80%) males. This is different from the South Africa as a whole where the female population counted 31.2 million which constitutes 51.07% of the total population of 61.1 million (S&P Global Market Intelligence, 2024).

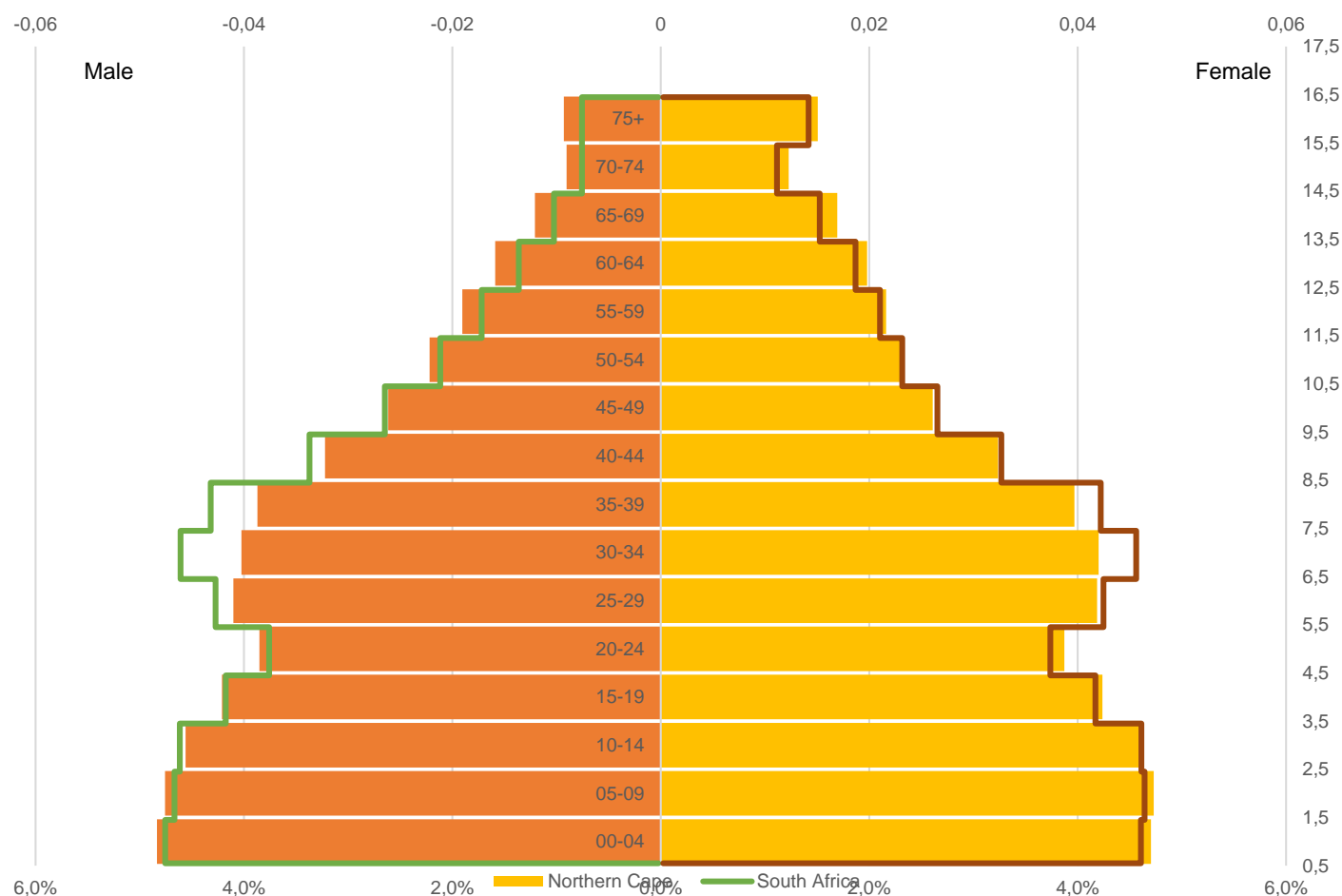
Table 1: Northern Cape Population by Race

	African		White		Coloured		Asian	
	Female	Male	Female	Male	Female	Male	Female	Male
<b>00-04</b>	35,600	36,700	2,520	2,650	24,300	24,800	626	656
<b>05-09</b>	35,900	35,600	2,460	2,580	24,500	25,000	540	562
<b>10-14</b>	35,100	34,200	2,110	2,200	23,800	24,300	412	417
<b>15-19</b>	30,500	29,800	2,080	2,110	23,900	24,200	293	307
<b>20-24</b>	26,400	26,100	2,340	2,220	22,800	22,800	313	414
<b>25-29</b>	28,600	27,800	2,830	2,600	24,200	23,900	424	669
<b>30-34</b>	29,700	27,800	3,160	3,090	23,000	22,200	442	837
<b>35-39</b>	28,400	27,200	3,290	3,610	21,000	20,200	415	874
<b>40-44</b>	22,000	21,500	3,000	3,150	18,100	17,800	312	757
<b>45-49</b>	16,100	16,600	2,790	2,850	15,800	15,100	216	507
<b>50-54</b>	12,400	12,900	3,020	2,800	15,200	13,700	177	285
<b>55-59</b>	11,300	10,100	3,450	2,910	14,100	12,300	138	180
<b>60-64</b>	10,800	8,040	3,650	3,150	11,900	9,990	125	117
<b>65-69</b>	9,380	5,880	3,570	3,000	9,630	7,210	106	77
<b>70-74</b>	6,320	4,380	3,060	2,650	6,980	5,030	83	55
<b>75+</b>	6,660	4,080	5,840	3,450	7,570	4,880	119	61
<b>Total</b>	<b>345,000</b>	<b>329,000</b>	<b>49,200</b>	<b>45,000</b>	<b>287,000</b>	<b>273,000</b>	<b>4,740</b>	<b>6,780</b>

Source: (S&P Global Market Intelligence, 2024)

In 2022, the Northern Cape Province's population consisted of 50.30% African (674 000), 7.03% White (94 200), 41.81% Coloured (560 000) and 0.86% Asian (11 500) people. The largest share of population is within the young working age (25-44 years) age category with a total number of 413 000 or 30.8% of the total population. The age category with the second largest number of people is the babies and children (0-14 years) age category with a total share of 28.2%, followed by the older working-age (45-64 years) age category with 233 000 people. The age category with the least number of people is the retired / old age (65 years and older) age category with only 100 000 people, as reflected in the population pyramids below.

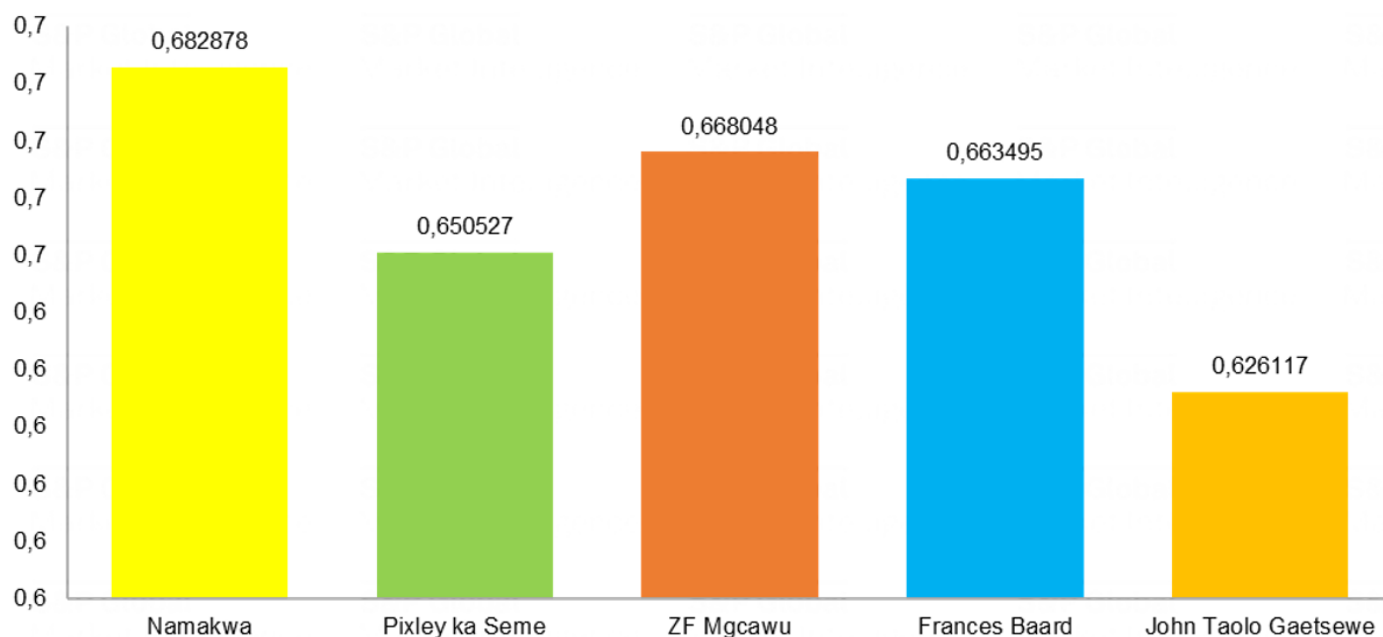
Figure 2: Northern Cape Provincial population pyramids



Source: (S&P Global Market Intelligence, 2024)

In 2022 Northern Cape Province had an HDI of 0.659 compared to the National Total with a HDI of 0.655. Seeing that South Africa recorded a lower HDI in 2022 when compared to Northern Cape Province which translates to better human development for Northern Cape Province compared to South Africa. South Africa's HDI increased at an average annual growth rate of 0.72% and this increase is lower than that of Northern Cape Province (0.76%).

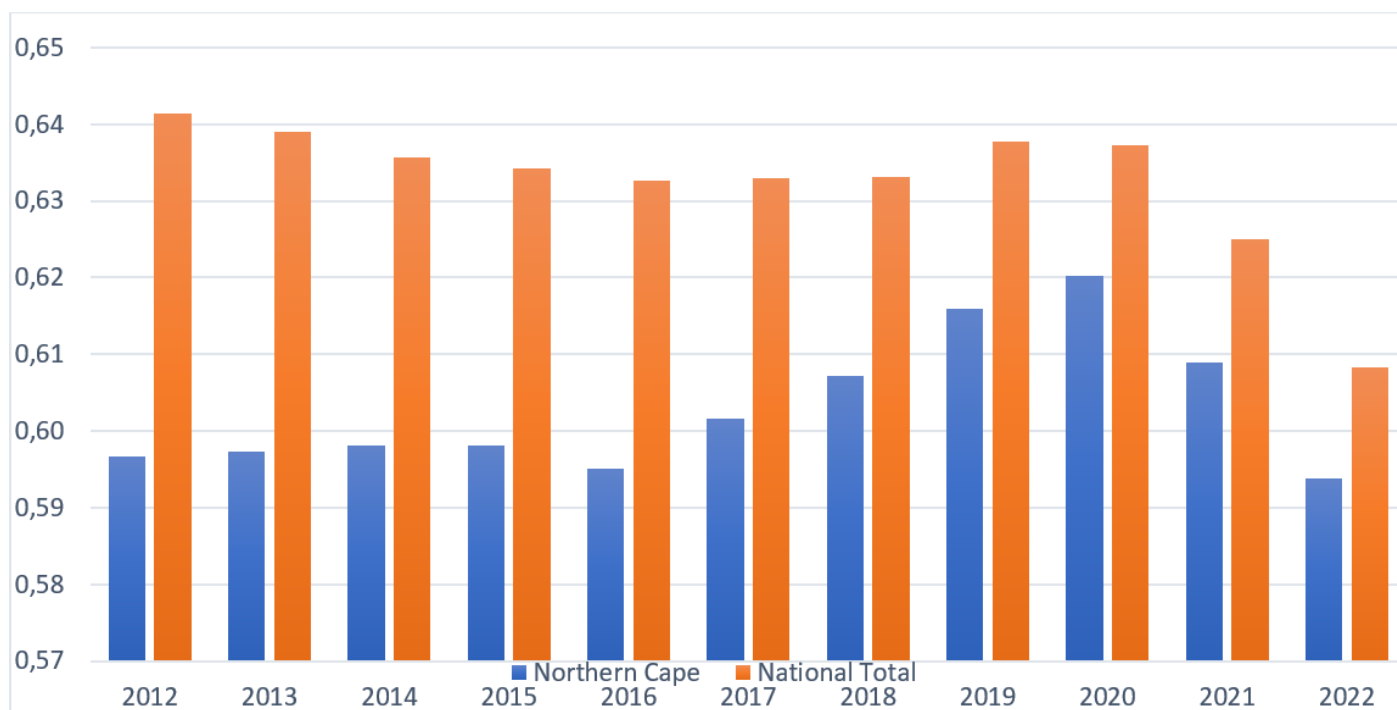
Figure 3: Human development Index (HDI) - district municipalities and the rest of Northern Cape Province



Source: (S&P Global Market Intelligence, 2024)

In terms of the HDI for each the regions within the Northern Cape Province, Namakwa District Municipality has the highest HDI, with an index value of 0.683. The lowest can be observed in the John Taolo Gaetsewe District Municipality with an index value of 0.626.

Figure 4: Gini coefficient - Northern Cape and National Total, 2012-2022



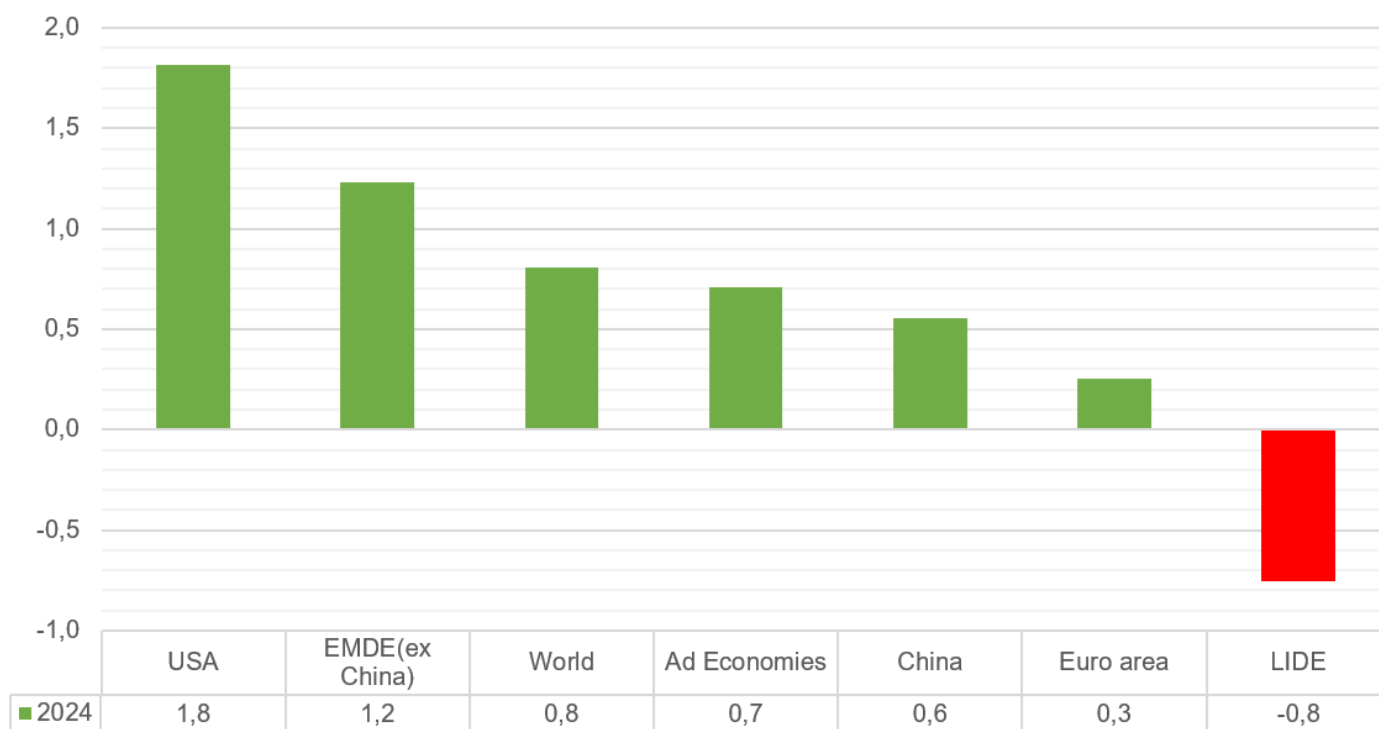
Source: (S&P Global Market Intelligence, 2024)

The Gini coefficient is a summary statistic of income inequality. It varies from 0 to 1. If the Gini coefficient is equal to zero, income is distributed in a perfectly equal manner, in other words there is no variance between the high- and low-income earners within the population. In contrast, if the Gini coefficient equals 1, income is completely inequitable, i.e. one individual in the population is earning all the income and the rest has no income. Generally, this coefficient lies in the range between 0.25 and 0.70. In 2022, the Gini coefficient in Northern Cape Province was at 0.594, which reflects a marginal decrease in the number over the ten-year period from 2012 to 2022. Looking at South Africa it can be seen that the Gini Coefficient was 0.608 and was higher when compared to Northern Cape Province.

### IMF: Global recovery is steady but slow paced

The global economy remains remarkably resilient, with growth holding steady as inflation returns to target. The journey has been eventful, starting with supply-chain disruptions in the aftermath of the pandemic, a Russian-initiated war on Ukraine that triggered a global energy and food crisis, and a considerable surge in inflation, followed by a globally synchronized monetary policy tightening (International Monetary Fund (IMF), 2024).

Figure 5: Cumulative GDP Growth

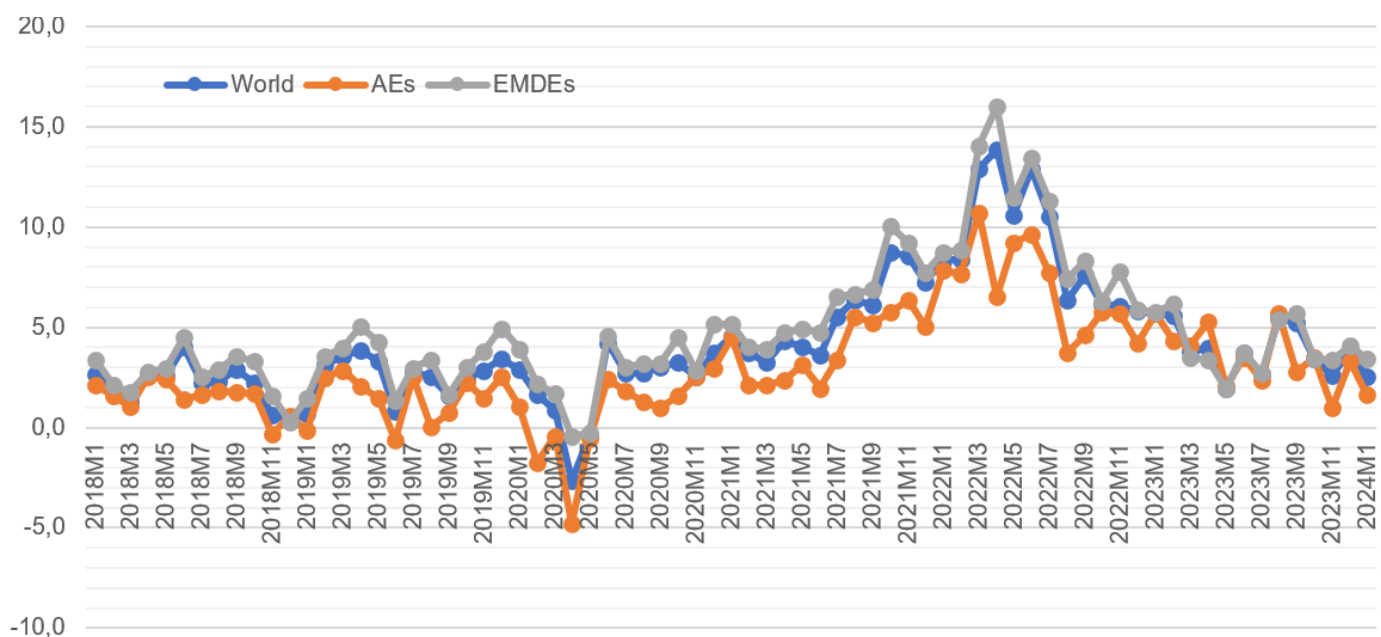


Source: IMF (2024)

In emerging market and developing economies (EMDEs), growth is expected to be stable at 4.2% in 2024 and 2025, with a moderation in emerging and developing Asia offset mainly by rising growth for economies in the Middle East and Central Asia and for sub-Saharan Africa.

Low-income developing (LIDE) countries suffered in terms of the cumulative growth performance declining by -0.8%, for the period of analysis. However, according to the IMF, there are expected to experience gradually increasing growth, from 4.0% in 2023 to 4.7% in 2024 and 5.2% in 2025, as some constraints on near-term growth ease (IMF, 2024).

Figure 5: Global Inflation rate

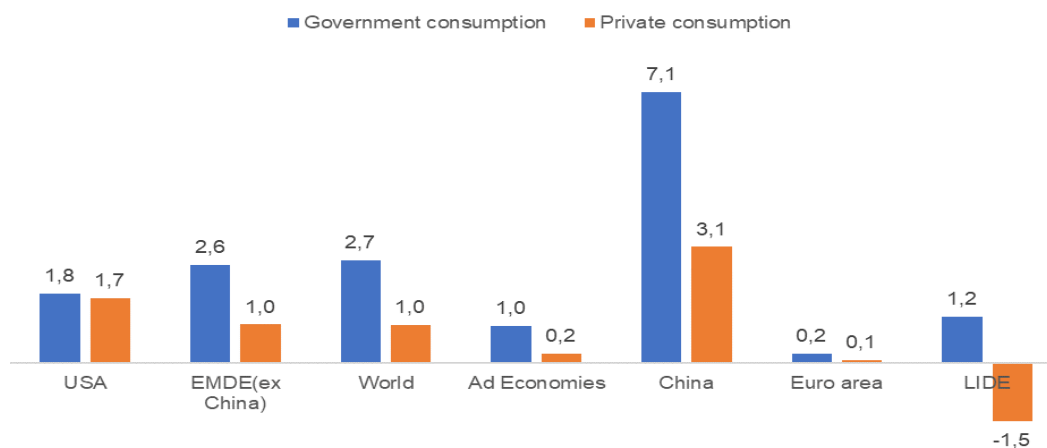


Source: IMF (2024)

In its latest review, the IMF note that there is a resilience in global growth sentiment. Admitting that economic activity was surprisingly resilient during the global disinflation of 2022–23. Moreover, the global body, acknowledge that growth in employment and incomes has held steady as favourable demand and supply developments have supported major economies, despite rising central bank interest rates aimed at restoring price stability (IMF,2024).

As inflation converges toward target levels and central banks pivot toward policy easing, a tightening of fiscal policies aimed at curbing high government debt levels, with higher taxes and lower government spending, is expected to weigh on growth. The pace of expansion is also expected to remain low by historical standards as a result of factors including the long-term consequences of the Covid-19 pandemic, Russia's invasion of Ukraine, weak growth in productivity, and increasing geoeconomic fragmentation. In late 2023, headline inflation neared its pre-pandemic level in most economies for the first time since the start of the global inflation surge (see figure above) (IMF,2024).

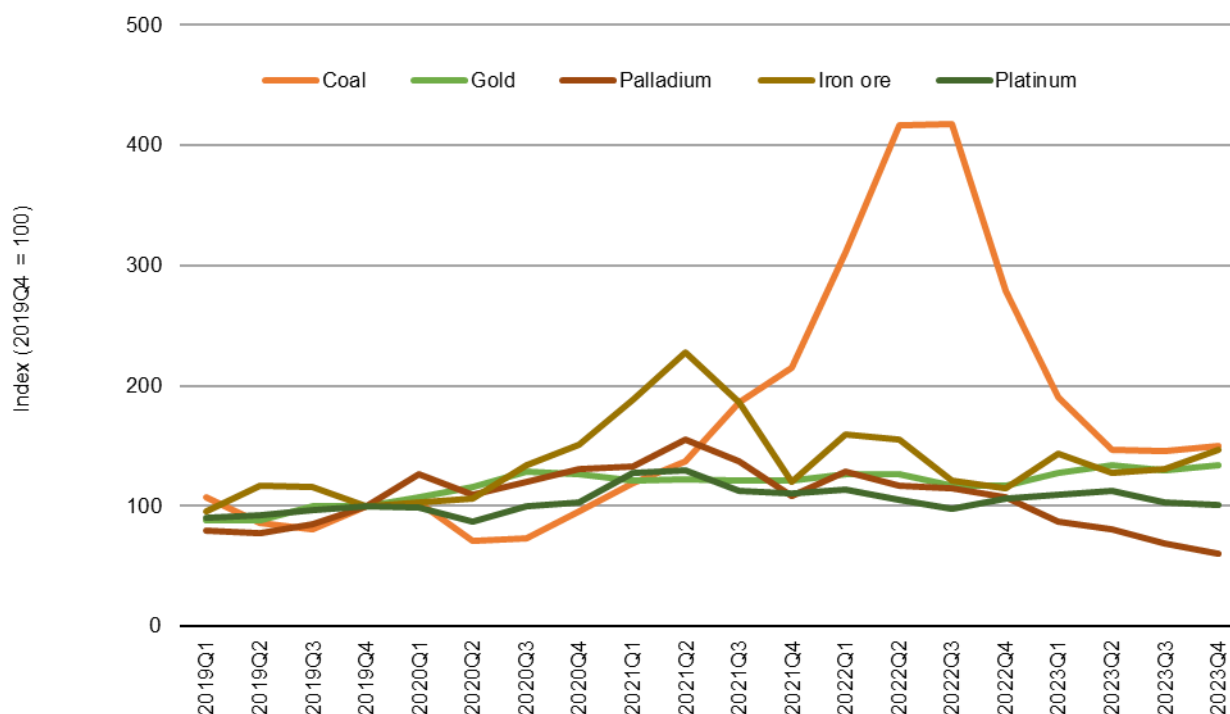
Figure 6: World Government and Private Consumption



Source: IMF (2024)

Growth in employment and incomes held steady, reflecting supportive demand developments— including greater-than-expected government spending and household consumption—and a supply-side expansion amid, notably, an unanticipated boost to labour force participation. The unexpected economic resilience, despite significant central bank interest rate hikes aimed at restoring price stability, also reflects the ability of households in major advanced economies to draw on (IMF, 2024).

Figure 8: Global Commodity Performance - Price Index

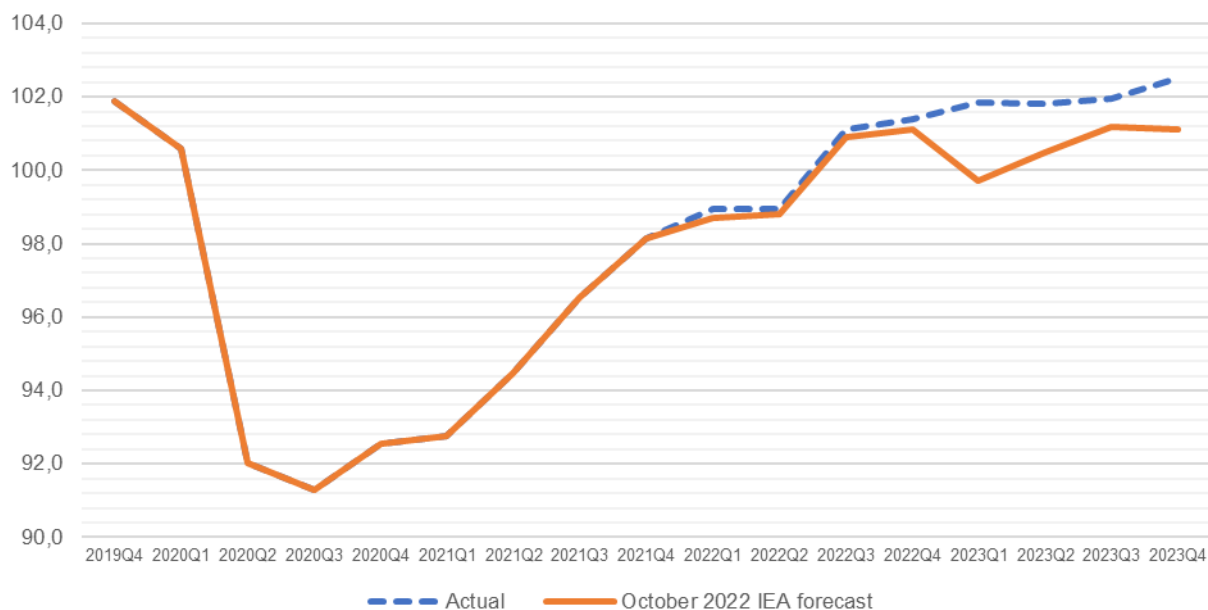


Source: (National Treasury (NT), 2024) and IMF (2024)

Global trade growth is projected at 3.3% in 2024 and 3.6% in 2025, below its historical average growth rate of 4.9%. Rising trade distortions and geoeconomic fragmentation are expected to continue to weigh on the level of global trade. Countries imposed about 3,200 new restrictions on trade in 2022 and about 3,000 in 2023, up from about 1,100 in 2019, according to Global Trade Alert data. These forecasts are based on assumptions that fuel and nonfuel commodity prices will decline in 2024 and 2025 and that interest rates will decline in major economies. Annual average oil prices are projected to fall by about -2.3% in 2024, whereas non-fuel commodity prices are expected to fall by -0.9 percentage point.



Figure 7: World Oil Supply



Source: IMF (2024)

Global oil prices decreased despite Middle East tensions. After breaking \$95 a barrel in late September, oil prices decreased by -4.2% between August 2023 and February 2024, when they stood at a monthly average of \$80.70. Whilst on the demand side, weaker expectations about global demand growth have contributed to downward price pressures. In terms of supply side, the implementation of output curbs by OPEC+ (Organization of the Petroleum Exporting Countries plus selected non-member countries, including Russia) was more than offset by strong output growth in Iran and non-OPEC countries, led by the United States, Brazil, and Guyana (International Monetary Fund (IMF), 2024). Notably, the actual outcomes of the price surpassed earlier prediction, as depicted in the figure above.

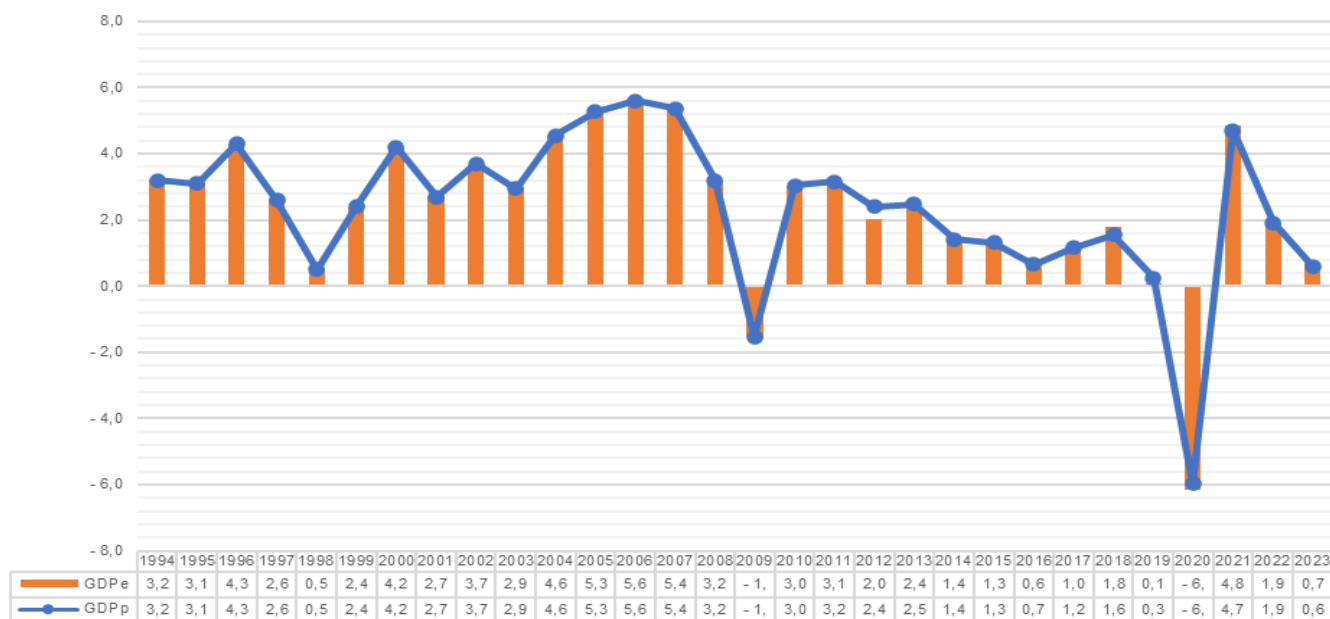
### South African Macroeconomic Analysis

South Africa similar to other nations of the world continues to be hamstrung by macroeconomic development, which for the country's case hampers the socio-economic development imperatives set at the onset of the democratic dispensation.

This endeavour was precipitated by the slow and poor growth outcomes over the past 15 years, and the degree of contention about the role of macroeconomic policy in explaining them, are key reasons why the National Treasury has undertaken a review of macroeconomic policy over this period, focusing particularly on the goals and execution of fiscal and monetary policy. This macroeconomic review has become a notable must for the country's growth trajectory, more so as one of the global economic policy analysts, Dani Rodrik called for more pragmatic remedies closely tailored to the context of the country and the region (Rodrik, 2024).

He cautions that economists who want to be relevant and useful most offer the most concrete economic solutions to the central problems that bedevil our economic times. This would include the speeding climate transition, creating inclusive economies, more so for nations with heightened levels of inequality, whilst also promoting economic development in the poorest nations. Thus, the review, though conducted by officials of the National Treasury, draws on a wide range of research, including working papers from SA-TIED1, independent as well as commissioned research from subject matter experts as well as evidence from multilateral institutions (National Treasury (NT), 2024).

Figure 8: South Africa Economic Performance - GDP and GDE - Year-on-Year



Source: (StatsSA, 2024)

Economic activity in South Africa remained fairly stagnant in the fourth quarter of 2023 as real gross domestic product (GDP) expanded by a mere 0.1% following a contraction of -0.2% in the third quarter. Increased activity was recorded in the secondary and tertiary sectors, while activity decreased in the primary sector. According to the South Africa Reserve Bank (SARB), on an annual basis, real economic growth slowed significantly from 1.9% in 2022 to 0.6% in 2023, weighed down by energy and logistical constraints as well as lower domestic and global demand. Nevertheless, annual output in 2023 was still 0.9% more than the pre-pandemic 2019 level (SARB, 2024).

Figure 11: South Africa's Sectoral growth rate – Yearly

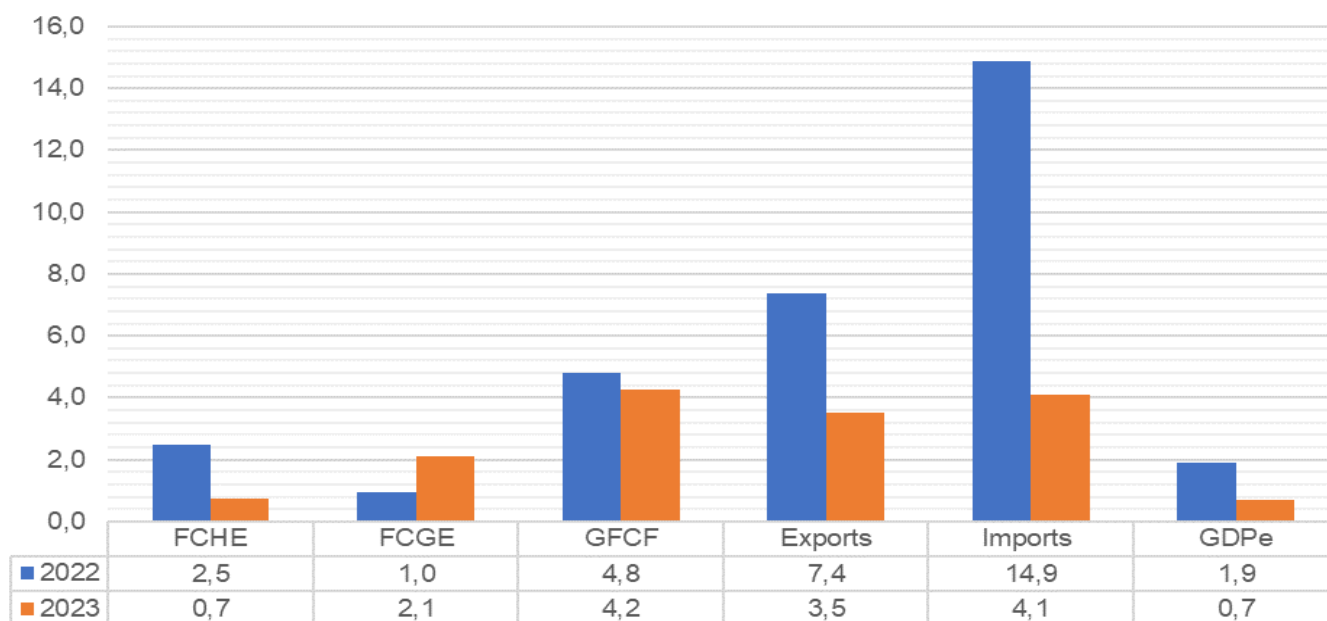


Source: (StatsSA, 2024)

According to the SARB (2024), the real gross value added (GVA) by the primary sector contracted further in the fourth quarter of 2023 due to a further sharp contraction in agricultural output as the production of field

crops as well as horticultural and animal products decreased. By contrast, mining output reverted to an increase in the fourth quarter as the production volumes of especially platinum group metals (PGMs), coal, chromium ore and diamonds increased. The slight increase in real output of the secondary sector in the fourth quarter of 2023 was largely driven by increases in the real GVA by the manufacturing and electricity, gas and water sectors, while that by the construction sector decreased further. Manufacturing production reverted to a marginal increase as output increased in 6 of the 10 manufacturing subsectors.

Figure 12: South Africa's GDE growth per component - Yearly figures



Source: (StatsSA, 2024)

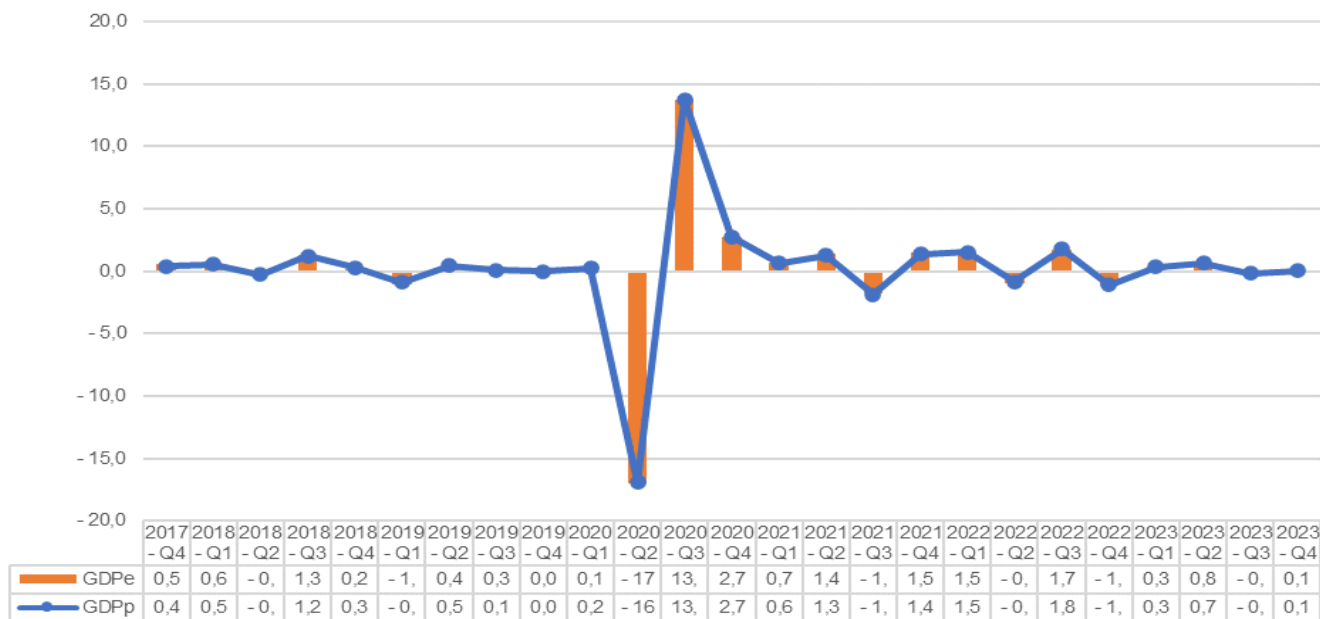
Real final consumption expenditure by households increased alongside a moderate accumulation in real inventory holdings in the fourth quarter. By contrast, real final consumption expenditure by general government and gross fixed capital formation (GFCF) contracted over the period. Annual growth in household debt accelerated slightly to 6.9% in 2023 from 6.4% in 2022 (SARB, 2024).

As a percentage of nominal disposable income, household debt edged marginally higher to 62.4% from 62.0% over the same period as the increase in household debt exceeded that in households' nominal disposable income. Households' cost of servicing debt relative to nominal disposable income increased to 8.8% in 2023 from 7.3% in 2022, reflecting the cumulative 125 basis point increase in the prime lending rate in 2023 as well as the higher outstanding stock of debt. On an annual basis, growth in real GDE moderated to 0.8% in 2023 from 3.9% in 2022. On an annual basis, real GFCF made the largest contribution to overall GDP growth at 0.6 percentage points, while the change in inventory holdings deducted 0.6 percentage points (SARB, 2024).

## South Africa's quarterly GDP performance

Seminal work by Burger and Calitz (2021), suggests that to stabilise the debt/GDP ratio once South Africa exits the Covid-19 crisis requires a 4% to 5% of GDP improvement in the primary balance/GDP ratio to a surplus of roughly 2.5% (and at least a 2.5% economic growth rate by 2023). The discussion above showed there is little scope to raise taxes. Thus, the adjustment will largely require the reversal of the significant growth in the salary bill and goods-and-services budget over the past decade. Thus, the salary bill should be cut by 3.5% of GDP and the goods-and-service budget by 1% of GDP (Calitz, 2021).

Figure 13: South Africa GDP growth - Production and Expenditure – Quarterly



Source: (StatsSA, 2024)

In the last quarter of 2023, the South African economy recorded a positive growth rate of 0.1%, escaping the dreaded technical recession as many pundits had anticipated, following a decrease of -0.2% in the third quarter of 2023. Similarly, the expenditure or the demand side of the GDP (i.e. economy) also produced the same results, growing at 0.1%. the slow-growth typifies what study by the National Treasury (2024a), sought to understand. Moreover, on caution on the slow-growth trajectory the country is on, the report laments that it creates a vicious cycle in which there are fewer resources available to resolve social challenges, creditworthiness worsens, pessimism takes hold, interest rates rise, and investment falls.

In its policy implications, the National Treasury (2024a) believes that faster growth would improve the relationship between growth and the effective interest rate of government debt both directly (because growth would be higher) and indirectly (because reducing macroeconomic risk would reduce interest rates). Faster growth must, therefore, be at the top of the list of government policy priorities. Macroeconomic stimulus in the current context cannot deliver sustained growth, however, fostering faster growth must be achieved primarily through microeconomic reforms and by reducing macroeconomic risk through credible and sustainable macroeconomic policy (NT, 2024).

Figure 14: South Africa sectoral growth outcomes – quarterly



Source: (StatsSA, 2024)

As depicted by the figure above, six industries of the ten industries recorded positive growth between the third quarter of 2023 and the fourth quarter of 2023. The transport, storage and communication industry increased by 2.9% and contributed 0.2 of a percentage point to GDP growth. The finance industry increased by 0.6% and contributed 0.1 of a percentage point. The personal services industry increased by 0.9% and contributed 0.1 of a percentage point. The trade, catering and accommodation industry was the main negative contributor, decreasing by -2.9% and contributing -0.3 of a percentage point (StatsSA, 2024).

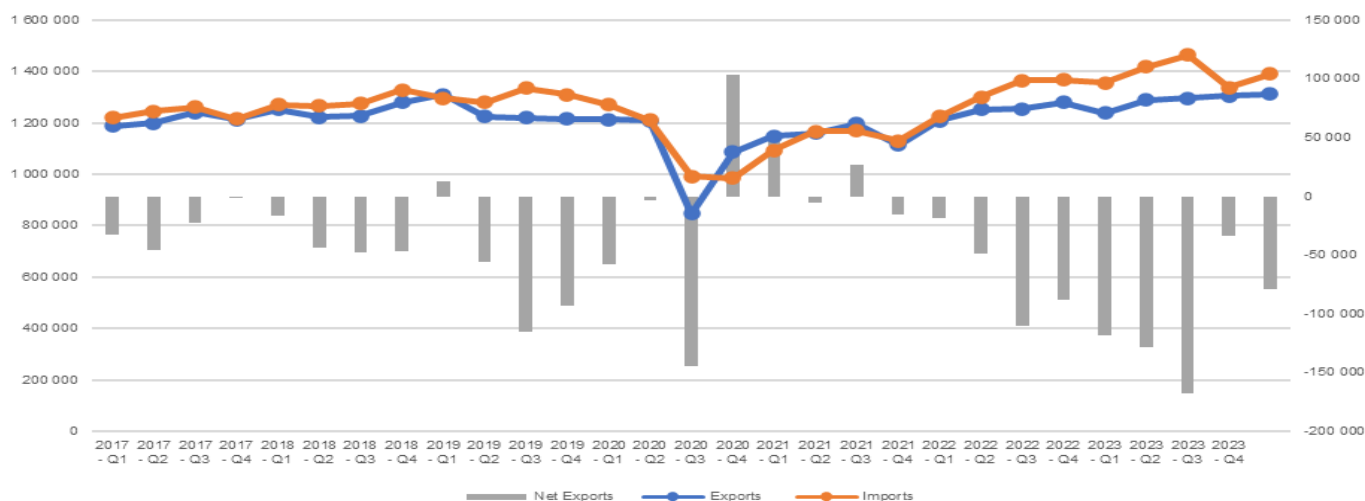
Figure 15: South Africa's Expenditure on GDP growth outcomes – quarterly



Source: (StatsSA, 2024)

Household final consumption expenditure increased by 0.2% in the fourth quarter of 2023, contributing 0.1 of a percentage point to the total growth. The modest increase in household spending could potentially be apportioned to the country economy marginally escaping a technical recession. Government final consumption expenditure decreased by -0.3%, contributing -0.1 of a percentage point. GFCF decreased by -0.2%. Changes in inventories in the fourth quarter of 2023 contributed 1.0 percentage point. Net exports contributed -1.0 percentage point, following increases of 0.6% and 4.0% in exports and imports respectively (StatsSA, 2024).

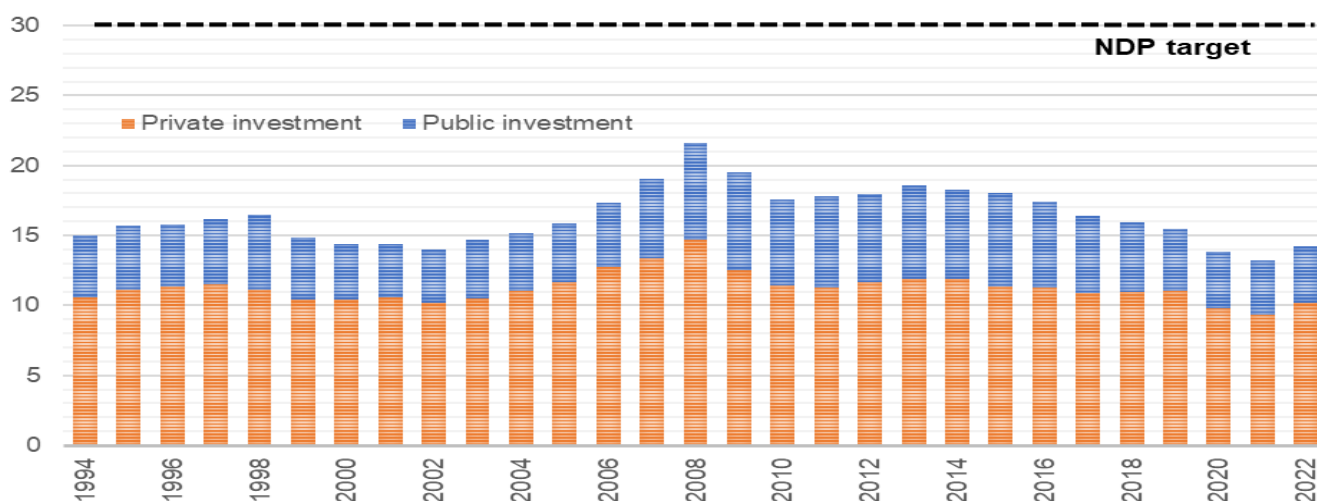
Figure 16: South Africa's Net Exports – quarterly performance



Source: (StatsSA, 2024)

Net exports contributed negatively to expenditure on GDP in the fourth quarter. Exports of goods and services increased by 0.6%, largely influenced by increased trade in prepared foodstuffs, beverages, and tobacco; vegetable products; chemical products; and base metals and articles of base metals. Imports of goods and services increased by 4.0%, largely influenced by increased trade in mineral products; chemical products; and vegetable products (StatsSA, 2024).

Figure 9: South Africa's Investment

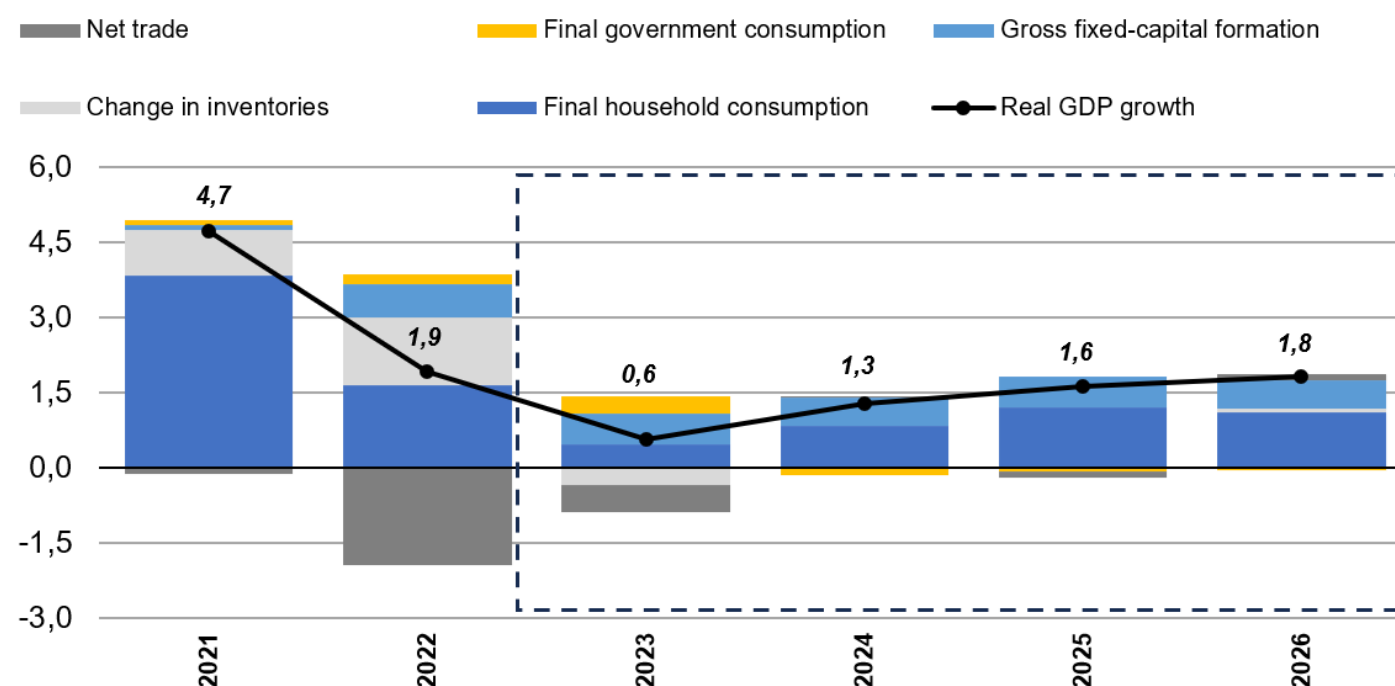


Source: (National Treasury (NT), 2024)



South Africa is failing on the investment pledge made in the National Development Plan (NDP), wherein the country targeted to increase the level of investment to 30%, as a percentage of the GDP. However, the National Treasury concedes that total infrastructure investment planned by government over the next three years amounts to R943,8 billion. This includes investments of R486,1 billion by state-owned companies and public entities; R213,8 billion from municipalities and R224,8 billion from provincial and national government. Consolidated spending on buildings and other fixed structures will increase by an average of 15.9 per cent over the next three years.

Figure 18: South Africa Macroeconomic Outlook



Source: (National Treasury (NT), 2024)

A strategy of fiscal consolidation<sup>1</sup> has been in place since 2013 and has sought to slow the rate of growth of spending, while also raising some taxes. This has not succeeded in stabilising debt levels, however, as a number of risks to the fiscal framework materialised, in particular the higher-than-budgeted outcomes of salary negotiations and the need to inject equity into state owned companies (SOCs) while GDP growth outcomes were lower than anticipated. In 2008/09, gross loan debt amounted 26 per cent of GDP. By 2022/23, however, gross loan debt had increased more than sevenfold (71.1 per cent of GDP).

The rapid increase in indebtedness, together with the slow pace of economic growth, has impacted on South Africa's creditworthiness, as reflected in deteriorating sovereign risk ratings. Increased sovereign risk has become a brake on growth by reducing investment (NT, 2024a). This is similar to the conclusion made by Burger and Calitz (2021) wherein they noted to stabilise the debt/GDP ratio once South Africa exits the Covid-19 crisis requires a 4.0% to 5.0% growth rate.

<sup>1</sup> The question that beckons is on whether this is the best strategy as it has not yielded the desired outcomes, as the country's economy has been on a persistent below the tow percent mark for the ten years of the strategy.

## In perspective: Northern Cape Economic performance

The economic state of Northern Cape Province is put in perspective by comparing it on a spatial level with its neighbouring provinces and South Africa. The section will also allude to the economic composition and contribution of the municipalities within Northern Cape Province. The Northern Cape Province does not function in isolation from South Africa and the world and now, more than ever, it is crucial to have reliable information on its economy for effective planning. Information is needed that will empower the municipalities to plan and implement strategies that will encourage the social development and economic growth of the people and industries in the municipality respectively (S&P Global Market Intelligence, 2024).

Dani Rodrik (2024) cautions that better economics must start from the premise that our existing policy models are inadequate for the range and magnitude of challenges we face. This becomes glaringly important given the country's fiscal consolidation strategy, for all intents, has not yielded the growth aligned to the prospects articulated in the National Development Plan, which was to grow the economy on average by 5.0%.

The most fundamental challenge is the existential threat posed by climate change. In the economist's ideal world, the solution would be global coordination around a three-pronged approach: a high enough global carbon price (or equivalent cap-and-trade system), global subsidies for innovation in green technologies, and a substantial flow of financial resources to developing economies. The real world, organized around individual sovereign nations, is very unlikely to deliver anything approaching this first-best solution.

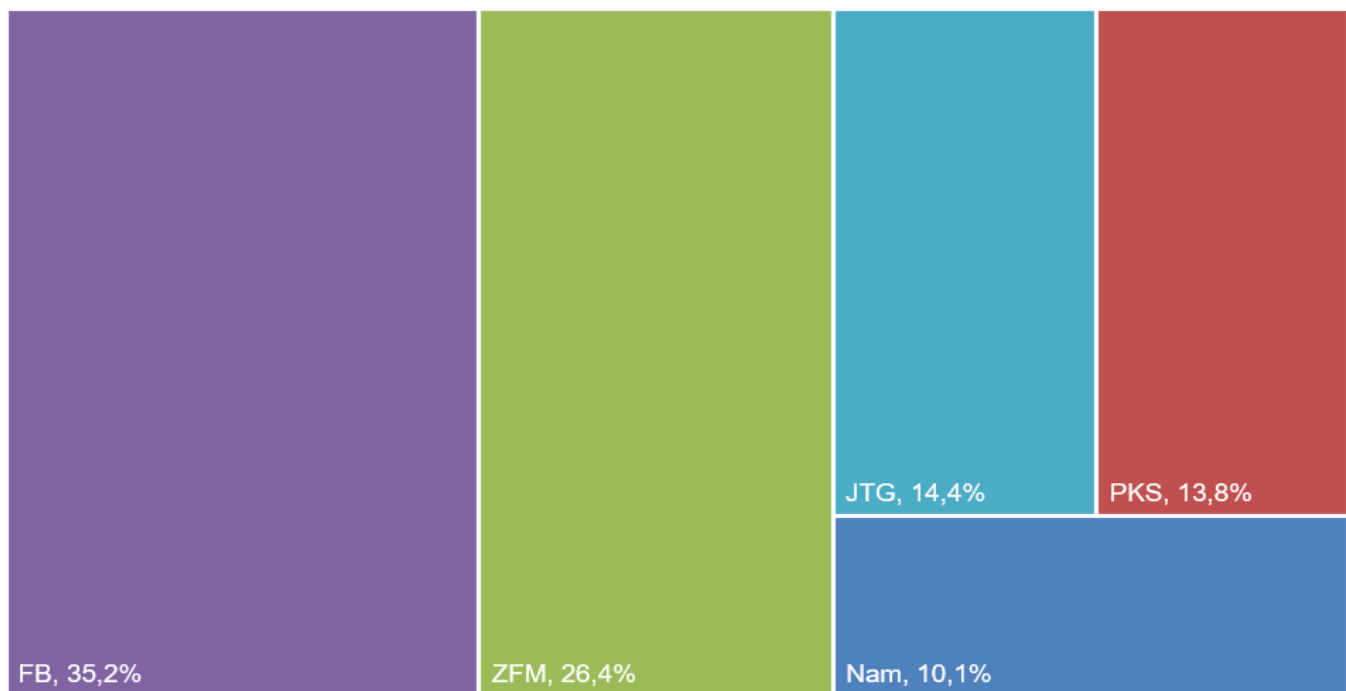
Table 2: South Africa and Northern Cape Economic and Sectoral Contribution

	SA	NC	Nam	PKS	ZFM	FB	JTG
Agriculture	187 606 215	11 307 013	1 620 941	3 064 688	4 307 928	1 701 321	612 136
Mining	483 253 970	30 078 998	5 501 364	478 874	7 719 811	2 103 879	14 275 070
Manufacturing	813 121 106	4 942 007	283 881	572 243	1 535 583	2 363 967	186 333
Electricity	192 761 565	4 360 990	211 484	947 890	793 828	1 852 807	554 982
Construction	146 599 822	2 298 982	204 361	364 686	693 920	905 003	131 012
Trade	807 486 031	14 692 001	1 400 918	2 012 656	4 127 376	6 448 177	702 873
Transport	451 394 453	10 876 963	813 562	1 956 632	2 562 438	5 175 400	368 931
Finance	1 386 864 507	18 820 007	1 284 616	2 408 816	5 195 854	8 708 691	1 222 029
Community services	1 483 620 780	36 934 019	2 486 510	6 511 019	8 715 796	17 058 334	2 162 361
Total Industries	5 952 708 449	134 310 979	13 807 636	18 317 503	35 652 534	46 317 578	20 215 727
Taxes less Subsidies on products	675 842 000	13 627 020	1 157 453	2 129 652	3 444 926	5 770 715	1 124 274
Gross Domestic Product (GDP)	6 628 550 449	147 937 999	14 965 090	20 447 155	39 097 460	52 088 293	21 340 001

Source: (S&P Global Market Intelligence, 2024)

The greatest contributor to the Northern Cape Province economy is the Frances Baard District Municipality with a share of 35.2% or R 52,1 billion, increasing from R 27,5 billion in 2012. The economic drivers of the Frances Baard economy were government services as well as finance, with a R 17,1 billion and R 8.7 billion contribution respectively. Whilst, the economy with the lowest contribution is the Namakwa District Municipality with R 15,0 billion growing from R 8,65 billion in 2012.

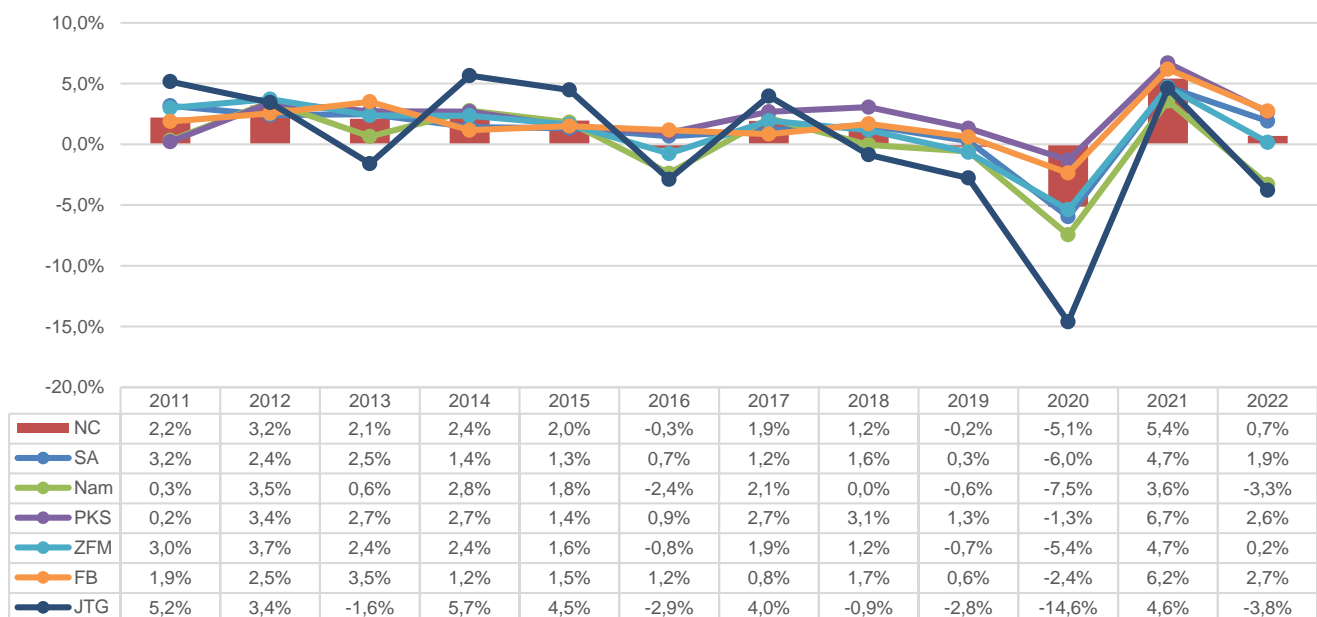
Figure 19: District contribution to provincial economy



Source: (S&P Global Market Intelligence, 2024)

When looking at the regions within the Northern Cape Province it is expected that from 2022 to 2027 the John Taolo Gaetsewe District Municipality will achieve the highest average annual growth rate of 3.23%. The region that is expected to achieve the second highest average annual growth rate is Pixley ka Seme District Municipality, averaging 2.24% between 2022 and 2027. On the other hand, the region that performed the poorest relative to the other regions within Northern Cape Province was the Namakwa District Municipality with an average annual growth rate of 0.15% (S&P Global IHS MarkIT, 2022).

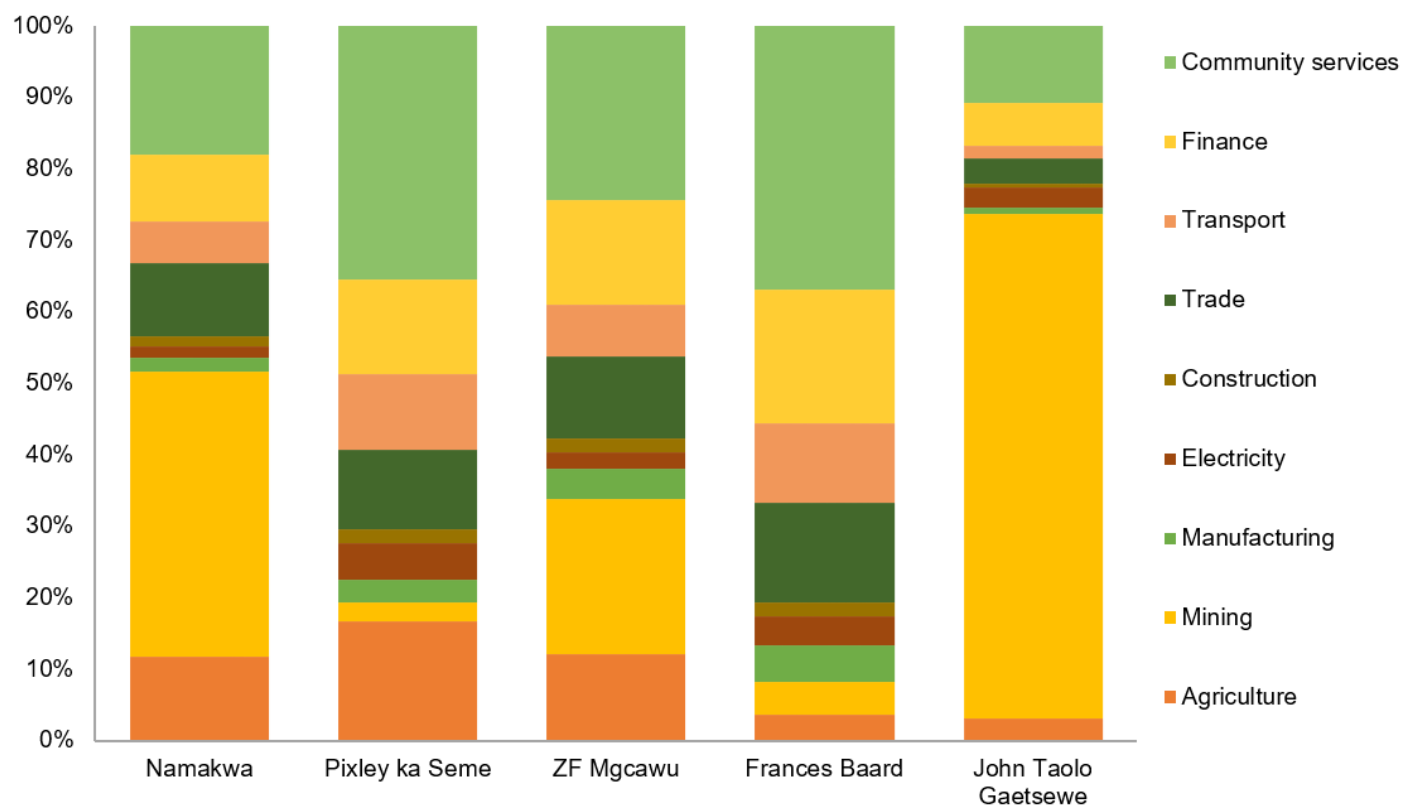
Figure 10: South Africa, Northern Cape, and District economic growth performances



Source: (S&P Global Market Intelligence, 2024)

Pixley ka Seme had the highest average annual economic growth, averaging 2.27% between 2012 and 2022, when compared to the rest of the regions. The Frances Baard District Municipality had the second highest average annual growth rate of 1.68%. John Taolo Gaetsewe District Municipality had the lowest average annual growth rate of -0.96% between 2012 and 2022. It is expected that Northern Cape Province's GDP will grow at an average annual rate of 1.53% from 2022 to 2027. South Africa as a whole is forecasted to grow at an average annual growth rate of 1.76%, higher than that of the province.

Figure 21: Northern Cape, District Gross Value Added Contributions



Source: (S&P Global Market Intelligence, 2024)

The community sector, which includes the government services, is generally a large contributor towards GVA in smaller and more rural local municipalities. When looking at the regions within the province, Frances Baard District Municipality made the largest contribution to the community services sector at 46.19% of the province. As a whole, the Frances Baard District Municipality contributed R 46,3 billion or 34.49% to the GVA of the Northern Cape Province, making it the largest contributor to the overall GVA of the Northern Cape Province.

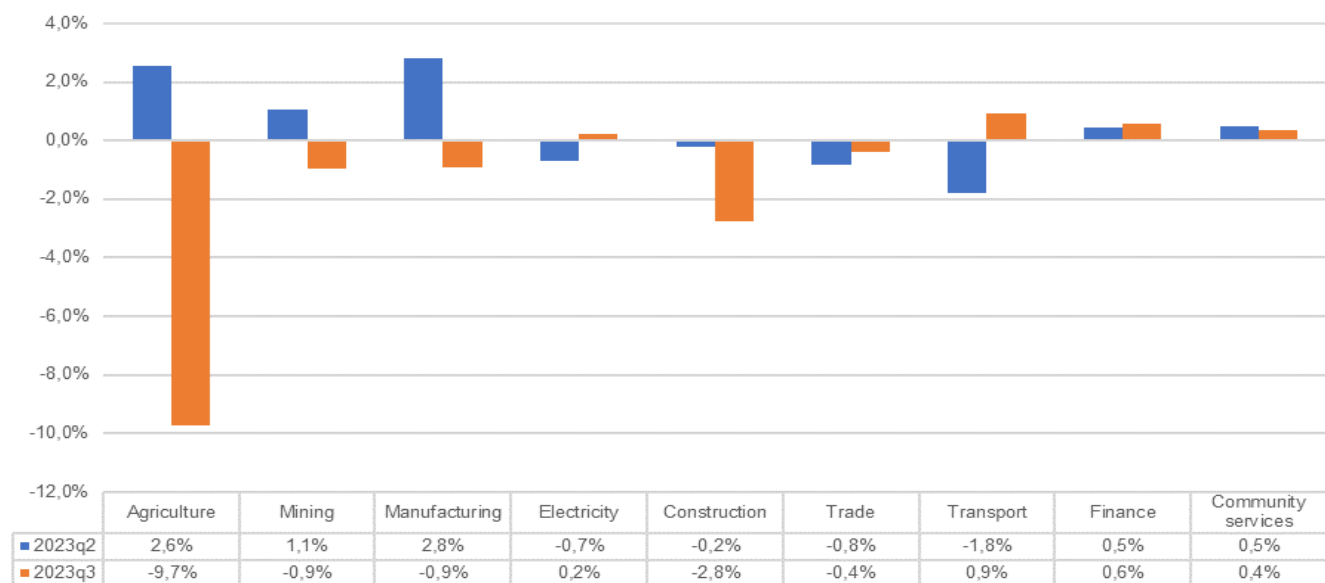
Figure 22: Northern Cape Provincial Economic Growth - Quarterly Estimates



Source: (S&P Global Market Intelligence, 2024)

IHS MarkIT (2024) estimated the provincial economy to have grown by a negative -0.7% in the third quarter of 2023. This as the provincial economy had previously recorded a technical recession, in the last quarter of 2022 and the first quarter of 2023. Thus, placing the provincial economy on the edge of recording yet another technical recession.

Figure 23: Northern Cape Sectoral growth rates



Source: (S&P Global Market Intelligence, 2024)

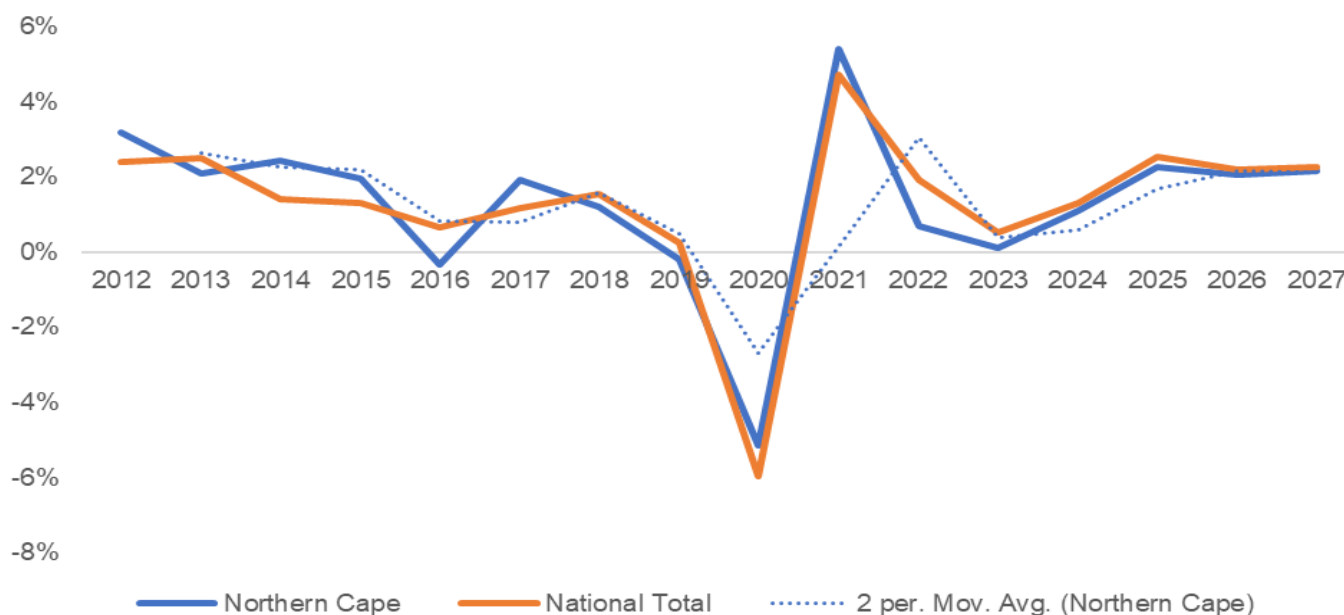
The primary sector led the negative growth recorded, with agriculture and mining declining by -9.7% and -0.9%, respectively. Construction sector also experienced the same fate as the sector also recorded a -2.8% decline in the third quarter. This decline by the construction sector highlights the visible fact that the sector is in technical recession, as it recorded two episodes of negative growth. Similarly, the trade sector is experiencing as negative growth performance, and thus technically in a recession.

## Outlook: Positive Outlook proposed by IHS MarkIT

According to the National Treasury (2024a), sustained economic growth is a goal of macroeconomic policy, but the rate of growth is also a critical parameter governing macroeconomic policy choices. Fast-growing economies provide policy-makers with choices not available in slow-growing economies. Whereas, the fast growth increases a country's creditworthiness and reduces sovereign risk, creating a virtuous cycle of confidence in the future, lower interest rates and higher investment that sustains fast growth. Meanwhile, slow growth, which by contrast is the trajectory the South African economy is in, creates a vicious cycle in which there are fewer resources available to resolve social challenges, creditworthiness worsens, pessimism takes hold, interest rates rise, and investment falls.

This is the slow-growth trap South Africa faces. South Africa's growth has averaged just 1.75% a year between 2010 and 2019, and even less if the Covid-affected years of 2020 and 2021 are included (National Treasury (NT), 2024a). This, below two (2) percent growth, could still persist given the IMF and National Treasury estimates, and the recent GDP outcome from StatsSA (2024).

Figure 24: Gross domestic product (GDP) - Northern Cape and National Total, 2012-2027



Source: (S&P Global Market Intelligence, 2024)

It is expected that Northern Cape Province's GDP will grow at an average annual rate of 1.53% from 2022 to 2027. South Africa as a whole is forecasted to grow at an average annual growth rate of 1.76%, which is higher than that of the Northern Cape Province (S&P Global Market Intelligence, 2024). In 2027, Northern Cape's forecast GDP growth will be an estimated R 106 billion (constant 2010 prices) or 2.1% of the total GDP of South Africa. The ranking in terms of size of the Northern Cape Province will remain the same between 2022 and 2027, with a contribution to the South Africa GDP of 2.1% in 2027 compared to the exact same number in 2022. At a 1.53% average annual GDP growth rate between 2022 and 2027, Northern Cape ranked the seventh compared to the other regional economies.



Table 4: Gross domestic product (GDP) - district municipalities of Northern Cape Province, 2022 to 2027, share and growth

	2027 (Current prices)	Share of province	2022 (Constant prices)	2027 (Constant prices)	Average Annual growth
<b>Namakwa</b>	18.99	9.32%	9.23	9.30	<b>0.15%</b>
<b>Pixley ka Seme</b>	29.14	14.30%	14.66	16.38	<b>2.24%</b>
<b>ZF Mgcawu</b>	50.73	24.89%	26.06	26.91	<b>0.65%</b>
<b>Frances Baard</b>	71.77	35.22%	37.32	40.54	<b>1.67%</b>
<b>John Taolo Gaetsewe</b>	33.17	16.28%	10.81	12.68	<b>3.23%</b>
<b>Northern Cape</b>	203.80		98.09	105.82	

Source: (S&P Global Market Intelligence, 2024)

In the analysis on the impact of the outlook on the district economies. IHS MarkIT (2024), when reflecting on the regional economic outlook, it is expected that from 2022 to 2027 John Taolo Gaetsewe District Municipality will achieve the highest average annual growth rate of 3.23%. This will be on the back of strong global demand for the mineral goods from the district. It is expected that Pixley ka Seme District Municipality will achieve the second highest average annual growth rate is, averaging 2.24% between 2022 and 2027.

On the other hand, the region that performed the poorest relative to the other regions was the Namakwa District Municipality with an average annual growth rate of 0.15%. That said, the developmental initiatives undertaken in the district by the provincial government, could yet lead to a positive outcome to the district economy and its populace.

### **Inflationary pressures: Households feeling the financial pressures**

An analysis of household finances explicitly details that real salaries have deteriorated in 2023, with South Africans (i.e. by extension households) going into more financial distress in the final quarter of last year. This is according to Investec, pointing to the data released by BankServ Africa indicating real salaries dropped significantly in the 2023 calendar year, down -4.7% year-on-year. In the latter part of 2023, this trend accelerated unabated. In the last quarter of 2023, real take-home pay dropped -1.4% year-on-year and -3.7% quarter-on-quarter (Webster, 2024).

Lower real salaries dampened South African retail, with retail sales dropping -2.3% in October and -0.9% in November. These factors, combined with high inflation, a weak rand, and more debt inquiries, point to households' financial distress towards the end of 2023. Unfortunately, Investec noted that real incomes will likely contract further in the first quarter of 2024. In addition, due to the usual start-of-year cost increases, CPI inflation remained elevated in January. The South African Reserve Bank forecasts CPI inflation would average 5.2% in the first half of 2024. Inflation will likely remain heightened until July when the first interest rate cuts of 2023 can be expected.

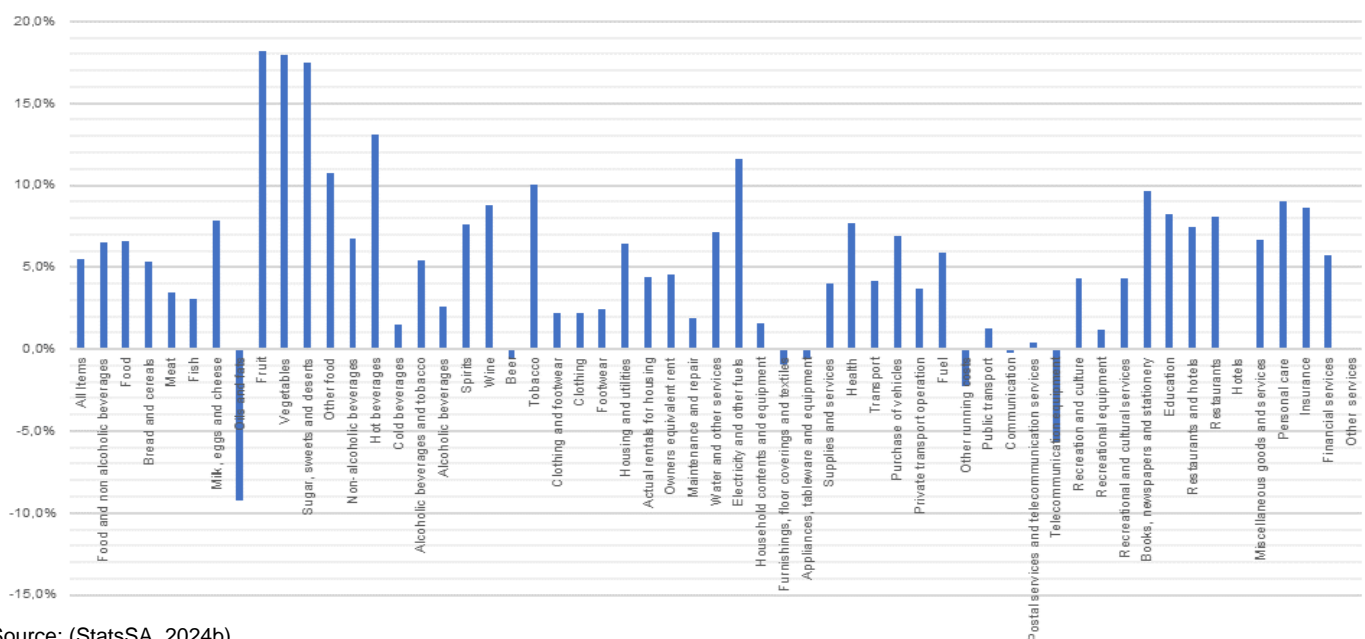
Figure 26: Northern Cape Provincial Consumer Price Index (CPI)



Source: (StatsSA, 2024b)

The provincial inflation rate came in at 5.5% in February 2024, suggesting that it is well within the target range. Noteworthy, the provincial inflation, marginally increased when compared on a month-to-month basis, as in January it stood at 5.4%. Overall, the introduction of an inflation targeting regime in 2000, with an inflation target of between 3 and 6 per cent, has been associated with both a decline in average inflation and a reduction of its volatility, particularly during the period under review. The lowest for the province being May 2020, at the height of COVID-19 and its subsequent lockdown restrictions, estimated at 2.5%. The peak was during February of 2009, when its recorded almost 8.9%.

Figure 27: Northern Cape Provincial Inflation - per Basket item



Source: (StatsSA, 2024b)

Food inflation continues to be stubbornly high, estimated at 6.6%, spelling a 1.1 percentage point higher than the CPI. Of concern though, is the healthy food inflation, fruit, and vegetables, have inflation rates of 18.2% and 18.0%, respectively. This persistently high food inflation poses a monetary policy poser, which relates to the households being able to fend for themselves. The central goal of monetary policy is the management of inflation. High and volatile inflation undermines living standards particularly for poor households, induces fear of the future, and creates significant economic distortions (StatsSA, 2024b) (NT, 2024a).

### Northern Cape Labour Market Analysis in Brief

In their latest Real Economy Bulletin, TIPS (2024) observes that the South African economy generated almost 800 000 new employment and self-employment opportunities in 2023 as a whole, or an increase of almost 5.0%. This marked the second year of strong growth since the pandemic brought over half a million layoffs. Total employment reached 16,5 million, slightly above pre-pandemic levels. The share of the working-age population with employment rose from 39.0% in the fourth quarter of 2022 to 41.0% a year later. Despite the improvement, it remained below the 44.0% achieved in the mid-2010s (TIPS, 2024) (StatsSA, 2024).

Table 5: Total employment - Northern Cape and National Total, 2012-2022 [numbers]

	Northern Cape	National Total
<b>2012</b>	285,000	14,000,000
<b>2013</b>	297,000	14,400,000
<b>2014</b>	308,000	15,000,000
<b>2015</b>	312,000	15,500,000
<b>2016</b>	313,000	15,800,000
<b>2017</b>	318,000	16,000,000
<b>2018</b>	326,000	16,200,000
<b>2019</b>	331,000	16,200,000
<b>2020</b>	317,000	15,400,000
<b>2021</b>	307,000	14,800,000
<b>2022</b>	324,000	15,300,000
<b>Average Annual growth</b>		
<b>2012-2022</b>	<b>1.31%</b>	<b>0.92%</b>

Source: (S&P Global IHS MarkIT, 2022)

In 2022, Northern Cape employed 324 000 people which is 2.11% of the total employment in South Africa (15.3 million). The provincial employment would be ideal – when it would surpass the 331,000-mark, pre-pandemic levels. However, worth noting the employment within Northern Cape increased annually at an average rate of 1.31% from 2012 to 2022. The Northern Cape Province average annual employment growth rate of 1.31% exceeds the average annual labour force growth rate of 0.90% resulting in unemployment decreasing from 28.46% in 2012 to 25.72% in 2022 in the province (S&P Global Market Intelligence, 2024).

Whilst on the unemployment figures, in 2022, there were a total number of 112 000 people considered unemployed in Northern Cape, which are people seeking employment and not finding any. The number of persons considered unemployed in the province saw a decrease of -1,330 from 113,000 in 2012. The total number of unemployed people within Northern Cape constitutes 1.43% of the total number of unemployed people in South Africa. The Northern Cape Province experienced an average annual decrease of -0.12% in the number of unemployed people, which is better than the national which had an average annual increase in unemployment of 5.20% (S&P Global Market Intelligence, 2024).

Table 6: Unemployment rate (official definition) - Northern Cape and National Total, 2012-2022

	Northern Cape	National Total
<b>2012</b>	28.5%	25.1%
<b>2013</b>	29.1%	25.2%
<b>2014</b>	29.7%	25.2%
<b>2015</b>	30.1%	25.5%
<b>2016</b>	30.1%	26.4%
<b>2017</b>	29.5%	27.2%
<b>2018</b>	28.1%	27.4%
<b>2019</b>	27.3%	28.4%
<b>2020</b>	26.5%	30.3%
<b>2021</b>	26.8%	33.6%
<b>2022</b>	25.7%	33.7%

2022 25.7% 33.7%

Source: (S&P Global Market Intelligence, 2024)

In 2022, the unemployment rate in Northern Cape Province (based on the official definition of unemployment) was 25.72%, which is a decrease of -2.74 percentage points. The unemployment rate in Northern Cape Province is lower than national rate. The scenario was previously different, as the national average was on average 3 percent lower than the provincial unemployment rate. The transition in the scenario, has been a gradual feat wherein the provincial unemployment rate is lower than that of the country. The unemployment rate for South Africa was 33.73% in 2022, which is an increase of -8.58 percentage points from 25.15% in 2012.

## Quarterly Labour Market Analysis

Table 7: Northern Cape Provincial Labour Market Characteristics

	Q4 2022	Q1 2023	Q2 2023	Q3 2023	Q4 2023	q-on-q diff	q-on-q % change
	Thousand	Thousand	Thousand	Thousand	Thousand		
<b>Population 15-64 yrs</b>	<b>829</b>	<b>831</b>	<b>833</b>	<b>834</b>	<b>836</b>	1 702	0.2%
<b>Labour Force</b>	<b>431</b>	<b>462</b>	<b>441</b>	<b>446</b>	<b>447</b>	1 526	0.3%
Employed	336	339	322	328	327	-1 726	-0.5%
<i>Formal sector (Non-agricultural)</i>	<i>230</i>	<i>246</i>	<i>235</i>	<i>224</i>	<i>212</i>	-11 817	-5,3%
<i>Informal sector (Non-agricultural)</i>	<i>33</i>	<i>29</i>	<i>26</i>	<i>27</i>	<i>35</i>	8 007	30.0%
<i>n</i>	<i>52</i>	<i>41</i>	<i>38</i>	<i>52</i>	<i>58</i>	5 251	10.0%
<i>Private households</i>	<i>21</i>	<i>24</i>	<i>23</i>	<i>26</i>	<i>23</i>	-3 167	-12.3%
Unemployed	95	123	118	117	120	3 252	2.8%
Not economically active	398	368	392	389	389	176	0.0%
Discouraged work-seekers	130	98	102	94	103	8 637	9.1%
Other	269	270	290	294	286	-8 461	-2.9%
<b>Rates (%)</b>							
Unemployment rate	22.1	26.6	26.9	26.3	26.9	0.6	2.3%
Employed / population ratio (Absorption)	40.5	40.8	38.7	39.4	39.1	-0.3	-0.8%
Labour force participation rate	51.9	55.7	52.9	53.4	53.5	0.1	0.2%

Source: StatsSA (2024)

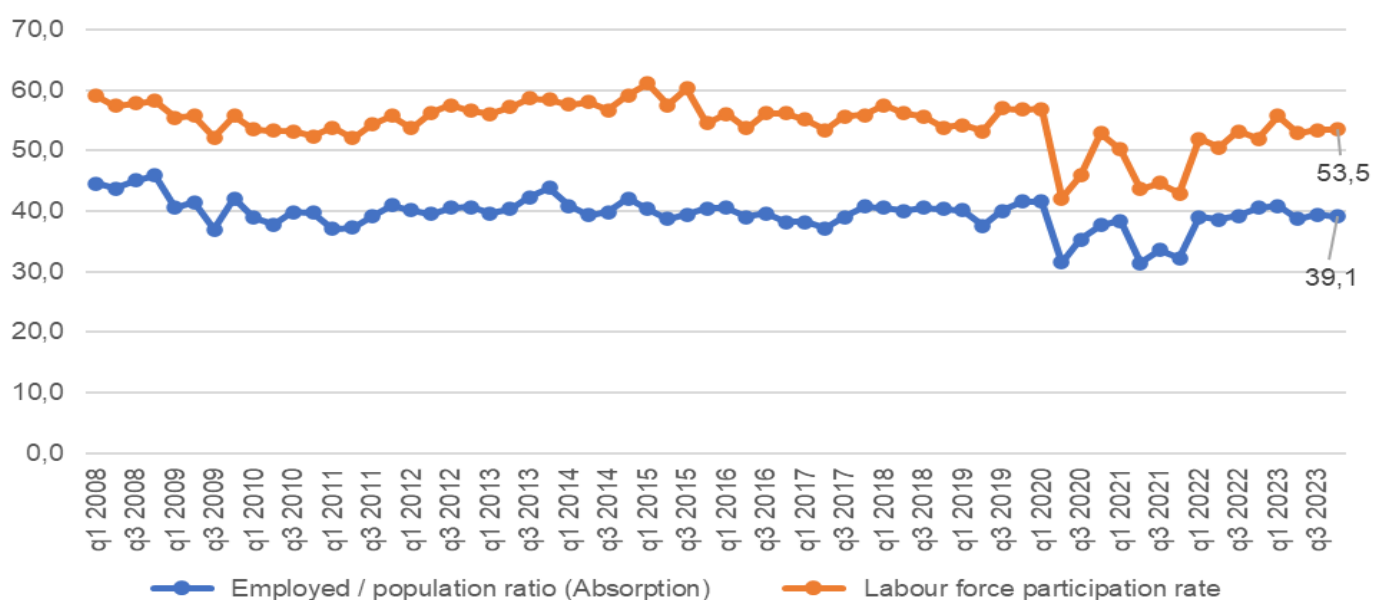
The table above details the provincial labour market characteristics, as reported by StatsSA (2024). Accordingly, there has been an increase in the number of persons in the labour force, meaning those actively participating in terms of employment or actively seeking employment, increasing by around 1,500. That said, the provincial employment figures suggest a notable decline in the number of the employed, decreasing by over 1,700 in the quarter under review. As it stands those employed in the provincial economy – are estimated at over 327,000 almost 10,000 fewer compared to the same period in 2022. Thus, in context, the provincial economy had fewer persons in employment on a year-on-year comparison.

This decline could potentially be ascribed to the decline in the number of those employed in the formal sector. In the first quarter of 2023, there were over 240,000 persons employed in the formal sector, whilst currently has decreased to around 212,000. This, trend has been persistent through the 2023 calendar year, spelling a decrease of almost 32,000 on yearly basis and almost 12,000 quarterly. This indicated the potential increase in the number of those considered to be actively seeking employment, that is those unemployed, increasing by 3,250. Invariably, the provincial unemployment rate marginally increased to around 26.9%, indicating a 0.6 percentage point increase.

In tabling the Budget Speech, the MEC of Finance, Economic Development and Tourism, noted that it is also a matter of note that at the end of last year (i.e. 2022), the provincial unemployment rate was just more than ten percentage points lower than the national rate at 22.1%. This is a clear indication that we are on track with our developmental trajectory and these numbers speak volumes. We must ensure that we sustain these gains and further build on this good work. The Northern Cape has the lowest unemployment rate in the country, which bears testimony to the daily hard work of the ANC led provincial government, under the active leadership of our activist Premier, Dr. Zamani Saul. The province is at pace to indeed to reach the developmental agenda as previously pronounced (NCPT, 2024).

On a quarterly basis, from the third quarter of 2023, the provincial unemployment rate decreased by -0.6 of a percentage point. There has been noteworthy improvement in the labour market figure, the number of employed individuals in the informal sector increased by almost 8,000, whilst those in the agricultural sector increased by around 5,250. Conversely, those in the formal sector and the private households led the improvement, declining by almost 11,800 and over 3,000. What is of grave concern, in the number of discouraged work-seekers, increasing by 9,000.

Figure 28: Northern Cape - Labour Absorption rate and Participation rate

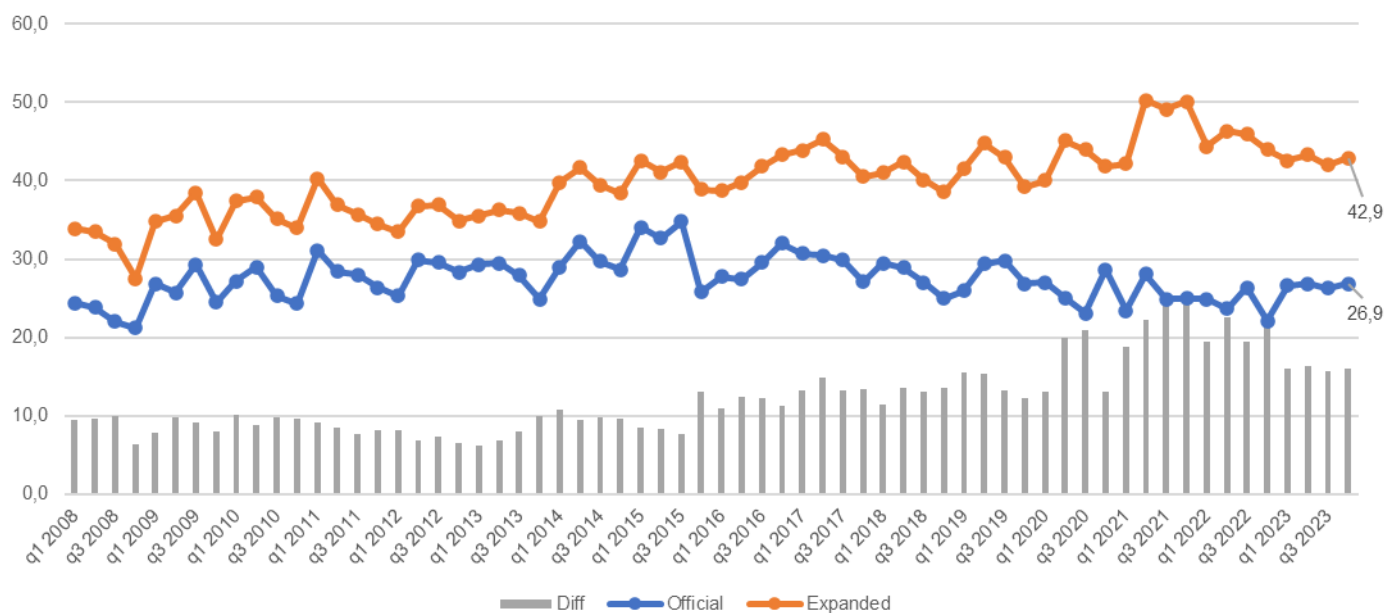


Source: StatsSA(2024)

Despite the increases in the number of the discourage work-seeker, there has been a marginal increase in the percentage of the labour force participation rate, which details the proportion of the working-age population that is either employed or unemployed. There's a natural inclination to have an increase in the participation rate when the employment outlook seems rosy, and at a participation rate of 53.5% and unemployment rate of 26.9% there is possibility.



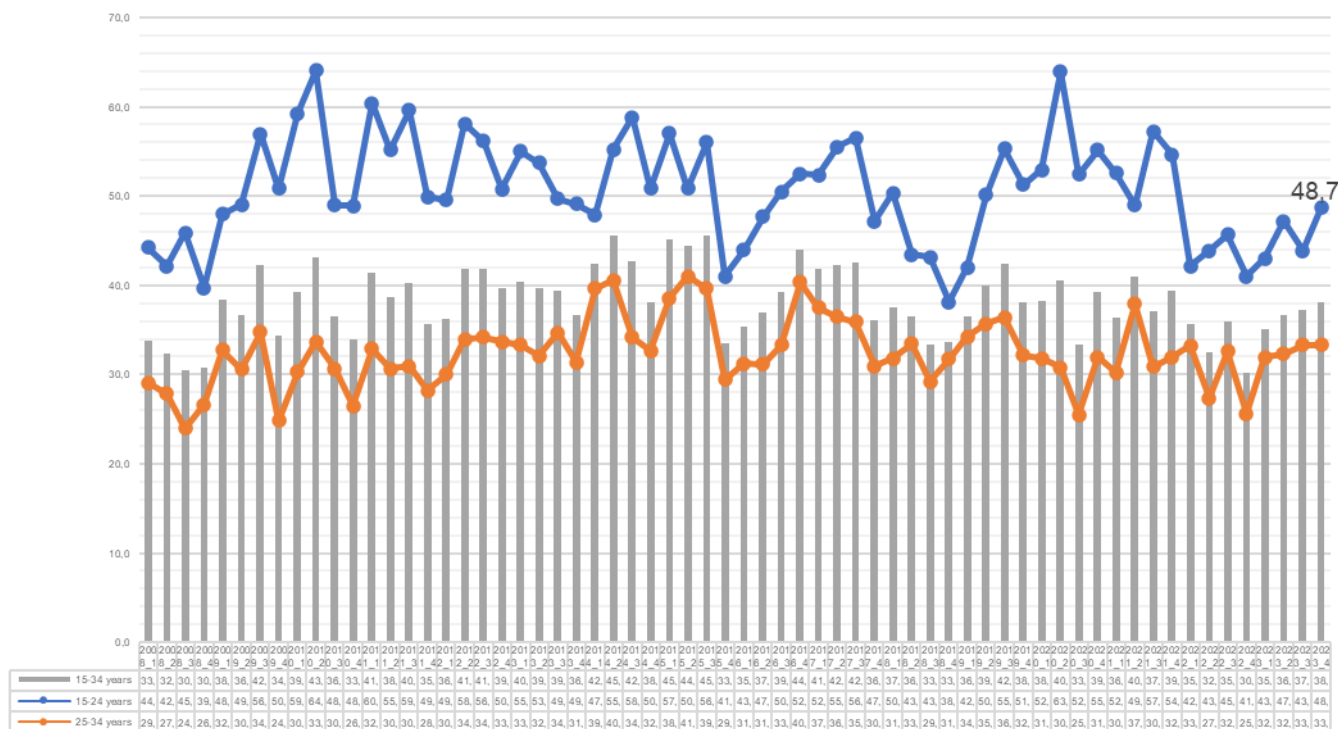
Figure 29: Northern Cape Unemployment rate - Expanded and Official Unemployment rates - end of quarter 4, 2023



Source: StatsSA (2024)

According to StatsSA (2024), the provincial official unemployment rate stood at 26.9% at the end of the last quarter of 2023, spelling a marginal increase when compared to the third quarter of the same year. Similarly, on the expanded definition of unemployment it indicated a marginal increase of 0.9 percentage point to 42.9%. This is indicative of the increase in the number of the discouraged work-seekers, increasing by almost 9,000, on a quarter-on-quarter basis.

Figure 30: Northern Cape Youth Unemployment rate

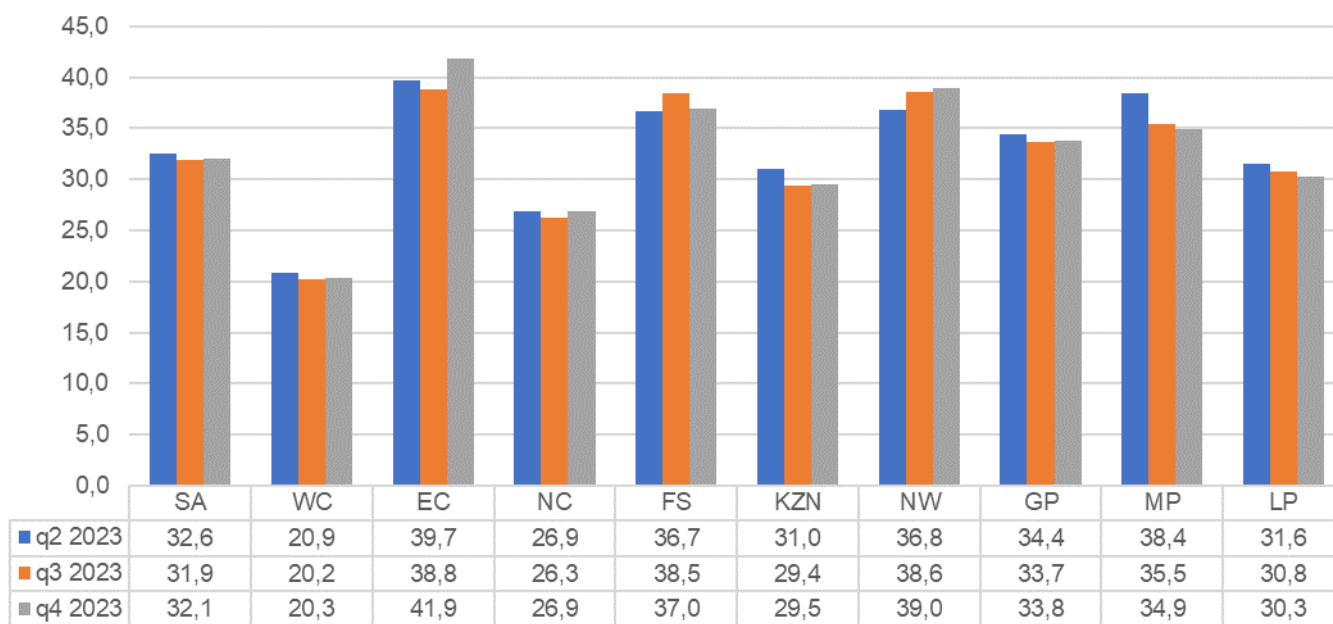


Source: StatsSA (2024)

Provincial unemployment is said to be the second lowest, after the Western Cape provincial unemployment rate, however, the contentious matter is that of the future job holder, and the least economically active or productive cohort at this point in time, that is, the youth. The national youth unemployment was estimated at 36.7% in the last quarter of 2023. Whilst in the Northern Cape provincial setting the youth unemployment, that is, those between the ages of 15-34, is estimated 38.1%, eleven percentage points higher than the official unemployment rate (i.e. those between 15-64 years).

Those aged between 25 and 34 years of age, has the lowest unemployment rate, amongst the youth cohort, estimated at 33.3%, or five percentage lower. Whereas, those that are aged 15-24 years, have the highest unemployment rate at 48.7%.

Figure 31: National and Provincial Unemployment rates



Source: StatsSA (2024)

South Africa's unemployment continues to stubbornly hover around the 32.0 percent mark. In the latest, quarterly labour force survey, the country's unemployment rate is estimated at 32.1%, noting a 0.2 percentage point increase, in contrast to the previous quarter.

The Eastern Cape province continues to have the highest unemployment rate comparatively, estimated at 41.9%. Followed, by the North West and the Free State province with a 39.0% and 37.0%, unemployment rate, respectively. What is critical for the Northern Cape, which has the second lowest unemployment rate (estimated at 26.9%) at the heels of the Western Cape (estimated at 20.3%), is that the North West and the Free State have a largely mining-based economies, and thus a concern its strong mining economic history.

Table 8: Northern Cape Sectoral Employment Shifts

	Thousands					q-on-q diff	q-on-q % change
	Q4 2022	Q1 2023	Q2 2023	Q3 2023	Q4 2023		
Agriculture	52	41	38	52	58	5 251	10.0%
Mining	19	18	25	24	33	9 835	41.7%
Manufacturing	11	17	12	15	14	-679	-4.6%
Utilities	2	1	1		1	1 055	
Construction	23	25	31	34	26	-7 435	-22.0%
Trade	55	48	43	38	39	1 200	3.1%
Transport	18	14	11	12	14	2 477	21.4%
Finance	28	42	31	31	33	2 914	9.5%
Gov Services	106	109	108	98	84	-13 824	-14.1%
Private HH	21	24	23	26	23	-3 167	-12.3%

Source: StatsSA(2024)

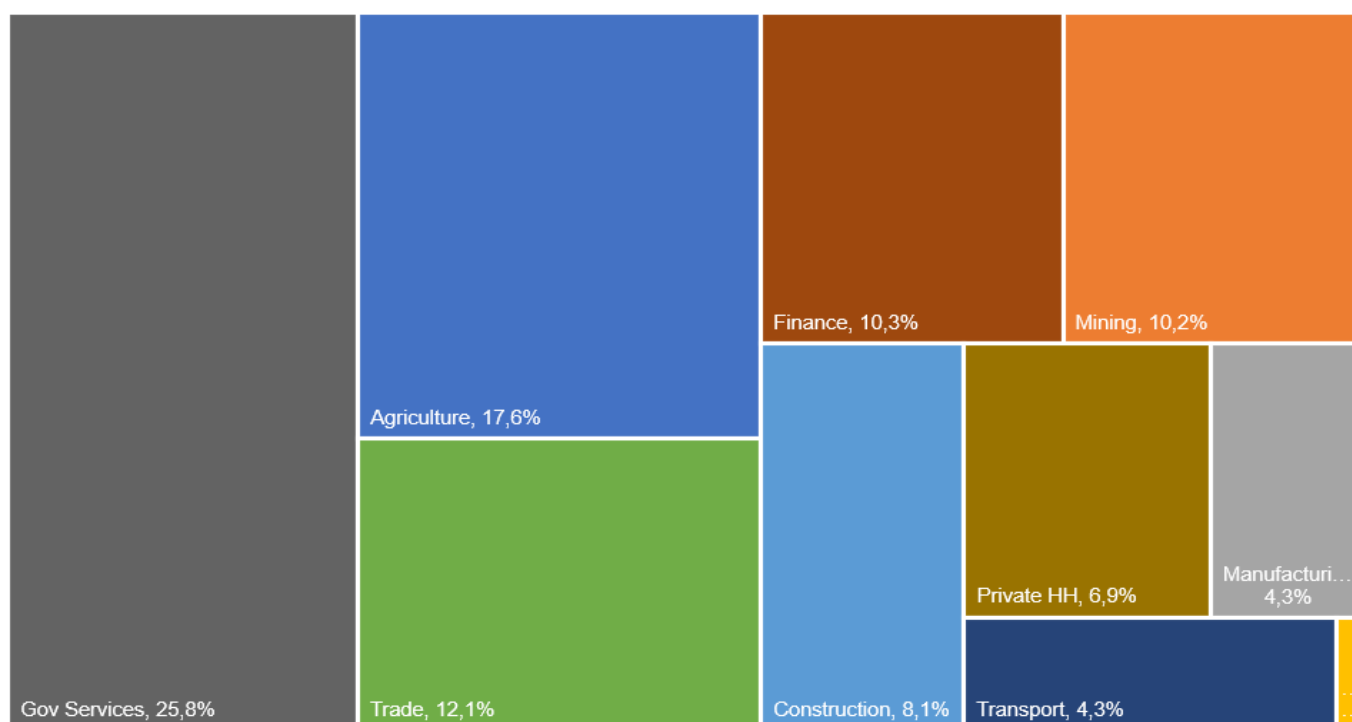
As previously alluded to, the number of the employed marginally declined by almost 2 000. Leading these job losses, was the government and related services, which saw a decline of almost 14,000 jobs lost in its employment cohort. This job-shedding by the government and related services, signals a plausible negative employment outlook for the more productive sectors of the economy, as well as trade sector. Compared to the third quarter, construction employment decreased following on the steps of the government and related services to shed almost 7,500 jobs in the last quarter of 2023.

Mining saw a resurgence in its employment figures, increasing by nearly 10,000 (that is 9,835) additional jobs created by the sector. Typifying the season the agricultural sector followed, with the increases in the employment, by all accounts off-setting the significance of the employment decline during the quarter under review. The sector increased its employment cohort by 5,800.

In nearly all the non-real economic industries, there have been positive employment shifts, with the trade seeing a positive employment increase of 1,200 additional employment opportunities created. The transport and finance sectors increased, employing an additional 2,400 or more people.

At the end of the fourth quarter of 2023, the largest employing industry in the province was the community and social services industry, employing 25.8% of the total employed individuals. This is a decline from the over thirty percent (i.e. 31.6%) previously commandeered by the sector. The government and related services, is followed by the agricultural sector which due to the seasonal effect surpassed the trade sector. Agricultural sectors employment contribution at the end of the fourth quarter of 2023, was estimated at 17.6%, whereas, the trade sector employed around 12.1%. The losses in the trade sector employment figure could be acutely related to the decline in living standards, as more and more households find it difficult to make ends meet, and thus curtailing spending.

Figure 32: Northern Cape Sectoral Employment Contribution – Percentage



Source: StatsSA (2024)

Moreover, the plausible alternate reason could be the decline in investment in the other sector thus affecting the trade sector's ability to grow. Some of the least employing industries were transport and manufacturing, as well as utilities, employing 4.3%, 4.3% and 0.3%, respectively. The utilities sector continues to be the smallest employment contributor – despite the province being acknowledged as the renewable energy hub of the country.

## 2.2.2. Service Delivery Improvement Plan

### Annual Progress Report: 2023/2024

Chapter 3, Part 3, of the Public Service Regulations states that an Executive Authority (EA) shall establish and maintain an Operations Management Framework (OMF) which includes; a Service Delivery Model (SDM), Service Standards and Service Charters as well as Standard Operating Procedures (SOP's) for all departmental services. It states further that An EA shall establish and maintain a Service Delivery Improvement Plan (SDIP) for his/ her department aligned to the Strategic Plan.

The Department developed a Service Delivery Improvement Plan (SDIP) for the 2023-2025 cycle in line with the current Strategic Plan (2020-2025) and the Annual Performance Plan (2023/2024) of the Department of Economic Development and Tourism.

The primary objective of the SDIP was to develop and implement service improvement standards for the key service with focus on aspects that hinder effective service delivery to beneficiaries in order to ensure value and impact. The secondary objectives of the SDIP were to:

- Outline the services provided by the department
- Identify a key service that the department would focus on improving
- Identify shortcomings/gaps with regard to the delivery of the key service
- Identify the service beneficiaries of the key service
- Identify and utilise the baseline standards of service in order to develop desired service standards for the key service

### SERVICE DELIVERY IMPROVEMENT PLAN

#### Main Services and Standards

Main services	Beneficiaries	Current / Actual Standard of Service	Desired Standard of Service	Actual Achievement
<p>The Support and Development of enterprises (SMME's &amp; Co-operatives) across all sectors identified in the PGDP (PDP).</p> <p>The services (as identified to SMMEs and Co-operatives) are predominantly provided by Programme 2: Integrated Economic Development Services (IEDS), Programme 3: Trade and Sector Development, and Programme 3: Tourism</p> <ul style="list-style-type: none"> <li>• Facilitate Business plan development and appraisals - Feedback on the development of business plans provided within 30 working days</li> </ul>	SMME's & Co-operatives across all sectors identified in the PGDP (PDP)	175	595	<p>CIPC Business Registration services rendered to 509 enterprises.</p> <p>21 Enterprises were funded through the Blended Fund.</p> <p>Information Sessions of Business Registration and Departmental Services held in Namakwa, ZFM, JTG, Hartswater, Upington &amp; Alexander Bay.</p> <p>Non- financial support provided in terms of Business Skills Development Training and SMME Skills development in; Tender &amp; Procurement Training, Hair &amp; Beauty training, Nail Technician training, Confectionary Training, Cleaning Services etc. in all districts.</p> <p>Referrals of enterprises to financial institutions for financial assistance.</p>

Main services	Beneficiaries	Current / Actual Standard of Service	Desired Standard of Service	Actual Achievement
<ul style="list-style-type: none"> <li>Facilitate new business registrations - Referral letter to a registration institution issued within 1 working day.</li> <li>Training on Business and Financial Management Skills, once per quarter.</li> <li>Facilitate access to viable markets on a quarterly basis</li> <li>Facilitate access to finance - Feedback on the outcome of financial application provided within 2 months after receipt of application.</li> </ul>				
<p>Promote and increase trade and exports opportunities, products, and services by providing information on trade leads and export opportunities on a quarterly basis.</p> <p>Quarterly marketing of NC as an attractive trade destination.</p>	SMME's & Co-operatives across all sectors identified in the PGDP (PDP)	14	48	<p>52 Emerging exporters trained through export awareness &amp; Global Exporter Passport Programme (GEPP) Training.</p> <p>30 Companies participated in an export awareness training.</p>
<p>Manage tourism enterprise development and support on a quarterly basis.</p> <p>Develop and manage the Provincial Tourism decent work Framework on an annual basis.</p>	SMME's & Co-operatives across all sectors identified in the PGDP (PDP)	18	20	<p>Six (6) Tourism enterprises assisted with exposure to international markets</p> <p>Six (6) Youth from Carnarvon &amp; Van Wyksvlei involved in the Astro Tourism enterprise development initiative.</p> <p>18 Tourism stakeholder engagements were held in terms of working towards tourism destination enhancement.</p> <p>A tourist guide entrepreneurial mentorship training was conducted to capacitate tourist guides.</p>



Main services	Beneficiaries	Current / Actual Standard of Service	Desired Standard of Service	Actual Achievement
Advice on grading of tourism establishments - Enquiries on grading establishments and tourism small enterprise development will be responded to within 7 working days Tourism experience and support municipalities and communities - sound advice provided within 7 working days and assessment within 90 working days. To develop and manage the Provincial Tourism Consumer Satisfaction and Feedback Framework Annually.				7 Tourism projects were assisted with the facilitation of grant funding.
Resolution of Consumer Complaints.  Manage the provision of consumer rights protection services in terms of the Act on a quarterly basis.  Administer relevant National and Provincial Frameworks on Consumer Protection.  Conduct Investigations / inspections and issue compliance notices on a quarterly basis.  Consumer complaints will be adjudicated and resolved within 90 days of receipt.	Consumer complainants as well as all other stakeholders of the department	89%	90%	89.95%. Two hundred fifteen of the Two Hundred thirty-nine complaints received (215/239) were resolved.  4 455 people reached through awareness and advocacy campaigns.  358 consumer protection inspections held. 127 non -compliance notices issued. 239 consumer complaints received and 215 resolved

### Batho Pele Arrangements with beneficiaries

Current /Actual Arrangements	Desired Arrangements	Actual Achievements
Consultation  Improving consultation with customers, stakeholders and service delivery partners.	Regular stakeholder consultative meetings and interactions.	Regular stakeholder consultative meetings and interactions.
	Workshops, Business Seminars, Individual visits, Trade Expos, trade fact sheets, Investment promotion missions, Investment conferences and exhibitions. (some Virtual)	Workshops, Business Seminars, Individual visits, Trade Expos, trade fact sheets, Investment promotion missions, Investment conferences and exhibitions. (some virtual)

Current /Actual Arrangements	Desired Arrangements	Actual Achievements
	Completed projects profiles/ fact sheets by business sector stakeholders.	Completed projects profiles/ fact sheets by business sector stakeholders.
<b>Access</b>  Improving access to services for enterprises in all regions	Promote access to services for tourism enterprises by targeting smaller towns in designated tourism nodes.	Promote access to services for tourism enterprises by targeting areas in designated rural areas.
	Enterprises were referred to SEDA for assistance with business plan development, marketing materials and quality assurance.  Enterprises were referred to SEFA and NEF for financial support.	Enterprises were referred to SEDA for assistance with business plan development, marketing materials and quality assurance.  Enterprises were referred to SEFA and NEF for financial support.  CIPC System has gained momentum and is becoming a popular sought-after service that will benefit all districts.  CIPC services range from company registrations, filing of annual returns, director amendments to company amendments.
	Full access to office via adequate signage, email, memoranda, telephonically, meetings and face-to-face presentations which comply fully with the Batho-Pele principle of access 2006 (PSC).  Official meetings as required.  Creation of more service points, through workshops and seminars in the districts on a quarterly basis.	Full access to office via adequate signage, email, memoranda, telephonically, meetings and face-to-face presentations which comply fully with the Batho-Pele principle of access 2006 (PSC).  Official meetings as required.  Creation of more service points, through workshops and seminars in the districts on a quarterly basis.
<b>Openness &amp; Transparency</b>  Marketing of departmental services for enterprises in all regions.	Regular awareness programmes and virtual sessions advising enterprises on DEDaT services available to them.	Regular awareness programmes and virtual sessions advising enterprises on DEDaT services available to them.
	Advertise services in local newspapers	Advertise services in local newspapers
	Reviewed booklet Stakeholder information (services & products) to be printed and disseminated to all enterprises including those in rural areas annually.	Reviewed booklet Stakeholder information (services & products) to be printed and disseminated to all enterprises including those in rural areas annually.

### Service Delivery Information Tool

Current/actual information tools	Desired Information Tools	Actual Achievements
Documentation relevant to services offered to enterprises to be made available on the departmental website and the Tourism e- newsletter for easy access.	Updated departmental website  Tourism Newsletter	Updated departmental website  Tourism Newsletter
Services are promoted during encounters with customers such as at public events, Imbizos, walk-ins and development and empowerment workshops (some virtual)	Services are promoted during encounters with customers such as at public events, Imbizos, walk-ins and development and empowerment workshops (some virtual).	Services are promoted during encounters with customers such as at public events, Imbizos, walk-ins and development and empowerment workshops.  An Investment Booklet was printed for distribution to stakeholders.
Information on departmental services as well as opportunities that are available for businesses available on departmental website.	Information on departmental services as well as opportunities that are available for businesses available on departmental website.	Information on departmental services as well as opportunities that are available for businesses available on departmental website.

## Complaints Mechanism

Current/actual complaints mechanism	Desired complaints mechanism	Actual Achievements
Complaints relating to support and development of SMMEs will be resolved within 25 working days from the date of receipt.	Acknowledge of receipt of complaint is done within 5 working days of receipt.  Constant feedback regarding queries electronically or in writing.  Complaints relating to support and development of SMME's will be resolved within 25 days	Complaints were responded to accordingly within the stipulated time frames.  No Presidential Hotline complaints were registered.

## 2.2.3. Organisational environment

### 2.2.3.1. Administration

The purpose of this directorate (Executive Support Services) is to provide an administrative and strategic leadership function to the Provincial Economic Cluster. The purpose of the sub-directorate Economic Cluster Secretariate is to manage the Cluster Secretariat for the purposes of the Economic Cluster as well as the coordination of High Impact Projects (HIPs). The additional sub-directorates which comprise Executive Support are Strategic Management, Monitoring & Evaluation, and Governance & Risk Management.

The function of Strategic Management and Monitoring & Evaluation is to manage and conduct integrated monitoring and evaluation services. The sub-directorate Strategic Planning is to ensure strategic planning, monitoring and reporting for the department.

The function of Governance & Risk Management is to manage and coordinate the provision of entity oversight and stakeholder relations services. The four Schedule 3C public entities on which this unit performs oversight are those that report to the Executive Authority for Finance, Economic Development and Tourism. These are the Northern Cape Liquor Board (NCLB), the Northern Cape Gambling Board (NCGB), the Northern Cape Trade and Investment Agency (NCEDA) and the Northern Cape Tourism Authority (NCTA). The function of the sub-directorate Risk Management and Integrity Management is to manage and facilitate the provision of organisational risk management service. The sub-directorate Security and Records Management provides security services, facilities management and the provision of effective and efficient records management systems and auxiliary services.

The Financial Management Unit delivers supportive functions within the Department relating to financial accounting, management accounting and supply chain. The Department has undergone a re-structuring process and a number of incumbents, with their relevant functions have been moved to other directorates. These include: Strategy Management and Risk Management. In addition to the re-structuring, the strategy of National Treasury to abolish all vacant funded posts, with their budgets, of all government institutions has resulted in the sub-directorate losing a number of critical posts, including posts in Supply Chain Management and Management Accounting. The sub-directorate is therefore continuously under pressure to deliver on prescriptive mandates. The output indicators selected are designed to support the achievement of the developmental objectives as outlined in the MTSF, PGDP and Strategic Plan of the Department.

The function of Corporate Services is to manage and co - ordinate the Corporate administrative support functions in the department. HRM&D provides strategic human resources and development, organisational development and change management functions within the department. The directorate, Corporate Affairs provides ICT, Communication and Social Responsibility functions to the department.

### 2.2.3.2. Integrated Economic Development Services (IEDS)

The purpose of IEDS is to promote economic and small business development through shared partnerships. This programme consists of two sub-programmes i.e., Regional and Local Economic Development (RaLED), and Economic Empowerment, Preferential Procurement and BBBEE.

The purpose of RaLed is to ensure that promotion of economic growth and development in local economies in partnership with key stakeholders.

The focus of the Economic Empowerment, Preferential Procurement and BBBEE sub-programme is to create an enabling ecosystem that enhances entrepreneurship and the establishment, growth and sustainability of small, medium and micro enterprises.

#### **2.2.3.3. Trade and Sector Development**

This programme is divided into two distinctive sub-programmes. They are Sector Development and, Trade and Investment Promotion.

Sector Development aims to facilitate the development of key economic sectors in order to contribute to a growing share of local production and job creation in the province. Trade and Investment Promotion aims to support export development and promote exports through targeted strategies. It also aims to support foreign direct investment flows and promote domestic investment. In addition, the objective is to provide resources to the economic development, trade & investment promotion agency, NCEDA, to enable it to deliver on its mandate, as defined in the Northern Cape Economic Development, Trade & Investment Promotion Agency Act, 2008 (Act No.4 of 2008).

#### **2.2.3.4. Consumer Protection and Business Regulation**

The main aim of the Programme is to remove barriers which inhibit business development and to ensure regulation of Consumer Protection in the Northern Cape Province. The Programme consist of two sub-programmes namely: Consumer Protection Authority and Business Regulation.

The Northern Cape Consumer Protection Authority is primarily responsible in terms of the Act to investigate, mediate and adjudicate over consumer related matters in the Province of the Northern Cape and refer unresolved matters to the Consumer Court for adjudication. It aims to implement coherent, predictable, and transparent regulatory solutions that facilitate easy access to redress and efficient regulation for economic citizens.

The purpose of Business Regulation is to manage and facilitate the provision of business regulatory services. Business Regulation has been included (although it is unfunded) because it is part of the generic structure for similar units in the country. In order to make the sub-programme functional (To manage and facilitate the provision of business regulatory services) one needs the resources to do so. The budget needs to be made available for the vacant posts to be filled. In addition, new legislation would need to be drafted to regulate the industry in the province. Due to the fact that there are no warm bodies to perform this function, no targets could be set for implementation in the financial year under review.

#### **2.2.3.5. Economic Planning**

This Programme seeks to support and facilitate the transformation, diversification, and growth of the provincial economy by promoting integrated development planning and innovation through efficient research.

The Economic Research and Policy Development sub-programme places greater emphasis on the alignment of provincial strategies to the National Economic Policy priorities. With the economy opening up after COVID. The sub-programme focused on monitoring the implementation of the economic Reconstruction and Recovery plan with an emphasis on work opportunities created. Stakeholder engagements are held to ensure alignment of plans to National and Provincial economic priorities and the District Development Plan.

The sub-programme also seeks to conduct and facilitate socio-economic research that will inform planning to promote growth and development. The work of the sub-programme is also intended to assist policy makers to develop more effective policies and to direct as well as manage resources of the Department, in more focused and efficient way, that result in improved implementation. The research work is mainly guided by the Departmental Research Agenda which is reviewed on a regular basis

The Knowledge Economy and Innovation sub-programme focuses on the promotion of the Fourth Industrial Revolution (4IR) and Industry 4.0 as key tools in the promotion of a knowledge society and economy in order to promote initiatives that position entrepreneurs in the province to exploit the value chain afforded by the 4IR. In line with the Medium-Term Strategic Framework (MTSF) 2019-2024, KE&I is prioritising: (1) digital infrastructure as pronounced in the National

Broadband Policy “SA Connect”; and (2) digital skills for activation of new jobs in the digital space, as outlined in the Department of Communications and Digital Technologies, “National Digital and Future Skills Strategy”.

The Northern Cape Innovation Forum will be instrumental in galvanising support for broadband solutions for the province, while mLab Northern Cape will ensure the province has the technical skills to benefit from digitalisation.

#### **2.2.3.6. Tourism**

The objective of the Tourism Programme is to lead tourism growth, development, and destination promotion in the Northern Cape.

In the year under review, the Tourism programme consisted of two sub-programmes i.e., Tourism Development and Tourism Growth.

The purpose of the Tourism Development sub-directorate is to support the development of an attractive and competitive destination Northern Cape. The purpose of sub-directorate Tourism Growth is to manage the unlocking of the economic potential of the provincial tourism industry through creating an enabling policy and planning environment.

#### **2.2.4. Key Policy Developments and Legislative Changes**

There were no key policy developments or legislative changes in the year under review.

## 2.3. PROGRESS TOWARDS ACHIEVEMENT OF INSTITUTIONAL IMPACTS AND OUTCOMES

The impact statement as defined in the Strategic Plan 2020-2025, is “Sustainable and Inclusive Economic Growth and Development.”

The MTSF priority is “Economic transformation and job creation.”

The two outcomes are “Higher economic growth” and “Improved levels of employment.” The outcome indicators and targets for the period 2020-2025 are:

- Percentage growth of the provincial economy (GDP) with a targeted growth range of 2%-3%, and
- Unemployment rate reduced with a range of 24%-26%.

MTSF PRIORITY	Priority #2 Economic Transformation and Job Creation			
Outcome	Outcome Indicator	Baseline	Five-year Target 2020-2025	Achievement 2023 - 2024
Higher Economic Growth	Percentage growth of the provincial economy (GDP)	1.5%	2% - 3%	The Northern Cape recorded an average annual growth (Constant 2015 Prices) of 0.4% for 2023 *
Improved levels of employment	Unemployment rate reduced	29.4%	24% - 26%	The Northern Cape has an unemployment rate of 26,7% (StatsSA (2023)**

Source:

\*HIS Global Insight

\*\* StatsSA

### Percentage growth of the provincial economy (GDP)

According to the National Treasury (2024a), sustained economic growth is a goal of macroeconomic policy, but the rate of growth is also a critical parameter governing macroeconomic policy choices. Fast-growing economies provide policy-makers with choices not available in slow-growing economies. Whereas, the fast growth increases a country's creditworthiness and reduces sovereign risk, creating a virtuous cycle of confidence in the future, lower interest rates and higher investment that sustains fast growth. Meanwhile, slow growth, which by contrast is the trajectory the South African economy is in, creates a vicious cycle in which there are fewer resources available to resolve social challenges, creditworthiness worsens, pessimism takes hold, interest rates rise, and investment falls.

According to IHS The Northern Cape recorded economic growth rate of 0,4% in 2023. This is below the 5-year target of 2% - 3% growth rate. Furthermore, It is expected that Northern Cape Province's GDP will grow at an average annual rate of 1.53% from 2022 to 2027. South Africa as a whole is forecasted to grow at an average annual growth rate of 1.76%, which is higher than that of the Northern Cape Province (S&P Global Market Intelligence, 2024).

The economy of the province continues to be driven by the Mining and agricultural sectors, as a means of diversifying the economy of the province, the department will continue to promote and support the implementation and roll out of the high impact projects which includes the Namakwa SEZ, Boegoebaai Port, Green Hydrogen, Upington Industrial Park and the Kathu Industrial Park amongst others.

### Unemployment rate reduced with a range of 24%-26%

In 2023, Northern Cape recorded the unemployment rate of 26,7% which is slightly more than the 5 year target of 24%-26%. The province employed a total of 347 000 people which is 2.13% of the total employment in South Africa (16.3 million). Employment within Northern Cape increased annually at an average rate of 1.55% from 2013 to 2023. The Northern Cape Province average annual employment growth rate of 1.55% exceeds the average annual labour force growth rate of 1.01% resulting in unemployment decreasing from 29.07% in 2013 to 25.26% in 2023 in the province.



Total employment can be broken down into formal and informal sector employment. Formal sector employment is measured from the formal business side, and the informal employment is measured from the household side where formal businesses have not been established. Formal employment is much more stable than informal employment.

The number of formally employed people in Northern Cape Province counted 315 000 in 2023, which is about 90.78% of total employment, while the number of people employed in the informal sector counted 32 000 or 9.22% of the total employment. Informal employment in Northern Cape increased from 30 600 in 2013 to an estimated 32 000 in 2023.

When comparing unemployment rates among regions within Northern Cape Province, John Taolo Gaetsewe District Municipality has indicated the highest unemployment rate of 33.8%, which has increased from 32.4% in 2013. It can be seen that the ZF Mgcawu District Municipality had the lowest unemployment rate of 19.2% in 2023, which decreased from 21.8% in 2013.

In 2023 the Trade sector recorded the highest number of informally employed, with a total of 11 100 employees or 34.72% of the total informal employment. This can be expected as the barriers to enter the Trade sector in terms of capital and skills required is less than with most of the other sectors. The Manufacturing sector has the lowest informal employment with 2 710 and only contributes 8.47% to total informal employment.

## 2.4 INSTITUTIONAL PROGRAMME PERFORMANCE INFORMATION

### Note:

The department did not use table 2.4.4.1 in the National Treasury Annual Report Guide for National and Provincial departments (updated February 2024) because the guideline states that table 2.4.4.1 is only used in the event of the Annual Performance Plan being “re-tabled.” The department did not re-table the Annual Performance Plan for the financial year ending 31 March 2024.

### 2.4.1. Programme 1: Administration

#### Purpose

Provide strategic, leadership, management, and support services to the department.

#### The sub-programmes are: Purpose of the sub-programme

Executive Support	<p>Executive Support is underpinned by the following administrative operational units (sub-directorates) viz. Economic Cluster Secretariat &amp; Intergovernmental Relations; Strategic Management and Monitoring &amp; Evaluation, Governance and Risk Management.</p> <p>Economic Cluster Secretariat &amp; Intergovernmental Relations (IGR) mainly provides technical support to the Economic Sectors, Investment, Employment and Infrastructure Development Cluster. Through the verification, quality control and analysis of information for submission to the Economic Cluster. The secretariat also reports on progress of resolutions for the Economic Cluster.</p> <p>Executive Support is also provided through the Strategic Planning unit to assist the department in the development of plans that are strategically focused to reduce the gap between planning and effective implementation in terms of internal and external environmental assessment. This includes managing the process to review, develop and align the departmental plans to the budget and relevant legislative prescripts; facilitating the monitoring of the non-financial performance of the department and the development of structures and systems that optimize the planning and the reporting processes for non-financial performance in the department.</p> <p>The Monitoring and Evaluation unit ensures the support for the implementation of the MTSF and the Provincial Growth and Development Plan by monitoring the implementation of economic development interventions in order to improve the outcomes and impacts.</p> <p>The function of Governance &amp; Risk Management is to manage and coordinate the provision of entity oversight and stakeholder relations services. The four Schedule 3C public entities on which this unit performs oversight are those that report to the Executive Authority for Finance, Economic Development and Tourism. These are the Northern Cape Liquor Board (NCLB), the Northern Cape Gambling Board (NCGB), the Northern Cape Trade and Investment Agency (NCEDA) and the Northern Cape Tourism Authority (NCTA). The Risk Management sub-directorate derives its mandate from the PFMA and the Treasury Regulations. The sub-directorate creates awareness and understanding of risk management at all levels in the Department to instil a risk management culture in the Department. Security and Records Management provides security services, facilities management and to provide effective and efficient records management systems and auxiliary services.</p>
Financial Management	<p>Facilitates governance and accountability by promoting and enforcing the transparent, economic, and effective management of revenue, expenditure, assets, liabilities, and supply chain processes in the public sector.</p>

#### Corporate Services

Provides strategic, leadership, management and support services to the department that include human resource management i.e., administration, recruitment and development, communications, ICT management, employee health and wellness and labour and legal services.

#### Institutional Outcome/s supported by the programme:

- Higher Economic Growth

#### 2.4.1.1.1 Economic Cluster Secretariat and Inter-governmental Relations (IGR)

#### Outcomes, Outputs, Output Indicators, Targets, and actual achievements table

Sub-Programme: Economic Cluster Secretariat and Inter-governmental Relations (IGR)								
Outcome	Output	Output Indicator	Audited Actual Performance 2021/2022	Audited Actual Performance 2022/2023	Planned Annual Target 2023/2024	Actual Achievement	Deviation from planned target to actual achievement	Reasons for deviations
Higher Economic Growth	Economic Advice to the Economic Sectors Employment Investment and Infrastructure Development Cluster for informed decision-making.	1.1.1 % of recommendations accepted by the Economic Sectors Employment Investment and Infrastructure Development Cluster.	New	82%	85%	86.95%	1.95%	Twenty of the twenty-three (20/23) recommendations were accepted. More recommendations were accepted than anticipated.

#### 2.4.1.1.2 Strategic Planning, and Monitoring and Evaluation

##### Outcomes, Outputs, Output Indicators, Targets, and actual achievements table

Sub-Programme: Strategic Planning, and Monitoring and Evaluation								
Outcome	Output	Output Indicator	Audited Actual Performance 2021/2022	Audited Actual Performance 2022/2023	Planned Annual Target 2023/2024	Actual Achievement 2023/2024	Deviation from planned target to actual achievement 2023/2024	Reasons for deviations
Higher Economic Growth	Unqualified non-financial audit opinion.	1.1.2 Percentage of departmental planning documents that subscribe to the Treasury Regulations as stipulated in the PFMA 1 of 1999.	New	100%	100%	100%	0%	None
		1.1.3 Percentage of departmental reporting documents that subscribe to the Treasury Regulations as stipulated in the PFMA 1 of 1999.	New	100%	100%	100%	0%	None
	Economic Development Initiatives monitored.	1.1.4 Number of Monitoring reports on the impact of economic development initiatives in the Province.	4	4	4	4	0	None
	Economic Development Initiatives evaluated.	1.1.5 Number of Evaluation reports.	2	2	2	2	0	None

#### 2.4.1.1.3 Governance, Risk Management and Integrity Management

##### Outcomes, Outputs, Output Indicators, Targets, and actual achievements table

Sub-Programme: Governance, Risk Management and Integrity Management								
Outcome	Output	Output Indicator	Audited Actual Performance 2021/2022	Audited Actual Performance 2022/2023	Planned Annual Target 2023/2024	Actual Achievement	Deviation from planned target to actual achievement	Reasons for deviations
Higher Economic Growth	Legislatively compliant entities.	1.1.6 Percentage of legislatively compliant entities reporting to the MEC for Economic Development and Tourism	100%	100%	100%	100%	0%	None
	Risk and integrity Management Maturity Reports.	1.1.7 Number of Risk and Integrity Management Committee reports compiled.	New	4	4	4	0	None

## Office of the MEC

The department achieved 51 of the 62 targets that it set itself for the FY 2023/2024. This translates into a performance of 82,25%. Although 11 targets could not be achieved, the department managed to exceed the performance on 18 indicators.

Administration spent 96% of its budget and achieved 75% of its targets (15/20). Integrated Economic Development Services spent 84% of its budget and achieved 81,8% of its targets (9/11). Trade and Sector Development spent 99% of its budget and achieved 100% of its targets (6/6). Consumer Protection and Business Regulation spent 100% of its budget and achieved 75% of its targets (3/4). Economic Planning spent 98% of its budget and achieved 100% of its targets (11/11). Tourism spent 94% of its budget and achieved 70% (7/10) of its targets.

All activities undertaken by the Office of the MEC that required goods and services were subjected to the standard operating procedures as per the internal control mechanisms of the department. Memoranda were submitted using the departmental outlook indicators as per tabled annual performance plan.

The department did not use table 2.4.4.1 in the National Treasury Annual Report Guide for National and Provincial departments (updated February 2024) because the guideline states that table 2.4.4.1 is only used in the event of the Annual Performance Plan being “re-tabled.” The department did not re-table the Annual Performance Plan for the financial year ending 31 March 2024. At the presentation of the APP 2023/2024 to the NCPL, the department merely made minor amendments to the APP 2023/2024.

## Performance Narrative for Executive Support

In the year under review, namely 2023/2024, nine (9) proceedings of the Economic Sectors, Investment, Employment, and Infrastructure Development Technical cluster have been completed. In total twenty-two (22) agenda items have been referred to the Economic Sectors, Investment, Employment, and Infrastructure Development Cluster. All of these items have been presented at this platform and have been further recommended to serve at EXCO with the exception of the Township and Rural Enterprise Strategy (TRES).

In the period under review, The Economic Technical Cluster Secretariat (ETCS) unit was entrusted with the responsibility of undertaking the development of a Township and Rural Economy Strategy (TRES). TRES is currently in the implementation phase and is under the auspices of Programme 2 as the budget resides under Programme 2.

With reference to the Presidential Imbizo, the unit has co-ordinated the consolidation of information from DEDaT required for the development of the provincial Presidential Imbizo's. The Unit also co-ordinated the establishment of a committee within the department relating officials who are representing the department in the Workstreams identified for co-ordination of the Presidential Visit Imbizo.

In the period under review Strategic Management complied with all the legislative requirements governing both planning and reporting. This included the completion and submission of, the Annual Performance Plan, all quarterly reports as well as the Annual Report for the previous financial year. These were also submitted to all stakeholders within specified time frames. The department also achieved a clean audit on performance information in the Annual Report for the year ended 31 March 2023.

The Monitoring and Evaluation unit met all its targets for the year under review. It produced four monitoring reports on the impact of economic development initiatives in the province. These include, a report on Interventions of Economic Recovery and Growth; a report on the Impact of Economic Development Initiatives in the Province with specific focus on Tourism Supported Establishments, and a report on the interventions for economic recovery initiatives speaking to co-operatives supported. Two evaluation reports were produced which include, an evaluation of the interventions for Economic Recovery Initiatives for Small, Medium and Macro Enterprises supported, and a report on the interventions for the economic recovery initiatives speaking to Tourism SMMEs supported. The verification and site visits concluded the process of gauging implementation of economic development interventions.

The Risk Management unit facilitated and coordinated continuous enterprise risk management (ERM) activities during the financial year. These processes included assisting the Risk and Ethics Management Committee to perform an oversight function on the ERM processes on a quarterly basis, in accordance with the approved Risk and Ethics Management Committee Charter. The said meetings were held on 30 June 2023, 17 August 2023, 15 November 2023

and 18 March 2024 respectively. The Committee regularly evaluated the extent of ERM integration in the Department and was pleased that continuous ERM activities are implemented by Management and other personnel. The Committee on a quarterly basis submitted timeous reports to the Accounting Officer.

The Governance unit performed an oversight role on the four entities reporting to the MEC for Finance, Economic Development and Tourism. In total, the unit received and analysed thirty-two (32) quarterly and compliance reports of the Entities. Additionally, the Governance unit analysed and executed an advisory role on the 2022/23 Annual Reports and 2024/25 Annual Performance Plans of the Entities. Furthermore, the unit attended all quarterly Audit Committee meetings of Entities. Eight (8) transfer payments were facilitated to the Northern Cape Liquor Board and Northern Cape Gambling Board.

The units of Risk Management and Governance achieved all the set targets for the 2023/24 financial year; therefore, no area(s) of under-performance was identified.

### Linking performance with budgets

Sub- Programme Name	2023/2024			2022/2023		
	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
Office of the MEC	1 224	1 224	-	741	741	-
<b>Total</b>	<b>1 224</b>	<b>1 224</b>	<b>-</b>	<b>741</b>	<b>741</b>	<b>-</b>

Sub- Programme Name	2023/2024			2022/2023		
	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
Office of the HOD	20,824	20,824	-	22 803	22 803	-
<b>Total</b>	<b>20,824</b>	<b>20,824</b>	<b>-</b>	<b>22 803</b>	<b>22 803</b>	<b>-</b>

Sub- Programme Name	2023/2024			2022/2023		
	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
Executive Support	894	894	-	-	-	-
<b>Total</b>	<b>894</b>	<b>894</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

All activities undertaken by the Office of the MEC that required goods and services were subjected to the standard operating procedures as per the internal control mechanisms of the department. Memoranda were submitted using the departmental outlook indicators as per tabled annual performance plan. All activities undertaken by the Office of the HOD that required goods and services were subjected to the standard operating procedures as per the internal control mechanisms of the department.

The unit, Strategic Management has two indicators i.e., 1.1.2, and 1.1.3. The biggest cost drivers for these indicators were the hiring of venues for strategic planning sessions (which included catering), and the printing of the Annual Report for the previous financial year.



The Governance and Risk Management unit incurred budget expenditure to the total value of R184 000.00. This was largely spent on Goods and Services. The biggest cost drivers were advertising where an amount of R138 000.00 was spent to publish in the Provincial Government Gazette and local newspapers (the Diamond Fields Advertiser; Gemsbok and Die Plattelander & Namakwa Drukkery) the amendment of Regulation 7(c) of the Northern Cape Gambling Act 3 of 2008. The unit also spent R16 000 on stationery. In terms of capital, a laptop was procured to the value of R30 000.00.

**Strategy to overcome areas of under performance**

None.

### 2.4.1.2. Financial Management

Sub-Programme: Financial Management								
Outcome	Output	Output Indicator	Audited Actual Performance 2021/2022	Audited Actual Performance 2022/2023	Planned Annual Target 2023/2024	Actual Achievement 2023/2024	Deviation from planned target to actual achievement	Reasons for deviations
Higher Economic Growth	Unqualified financial audit opinion.	1.2.1 % of expenditure within the Vote 6.	98.5%	95.68%	98%	94.87%	-3.13%	The Tyre Crumbling Project fund surrendered because the feasibility studies are still in process.
		1.2.2 % of departmental budget spent on procurement	22%	22.8%	23%	17%	-6%	Expenditure was less due to cost containment in the province.
		1.2.3 % of procurement from women.	60%	24.3%	35%	18.69%	-16.31%	Expenditure was less due to cost containment in the province. The KDC tender was not concluded.
		1.2.4 % of procurement from youth.	24%	18.52%	35%	5.69%	-29.31%	Expenditure was less due to cost containment in the province. The KDC tender was not concluded.
		1.2.5 % procurement from people with disabilities.	3%	4.42%	2%	1.18%	-0.82%	Expenditure was less due to cost containment in the province. The KDC tender was not concluded.
		1.2.6 % of invoices paid within 30 days.	100%	100%	100%	100%	0%	None

### Performance Narrative for Financial Management

Financial Management paid all invoices within 30 days. In total 1224 invoices paid within 30 days. The targets were not achieved due to the implementation of cost containment measures. The target for the budget to be spent on procurement needs to be re-evaluated in terms of the current fiscal position of the province.

The following legislation/instruction impacted the performance of unit:

- Cost Containment

### Linking performance with budgets

	2023/2024			2022/2023		
Sub- Programme Name	Final Appropriation R'000	Actual Expenditure R'000	(Over)/Under Expenditure R'000	Final Appropriation R'000	Actual Expenditure R'000	(Over)/Under Expenditure R'000
Financial Management	29,078	27,292	1,786	28 610	28 248	362
<b>Total</b>	<b>29,078</b>	<b>27,292</b>	<b>1,786</b>	<b>28 610</b>	<b>28 248</b>	<b>362</b>

The Financial Management unit is a support function to the Department. The Financial Management unit spent nearly 50% of the allocated budget on Compensation of Employees. From a Goods and Services perspective, the budget was mainly spent on fixed costs such as Audit Fees, Operating Leases (centralized in Financial Management for Administration), Property Payments and State Information Technology Agency (SITA) Data Lines for the systems to be used.

All procurement done by Supply Chain Management (SCM) have been done following all SCM prescripts. The Financial Management contributed in order to achieve the set outputs by means of procuring from designated groups. The unit monitored spending of programs and re-prioritized during the year under review.

### Strategy to overcome under performance

The underperformance relating to the spending on procurement is mainly due to the implementation of cost containment in the province. The underperformance will be addressed by developing a database for designated groups.

### 2.4.1.3 Corporate Services

Sub-Programme: Corporate Services								
Outcome	Output	Output Indicator	Audited Actual Performance 2021/2022	Audited Actual Performance 2022/2023	Planned Annual Target 2023/2024	Actual Achievement 2023/2024	Deviation from planned target to actual achievement	Reasons for deviations
Higher Economic Growth	Unqualified AGSA audit opinion on Human Resource Management.	1.3.1 Number of comprehensive HRD statistical reports.	-	New	4	4	0	None
		1.3.2 % compliance with legislated disclosure requirements.	-	New	100%	100%	0	None
		1.3.3 % Departmental compliance with legislated EPMDS requirements.	-	New	80%	92%	12%	Greater departmental Compliance than anticipated.
	A motivated departmental workforce.	1.3.4 Number of departmental Social Responsibility, Diversity & Health and Wellness initiatives held.	New	5	4	4	0	None
	An Informed departmental workforce.	1.3.5 Number of departmental Information dissemination initiatives implemented.	4	4	4	4	0	None
	Uninterrupted departmental electronic communication network.	1.3.6 Percentage of Local Area network Uptime maintained.	95%	95%	95%	95%	0	None
		1.3.7 Percentage of Wide Area Network uptime maintained.	95%	95%	95%	95%	0	None

## Performance Narrative for Corporate Services

### CORPORATE SERVICES

The sub-programme was able to achieve all of its targets for the financial year. The main focus during this financial year was the filling of vacant funded posts. The HRA unit embarked on a recruitment drive and successfully filled 13 posts. This was necessary as the department as a whole was understaffed. Sufficient Human Capital is vital to ensure that the department delivers on its mandate.

The OD & Legal Services units were involved in the Rationalisation process. The OD unit drafted proposed structures for both the Mega Entity as well as the Northern Cape Gambling and Liquor Board Merger. Legal Services drafted various MOU'S and also assisted with the drafting of the legislation in this regard.

The Sub-Programme reported an over-achievement in terms of compliance regarding EPMDS submission. This is largely due to the fact that the department implemented the Provincial EPMDS Policy and introduced consequence management in the EPMDS process.

The wellness of the department's employees is a priority and it aims, through its Employee Health and Wellness Programme, to continue to create and maintain a healthy and conducive environment. The Women's and Men's Day events aimed to celebrate both the women and men of the department. Various other activities from GEMS Screenings to Outreach programmes were also held during this financial year.

Employee information sessions were held every quarter. The purpose of these sessions was to disseminate information to staff, on various topics to empower staff members with knowledge regarding matters within the workplace so as to ensure a well-informed staff compliment.

### Linking performance with budgets

Sub- Programme Name	2023/2024			2022/2023		
	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
Corporate Services	24,038	22,520	1,518	18 567	18 567	-
<b>Total</b>	<b>24,038</b>	<b>22,520</b>	<b>1,518</b>	<b>18 567</b>	<b>18 567</b>	<b>-</b>

The Corporate Services Sub-Programme is a support programme to the department. Corporate Services was allocated a final budget of R24 042 000 for the 2023/ 2024 financial year. The Sub-Programme spent R 16 263 363 on compensation, translating into 67.6% of total budget spent. Furthermore, the Sub-Programme also respectively spent R1 080 103.00 on the training and development of staff (including the issuing of bursaries) as legislated in the Skills Development Levy Act for the improvement of current skills and attainment of new skills to enhance performance and support to the department and its service delivery targets. Corporate Services' total expenditure on goods and services for the period amounted to R 5 119 637.00 with the bulk of this going towards Communications, EHW and ICT related initiatives.

### Strategy to overcome areas of under performance

Corporate Services has not had any areas of underperformance for this reporting period. The Chief Directorate takes pride in the successful achievement of all targets and will continue to operate in this dedicated manner so as to ensure and maintain this level of performance.

### Performance in relation to Standardised Outputs and Output Indicators for sectors with concurrent functions

The Department of Economic Development and Tourism has no customised or standardised Outputs and Output Indicators.

## 2.4.2. Programme 2: Integrated Economic Development Services

### Purpose

The purpose of IEDS is to promote economic and small business development through shared partnerships

Programme 2 has been structured to address its mandate through two sub-programmes:

#### The sub-programmes are:

Regional and Local Economic Development.

Economic Empowerment, Preferential Procurement and BBBEE

#### Purpose of the sub-programme

The purpose of RaLED is to ensure the promotion of economic growth and development in local economies in partnership with key stakeholders

The purpose of the sub-programme is to create an enabling ecosystem that enhances entrepreneurship and the establishment, growth and sustainability of small, medium and micro enterprises.

### Institutional Outcome/s supported by the Programme:

- Improved levels of employment
- Higher Economic Growth

### Outcomes, Outputs, Output Indicators and Targets and actual achievements table

#### 2.4.2.1 Regional and Local Economic Development

Sub-Programme: Regional and Local Economic Development								
Outcome	Output	Output Indicator	Audited Actual Performance 2021/2022	Audited Actual Performance 2022/2023	Planned Annual Target 2023/2024	Actual Achievement 2023/2024	Deviation from planned target to actual achievement 2023/2024	Reasons for deviations
Improved levels of employment.	Catalytic projects supported that contribute towards employment creation.	2.1.1 Number of LED Projects developed in the Province.	0	2	2	2	0	None
	Municipalities supported to develop plans to improve Local Economic Development that will contribute towards employment creation.	2.1.2 Number of economic development plans developed in the Province.	0	0	2	2	0	None
		2.1.3 Number of LED forums conducted at local municipalities.	4	6	4	5	1	One Additional LED Forum conducted as per request from the Richtersveld Municipality.
	Expanded Public Works Opportunities.	2.1.4 Number of EPWP employment opportunities reported in the Province	192	163	150	247	97	Roll-over project from the previous financial year.
	Skills deficit in diamond and jewellery beneficiation industry addressed.	2.1.5 Number of diamond beneficiation trainees registered.	-	New	20	39	19	Additional intake during the year under review.
	Transformed diamond and jewellery	2.1.6 Number of Jewellery Manufacturing	12	15	12	2	-10	Current SMMEs whose tenure had expired did not vacate the



Sub-Programme: Regional and Local Economic Development								
Outcome	Output	Output Indicator	Audited Actual Performance 2021/2022	Audited Actual Performance 2022/2023	Planned Annual Target 2023/2024	Actual Achievement 2023/2024	Deviation from planned target to actual achievement 2023/2024	Reasons for deviations
	beneficiation industry.	SMMEs established at KDJI.						incubator to allow new intake. There was insufficient interest from KIDJA trainees to start up as an SMME in the incubator.
Improved levels of employment.	Strategic mining interventions developed and implemented.	2.1.7 Number of mining interventions facilitated.	-	New	9	5	-4	Stakeholder apathy impeded follow-up

### Office of the Chief Director

The Office of the Chief Director plays a pivotal role in managing Programme 2: Integrated Economic Development Strategy (IEDS), focusing on initiatives to bolster economic growth through enterprise support. Led by the Chief Director, the program ensures effective execution of strategies aimed at fostering economic development. The programme achieved 81.8% of its targets for the financial year under review and spent 84% of the budget.

Notable efforts during the year includes the appointment of a service provider to develop a business plan for tyre recycling, a critical venture involving the breakdown of used tyres for various applications. Collaboration with the Sol Plaatje Municipality to secure operational space for tyre recycling activities is ongoing. Progress on the feasibility study and business plan is continuing, albeit with challenges accessing critical stakeholder information.

The Department has also signed an MoU with the Department of Small Business Development (DSBD) in an effort to ensure a greater alignment regarding the implementation of programmes and the provision of support to the province in focal areas of the DSBD.

The Enterprise Development Strategy has been concluded after following a consultative process and hosting two sessions in Upington and Kimberley. The strategy is still to be launched.

Support for Economic Growth and Investment summits in each of the districts underscores DEDaT's commitment to fostering collaboration and driving regional development. The first of these was held in the Pixley Ka Seme District municipality emphasising investment in the Tourism sector.

The DEDaT also provided support to develop the framework and establish the Youth, Women, Persons with Disabilities Fund in the Ministry headed by MEC Blennies in the Office of the Premier.

Efforts to organize emerging miners into a corporate form have been initiated, aimed at creating a platform for advocacy and participation in opportunities, including access to rail for commodity transportation.

During the year under review, the Department transferred R 4 638 040.00 to the NEF. An additional five (5) enterprises were successful applicants to the Northern Cape Blended Fund during the year. Four (4) of the enterprises are in the Sol Plaatje Local Municipality and one (1) from the Dawid Kruiper Local Municipality. The support resulted in the creation of 272 jobs and costing R 114,36 million. The intervention in this year brings the cumulative totals (from 14 April 2021) to the following as at 31 March 2024:

Total Funds Transferred	<b>R 61 863 040.00</b>
Amount Spent	R 51 863 040.00
Balance	R 10 000 000.00
Number of Enterprises funded	<b>14</b>
Number of Jobs Created	<b>893</b>
Cost per Job	R 218 856.12

### Performance Narrative for IEDS (RaLED)

The RaLED sub-programme remains committed to supporting economic development planning and implementation in municipalities, emphasizing LED strategies, IDP components, and Red Tape Reduction initiatives. To achieve this, the Departmental District Managers provide crucial spatial referencing, economic intelligence, and strategic alignment. To this effect, the following has been achieved:

Project proposals have been formulated as part of our commitment to supporting provincial development initiatives. Among these proposals are:

- Dikgatlong Catfish Project Proposal.
- Business Plan for Moffat Mission Art Centre.
- Diamond Trade Centre project proposal for the Nama Khoi Municipality.

### Municipal support

The following have been achieved:

- Township development initiatives, including profiling for Hopetown and Victoria West,
- Drafting proposed by-laws for tuckshop regulation in Karoo Hoogland.
- Development and submission of LED strategies to Richtersveld and Nama Khoi Local Municipalities.
- An entrepreneurial support/open day was conducted in Victoria West to engage with enterprises within the Ubuntu Municipality. The open day was done in collaboration with all the relevant stakeholders to host a live and real-time application and entrepreneur support roll-out for the day.

### Local Economic Development Forums

The LED Forum serves as a platform for stakeholders to address pertinent issues in economic development. Five LED Forums were held in Gamagara, Phokwane (2), Richtersveld and Tsantsabane Local Municipalities. The aim was to address local development challenges and opportunities. DEDaT also participated in the National LED Forum, enhancing collaboration and knowledge sharing at the national level.

## Expanded Public Works Programme (EPWP)

DEDaT received a conditional grant allocation of R1 960 000 from the national Department of Public Works for the implementation of three projects viz:

- Pixley ka Seme District Municipality: Cleaning of stormwater structures and erosion protection in Petrusville, aiming to create 70 employment opportunities.
- Namakwa District Municipality: Kharkams Hydroponics production, creating 30 employment opportunities, and
- the rehabilitation of communal land in Lekkersing, offering 30 work opportunities.

A total of 247 work opportunities were created; enabled by three additional projects viz:

- Langley resort (roll over project)
- Madialli Security in Kimberley
- Kimberley Paving projects

## Kimberley International Diamond and Jewelry Academy (KIDJA)

Much work has gone into addressing the challenges within Kimberley International Diamond and Jewelry Academy (KIDJA). A new interim board and CEO have been appointed to provide guidance in this regard.

Some of the aspects that have been addressed include:

- Compliance matters of KIDJA, i.e. enhancing functionality and alignment with regulatory standards, allowing for transfer payments from the DEDaT to KIDJA being effected.
- Completion of the outstanding financial statements and audits for KIDJA.
- Addressing SARS challenges.

Both KIDJA and KDJI remain committed to their objectives, providing training, job opportunities, and support to enhance skills and entrepreneurship in the diamond and jewellery sectors. The following was achieved during the year under review:

- Of the eighteen learners granted an extension by the MQA for diamond processing beneficiation level 3 training, thirteen completed their training in September 2023.
- KDJI established two new SMMEs,
- KDJI facilitated market linkages for SMMEs by showcasing their products at the Jewellex jewellery exhibition in Johannesburg.
- KDJI participated in the Shanghai Jewellery Summit, receiving recognition for its entry into the Chinese market.
- Twenty learners began a L4 learnership in Brillianceering, Crossworking, and Brutting
- Nineteen learners commenced a nine-month L3 learnership in Top and Bottom Polishing

## Mining Interventions

In the financial year 2023/2024 nine mining interventions were targeted. A key focus is to identify a high-impact mining project linked to procurement within the Kgatelopele Municipality. Among these are:

- 10 mining Social Labour Plans (SLPs) in Tsantsabane municipality were analysed to establish impact.
- Collaboration with the South African Diamond Producers Organisation (Sadpo) and discussions with DELGATTO - Diamond Finance Fund and MINTEK are underway to explore opportunities in the diamond and manganese sectors, respectively.
- Assistance is being provided to Koedonza Olives to connect with potential investors, while engagement with Idwala Lime aims to align enterprise development programs with mining opportunities.
- KP LIME: Progress has been made in various procurement categories, benefiting local SMMEs in services and commodities.
- Petra Diamonds: Establishment of the Kgatelopele Economic Diversification Working Group aims to foster economic growth and diversification in the hosting municipality.
- Copper 360: The engagement focussed on supporting provincial mining initiatives and including the use of SLP's to support infrastructure development.

## Linking performance with budgets

Sub- Programme Name	2023/2024			2022/2023		
	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
Regional and Local Economic Development	31,468	19,986	11,482	14 304	14 187	117
<b>Total</b>	<b>31,468</b>	<b>19,986</b>	<b>11,482</b>	<b>14 304</b>	<b>14 187</b>	<b>117</b>

Note that the sub-programme, Regional and Local Economic Development (RaLED) was formerly designated as, "Regional Enterprise Development Support." This earlier arrangement is reflected in the table above in harmony with the nomenclature in the appropriation statement. National Treasury has granted approval to the department "to deviate from the sector-agreed uniform budget programme structure to be aligned with its new organisational structure as requested."

The allocated budget for the sub-programme has been utilized to implement various projects supporting municipalities identified through Section 47 analysis and LED maturity assessment. These projects include the development of two LED projects namely: in JTG District - Moffat Mission Art Centre, ZFM District - Kakamas SMME village. LED strategies have been developed in the Richtersveld and Namakhoi Local Municipalities in the Namakwa District, tailored to address the specific economic development needs of each municipality.

Moreover, the budget has facilitated the support for four LED forums, Tsantsabane LM Richtersveld LM and Phokwane LM, implementation of EPWP projects, and support for SMMEs. Notably, EPWP projects across the province have created three projects, with two in the Namakwa District and one in the Pixley Ka Seme District.

The budget primarily covered expenses related to officials' transportation, accommodation during municipal visits, and event catering.

Additionally, transfer payments were made to the Kimberley International Diamond and Jewellery Incubator (KDJI) to support their incubation services, and to KIDJA, after the intervention by the DEDaT to stabilise the institution.

The impact of these initiatives is evident in the creation of 247 work opportunities across various municipalities, with three EPWP job opportunities reported in the Province, specifically two in Namakwa District and one in Pixley Ka Seme District. The Riverton project (roll over) and internal projects of the DEDaT also contributed to the work opportunities created (Paving project in Sol Plaatje Municipality and Madialli Security services).

### Strategy to overcome areas of under performance

Ensure goals are Specific, Measurable, Achievable, Relevant, and Time-bound. Ensure employees have access to the necessary tools and resources to perform their tasks efficiently.

## 2.4.2.2 Economic Empowerment, Preferential Procurement and BBBEE

Sub-Programme: Economic Empowerment, Preferential Procurement and BBBEE								
Outcome	Output	Output Indicator	Audited Actual Performance 2021/2022	Audited Actual Performance 2022/2023	Planned Annual Target 2023/2024	Actual Achievement 2023/2024	Deviation from planned target to actual achievement 2023/2024	Reasons for deviations
Higher Economic Growth	Financial support to enterprises.	2.2.1 Percentage of contribution to SMME blended fund disbursed.	100%	0%	100%	100%	0%	None
	Non-financial support to enterprises.	2.2.2 Number of Enterprises assisted with non-financial support services.	288	476	200	1196	996	More walk-in clients than anticipated.
	Increased economic growth for target groups through empowerment, support and entrepreneurship	2.2.3 Number of targeted groups upskilled to participate in the mainstream economy.	3	3	3	3	0	None
		2.2.4 Number of interventions conducted to capacitate HDI's to access economic opportunities.	142	4	6	8	2	Collaboration with the BEE commission. The cost implications and facilitation of the training interventions were shared with dtic. One additional intervention was a virtual meeting and hence there were no financial implications.

### Performance Narrative for Economic Empowerment, Preferential Procurement and BBBEE

Within this subprogramme, the mandate encompasses Economic Empowerment, Preferential Procurement, and Broad-Based Black Economic Empowerment (BBBEE). Our efforts are dedicated to providing comprehensive support, both financial and non-financial, aimed at empowering Small, Medium, and Micro Enterprises (SMMEs) and Co-operatives.

#### CIPC services

During the financial year 2023/24, the unit diligently helped one thousand, one hundred ninety-six (1196) clients seeking various services offered by the Companies and Intellectual Property Commission (CIPC). These services were provided in all districts across the province and encompassed a wide range of needs, including company registrations, name reservations, annual returns, name changes, director amendments and BBBEE certification, among others. The demand for CIPC services remains consistently high across all five districts, largely attributed to the exorbitant fees charged by external service providers.



DEDaT in collaboration with Productivity SA also hosted Champions training for 23 enterprises in Griekwastad.

Five cooperatives from the province were supported to attend the BRICS Co-operatives Summit event hosted by the South African National Apex Co-operative (SANACO).

Throughout the fiscal year 2023/24, the Department of Economic Development and Tourism (DEDaT) has undertaken several impactful initiatives aimed at empowering and supporting youth, women and persons living with disabilities entrepreneurship and development in the Northern Cape Province.

### **Youth**

The Department of Economic Development and Tourism (DEDaT) conducted various initiatives to empower youth and small businesses in the Northern Cape region. These included a two-day Youth Enterprise Development Engagement session, providing information on support services for young entrepreneurs and SMMEs. Another program focused on career guidance and entrepreneurship for high school students in Kuruman. DEDaT also organized a pitching competition and offered Polish and Pitch training to refine business ideas. Information sessions were held to address youth unemployment and substance abuse. Additionally, the Youth Entrepreneurship Tour (YET) Programme in Kimberley provided education and support for youth entrepreneurs. DEDaT also supported youth representatives to attend the BRICS 2023 Summit, exposing them to business opportunities.

### **Persons living with disabilities**

Various programs to empower persons living with disabilities (PWD) were initiated. These include Record and Bookkeeping Training conducted in Springbok, Carnarvon, and Hartswater, aimed at enhancing financial literacy and compliance skills among disabled entrepreneurs. Basic Business Skills Training sessions were held in Carnarvon, Alexander Bay, Warrenton, and Upington, providing essential entrepreneurship education and operational techniques. A Beadmaking Training program in Upington capitalized on the creative potential of PWD, offering technical skills to produce marketable items. During National Disability Rights Awareness Month, additional training sessions focused on record-keeping and beadmaking in Upington. Looking forward, DEDaT remains dedicated to supporting PWD in their entrepreneurial pursuits, aiming to foster economic independence and inclusion in the region.

### **Women**

The Department of Economic Development and Tourism (DEDaT) organized a Stakeholder Round Table session in collaboration with key partners to empower local and rural businesses in the Northern Cape Province. Thirty-nine representatives from various institutions attended, presenting interventions and commitments for SMME development. DEDaT outlined its strategic focus for 2023/24, prioritizing collaboration and partnerships to empower entrepreneurs and enhance skills development. Insights from the session highlighted the needs of communities and SMMEs, particularly those owned by women, youth, and people with disabilities. Stakeholders including DEDaT, DPRW, DSBD, SEDA, NYDA, CIDB, MRKTTF, NDA, DoL, ABSA, and Standard Bank presented planned interventions and collaboration opportunities.

Following the session, empowerment initiatives were launched, focusing on nail technology, cleaning and hygiene, clothing and textile, hair and beauty, and confectionery training. Additional programs for women during National Women's Month included clothing, textile, hair, and nail technician training across different districts. Information sessions explored opportunities in the ocean economy and other sectors.

### **Broad-Based Black Economic Empowerment (BBBEE)**

DEDaT conducted several initiatives to promote economic empowerment and support SMMEs in the Northern Cape Province. These included a BBBEE Verification Workshop in Kimberley and training sessions on corporate governance, local content, and tender processes. The workshop targeted SMMEs and public bodies to ensure compliance with BBBEE policies and facilitate access to support services and procurement opportunities. Concerns raised included the need for accreditation workshops for verification agencies and support for SMMEs in the construction sector to enhance their CIDB grading.

Furthermore, the Preferential Procurement Initiatives (PPI) unit collaborated with entities like Transnet Freight Rail to discuss procurement opportunities for enterprises. Collaboration meetings aimed to address challenges such as capital flight and compliance issues faced by SMMEs. DEDaT also actively engaged in provincial stakeholder forums to discuss BBBEE progress and implementation, offering presentations and discussing support mechanisms for SMMEs.

In conclusion, DEDaT remains dedicated to promoting BBBEE, economic empowerment, and SMME growth. Through collaboration and targeted initiatives, it aims to foster an inclusive and sustainable economic environment in the province.

Moving forward, the DEDaT remains steadfast in its support for the target groups in their entrepreneurial pursuits. Recognizing the valuable contribution they can make to economic growth; the Department will continue training programs and ongoing support initiatives.

#### Linking performance with budgets

Sub- Programme Name	2023/2024			2022/2023		
	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
Economic Empowerment, Preferential Procurement and BBBEE	28,240	28,240	-	30 754	29 077	1 677
<b>Total</b>	<b>28,240</b>	<b>28,240</b>	<b>-</b>	<b>30 754</b>	<b>29 077</b>	<b>1 677</b>

Note, after the organisational redesign process, these two sub-programmes (Enterprise Development and Economic Empowerment) have been combined to form the sub-programme Economic Empowerment, Preferential Procurement and BBBEE.

The Annual Report Guideline for National and Provincial Departments (updated November 2022), issued by National Treasury, advocates (p.25) that the table under this heading “must agree to the appropriation statement of the audited financial statements.” In addition, National Treasury has granted approval to the department “to deviate from the sector-agreed uniform budget programme structure to be aligned with its new organisational structure as requested.”

The Department of Economic Development and Tourism (DEDaT) has demonstrated commendable performance in advancing economic empowerment. The transfer of funds to the National Empowerment Fund (NEF) and the success of enterprises funded through the Northern Cape Blended Fund highlight the direct correlation between budget expenditure and job creation, with 893 jobs generated at a cost of R 218,856.12 per job.

By facilitating access to critical services, notably the CIPC services and assisting thousand, one hundred ninety-six (1196) clients across all districts, encompassing services ranging from company registrations to BBBEE certification, the Department has demonstrated the tangible impact of budget allocation on service delivery and entrepreneurship facilitation.

The diverse range of initiatives targeting youth, persons living with disabilities (PWD), and women are indicative of its commitment to inclusive economic development; leveraging its budget to empower marginalized groups, fostering their participation in the economy.

#### Strategy to overcome areas of under performance

None

### 2.4.3. Programme 3: Trade and Sector Development

#### Purpose

The programme is aimed towards stimulating economic growth in the province through the development and industrialisation of key sectors as well as the promotion of trade and sourcing of domestic and foreign direct investment.

Programme 3 has been structured to address its mandate through two sub-programmes:

The sub-programmes are:	Purpose of the sub-programme
Sector Development	To facilitate the development of key economic sectors in order to contribute to a growing share of local production and job creation in the province.
Trade and Investment Promotion	Support export development and promote exports through targeted strategies. Support foreign direct investment flows and promote domestic investment. To provide resources to the economic development, trade & investment promotion agency, NCEDA, to enable it to deliver on its mandate, as defined in the Northern Cape Economic Development, Trade & Investment Promotion Agency Act, 2008 (Act No.4 of 2008).

#### Institutional Outcome/s supported by the Programme:

- Improved levels of employment
- Higher Economic Growth

#### 2.4.3.1 Sector Development

##### Outcomes, Outputs, Output Indicators and Targets and actual achievements table

Sub-Programme: Sector Development								
Outcome	Output	Output Indicator	Audited Actual Performance 2021/2022	Audited Actual Performance 2022/2023	Planned Annual Target 2023/2024	Actual Achievement 2023/2024	Deviation from planned target to actual achievement 2023/2024	Reasons for deviations
Improved levels of employment	Key Economic Sectors supported.	3.1.1 Number of Manufacturing Sector interventions.	-	New	4	4	0	None
		3.1.2 Number of Energy Sector Interventions.	-	New	4	4	0	None

#### Office of the Chief Director

The Programme achieved 100% of the output indicators for the year under review. The sub-programmes Trade and Investment Promotion and Sector Development achieved all the output indicators. The Office of the Chief Director spent 100% of the allocated budget and the Trade and Investment Promotion and Sector Development sub-programmes 100% and 88,3% of their allocated budgets respectively. In total 98.9% of the programme's budget was spent. Fixed costs consume a significant portion of the goods and services budget component. The remaining cost drivers include travel and accommodation and venue hiring.

During the third quarter of the financial year the Mining and Mineral Beneficiation function was introduced under the Trade and Investment Promotion sub-programme since the mining and mineral beneficiation sector provide excellent opportunities for growth. The NC is also one of the "sunrise provinces" for new age minerals over the next 100 years

according to The Department of Minerals and Energy (DMRE). This was further supported by the DMRE Minister G. Mantashe when he was quoted in January 2024 stating that "... the Growth Corridor for Mining will be the Northern Cape, North West and Limpopo provinces." The department is therefore taking a pro-active approach in planning towards rolling out provincial mining sector and mineral beneficiation support initiatives which will result in promoting industrialisation and transformation of the Northern Cape economy. The activities of the sub-programme involved extensive stakeholder engagement with industry, civil society and other government entities (at a local, provincial and national level) to establish relations with key industry players and solicit their support for the upcoming interventions on developing the mining sector in the province.

In an effort to assist municipalities and companies to take advantage of the renewable energy sector especially in Small Scale Embedded generation, the Renewable Energy (Engineering) function was introduced in the fourth quarter of the financial year.

### **Performance Narrative for Sector Development**

The Northern Cape Department has prioritised the Metals, Machinery and Equipment (MME) sector for investigation and analysis to support the process of developing an Industrial Cluster Masterplan for the MME sector. The masterplan is expected to guide the planning and development of the MME sector industrial cluster in the province and the promotion of the Northern Cape MME sector in general. Establishment of industrial clusters is one of the strategic interventions outlined in the Northern Cape Manufacturing Strategy to fast-track the growth of manufacturing value added and employment.

To this end, the Department published an invitation for bids to enable the appointment of a suitable qualified service provider to develop a comprehensive Masterplan for the establishment and development of a metals, machinery and equipment (MME) sector industrial cluster in the province. During the third quarter of the year the Centre for Competition, Regulation and Economic Development (CCRED) at the University of Johannesburg was appointed as the preferred bidder to develop a comprehensive Masterplan for the establishment and development of a metals, machinery and equipment (MME) sector industrial cluster in the province. Following the appointment of CCRED, the project inception workshop was held in the final quarter of the year where the project inception report was presented to the Department.

Following the presentation of the inception workshop in February 2024, the process of developing the masterplan is expected to continue during the intervening quarters of the next financial year [2024/25] with the rollout of the following four cascading phases of the project: situation analysis, stakeholder engagement/capabilities assessment, strategy formulation and, masterplan formulation. Alongside the process of appointing a service provider for the development of the MME sector industrial masterplan the sub-programme conducted awareness engagements during the year (to conscientize industry and lobby for their partaking in the study) targeting some of the key lead firms in the Northern Cape MME sector that are expected to participate as key informants in the forthcoming commissioned exercise.

In pursuit of export market opportunities in high-income countries, the sub-programme facilitated virtual strategic engagements between the EU-SADC EPA Support Programme and three industry associations (Raisins South Africa, South African Pecan Producers Association (SAPPA), and Pistachios Growers Association of South Africa) that represent growers and processors of high-value fruits and nuts in the province i.e. dried grapes, pecans and the pistachios respectively. The aim of the engagements was to explore ways of supporting increased responsiveness to market access opportunities offered to South African agricultural products under the EU-SADC Economic Partnership Agreement (EPA).

The EU-SADC Economic Partnership Agreement (EPA) Support Programme is a three-year EU-funded initiative valued at 10 million euros looking to support agricultural exports from South Africa to the EU. In South Africa, the government partner to the EU-SADC Economic Partnership Agreement (EPA) Support Programme is the national Department of Agriculture, Land Reform and Rural Development (DALRRD).

Registration of geographical indications (GIs) in the EU for the Orange River Raisins and the Karoo Pistachios was identified as one of the instruments, among others, that can be utilised to grow market share in the EU and maximise export revenues. To this end, the EU-SADC EPA Support Programme contracted an international trade law consultancy

firm with expertise on GIs to develop a GI step by step export manual targeting local products with potential for GI status including the Orange River Raisin and the Karoo Pistachios in the Northern Cape province. The manual was disseminated at the GI workshop on the 17th of April 2014 where the Northern Cape industry attended the workshop, represented by Raisins South Africa.

Focusing on global market access for agro-processing and other exportable commodities in the province. The sub-programme initiated and finalised, during the course of the financial year, the procurement process for the TRADE-Decision Support Model (DSM); and Trade Advisory Services Pty Ltd was appointed as the successful service provider. Following the appointment of Trade Advisory Services Pty Ltd, the TRADE-DSM dry run workshop was presented to the Department on the last quarter of the year. The TRADE-DSM model is a quantitative export support instrument that is expected to enhance the quality of decision making regarding identifying profitable markets for both emerging and advanced exporters.

To advance cooperation between the Department and the agro-processing industry on the issue of global market access for the dried grape among other things, a memorandum of understanding (MoU) was signed in April 2023 between the Department and Raisins SA Pty Ltd. In part fulfilment of the MoU with Raisins SA – specifically sections 6.1.3 and 6.1.5 that deals respectively with the (i) provision of advisory services with regard to business opportunities and market access and (ii) facilitation of market access initiatives – the Trade-DSM will be utilised to provide targeted guidance to the raisins industry on some of the unexplored export market opportunities for the dried grape product.

South Africa's renewable energy sets its targets from the Integrated Resource Plan (IRP) and the objective of the document is to determine the least-cost solution to a capacity shortage or reliability problem by evaluating the cost-effectiveness of distributed resources, such as small-scale distributed generation (DG) and demand-side management (DSM) technologies, as well as proposed Transmission and Distribution. In the main, the document presents an opportunity for Solar, Wind and Concentrated Solar Panel to contribute to the electricity mix and provision of off-grid electricity. Renewable technologies also present huge opportunities for the creation of new industries across the value chain. Locally, renewable energy is set to increase through the private and public procurement programmes as the Country aims to achieve energy security while decarbonising the supply of electricity. Small Scale Embedded Generation are also expected to increase because of loadshedding and high costs of electricity.

In the Country, there has been an increasing customer interest for rooftop PV installations, even in the absence of specific policies or standards for the promotion of this technology. The generated electricity from a rooftop installation can be used to supplement the building's own electrical requirements or can be directed back into the grid in certain instances where permitted, and a NERSA approved tariff is specified. Price Waterhouse Coopers (PwC) expects embedded solar capacity to increase by between 110% and 420% by 2030. Their baseline scenario sees embedded solar capacity increasing to 3,700 MW in 2025 and 5,800 MW by 2030. The firm anticipates that residential solar capacity will grow 5.4% annually for several years.

The Department has appointed a newly established incubator: The Northern Cape Solar and Renewable Energy Business Incubator (NOC SOBI) to implement the rooftop solar programme on behalf of the SMMEs in the Province. NOC SOBI seeks to create a rooftop solar PV installation programme as an entry point for SMMEs. The objective is to assist the SMMEs in entering into power purchase agreements with the Departments and acquire loan funding from banks to procure the PV systems. To date, 43 SMMEs have received SAPVIA accredited PV Green Card certificates. The PV Green Card is the certification required by the industry and funding institutions for rooftop solar installations.

On the other hand, the unit regularly engages IPPs to ensure that the communities residing within the specified radius have access to the procurement opportunities in the IPPs. In understanding the IPPs' impact on their beneficiary communities, sector development has done a socio-economic development impact assessment on the community beneficiary in Noupoot. The farm is owned by Mainstream renewable power. This is a long-term exercise to be carried out throughout the project's lifespan. The information collected will assist the Department in analysing the impact of IPPs on their beneficiary communities. A comparative analysis between the pre-and post-IPP intervention will be conducted at the end of the project lifespan.

## Linking performance with budgets

Sub- Programme Name	2023/2024			2022/2023		
	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
Sector Development	10,969	9,684	1,285	14 098	14 040	58
<b>Total</b>	<b>10,969</b>	<b>9,684</b>	<b>1,285</b>	<b>14 098</b>	<b>14 040</b>	<b>58</b>

Most of the Sub-Programme's performance is externally focussed and this entails the support that the Unit provides to business firms within the manufacturing and energy industries. The support is in terms of sharing research work that the Department does and linkages and interactions that the Unit facilitates between the industry and national institutions. Therefore, a series of meetings and workshops takes place wherein the Unit becomes involved.

The other support area is in terms of interactions with IPPs with respect to the obligations that the IPPs must meet from their licenses or contracts that they have entered into with national government to ensure that the communities do benefit as a result of these contracts. The projects that the Unit implements as well within the energy sector involve a lot of SMME development throughout the province. Integral within these activities are a series of workshops, meetings, presentations to economic related forums, community engagements in Districts. The bulk of the budget for goods and services therefore reflects the cost relating to the enabling activities that can allow for the above-mentioned work to be carried out, such as travelling, accommodation, marketing, venues, and facilities.

## Strategy to overcome areas of under performance

None.



### 2.4.3.2 Trade and Investment Promotion

#### Outcomes, Outputs, Output Indicators, Targets and actual achievements table

Sub-Programme: Trade and Investment Promotion								
Outcome	Output	Output Indicator	Audited Actual Performance 2021/2022	Audited Actual Performance 2022/2023	Planned Annual Target 2023/2024	Actual Achievement 2023/2024	Deviation from planned target to actual achievement 2023/2024	Reasons for deviations
Higher Economic Growth	Domestic and FDI flows into the Northern Cape.	3.2.1 Number of NCEDA Investment Oversight reports compiled.	-	New	2	2	0	None
		3.2.2 Number of Investment projects marketed.	8	9	10	10	0	None
	Diversification of exports to traditional and new markets.	3.2.3 Number of provincial emerging exporters trained.	56	78	50	119	69	More emerging exporters trained than anticipated. There were no additional financial implications.
		3.2.4 Number of entrepreneurs exposed to export opportunities.	21	40	16	20	4	Exposed additional companies to export opportunities, through marketing in Trade and Invest Africa.

#### Performance Narrative for Trade and Investment Promotion

Investment and more specifically foreign direct investment is crucial for the province's growth. Increased economic activity, job creation, development and improvement of infrastructure and the introduction and exposure to cutting-edge technologies all benefits the host province.

NCEDA is the official economic development, trade and investment promotion agency of the province and is currently implementing the catalytic projects i.e. the Namakwa SEZ, the Boegoebaai Port and Rail Development, the Green Hydrogen Development Programme, the Upington Industrial Park and the Kathu Industrial Park. The department have developed an oversight report on these investments to monitor the progress on these projects and also highlight the challenges that needs to be addresses in order to realise these projects.

One of the mandates of the DEDaT is to attract investors to the province and marketing of our trade and investment opportunities and projects is critical. The NC Business Publication was developed to market the province as an ideal trade & investment location highlighting the competitive and comparative advantages of the province, investment and trade opportunities and projects, cost of doing business and financial and economic infrastructure of the province.

In the promotion of investment projects and trade opportunities and products/services of the Northern Cape, the Trade Invest Africa e-newsletter was utilized to market to trade and investment opportunities to potential investors and foreign importers hence exposing companies to export markets via this platform. Exhibitions were also targeted to market the Northern Cape as an ideal trade and investment destination.

Ten (10) investment projects were marketed through the NC Business publication, Trade Invest Africa e-newsletter and the Africa Decisions Magazine.

Exports contribute 17% to the GDP of the province and it is therefore important to grow the export base by motivating companies to enter the export sector and earn precious foreign exchange, grow their profit margins and create additional jobs. In growing the export base of the province and improving the international competitiveness and product offer from the Northern Cape Province 90 companies received export awareness training with assistance of dtic and SEDA. In addition, 29 Northern Cape companies participated in Phase 1 -Phase 3 of the Global Exporter Programme in Kimberley and Springbok. In total 119 companies participated in export awareness and GEPP training of which 22 youth and 76 women owned companies participated including 27 informal businesses and 4 companies owned by people with disabilities. Twenty (20) companies were granted exposure on national, international and media platforms enabling them to market and promote their products. Consequently, this enabled them to secure potential export orders.

### Linking performance with budgets

Sub- Programme Name	2023/2024			2022/2023		
	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
Trade and Investment Promotion	98,780	98,757	23	70 050	58 029	12 021
<b>Total</b>	<b>98,780</b>	<b>98,757</b>	<b>23</b>	<b>70 050</b>	<b>58 029</b>	<b>12 021</b>

The bulk of the operational expenditure was consumed by marketing i.e., procurement of print and online media and exhibition space for local and foreign trade and investment conferences/expos. These are important cost drivers in the recruitment of investors to invest in the province as well as grow exports of the NC products which in turn will lead to higher economic growth and job creation. The remaining cost drivers include travel and accommodation.

### Strategy to overcome areas of under performance

None.

## 2.4.4. Programme 4: Consumer Protection and Business Regulation

### Purpose

To remove barriers which inhibit business development and to ensure regulation of Consumer Protection in the Northern Cape Province.

Programme 4 has been structured to address its mandate through two sub-programmes:

#### The sub-programmes are: Purpose of the sub-programme

Consumer Protection	The purpose of this sub-programme is to Implement coherent, predictable and transparent regulatory solutions that facilitate easy access to redress and efficient regulation for economic citizens.
Business Regulation	The purpose of this programme is to manage and facilitate the provision of business regulatory services

### Institutional Outcome/s supported by the Programme:

- Higher Economic Growth

#### 2.4.4.1 Consumer Protection

#### Outcomes, Outputs, Output Indicators, Targets and actual achievements table

Sub-Programme: Consumer Protection								
Outcome	Output	Output Indicator	Audited Actual Performance 2021/2022	Audited Actual Performance 2022/2023	Planned Annual Target 2023/2024	Actual Achievement 2023/2024	Deviation from planned target to actual achievement 2023/2024	Reasons for deviations
Higher Economic Growth	Expanded Informed-economic-citizen footprint in the Northern Cape Province.	4.1.1 Number of districts reached through Consumer Education and Awareness Campaigns in the Northern Cape Province.	5	5	5	5	0	None
	Rapid economic redress.	4.1.2 % of consumer complaints resolved per annum.	95%	89%	89%	89.95%	0.95%	More consumer complaints resolved than anticipated.
		4.1.3 Number of compliance inspections conducted.	-	New	250	358	108	Inspectors acted after complaints were received from members of the public. No additional costs were incurred during the additional inspections.
		4.1.4 Percentage of follow up inspections conducted where non-compliance notices were issued.	-	New	100%	77.95%	22.05%	Due to budget constraints, follow ups on inspections conducted during Q4 in John Taolo Gaetsewe District could not be done

Sub-Programme: Consumer Protection								
Outcome	Output	Output Indicator	Audited Actual Performance 2021/2022	Audited Actual Performance 2022/2023	Planned Annual Target 2023/2024	Actual Achievement 2023/2024	Deviation from planned target to actual achievement 2023/2024	Reasons for deviations
								since inspectors were not able to travel.

### Performance Narrative for Consumer Protection

Section 2(1) of the Northern Cape Consumer Protection Act legislates the promotion and advancement of the social and economic welfare of consumers in the province. In accordance with provisions and principles set out in the Consumer Protection Act, the Act provides for institutions to:

- a) Investigate;
- b) Mediate; or
- c) Adjudicate and to
- d) Conduct compliance inspections for any alleged offences of the CPA.

The Consumer Protection Authority is a creation of statute and consists of two sub-programmes, the Office of the Consumer Protector who provides for an effective service to address all consumer complaints throughout the province, and the Northern Cape Consumer Court that adjudicates over unresolved matters referred to it. The Consumer Protection Authority is a 100% service delivery unit.

In the year under review, The Authority conducted education and awareness programmes, in five Districts throughout the Province, in order to equip our people with the necessary tools needed to protect themselves against unscrupulous business owners and to enable them to make informed decisions regarding the purchase of goods and services. Thirty-Seven (37) Education-and-Awareness programmes were conducted which reached 4 455 people. In addition, four radio interviews were conducted (Ulwazi FM, Radio Riverside, Kurara FM and Radio NFM) to inform consumers of their rights and obligations when purchasing goods and services, a potential of 376 000 listeners were reached. The Authority also conducted 358 inspections on business premises and issued 127 compliance notices.

In the year under review, 239 complaints were received and investigated. The Authority succeeded in resolving 215 (89.95%) of the cases received, through the mediation process and the Consumer Court. As a result of these interventions, consumers managed to save R612 058.

### Multi- Disciplinary Task Team

Raids and blitz operations were conducted on businesses in the province to inspect the viability of the products being sold to consumers. Products that did not meet the regulatory requirements were removed and disposed of where necessary. The inspections were also directed at ensuring that all provisions regulating food safety and hygiene were enforced.

The multi-disciplinary team was composed of officials from the Department of Health, district municipalities, the Department of Home Affairs, the NC Consumer Protection Authority, and the South African Police Service (SAPS).

Operations were conducted in the province as follows:

- In Barkly West (13/11/2023) inspections were conducted at Smiles Cash and Carry, Carnary Corman, Taleso Tuckshop and at SuperSave Supermarket. Expired medicinal products, tinned foods, chips, sweets, and others that did not comply with regulations confiscated by the EHPs and SAPS. The Consumer Protection Authority issued non-compliance notices to all the businesses not complying with the provisions of the CPA. Spot fines to the amount of R 6 000.00 were also issued by SAPS to these businesses. The confiscated products were destroyed by the task team
- In Warrenton (16/11/2023) inspections were conducted at Leratong Shop, Warrenton Discount Cash & Carry, Smart Price Supermarket, and Vaal Kaffee. Expired products including baby formula, medicinal products and counterfeit goods were confiscated by EHS and SAPS. The Consumer Protection Authority issued non-compliance notices to all the businesses not complying with the provisions of the CPA. Two improperly documented foreign nationals were arrested and processed for deportation by the officials from Home Affairs. Spot fines totalling R 9000.00 were issued by SAPS.
- In Danielskuil (20/11/2023) the task team conducted inspections at Family Store, Three Star Supermarket, Faruk Shop, and Nogor Trading. Expired products including baby formula, medicinal products (some classified as Schedule 2) and counterfeit goods were confiscated by EHS and SAPS. The Consumer Protection Authority issued non-compliance notices (to all businesses not complying with the provisions of the CPA) and SAPS issued spot fines that amounted to R7 500.00. All the confiscated products were destroyed.
- Operations were also conducted in Postmasburg (23/11/2023) at African Supermarket, Zandi Khan Trading, and One Stop Shop. Expired products including baby formula, medicinal products and counterfeit goods were confiscated by EHS and SAPS. The Consumer Protection Authority issued non-compliance notices to businesses that failed to comply with the provisions of the CPA. No spot fines were issued but all confiscated products were destroyed.
- The task team visited Delporthoop (06/12/2023). Expired foodstuff, medicine, baby formula, and fake products were removed and confiscated by EHPs and SAPS and destroyed by SAPS.
- Several joint operations were conducted in the JTG District, Namakwa District and the Pixley ka Seme District, however without the Consumer Protection Authority. At the three commercial points of entry into the province (Vioolsdrift border post, Nakop border post and Upington International Airport) no fake food or related items were found or reported in the year under review.

It is recommended that inspectors be appointed as peace officers in terms of Section 88 of the Consumer Protection Act, 2008, thereby eliminating the red tape of having to request assistance from SAPS and environmental health officers. In addition, an adequate budget should be made available for such blitz inspections and follow up inspections. Court sittings should impose fines.

World Consumer Rights Day is an international event celebrated every year on the 15th of March. This event was proudly hosted by the NC Consumer Protection Authority under the theme: "Fair and responsible AI for Consumers." The speakers included representatives from the Equality Court, the Public Protector, SMME Development, SASSA, and the Gambling and Liquor Boards. The keynote speech was delivered by the MEC for Finance, Economic Development and Tourism, the Honourable MEC A Vosloo. He was accompanied by the District Mayor, the District speaker, the District Councillor, and the Local Councillor. The event on the 15 March 2024 contributed successfully to the sharing of information to the broader public in Wrenchville, a residential area in the JTG District.

The key challenges that the programme faces includes the absence of district offices and budgetary constraints.

## Linking performance with budgets

Sub- Programme Name	2023/2024			2022/2023		
	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
Consumer Protection	12,082	12,082	-	11 474	11 474	-
Total	12,082	12,082	-	11 474	11 474	-

The budget for the year was thus used in the Consumer Protection Authority and Consumer Court's efforts to provide effective and efficient redress throughout the province, through mediation, investigation, and adjudication of consumer related matters. The office conducted five Education and Awareness programmes, wherein one programme was conducted each quarter, except for Quarter 4 in which two districts were targeted. During these sessions, complaints are submitted and investigated, and where needed Court matters conducted. Through these efforts consumers are assisted with their queries and disputes are resolved.

## Strategy to overcome areas of under areas of under performance

In order to address the absence of district offices, departmental officials visited the districts on a quarterly basis to achieve the targets that were set for the year.

### 2.4.4.2 Business Regulation

To create a functional organogram for the department as per the DPSA requirements, embarked on an organisational review process to align the structure to new strategic developments, to accommodate the return of the Consumer Authority (as part of the departmental establishment) and to accommodate the sub-programmes, directorates and sub-directorates created by means of ad-hoc arrangements and submissions.

The revised departmental organogram has been approved and Business Regulation is now included in Programme 4. Regulation Services has been included although it is unfunded and resourced because it is part of the generic structure for similar units in the country. In order to make the sub-programme functional (To manage and facilitate the provision of business regulatory services) one needs the resources to do so. The budget needs to be made available for the vacant posts to be filled. In addition, new legislation would need to be drafted to regulate the industry in the province. Due to the fact that there are no warm bodies to perform this function, no targets could be set for implementation in this financial year.

In addition, the Assessment Report on the Draft APP 2022/2023 by the DPME, received via the Office of the Premier and dated 01/02/2022, reflects, under the paragraph numbered 3.1.1, that "If the indicator will not be implemented in the MTEF period, the department is advised to remove it from the Annual Performance Plan."

In the light of the advice from DPME, the "Outcomes, Outputs, Output Indicators and Targets" and the "Output Indicators: Annual and Quarterly Targets" for this sub-programme have not been included in the Annual Performance Plan 2023/2024.



### Linking performance with budgets

Sub- Programme Name	2023/2024			2022/2023		
	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
Business Regulation	-	-	-	-	-	-
Total	-	-	-	-	-	-

The Annual Report Guideline for National and Provincial Departments (updated November 2022), issued by National Treasury, advocates (p.25) that the table under this heading “must agree to the appropriation statement of the audited financial statements.” In addition, National Treasury has granted approval to the department “to deviate from the sector-agreed uniform budget programme structure to be aligned with its new organisational structure as requested.”

### Strategy to overcome areas of under areas of under performance

None.

## 2.4.5. Programme 5: Economic Planning

### Purpose

The purpose of Economic Planning is to support and facilitate the transformation, diversification and growth of the provincial economy by promoting integrated development planning and innovation through efficient research.

Programme 5 has been structured to address its mandate through two sub-programmes:

#### The sub-programmes are:

Economic Research and Policy Development

Knowledge Economy Support

#### Purpose of the sub-programme

The purpose of this sub-programme is to promote integrated economic planning for faster economic development.

The purpose of this sub-programme is to develop the knowledge economy through innovation to promote economic development.

### Institutional Outcome/s supported by the Programme:

- Improved levels of employment
- Higher Economic Growth

#### 2.4.5.1 Economic Research and Policy Development

#### Outcomes, Outputs, Output Indicators, Targets and actual achievements table

Sub-Programme: Economic Research and Policy Development								
Outcome	Output	Output Indicator	Audited Actual Performance 2021/2022	Audited Actual Performance 2022/2023	Planned Annual Target 2023/2024	Actual Achievement 2023/2024	Deviation from planned target to actual achievement 2023/2024	Reasons for deviations
Improved levels of employment.	Improved policy implementation to support job creation.	5.1.1 Number of economic policies or strategies reviewed.	4	4	4	4	0	None
	Engagement with stakeholders to ensure alignment of Economic Policies	5.1.2 Number of Socio-Economic engagements with stakeholders.	6	8	5	5	0	None
	Investment in research and development as % of the departmental budget	5.1.3 Number of Economic Research projects conducted.	-	New	1	1	0	None
		5.1.4 Number of Economic intelligence initiatives compiled.	-	New	4	6	2	Additional initiatives requested by the Office of the HOD. There were no additional financial implications.
		5.1.5 Number of Economic overviews compiled.	6	4	4	4	0	None
		5.1.6 Number of Reviewed DEDaT research agendas.	1	1	1	1	0	None

## Office of the Chief Director

The programme achieved all of the targets set for the financial year with overachievements in the first three quarters of the financial year. This occurred across the two sub-programmes with Knowledge Economy Support (KES) overachieving by 25 percent in Q1 and Q2 respectively. This was on Indicator 5.2.4: Number of e-skills development initiatives implemented and supported.

The overachievements entailed the Ideathon for the Cyber Security Summit at Sol Plaatje University in May 2023 and hosting the SMME Focus Groups with Digify Africa in June 2023 covering Q1. In Q2 the VacWork Programme in Springbok, Namakwa district was implemented with Sol Plaatje University, this was complemented by the EON Augmented Reality (AR) and Virtual Reality (VR) products exposure event.

ERPD sub-programme overachieved by 75 percent in the third quarter on Indicators 5.1.1 and 5.1.4 respectively by responding to ad-hoc requests giving rise to two extra economic intelligence reports. Research was conducted to collate and finalise a report on the NCPG 25 Year Review focusing on **Chapter 7: Economic Progress, Transformation and Employment**. The report is important as it provides a review of the implementation of programmes of the state over the democratic dispensation period with a specific focus on the economy.

Furthermore, reports were produced on sovereign wealth funds (SWFs) providing an overview of the structure, governance and real-world models in existence. The second report assisted with the economic implications of municipal boundary re-demarcations in the Northern Cape. This work was urgently requested by CoGHSTA to provide an understanding of how the regional GDPs of ZF Mgcawu, JT Gaetsewe and Pixley ka Seme districts would be impacted. This work was classified as EI reports subsequently.

The programme spent 98.3% of the R18,537 million budget allocation. Improved partnerships contributed to higher achievement against targets for KES and ad-hoc requests for information on novel topics such as the SWF report is the reason in ERPD. Human resources had to be managed optimally to ensure all additional requests are met. The Office of the Chief Director spent 100% of the budget allocation which was an improvement on the 97.6% expenditure in the previous financial year.

The organisational redesign of the programme from four sub-programmes to only two, merging the former Policy Development; and Research and Development units has not been without incidents. This transition involved substantial change management in terms of integrating the former R&D unit into a single sub-programme and adjusting the working culture as a result. There have been a few 'hiccups' in this regard and the affected officials had to be managed with the requisite level of empathy and emotional intelligence. There has been reasonable progress in this regard.

## Performance Narrative for Economic Research and Policy Development

The sub-programme is tasked with promoting integrated economic planning for faster economic development. This is achieved through the coordination of the economic driver of the Provincial Growth and Development plan, Priority 2 of the Medium-Term Strategic Framework (Economic Transformation and Job creation), monitoring the implementation and reviewing economic Policies and strategies and conducting economic research to inform Economic planning.

The sub- programme thus Hosted (Four) 4 held an Economic Transformation and Job Creation implementation forum in John Taolo Gaetsewe (Kuruman), Frances Baard (Kimberley), the other two were held virtually. The focus of the implementation forum was on evaluating implementation of the PGDP economic driver objectives, preparation for the 30-year review and MTSF 2019-2024 reporting, Evaluate the implementation of the Economic reconstruction and recovery plan. The forum was attended by stakeholders from the National, Provincial and Local government departments and entities like the National Development Agency amongst others. Furthermore, an economic Symposium was hosted in Pixley Ka Seme District (Prieska) focusing on entrepreneurship and opportunities that exist small businesses. This was attended by local businesses, municipalities and information was shared by National and provincial departments including funding institutions like NEF and SEDA. As a means of ensuring integrated planning within DEDaT.

As a means ensuring that economic transformation is realised through economic policy implementation the following economic policies and strategies were reviewed: Northern Cape Reconstruction and recovery Plan, the Agriculture and Agro-processing masterplan, the Oceans economy strategies and assisted the John Taolo Gaetsewe district to compile their Economic reconstruction and recovery plan as part of Economic position chapter of their District Development

Model one Plan. The unit further compiled the Departmental Vote 6 speech for the MEC, focusing on Industrialisation, Enterprise Development, Job creation, and Tourism.

Six Economic Intelligence reports were compiled namely: Shaping Northern Cape as a tourism destination, which identifies factors to be considered in order to develop Northern Cape as a future tourist destination, "Smart City – Ready the Province," highlighting its benefits and challenges in implementing such a model. The report also discusses the province's current efforts to become smarter, District Development Model (DDM) was assessed. The report concluded that the One plan should be integrated into Integrated Development plans for successful implementation. Municipalities in Fiscal distress the report highlighted that Fiscal capacity can vary markedly within the local government sphere and that the municipality gets fiscally distressed in carrying out indiscriminate expenditure cuts at the expense of service delivery. The Sovereign Wealth Funds (SWFs) and which are designed for macroeconomic stabilization, intergenerational savings, and domestic development. The report suggests further analysis towards SWF development in the country, given the socio-economic challenges faced by the country and its provinces. The Implications on the District economies – with the envisaged re-demarcating, the purpose of this economic intelligence report is by-and-large an input towards the discussion on the merging of the two of ZF Mgcawu district municipalities (i.e. Kgatelopele and Tsantsabane) with the John Taolo Gaetsewe district.

Four Economic Overviews were compiled and presented at different forums including Economic technical and political clusters, EXCO, Makgotla Departmental planning forum and strategic planning sessions. The overviews revealed that although the global, national and provincial economy have not yet recovered to pre-covid levels, the provincial employment data has improved with unemployment rate currently standing at 26,9% which is the second lowest unemployment rate in the country.

The Sub-programme conducted a Scoping study on medicinal plants in dry environments, particularly in the Northern Cape. The study aims to assist the Integrated Economic Development programme in examining potential opportunities for economic development, particularly Small Medium Enterprise Development within the medicinal plant field. The study identified 121 medicinal plant species from ethnobotanical and surveys in Namakwa and Pixley Ka Seme districts that could be beneficiated and utilised for health and medicinal purpose.

### Linking performance with budgets

Sub- Programme Name	2023/2024			2022/2023		
	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
Economic research and Policy Development	6,586	6,586	-	6 127	6 027	100
<b>Total</b>	<b>6,586</b>	<b>6,586</b>	<b>-</b>	<b>6 127</b>	<b>6 027</b>	<b>100</b>

The Annual Report Guideline for National and Provincial Departments (updated November 2022), issued by National Treasury, advocates (p.25) that the table under this heading "must agree to the appropriation statement of the audited financial statements." In addition, National Treasury has granted approval to the department "to deviate from the sector-agreed uniform budget programme structure to be aligned with its new organisational structure as requested."

The bulk of the sub-programmes budget was spent on targets that are linked to travelling to municipalities for DDM Workshops/meetings, Economic policies engagements, Research Data collection etc. and the cost drivers were travel and accommodation, venue hire, catering, and related expenses.

### Strategy to overcome areas of under performance

None

## 2.4.5.2 Knowledge Economy Support

### Outcomes, Outputs, Output Indicators, Targets and actual achievements table

Sub-Programme: Knowledge Economy Support								
Outcome	Output	Output Indicator	Audited Actual Performance 2021/2022	Audited Actual Performance 2022/2023	Planned Annual Target 2023/2024	Actual Achievement 2023/2024	Deviation from planned target to actual achievement 2023/2024	Reasons for deviations
Higher Economic Growth.	Knowledge Management Systems	5.2.1 Number of Knowledge Management Systems implemented.	1	1	2	2	0	None
	Broadband rollout	5.2.2 Number of internet connectivity initiatives supported.	-	New	4	4	0	None
	Digital infrastructure initiatives	5.2.3 Number of Digital Infrastructure initiatives supported.	2	2	5	5	0	None
	Digital literacy and ICT entrepreneurship	5.2.4 Number of e-Skills development initiatives implemented and supported.	7	8	4	5	1	An additional initiative was conducted virtually with the assistance of EON AR and a VR Training. The meeting was conducted on 25 August 2023. There were no additional financial implications.
	Economic development initiatives in the SKA regional municipalities	5.2.5 Number localisation initiatives implemented in terms of the SKA.	4	4	4	4	0	None

### Performance Narrative for Knowledge Economy Support

The Knowledge Economy Support sub-programme (KES) activities focused on targeting the development of the knowledge economy through support and or implementation of: 5.2.1 Knowledge Management Systems; 5.2.2 Broadband and WiFi Connectivity; 5.2.3 Digital Infrastructure Initiatives; 5.2.4 Digital Literacy and ICT Entrepreneurship; and 5.2.5 Localisation initiatives implemented in terms of SKA. Achievements during the 1<sup>st</sup> Quarter included ongoing support for the roll-out of National Broadband Policy “SA Connect” in Pixley ka Seme District Municipality (PKSDM), which included site verifications to Hope Town and Douglas. KES supported an Ideathon for a Cyber Security Summit with Sol Plaatje University (SPU) and hosted an SMME Focus Group in preparation for Digital Marketing training of unemployed youth by Digify Africa. Continued engagements with the Consultants on the finalization of the designs for the Carnarvon Science Exploratorium. Liaison between SPU and the CHPC on ICT collaboration.

During Quarter 2, the Universal Services and Access Agency initiated its complimentary SA Connect broadband project in PKSDM, targeting 112 sites for the FY. KES with a member from the Communications unit also visited the Technology Innovation Agency (TIA) sponsored Mecwi Livling Lab in Tsineng Village. The annual VacWork program was successfully hosted in Springbok with SPU and the EON licenses from merSETA, distributed by KES hosted an online

training of EON Realities Augmented Reality (AR) and Virtual Reality (VR) products. Finalization of the Carnarvon Science Exploratorium designs and alignment to available budgets.

During Quarter 3, cost containment challenges curtailed the planned face-to-face engagements, but were mitigated by virtual meetings. USAASA maintained its SA Connect complimentary rollout in PKSDM, while the transfer of funds to the Northern Cape Innovation Forum (NCIF) was completed to SPU's Centre for Entrepreneurship and Rapid Incubation (CfERI). NCIF is co-funded with matching funds from the CSIR's Technology Localization Unit. Despite the cost containment, the sub-programme worked on initiatives with the Tourism Programme and the SPU Centre for Applied Data Science. CSE design finalization alignment of project timelines to budgets. Engagements with local Municipality on WULA and EIA requirements for Er.431 Carnarvon.

Quarter 4 realised the targets set for the FY with various initiatives meeting their targets accordingly. KES has created two electronic forms for Tourism Growth to streamline their process of reporting incidents related to tourism. The first form is the Tourist Incident Report Form, which enables individuals to report any safety incidents involving tourists quickly and conveniently. The second form is the Illegal Tourist Guiding Report Form, which allows people to report any instances of illegal tourist guiding. These electronic forms are designed to make reporting incidents related to tourism easier and more efficient for everyone. Furthermore, a stakeholders database was developed and presented to the Planning Forum and the Visitor Tracking System was deployed on-premises. USAASA completed the implementation of 112 sites in PKSDM and will officially be launched in Q1 FY 2024/25. Closing the digital divide in rural areas took a step forward with ten unemployed youth being trained in Wireless Internet Service Provision (WISP). It is anticipated they will be registered as the first WISP cooperative in the Northern Cape. CSE design finalization. Continued engagements on SPU/CHPC ICT collaboration.

### Linking performance with budgets

Sub- Programme Name	2023/2024			2022/2023		
	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
Knowledge Economy Support	7,139	6,815	324	7 364	6 834	530
<b>Total</b>	<b>7,139</b>	<b>6,815</b>	<b>324</b>	<b>7 364</b>	<b>6 834</b>	<b>530</b>

The Annual Report Guideline for National and Provincial Departments (updated November 2022), issued by National Treasury, advocates (p.25) that the table under this heading "must agree to the appropriation statement of the audited financial statements." In addition, National Treasury has granted approval to the department "to deviate from the sector-agreed uniform budget programme structure to be aligned with its new organisational structure as requested."

The functions of the former sub-programme, Monitoring and Evaluation, have been moved to Executive Support, a sub-programme under "Administration." The financial table for this sub-programme now reflect under Executive Support. The sub-programme, "Research and Development" is not reflected in the new organogram.

The various initiatives implemented by KES are aimed at progressing digital transformation, improving broadband penetration and stimulating digital uptake and usage through supporting innovation, digital platforms, and digital skills capabilities. KES completion of its annual targets reflects the teams' ongoing efforts to transform the Northern Cape and promote a knowledge-based economy digitally.

### Strategy to overcome areas of under performance

None.



## 2.4.6. Programme 6: Tourism

### Purpose

The purpose is to lead tourism growth, development and destination promotion in the Northern Cape.

Programme 6 has been structured to address its mandate through two sub-programmes:

#### The sub-programmes are: Purpose of the sub-programme

Tourism Development	The purpose of this sub-programme is to support the development of an attractive and competitive destination Northern Cape.
Tourism Growth	The purpose of this sub-programme is manage unlocking the economic potential of the provincial tourism industry through creating an enabling policy and planning environment.

### Institutional Outcome/s supported by the Programme:

- Higher Economic Growth

#### 2.4.6.1 Tourism Development

#### Outcomes, Outputs, Output Indicators, Targets, and actual achievements table

Sub-Programme: Tourism Development								
Outcome	Output	Output Indicator	Audited Actual Performance 2021/2022	Audited Actual Performance 2022/2023	Planned Annual Target 2023/2024	Actual Achievement 2023/2024	Deviation from planned target to actual achievement 2023/2024	Reasons for deviations
Higher Economic Growth	Facilitating destination enhancement through stakeholder engagement.	6.1.1 Number of stakeholder engagements for facilitating destination enhancement.	-	New	21	24	3	The sub-programme attended a tourism awareness event presented by the Tourism Growth sub-programme in Sutherland and utilised the opportunity to meet with two key stakeholders based in the astro tourism corridor – Karoo Highlands Municipality and South African Astronomical Observatory. There were no budget implications. Lastly, the sub-programme made use of an opportunity to have an additional stakeholder engagement in Kimberley and had no financial implications.

Sub-Programme: Tourism Development								
Outcome	Output	Output Indicator	Audited Actual Performance 2021/2022	Audited Actual Performance 2022/2023	Planned Annual Target 2023/2024	Actual Achievement 2023/2024	Deviation from planned target to actual achievement 2023/2024	Reasons for deviations
	Tourism enterprise growth supported.	6.1.2 Number of tourism enterprises supported for the purposes of business sustainability.	New	61	17	18	1	Budget reprioritisation allowed for an additional enterprise to be supported.
	Enhanced provincial visitor experience.	6.1.3 Number of initiatives to enhance the provincial visitor experience.	6	20	9	11	2	Two additional initiatives implemented with budget provided from other programmes in the department.
	Improved provincial destination tourism infrastructure.	6.1.4 Number of Initiatives to improve destination tourism infrastructure.	-	New	6	6	0	None
	Improved conditional grant compliance.	6.1.5 Number of Tourism Industry Grant Compliance Interventions.	-	New	7	7	0	None

### Office of the Chief Director

The Budget Structure makes provision for the sub-programmes Tourism Planning, Tourism Growth and Development, and Tourism Sector Transformation. In terms of the new organogram of the department, Tourism consists of Tourism Development and Tourism Growth. The functions for Tourism Sector Transformation have been subsumed into the remaining sub-programmes.

The programme achieved 70% of its targets and 93.7 percent of the allocated budget was spent. The expenditure included fixed costs, operating leases and travel and accommodation. Part of the unused funds were reprioritised to fund other departmental and NCEDA projects.

### Performance Narrative for Tourism Development

The purpose of the Tourism Development sub-programme is to support the development of an attractive and competitive destination Northern Cape as contribution to achieve higher economic growth in the province. This is achieved through the sub-programme responding to five performance indicators. They are –

- Number of Destination Development Stakeholder Relationships Supported.
- Number of Tourism Enterprises Supported.
- Number of Initiatives to Enhance Provincial Visitor Experience.
- Number of Industry Enabling Tourism Infrastructure Development Interventions.
- Number of Tourism Industry Compliance Interventions.

The Tourism Development sub-programme achieved all of its targets and exceeded targets in three of the five performance indicators during the period under review.

The Tourism Development sub-programme performance indicator for stakeholder engagement for facilitating destination enhancement aims to provide support for relationships impacting destination development where support may include sharing of information, advice, taking up a seat on project progress monitoring entities, exploring for synergies in tourism development initiatives to enhance the Northern Cape as destination in light of limited human and capital resources.

Such stakeholders include: National departments, national state-owned entities (SOE), provincial departments, provincial SOEs, municipalities & district municipalities; non-governmental organisations. We engaged 24 stakeholders and they were the national departments of Tourism, Forestry, Fisheries and Environment, Small Enterprise Development Agency, South African Astronomy Observatory, South African Radio Astronomy Observatory, South African National Parks, provincial departments of Sport, Arts and Culture, Agriculture, Environmental Affairs, Land reform and Rural Development, Richtersveld Municipality, Kamiesberg Municipality, Karoo Hoogland Municipality, Kareeberg Municipality, Dawid Kruiper Municipality, Namakwa District Municipality, Z.F. Mgcawu District Municipality, Pixley ka Seme District Municipality, Frances Baard District Municipality NCTA, NCEDA, McGregor Museum, Northern Cape Heritage Resources Agency, Northern Cape Land Claims Commission, South African Tourism Services Association, Karoo Development Foundation. The annual target was twenty-one (21) and was exceeded by three (3). The over performance had a minimal budget effect and was achieved by clustering some targeted and non-targeted stakeholder engagements which were in the same geographical location.

Indications continue to be promising in that destination development stakeholder relationship building initiatives have continued on a positive footing as human and/or capital resources are pooled to realise the sub-programme outputs. The stakeholder engagements are also valuable opportunities to share information about projects, initiatives and challenges experienced. Building stakeholder relationships with municipalities, generally speaking remain challenging as a result of their tourism functions being critically underfunded.

Tourism enterprise development continues to be regarded as an important tool to enhance destination attractiveness and marketability. The department therefore provides financial and non-financial support to selected tourism enterprises in priority development nodes such as the astro tourism corridor (Carnarvon/Sutherland) and on our respective tourist routes. Six (6) tourism enterprises were supported with market access as the beneficiaries were funded to attend the annual Africa's Travel Indaba in Durban. Six (6) tourism enterprises, all youth, were supported in partnership with SARAO and they are now qualified tourist guides. Seven (7) tourism enterprises, mainly tour operators and activity-based tourism enterprises, participated in an incubation programme in partnership with Sol Plaatje University's Centre for Entrepreneurship and Rapid Incubator. We continued to provide support to two participants in the national department of Tourism funded incubator for tour operators. The support aimed to improve the tourism business management capacity of the two (2) incubatees, Victoria West Tours (Victoria West / Pixley ka Seme) and Silver Solutions Tours (Port Nolloth / Namakwa) to improve their market readiness, market access and business sustainability.

The supported tourism enterprise beneficiaries are mostly micro tourism businesses and can be described as survivalists. Their main challenge is a lack of access to an actionable market which then constrains their potential to earn a sufficient and growing income. This adverse situation in turn affects their ability to continue to operate as compliant tourism businesses and to remain motivated as entrepreneurs. The situation described here makes it very challenging for the Tourism Development sub-programme to grow these businesses to a level where they start creating job opportunities.

The annual target for tourism enterprise development was seventeen (17) while a total of eighteen (18) tourism enterprises were supported financially and non-financially, exceeding the target by one (1).

The following tables demonstrates the enterprise interventions and the targeted groups reached:

DM	LM	Intervention	F	M	YF	YM	PWD (F)	PWD (M)	TOTAL
<ul style="list-style-type: none"> <li>Namakwa</li> <li>ZF Mgcawu</li> <li>Pixley ka Seme</li> </ul>	<ul style="list-style-type: none"> <li>Richtersveld</li> <li>Dawid Kruiper</li> <li>Kai Garib</li> <li>Karoo Hoogland</li> <li>Kareeberg</li> <li>Ubuntu</li> </ul>	<ul style="list-style-type: none"> <li>Africa's Travel Indaba</li> <li>Astro Tourism Enterprise Development</li> <li>Incubation of tour operators and activity-based tourism enterprises.</li> <li>Support to the national department of Tourism provincial tour operator incubatees.</li> </ul>	9	9	4	3	0	0	18

Visitor decision-making is influenced by how they perceive the quality of the tourism experience offered by any destination. In the Northern Cape tourist route development is the foundation of tourism experience development as these routes must act as strong magnets to attract more visitors to the province, be they domestic or international in origin. In many ways the success of the province as destination and the ability of the provincial tourism industry to contribute to higher economic growth relies on how well we can develop, manage, and market or respective tourist routes.

Tourist routes represent the primary starting block for destination development and marketing as we strive to offer the best possible provincial tourism experience enhancement. However, our tourist routes face challenges related to operating entity development, route coordination, membership building, experience development, professional affiliations, marketing and promotion, skills development and improved administration to name a few.

Four (4) tourist routes received financial support from the department – Quiver Tree Route, Forgotten Highway Route, Karoo Oasis Route and Kalahari Red Dune Route. Such financial support is made available as a pilot initiative to address as much of the mentioned challenges as possible. Many of the challenges were successfully addressed but risks of spending deviation from the business plan and transfer agreement remains high which creates increasing administrative burdens, deteriorating industry relationships and increased costs of monitoring and mitigating.

To further enhance the provincial visitor experience, four Karoo walking trails were refined and new tourist maps printed for Carnarvon, Sutherland, Fraserburg and Williston. Two events were also financially supported – Tourism Investment Forum Africa (TIFA) presented in Kanoneiland and the Joyous Celebrations concert presented in Kimberley.

An exciting tourism employment initiative named “Open for Business” was launched towards the end of the financial year as a pilot initiative in collaboration with the McGregor Museum and DAERL. The aim is to address operational challenges experienced in the provincial museums and nature reserves causing reputational damage to the provincial tourism reputation. This relates to museums not being accessible during business hours to quality assurance failures in accommodation facilities in our nature reserves. The department provides the funding for the wages to be paid while the recruits are managed by our project partners. Four (4) recruits were appointed by end of Quarter 4.

The annual target for tourism experience development is nine (9) but the Tourism Development sub-programme managed to successfully launch eleven (11) initiatives for tourism experience development. This is an over achievement by two (2). The overperformance in the main was possible through additional funding that was provided from other departmental programmes to support the two unplanned events.

In keeping with the annual target for tourism infrastructure development, six (6) projects were completed successfully during the financial year. The Tourism Development sub-programme provided funding to NCEDA for roof repairs at the Mittah Seperepere International Convention Centre, improving digital connectivity in Witsand nature reserve, building more glamp campsites at Witsand nature reserve. We also provided funding to South African national Parks for constructing a walkway in the Twee Rivieren Rest Camp of the Kgalagadi Transfrontier Park (#Khomani San Cultural Landscape World Heritage Site) and a Day Spa in Riemvasmaak. The latter will be used by the six Riemvasmaak youth we trained in massage therapy some time ago. Lastly, we procured a specialist service provider to do the water use licence application for Erf 431 Carnarvon, a prerequisite for getting building approvals for the SKA Carnarvon Exploratorium.

The performance indicator for tourism industry compliance therefore follows an approach to ensure that grant beneficiaries are compliant with the signed transfer agreement and related reporting requirements. This we render via presenting grant compliance workshops with grant beneficiaries and project progress monitoring. Seven (7) grant beneficiaries benefitted from these interventions meaning that the target for the performance indicator was achieved.

Tourism is a market demand driven activity that contributes to increasing money in-flow and its related multiplier effect, employment creation, enterprise sustainability and growth and economic infrastructure development in Destination Northern Cape. Growth in tourist arrivals, and offering them a greater variety of tourism experiences to consume, drive employment and general retail spending through increased demand, thus stimulating the provincial economy. This economic growth benefit materialises best when the destination is continuously developed and its tourism industry supported to flourish, as is evident from the sub-programme performance data presented above. It is the mission of the Tourism Development sub-programme, and the Northern Cape Tourism Authority, to ensure Destination Northern Cape remains competitive and top-of-mind in our target markets and therefore our collective budget and spending decisions are designed to achieve the Programme strategic objective – higher economic growth.

#### Linking performance with budgets

Sub- Programme Name	2023/2024			2022/2023		
	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
Tourism Development	20,265	18,512	1,753	48 623	48 623	-
Total	20,265	18,512	1,753	48 623	48 623	-

The sub-programme staff committed their expertise to add value to project beneficiaries, be they small tourism enterprises or project partners, through delivering on our projects and in doing so contributed to enhance the destination competitiveness, creating an enabling environment for tourism industry recovery and keeping the destination top-of-mind in the selected target markets, while simultaneously contributing to the growth of the provincial economy. This also contributed to the Tourism Development sub-programme achieving and even exceeding its planned targets.

#### Strategy to overcome areas of under performance

None.

## 2.4.6.2 Tourism Growth

### Outcomes, Outputs, Output Indicators, Targets, and actual achievements table

Sub-Programme: Tourism Growth								
Outcome	Output	Output Indicator	Audited Actual Performance 2021/2022	Audited Actual Performance 2022/2023	Planned Annual Target 2023/2024	Actual Achievement 2023/2024	Deviation from planned target to actual achievement 2023/2024	Reasons for deviations
Higher Economic Growth	Integrated tourism planning.	6.2.1 Number of Tourism Industry Stakeholder consultations.	16	5	15	16	1	Additional stakeholder consultation. No financial implications.
	Development and Up-skilling of tourist guides.	6.2.2 Number of Interventions to support the tourist guiding sub-sector.	4	7	6	5	-1	Resource constraints prevented one intervention from being finalised.
	A safer tourism experience.	6.2.3 Number of Tourism safety initiatives.	7	6	7	8	1	An Illegal Tourist Guiding Campaign was conducted in ZFM (Upington). The campaign, which included tourist guide inspections and spot checks, was conducted after the consultative session. There were no additional financial costs.
	Create a tourism culture in the tourism industry.	6.2.4 Number of Community-Based tourism Programmes conducted.	5	8	18	6	-12	The KDC events serve as a catalyst for the community-based tourism events. The KDC implementing agent was not appointed and hence the community-based programmes could not be conducted as planned.
	An enhanced level of service excellence in the provincial tourism industry.	6.2.5 Number of tourism industry support initiatives.	-	New	3	2	-1	The Annual National Lilizella Awards Event was cancelled; hence the department could not take the provincial category winners to the event as planned.



## **Performance Narrative for Tourism Growth**

Throughout the financial year, the Tourism Growth Unit diligently organized and facilitated fifteen consultative sessions, strategically distributed across the province's five regions. These sessions served as vital platforms for engaging stakeholders, soliciting input, and fostering collaboration in shaping the province's tourism landscape.

Key Focus Areas include the following:

### **Developing the Dawid Kruiper Local Tourism Plan:**

By soliciting input from local communities, indigenous groups, and tourism stakeholders, the Tourism Growth Unit in partnership with the National Department of Tourism endeavoured to craft a comprehensive tourism plan tailored to the unique cultural, environmental, and economic context of the Dawid Kruiper region. This inclusive approach aimed to harness local knowledge and expertise in maximizing the region's tourism potential while safeguarding its natural and cultural heritage. The draft plan was developed in partnership with the national tourism department.

### **Development of the Township Tourism Strategy:**

Recognizing the untapped potential of township tourism as a catalyst for inclusive growth and socio-economic empowerment, the Tourism Growth Unit spearheaded efforts to formulate a dedicated Township Tourism Strategy. Through extensive consultations with township residents, entrepreneurs, and tourism practitioners, the strategy aimed to identify opportunities, address challenges, and devise targeted interventions to promote and enhance township tourism experiences.

### **Mapping of Tourism Data:**

Informed decision-making is contingent upon accurate, up-to-date data. To this end, the Tourism Growth Unit in partnership with the National Department of Tourism undertook the task of mapping tourism data, leveraging geographic information systems (GIS) technology to visualize spatial patterns, trends, and opportunities within the tourism sector. By collating and analysing data on tourist attractions, visitor demographics, infrastructure, and other relevant parameters, the mapping exercise aims to provide valuable insights to inform strategic planning and investment decisions. The process is still ongoing.

### **Tourism Investment:**

Facilitating tourism investment is paramount to unlocking the sector's growth potential and driving economic development. The Tourism Growth Unit actively engaged with provincial Tourism stakeholders to compile tourism investment opportunities, facilitate partnerships, and streamline regulatory processes conducive to tourism investment. By fostering a conducive investment climate, the unit aims to attract capital infusion into tourism infrastructure, product development, and hospitality ventures, thereby catalysing job creation and revenue generation. The information was forwarded for consideration for inclusion in the provincial investment booklet.

### **Local Tourism Forums:**

Recognizing the importance of grassroots engagement in shaping tourism policy and programming, the Tourism Growth Unit convened a local tourism forum in Kareeberg. This forum provided a platform for community members, tourism operators, and local authorities to voice their aspirations, concerns, and ideas for enhancing tourism development at the grassroots level.

### **Development of the Visitor Tracking System:**

A robust visitor tracking system was conceptualized and developed to capture real-time data on tourist arrivals, expenditure patterns, and preferences. This innovative tool will empower policymakers and industry stakeholders with actionable insights to tailor marketing strategies, optimize resource allocation, and enhance visitor satisfaction. The system is expected to be finalized in the financial year ending 31 March 2025.

Successful tourism safety campaigns were conducted in the Frances Baard and Z F Mgcawu districts. This included the identification of crime hotspots. The intensification of the programme is of critical importance for the growth of tourism in the province and to enhance the efforts to market the province as a safe and secure destination.

It is with this mindset that safety campaigns were conducted. As part of the campaign, two different consultative sessions were held with several stakeholders which included the South African Police Service (SAPS), Dawid Kruiper and Sol Plaatje Local Municipality and tourism operators. It was resolved that tourism safety forums must be instituted in all affected districts to ensure a coordinated approach to manage and combat criminal incidents against tourists and tourism operators. Materials promoting Tourism Safety were also distributed amongst stakeholders and tourism businesses.

A campaign against illegal tourist guiding was successfully conducted in the ZF Mgcawu District to amplify awareness on the prescripts of the Tourism Act and accompanying regulations. Through this campaign, the sub-programme managed to reach out and visit tourist attraction sites and hospitality properties with the aim of certifying the legal compliance of tourist guides based at the sites. In terms of compliance management ten tourist guides submitted requests to renew their operating licenses.

The sub-programme rolled-out the tour operator workshop programme in the Frances Baard district with thirteen beneficiaries. The one-week programme created a platform for the tourist guides to acquire new knowledge and skills with the intention to improve on development of tour packaging experiences, pricing strategy, compliance, itinerary formulation skills.

In our effort to ensure that the nature (field) tourist guides are equipped with the requisite skills and knowledge to conduct guided tours in dangerous animals' environment, the Department rolled-out rifle usage training for ten nature-field tourist guides who are based in the Kalahari (Andriesvale and Mier) area. The two-week training encompassed both theory and a practical rifle shooting exercise at an accredited shooting range.

The International Tourist Guide Day Celebration (07/03/2024) under theme "Tourist Guides - Our Guardians in Promoting and Encouraging Green Tourism" was successfully co-hosted in collaboration with the Northern Cape Department of Roads and Public Works, Sol Plaatje Municipality, Ngwao Boswa ya Kapa Bokone, Mc Gregor Museum, Northern Cape Urban TVET College and Northern Cape Tourism Authority in Kimberley.

To raise the profile at local level and raised tourism as a priority development imperative, DEDaT in partnership with SALGA conducted a portfolio-based councillor induction for municipal local economic development and tourism committees in Upington. The objective was to proactively discuss and put into practice coherent planning processes that would enrich synergies across all stakeholders in order have the necessary impact on tourism value chain and management thereof. The purpose of the session was to share, consult and capacitate, tourism practitioners and councillors at local government level on tourism related issues.

Workshops were conducted in all five districts in the province to educate the tourism product owners on the community-based tourism framework that will be able harness community participation in tourism and be able to build sustainable communities. Communities were also encouraged to explore potential alternatives and new tourism products and businesses in order to grow the number of tourism entrepreneurs and SMMEs in the province. Collectively these will contribute to the transformation of the tourism industry.

Colesberg (Umsobomvu Municipality), in the Pixley-ka Seme District, is of strategic importance from a tourism perspective. It is located on the N1 route. It provides a preferred stop-over and resting destination for tourists travelling between Johannesburg and Cape Town. Hence, a Community-Based Tourism Programme was conducted for that community and stakeholders to enable them to explore possible and potential tourism entrepreneurship and SMME opportunities.

Tourism Complaints Management Awareness Programmes were also conducted with tourism business and stakeholders in all the districts in our province. The intention was to introduce the newly developed tourism complaints management system and to share knowledge and strategies with the industry to avoid and minimize possible and potential complaints. In addition, the aim was to share the complaints resolution and mitigation strategies.

Consultative sessions were conducted with industry players in all five (5) districts of our province on the importance of managing tourism resources responsibly. The Tourism Resource Efficiency Management Awareness Programme was intended to provide the tourism stakeholders with the necessary systems that enhance tourism operations and the ensure better utilisation of resources.

Destination anti-litter and dumping campaigns were conducted in the Sol Plaatje, Ga-Segonyana and Dawid Kruiper Municipalities in an effort to mobilise social partners to work together to ensure that public behaviour and mindset is changed towards illicit littering. The campaign was seen as a catalyst to encourage the local people to work in partnership with municipalities and build sustainable environments. Tourism is seen as the competence of all three spheres of government and therefore requires a seamless and integrated planning approach in order to realise tourism development and growth objectives. Through these interventions, DEDaT ensures that the responsibility for sustainable development is shouldered by all stakeholders' especially private and public sector.

A Kimberley-based local tourism excursion was arranged and conducted for the tourism learners of the Indigenous Platfontein High School to expose them to the industry. A deliberate decision was taken that the very same learners at this school would represent our province at the Annual Tourism Career Expo in Johannesburg. This would enable these learners to experience and gain practical knowledge on the tourism sector and industry in our country. The school, including some learners, expressed their appreciation for the excursion because learners who had never experienced staying at a hotel. In addition, they enjoyed practical tourism opportunities and were exposed to the wider range of segments within the tourism sector and industry.

The failure to appoint a service provider had cascading effects on the delivery of the KDC-related events. The inability to execute the scheduled events resulted in a significant underachievement of the community-based tourism programmes.

As the province continues its journey towards becoming a premier tourism destination, the Tourism Growth Unit remains committed to driving inclusive, sustainable, and integrated tourism development. Building on the successes and lessons learned from the 2023/24 financial year, the unit will continue to prioritize stakeholder engagement, data-driven decision-making, and targeted interventions aimed at unlocking the full potential of the province's tourism sector.

### Linking performance with budgets

Sub- Programme Name	2023/2024			2022/2023		
	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
Tourism Growth	11,603	10,770	833	9 397	9 397	-
<b>Total</b>	<b>11,603</b>	<b>10,770</b>	<b>833</b>	<b>9 397</b>	<b>9 397</b>	<b>-</b>

Amongst the biggest cost drivers in the sub-programme in the 2023/24 financial year were Research and Advisory at R 1 million these were cost related to the development of the Visitor Tracking System. In addition, R350 000 was spent on the development of the Township Tourism Strategy.

### Strategy to overcome areas of under performance

It is imperative to streamline the administrative processes in order to fast-track the appointment of service delivery partners in order to timeously implement alternative interventions in the event of an unforeseen constraint. In the planning process it would be expedient to author indicators within the delivery framework of the sub-programme and not rely on external stakeholders for the achievement of a performance indicator.

## 2.5. TRANSFER PAYMENTS

### 2.5.1 Transfer payments to Public Entities

Table 2.5.1.1: transfer payments made for the period 1 April 2023 to 31 March 2024

Name of Public Entity	Key Outputs of the Public Entity	Amount transferred to the public entity (R'000)	Amount spent by the public entity (R'000)	Achievements of the public entity
Northern Cape Trade and Investment Agency (NCEDA)	Promoting direct foreign and local investment in the Province	R 71 973	R 71 973	Please refer to the annual report of The Northern Cape Trade and Investment Agency (NCEDA) obtainable from the Public Entity.
Northern Cape Liquor Board	Regulating the Liquor Industry in the Province	R 15 264	R 15 264	Please refer to the annual report of the Northern Cape Liquor Board obtainable from the Public Entity
Northern Cape Gambling Board	Regulating the Gambling Industry in the Province	R 17 208	R 17 208	Please refer to the annual report of the Northern Cape Gambling Board obtainable from the Public Entity
Northern Cape Tourism Agency (NCTA)	Marketing the Province as a Tourist Destination	R 26 712	R 26 712	Please refer to the annual report of the Northern Cape Tourism Agency (NCTA) obtainable from the Public Entity,
<b>Total</b>		<b>R131 157</b>	<b>R131 157</b>	

### 2.5.2. Transfer payments to all organisations other than public entities

Table 2.5.2.1: Transfer payments made for the period 1 April 2023 to 31 March 2024

Name of transferee	Type of organisation	Purpose for which the funds were used	Did the dept. comply with s 38 (1) (j) of the PFMA	Amount transferred (R'000)	Amount spent by the entity (R'000)	Reasons for the funds unspent by the entity
NATIONAL EMPOWERMENT FUND TRUST	DEPARTMENTAL AGENCIES	ENTERPRISE DEV PARTNERSHIP: NEF	YES	4 638	4 638	N/A
NORTHERN CAPE SMME TRUST	DEPARTMENTAL AGENCIES	SMME DEVELOPMENT	YES	20 017	20 017	N/A
SOUTH AFRICAN ASTRONOMICAL ABSER	DEPARTMENTAL AGENCIES	TOURISM ENTERPRISE	YES	350	350	N/A
SOUTH AFRICAN NATIONAL PARKS	DEPARTMENTAL AGENCIES	TWEERIVIERE AND WALKWAY XAUS LODGE STAR	YES	1 350	1 350	N/A
SOL PLAATJE UNIVERSITY	HIGHER EDUCATION INSTITUTIONS	NCIF & MLAB	YES	500	500	N/A
SOL PLAATJE UNIVERSITY	HIGHER EDUCATION INSTITUTIONS	SPU TOURISM INCUBATOR	YES	500	500	N/A
ACCOM LPB	EMPLOYEE	GRADUATES	N/A	10	10	N/A
BARLOW MS	EMPLOYEE	GRADUATES	N/A	10	10	N/A
BOLTMAN G	EMPLOYEE	GRADUATES	N/A	10	10	N/A
CROWIE L	EMPLOYEE	GRADUATES	N/A	10	10	N/A

Name of transferee	Type of organisation	Purpose for which the funds were used	Did the dept. comply with s 38 (1) (j) of the PFMA	Amount transferred (R'000)	Amount spent by the entity (R'000)	Reasons for the funds unspent by the entity
HEROLDT S	EMPLOYEE	GRADUATES	N/A	10	10	N/A
K PACKIRISAMY	EX-EMPLOYEE	LEAVE GRATUITY	N/A	212	212	N/A
KM MOHETA	EX-EMPLOYEE	LEAVE GRATUITY	N/A	11	11	N/A
KRIEG J	EMPLOYEE	GRADUATES	N/A	10	10	N/A
LA DAVEL	EX-EMPLOYEE	LEAVE GRATUITY	N/A	39	39	N/A
LEDIBANE	EMPLOYEE	GRADUATES	N/A	10	10	N/A
LETSIE B	DONATION	SPONSORSHIP	N/A	50	50	N/A
MABELE B	EMPLOYEE	GRADUATES	N/A	10	10	N/A
MAKGETLA J	EMPLOYEE	GRADUATES	N/A	10	10	N/A
MOAHLUDI M	EMPLOYEE	GRADUATES	N/A	10	10	N/A
MOCWANE P	EMPLOYEE	GRADUATES	N/A	10	10	N/A
MOKGORO N	EMPLOYEE	GRADUATES	N/A	10	10	N/A
MOLEFE L	EMPLOYEE	GRADUATES	N/A	10	10	N/A
MOSIEA L	EMPLOYEE	GRADUATES	N/A	10	10	N/A
MOTABOGI K	EMPLOYEE	GRADUATES	N/A	10	10	N/A
MOTHIBI M	EMPLOYEE	GRADUATES	N/A	10	10	N/A
MUSA MR	EMPLOYEE	GRADUATES	N/A	10	10	N/A
NAMATE M	EMPLOYEE	GRADUATES	N/A	10	10	N/A
NGAMOLE T	EMPLOYEE	GRADUATES	N/A	10	10	N/A
NGOMANE U	EMPLOYEE	GRADUATES	N/A	10	10	N/A
NODOM P	EMPLOYEE	GRADUATES	N/A	10	10	N/A
NORTHERN CAPE PROVINCIAL GOVERNMENT	DONATION	SPONSORSHIP	N/A	125	125	N/A
NR LOUW	EX-EMPLOYEE	LEAVE GRATUITY	N/A	9	9	N/A
PAULSE K	EMPLOYEE	GRADUATES	N/A	10	10	N/A

Name of transferee	Type of organisation	Purpose for which the funds were used	Did the dept. comply with s 38 (1) (j) of the PFMA	Amount transferred (R'000)	Amount spent by the entity (R'000)	Reasons for the funds unspent by the entity
PHOOFOLO P	EMPLOYEE	GRADUATES	N/A	10	10	N/A
SETLHABI L	EMPLOYEE	GRADUATES	N/A	10	10	N/A
SHEEN K	EMPLOYEE	GRADUATES	N/A	10	10	N/A
TJW CRUTSE	EX-EMPLOYEE	LEAVE GRATUITY	N/A	13	13	N/A
TLHALOGAN M	EMPLOYEE	GRADUATES	N/A	10	10	N/A
TN THOMPSON	EX-EMPLOYEE	LEAVE GRATUITY	N/A	14	14	N/A
TOFFAR R	EMPLOYEE	GRADUATES	N/A	10	10	N/A
V/D LITH M	EMPLOYEE	GRADUATES	N/A	10	10	N/A
FRANCES BAARD DISTRICT MUNICIPALITY	MUNICIPALITY	DISTRICT INVESTMENT CONFERENCE	YES	500	500	N/A
JOHN TAOLO GAETSEWE DISTRICT MUNICIPALITY	MUNICIPALITY	DISTRICT INVESTMENT CONFERENCE	YES	500	500	N/A
NAMAKWA DISTRICT MUNICIPALITY	MUNICIPALITY	EPWP CAPITAL AND STIPENDS	YES	900	900	N/A
NAMAKWA DISTRICT MUNICIPALITY	MUNICIPALITY	DISTRICT INVESTMENT CONFERENCE	YES	500	500	N/A
PIXLEY KA SEME DISTRICT MUNICIPALITY	MUNICIPALITY	EPWP CAPITAL AND STIPENDS	YES	1,060	1,060	N/A
PIXLEY KA SEME DISTRICT MUNICIPALITY	MUNICIPALITY	DISTRICT INVESTMENT CONFERENCE	YES	500	500	N/A
ZF MGCAWU DISTRICT MUNICIPALITY	MUNICIPALITY	DISTRICT INVESTMENT CONFERENCE	YES	500	500	N/A
AFRICAN MEDIA CONNECTION	PRIVATE ENTERPRISES	TOURISM EVENTS SUPPORT	YES	1 500	1 500	N/A
KAROO DEVELOPMENT FOUNDATION TRUST	PRIVATE ENTERPRISES	TOURISM ROUTE DEVELOPMENT	YES	225	225	N/A
KAROO OASIS ROUTE(NPC)	PRIVATE ENTERPRISES	TOURISM ROUTE DEVELOPMENT	YES	230	230	N/A
KIMBERLEY DIAMOND AND JEWELLERY	PRIVATE ENTERPRISES	KIDJI (DIAMOND AND JEWELLERY INCUBATOR)	YES	4 000	4 000	N/A
KIMBERLEY INTERNATIONAL DIAMOND AND JEWELLERY ACADEMY	PRIVATE ENTERPRISES	KIDJA (DIAMOND AND JEWELLERY ACADEMY)	YES	2 772	2 772	N/A
KOKERBOOM FOOD AND WINE ROUTE	PRIVATE ENTERPRISES	TOURISM ROUTE DEVELOPMENT	YES	200	200	N/A
MILLVEST ADVISORY	PRIVATE ENTERPRISES	TOURISM EVENTS SUPPORT	YES	100	100	N/A
MLAB SOUTHERN AFRICA	PRIVATE ENTERPRISES	NCIF & MLAB	YES	1 000	1 000	N/A

Name of transferee	Type of organisation	Purpose for which the funds were used	Did the dept. comply with s 38 (1) (j) of the PFMA	Amount transferred (R'000)	Amount spent by the entity (R'000)	Reasons for the funds unspent by the entity
<b>NC SOLAR AND RENEWABLE ENERGY</b>	PRIVATE ENTERPRISES	ROOFTOP SOLAR PROJECT	YES	1 350	1 350	N/A
<b>THE KALAHARI RED DUNE ROUTE</b>	PRIVATE ENTERPRISES	TOURISM ROUTE DEVELOPMENT	YES	198	198	N/A
<b>ZIKMO PROMOTIONS</b>	PRIVATE ENTERPRISES	TOURISM EVENTS SUPPORT	YES	100	100	N/A
<b>Total</b>				<b>44 243</b>	<b>44 243</b>	



**Table 2.5.2.2: Transfer payments budgeted for but not made for the period 1 April 2023 to 31 March 2024**

Name of transferee	Type of organisation	Purpose for which the funds were to be used	Amount budgeted for (R'000)	Amount transferred (R'000)	Reasons why funds were not transferred
<b>KIMBERLEY INTERNATIONAL DIAMOND AND JEWELLERY ACADEMY</b>	PUBLIC CORPORATIONS AND PRIVATE ENTERPRISES	TO SETTLE THE FINANCIAL BURDENS OF THE 2023/24 YEAR OF THE ACADEMY	3 122	2 772	NON-FUNCTIONAL DIRECTORS AND BOARD AND INADEQUATE FINANCIAL MANGEMENT SYSTEMS IN PLACE
<b>TYRE CRUMBLING</b>	DEPARTMENTAL AGENCIES & ACCOUNTS	TYRE CRUMBLING PROJECT	12 000	0	FEASIBILITY STUDY WAS NOT COMPLETE
<b>ROUTE DEVELOPMENT</b>	DEPARTMENTAL AGENCIES & ACCOUNTS	DEVELOPMENT OF ROUTES	1 106	853	CSD NON COMPLIANCE BY ORGANISATION
<b>Total</b>			<b>16 228</b>	<b>3 625</b>	

## 2.6. CONDITIONAL GRANTS

### 2.6.1 Conditional grants and earmarked funds paid

**Table 2.6.1.1: Conditional Grants and Earmarked funds paid for the period 1 April 2023 to 31 March 2024**

Department/ Municipality to whom the grant has been transferred	NAMAKWA DISTRICT MUNICIPALITY
Purpose of the grant	EPWP
Expected outputs of the grant	Expansion of the EPWP
Actual outputs achieved	100% implementation
Amount per amended DORA	900
Amount transferred (R'000)	900
Reasons if amount as per DORA not transferred	N/A
Amount spent by the department/ municipality (R'000)	900
Reasons for the funds unspent by the entity	N/A
Reasons for deviations on performance	N/A
Monitoring mechanism by the transferring department	In year monitoring report completed and submitted monthly. Employment contracts, attendance registers and site visits.

**Table 2.6.1.2: Conditional Grants and Earmarked funds paid for the period 1 April 2023 to 31 March 2024**

Department/ Municipality to whom the grant has been transferred	PIXLEY KA SEME DISTRICT MUNICIPALITY
Purpose of the grant	EPWP
Expected outputs of the grant	Expansion of the EPWP
Actual outputs achieved	100% implementation
Amount per amended DORA	1 060
Amount transferred (R'000)	1 060
Reasons if amount as per DORA not transferred	N/A
Amount spent by the department/ municipality (R'000)	1 060
Reasons for the funds unspent by the entity	N/A
Reasons for deviation on performance	N/A
Monitoring mechanism by the transferring department	In year monitoring report completed and submitted monthly. Employment contracts, attendance registers and site visits.

**Table 2.6.1.3: Conditional Grants and Earmarked funds paid for the period 1 April 2023 to 31 March 2024**

Department/ Municipality to whom the grant has been transferred	-
Purpose of the grant	-
Expected outputs of the grant	-
Actual outputs achieved	-
Amount per amended DORA	-
Amount transferred (R'000)	-
Reasons if amount as per DORA not transferred	-
Amount spent by the department/ municipality (R'000)	-
Reasons for the funds unspent by the entity	-
Reasons for deviation on performance	-
Monitoring mechanism by the transferring department	-

**Table 2.6.1.4: Conditional Grants and Earmarked funds paid for the period 1 April 2022 to 31 March 2023**

Department/ Municipality to whom the grant has been transferred	-
Purpose of the grant	-
Expected outputs of the grant	-
Actual outputs achieved	-
Amount per amended DORA	-
Amount transferred (R'000)	-
Reasons if amount as per DORA not transferred	-
Amount spent by the department/ municipality (R'000)	-
Reasons for the funds unspent by the entity	-
Reasons for deviation on performance	-
Measures taken to improve performance	-
Monitoring mechanism by the transferring department	-

## 2.6.2. Conditional grants and earmarked funds received

**Table 2.6.2.1: Conditional Grants and Earmarked funds received during for the period 1 April 2023 to 31 March 2024**

Department who transferred the grant	Provincial Treasury
Purpose of the grant	EPWP
Expected outputs of the grant	Expansion of the EPWP
Actual outputs achieved	100% implementation
Amount per amended DORA (R'000)	1 900
Amount received (R'000)	1 900
Reasons if amount as per DORA was not received	N/A
Amount spent by the department (R'000)	1 900
Reasons for the funds unspent by the entity	N/A
Reasons for deviations on performance	N/A
Measures taken to improve performance	N/A
Monitoring mechanism by the receiving department	In year monitoring report completed and submitted monthly. Employment contracts, attendance registers and site visits.

## 2.7. DONOR FUNDS

### 2.7.1 Donor Funds Received

**Table 2.7.1.1: Donor funds received during for the period 1 April 2023 to 31 March 2024**

Name of donor	N/A
Full amount of the funding	N/A
Period of the commitment	N/A
Purpose of the funding	N/A
Expected outputs	N/A
Actual outputs achieved	N/A
Amount received (R'000)	N/A
Amount spent by the department (R'000)	N/A
Reasons for the funds unspent	N/A
Monitoring mechanism by the donor	N/A

## 2.8. CAPITAL INVESTMENT

### 2.8.1. Capital investment, maintenance, and asset management plan

Infrastructure projects	2023/2024			2022/2023		
	Final Appropriation R'000	Actual Expenditure (R'000)	(Over)/Under Expenditure (R'000)	Final Appropriation (R'000)	Actual Expenditure (R'000)	(Over)/Under Expenditure (R'000)
New and replacement assets	-	-	-	-	-	-
Existing infrastructure assets	-	-	-	-	-	-
Upgrades and additions	653	653	-	-	-	-
Rehabilitation, renovations and refurbishments	-	-	-	-	-	-
Maintenance and repairs	-	-	-	-	-	-
Infrastructure transfer	-	-	-	-	-	-
Current	-	-	-	-	-	-
Capital	-	-	-	-	-	-
<b>Total</b>	<b>653</b>	<b>653</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

The background of the entire page features a warm, orange-toned sunset or sunrise scene. In the foreground, there are dark silhouettes of trees, including several distinctive baobabs with their thick trunks and rounded canopies. The sky is a gradient of orange and yellow, with the sun visible as a bright glow on the horizon. The text 'PART C' is prominently displayed in the upper half of the image.

# PART C

## GOVERNANCE

## **PART C: GOVERNANCE**

### **3.1. INTRODUCTION**

The Accounting Officer is responsible for the governance of the Department. The following makes up the department's governance structures:

- A management committee (MANCO) which include Chief Directors, Directors and some Deputy Directors and is chaired by the Head of Department.
- An Enterprise Risk and Ethics Management Committee chaired by an external Executive Manager.
- An Information Communication Technology, Business Continuity and Security Management Steering Committee chaired by the Chief Director: Corporate Services.
- A departmental Planning Forum chaired by the Director: Economic Research and Policy Development.
- An independent internal audit function providing independent assurance that the controls in place to manage risks are adequate and function effectively.
- An Audit Committee providing independent oversight over governance, risk management and control processes.

### **3.2. RISK MANAGEMENT**

The Department has an approved risk management policy, risk management strategy and an annual risk management implementation plan in place. Annual risk identification and assessments were conducted both at a strategic and operational level. Management continuously developed, reviewed and implemented response plans and control activities to ensure attainment of set objectives. The risk management instrument was a standing agenda item on all Programme meetings. Risk monitoring was conducted on a regular basis. Awareness was created on risk management in Programme / Sub-Programme meetings and additional information on risk management were placed on the departmental intranet. Continuous enterprise risk management processes were implemented by Management and other personnel.

The departmental risk and ethics management committee was formally appointed by the Head of Department to assist him in addressing his oversight requirements of risk and ethics management. Throughout the year under review, the risk and ethics management committee operated in terms of an approved risk and ethics management committee charter. The committee convened four times for the financial year, compiled and submitted quarterly reports to the Accounting Officer. The Committee reports were presented and discussed in all MANCO meetings and were also shared with the Audit Committee.

The Department submitted and presented progress reports on a quarterly basis on the significant risks faced by the Department to the Audit Committee.

### **3.3. FRAUD AND CORRUPTION**

The Department has an approved fraud prevention and ethics management strategy and approved whistle blowing policy in place. These policies went through a review process during the last quarter of the financial year and the objective is to approve them during the first quarter of new financial year. The approved departmental whistle blowing policy and fraud prevention and ethics management strategy encourage and outlines how and where concerns should be reported.



### **3.4. MINIMISING CONFLICT OF INTEREST**

The Department has adopted the Remuneration for Work Outside the Public Service (RWOPS) policy to manage conflict of interest, which ensures that the department does not do business with its employees. Departmental officials from levels SMS, MMS as well as SCM / finance officials below SL 9 and other officials on SL 9 & 10 declared their interest through the E-Disclosure system. The department has an approved financial disclosure policy in place.

### **3.5. CODE OF CONDUCT**

The Department of Economic Development and Tourism uses the Code of Conduct for the Public Service and generally disciplines employees who breach this code. Awareness sessions are conducted and all new employees are issued with a copy of the Code and they sign for receipt thereof.

### **3.6. HEALTH SAFETY AND ENVIRONMENTAL ISSUES**

The Department has an adopted Health and Safety Policy in place. All the necessary structures are in the process of restructuring to ensure that SHERQ is implemented. Some employees were trained on the Occupational Health and Safety Act, First Aid Levels 1, 2 & 3 as well as a HIV Course. The Department is still reporting progress on the recommendations made by the Department of Labour in the served contravention notice.

### 3.7. PORTFOLIO COMMITTEES

Resolution and Date	Matters raised by the Portfolio Committee	Response by the department
Committee report - 1st quarterly performance report of the 2023/2024 financial year – 26 September 2023	<p>Recommendations</p> <p>The Committee therefore recommends that the Department must:</p> <p>6.1 Provide a report of plans put in place to recoup funds from officials that were found guilty and dismissed following the investigations into irregular expenditure.</p> <p>6.2 Provide reasons for not utilising the Conditional Grant for the Expanded Public Works Programme and a plan on how the funds will be spent across the remainder of the quarters.</p> <p>6.3 Adequately plan targets and spend the allocated budget per quarter adequately. This plan/mechanism must be submitted to the Committee.</p> <p>Report to be forwarded to the Committee within 30 days of tabling of this Report in the House, on the following issues:</p> <p>7.1 Costing that was done on the NCEDA Bill and the Gambling and Liquor Bill.</p> <p>7.2 Quarterly reports of NCEDA NC Tourism Authority, NC Liquor Board and NC Gambling Board.</p> <p>7.3 Develop a mechanism with quarterly targets, budget and projections in respect of all planned mega projects.</p>	The Department submitted a signed report on the 1 <sup>st</sup> quarterly performance report for the 2023/24 financial year on 27 October 2023.
Questions for written reply based on the first quarterly report 2023/2024 – The Department of Economic Development and Tourism	<p>Questions are based on the first quarter report 2023/24 submitted by the Northern Cape Department of Economic Development and Tourism and are submitted for written reply.</p> <ol style="list-style-type: none"> <li>Regarding the rationalisation of provincial public entities.</li> <li>Regarding the management of debts, accruals, unauthorised expenditure, irregular expenditure as well as fruitless and wasteful expenditure.</li> <li>Reporting on the Economic Reconstruction and Recovery Plan.</li> <li>Regarding local economic development</li> </ol>	The Department submitted a signed report on the questions for written reply based on the 1 <sup>st</sup> quarterly performance report for the 2023/24 financial year on 31 October 2023.
Resolutions of Northern Cape Consumer Protection Amendment Bill, 2023. Reference 16.6.2.3.1 dated 20 March 2024.	<p>Committee recommendations:</p> <p>The Committee therefore recommend that the Department must:</p> <p>6.1 Ensure that there is no conflict through the amendments in relation to the PFMA and the Public Service Act and funding is not adversely affected as the authority is a juristic entity.</p>	The Department submitted a signed report in new financial year on 18 April 2024.
Resolutions of Northern Cape Economic Development, Trade and Investment Promotion Agency Amendment Bill, 2023. Reference 16.6.2.3.1	<p>Committee recommendations:</p> <p>The Committee therefore recommend that the Department must:</p> <p>6.1 Submit a comprehensive report by Monday, 18 March 2024 on the process followed and guidelines received with National Treasury's approval in the process of rationalisation.</p> <p>6.2 Ensure that the three officials serving on the Board are non-executive members that advises and guides if so required.</p> <p>6.3 Ensure that the mandate of the Northern Cape Tourism Authority is functioning accurately and fully and expressed in the Regulations. Such copy must be provided to the Committee.</p> <p>6.4 Adhere to inclusivity in the representation on the Board.</p>	The Department submitted a signed report in new financial year on 18 April 2024.

Resolution and Date	Matters raised by the Portfolio Committee	Response by the department
	<p>6.5 Ensure that appointments made by the MEC in respect of the CEO position, is done based on the principle of in consultation with the Board. Also, that after consultation is clearly defined and applied in the text.</p> <p>7. Reports to be forwarded to the Committee within 30days of tabling of this Report in the House, on the following issues:</p> <p>7.1 A report on the actual financial impact for the mega Entity considering that the allocated funds for the Northern Cape Economic Development, Trade and Investment Promotion Agency was always slight.</p>	<p>The Department submitted a signed report in new financial year on 18 April 2024.</p>
<p>Resolutions of Northern Cape Gambling and Liquor Bill, 2023. Reference 16.6.2.3.1</p>	<p>Committee recommendations:</p> <p>The Committee therefore recommend that the Department must:</p> <p>6.1 Ensure that the inputs made by stakeholders find expression in the Bill.</p> <p>6.2 The Bill should clearly state that the Board members are not allowed to possess any liquor or gambling licenses.</p> <p>6.3 Submit a comprehensive report by Monday, 18 March 2024 on the process followed and guidelines received with National Treasury's approval in the process of rationalisation.</p> <p>7. Report to be forwarded to the Committee within 30days of tabling of this report in the House, on the following issues:</p> <p>7.1 The regulations stipulating the criteria that the MEC will employ in considering a CEO.</p> <p>7.2 A report on the actual financial impact for the merging of the Northern Cape Gambling and Northern Cape Liquor Board.</p>	<p>The Department submitted a signed report in new financial year on 18 April 2024.</p> <p>The Department submitted a signed report in new financial year on 18 April 2024.</p>

### 3.8. SCOPA RESOLUTIONS

The Department presented its Annual Report for the 2022/23 financial year to the Portfolio Committee on Finance, Economic Development & Tourism and the Standing Committee on Public Accounts on Thursday, 07 November 2023.

Resolution No.	Subject	Details	Response by the department	Resolved (yes/no)
SCOPA: Annual Report – Vote 6 and Entities	Committee Report - Annual report of the 2022/23 financial year.	<p>The Department received two separate Committee reports based on the Annual Report – Vote 6 and Entities.</p> <p>Committee report number 1: Recommendations The Committee recommends that the Department must:</p> <p>4.1 Maintain the clean audit and urge the Department to ensure the three key recommendations made the Auditor-General is implemented.</p> <p>4.2 Ensure that internal controls are all aligned to Treasury Regulations and are effective and being applied by all officials.</p> <p>4.3 Recover funds and/or supporting documentation relating to provision of impairments to avoid a regression in the audit findings.</p> <p>4.4 Ensure that NCEDA implement controls that will ensure that financial statements and the annual report must always be subjected at the appropriate level for review and improving monitoring compliance with legislation by strengthening daily and monthly processing and reporting and provide supporting evidence. Quarterly progress must be forwarded to the Committee.</p> <p>4.5 Ensure that the internal audit committee monitor and asses the audit action plan addressing the audit findings, especially relating to performing monthly reconciliations, back-ups on systems and ensuring adequate reviews by responsible officials at NCEDA. Quarterly progress must be forwarded to the Committee.</p> <p>4.6 NC Tourism Authority must maintain its clean audit by continuing to focus of processes and controls in place for adequate financial management, performance management and compliance, with specific focus on reviewing and monitoring compliance with applicable laws and regulations.</p>	The department submitted responses on the annual report 2022/23 on 25 January 2024.	Yes

Resolution No.	Subject	Details	Response by the department	Resolved (yes/no)
		<p>Committee report number 2:</p> <p>Recommendations:</p> <p>6.1 Provide reasons for the non-submission of annual reports for the Northern Cape Liquor Board and the Northern Cape Gambling Board for the year under review.</p> <p>6.2 Indicate which steps were taken to broaden support for all SMME's in the province and what mechanisms were used to unlock more opportunities for SMME's in peri-urban and rural areas.</p> <p>6.3 Ensure all committee recommendations are being implemented and submit regular reports on any deviations thereof to the committee.</p> <p>7. Reports to be forwarded to the Committee within 30 days of tabling of this Report in the House, on the following issues:</p> <p>7.1 Full progress reports on the following:</p> <ul style="list-style-type: none"> <li>• The Namakwa SEZ</li> <li>• The Upington Industrial Park</li> <li>• The Kathu Industrial Park</li> <li>• The Boegoebaai Port and Rail Development</li> <li>• The De Aar Cargo Hub</li> </ul> <p>7.2 An updated report on the proposed investment in the rooftop solar PV installation.</p> <p>7.3 A comprehensive report on the management of the Kimberley International Diamond and Jewellery Academy (KIDJA).</p>	<p>The department submitted responses on the annual report 2022/23 on 15 January 2024.</p>	<p>Yes</p>

### 3.9. PRIOR MODIFICATIONS TO AUDIT REPORTS

Nature of qualification, disclaimer, adverse opinion and matters of non-compliance	Financial year in which it first arose	Progress made in clearing / resolving the matter
The department received an unqualified audit opinion with no findings in the 2022/23 financial year.		

### 3.10. INTERNAL CONTROL UNIT

The Department does not have an Internal Control Unit, However, the Directorate: Management Accounting and Directorate: Financial Accounting in Supply Chain Management Unit fulfil the function of an Internal Control Unit as submissions, forms, route forms and delegations are compiled in such a manner to ensure compliance.

### 3.11. INTERNAL AUDIT AND AUDIT COMMITTEES

#### Key activities and objectives of Internal Audit

The Northern Cape Provincial Treasury established the shared Internal Audit function. The function was established in terms of section 38 (1)(a)(i) and section 76 (4)(e) of the Public Finance Management Act (PFMA) as a shared service for the Northern Cape Provincial Administration, in terms of paragraph 3.2.3. of the Treasury Regulations. The function fulfils an independent assurance and consulting function.

The Internal Audit function follows a risk-based audit approach in providing management and the Audit Committee with assurance on the adequacy and effectiveness of governance, risk management, and internal control processes. Internal audit is guided by an Internal Audit Charter, approved by the Audit Committee, and performs its functions as provided for in the PFMA and the Internal Audit Charter.

The Internal Audit function compiles a rolling three-year strategic, risk-based Internal Audit plan and prepares an annual Internal Audit plan after taking into consideration the risks faced by the Department, strategic objectives, the department's mandate, audit issues and inputs by management. The Audit Committee considers and approves the Internal Audit plan for implementation.

#### Summary of audit work done

The Internal Audit work performed for the financial year under review was completed in line with the approved annual Internal Audit plan and included the following audits:

- Annual financial statements
- Follow-up AGSA (March 2023)
- Annual performance report review
- Human resource management (leave management)
- Transfer payments
- Follow-up IA (September 2023)
- Follow-up (AGSA completeness and adequacy)
- Follow-up AGSA (December 2023)
- Information technology
- Asset management
- Follow-up AGSA (January 2024)
- Follow-up IA (January 2024)

Internal Audit findings were communicated timely to management and measures to mitigate the risks were implemented. Significant matters identified during the year were reported to the Audit Committee.

### Audit Committee members and attendance

Throughout the year under review, the Audit Committee operated in terms of an approved Audit Committee Charter, which was the committee's approved terms of reference. The Audit Committee comprised of five (5) members, three (3) external members and two (2) internal members, all of whom are not employed by the Department. The Audit Committee three-year term membership started on 1 December 2020 and ended on 30 November 2023. A new Audit Committee was appointed in December 2023 to serve in the next three-year term.

Mr Docrat served as the Audit Committee Chairperson from May to November 2023.

The Audit Committee has, as part of its oversight responsibility on a quarterly basis, followed up on audit findings to ensure that issues raised were addressed timely.

Further information relating to the Audit Committee, as required by the PFMA and the Treasury Regulations is included in the Audit Committee's report, which is incorporated in the annual report of the Department.

The Audit Committee comprises of five members in total. Five meetings were convened during the financial year under review.

The following Audit Committee members attended the 4 meetings as their term ended 30 November 2023.

Name	Qualifications	Internal or external	If internal, position in the department	Date appointed	Date Resigned	No. of Meetings attended
Mr F Docrat	<ul style="list-style-type: none"> <li>Master of Business Administration</li> <li>Chartered Director (SA)</li> <li>Certified Information Security Manager</li> <li>Certified Information Systems Auditor</li> <li>Certified in the Governance of Enterprise Information Technology</li> <li>Certified Risk Management Practitioner</li> <li>Management Advancement Program</li> <li>Total Quality Management</li> <li>Computer Operations Proficiency Examination</li> </ul>	External	n/a	01 December 2020	n/a	05
Ms J Gunther	<ul style="list-style-type: none"> <li>Certified Internal Auditor</li> <li>CRMA</li> </ul>	External	n/a	01 December 2020	n/a	05



	Associate General Accountant Masters in Cost Accounting BCompt Various accounting and auditing certificates					
Ms A Mafuleka	CA (SA) B Com – Honours	External	n/a	01 December 2020	n/a	05
Ms S Vallabh	Bachelor of Arts Post Graduate Diploma in Library and Information Science Certificate Programme in Public Service Management	Internal	Chief Director: Performance, Monitoring and Evaluations (OTP)	01 December 2020	n/a	04
Mr M Mdunge	BA Degree Post graduate diploma governance and political transformation Masters in governance and political transformation	Internal	Director: Frances Baard Head COGHSTA	01 December 2020	n/a	00

The following Audit Committee members attended 1 meeting in February 2024 as their term started 1 December 2023.

Name	Qualifications	Internal or external	If internal, position in the department	Date appointed	Date Resigned	No. of Meetings attended
Ms J Gunther	Certified Internal Auditor CRMA Associate General Accountant Masters in Cost Accounting BCompt Various accounting and auditing certificates	External	n/a	01 December 2023	n/a	01 out of 01
Mr Mongezi Mngqibisa	- B. Com (Business Economics & Economics) - B. Com Honours - MBL	External	n/a	01 December 2023	n/a	01 out of 01

Dr Casper Olivier	<ul style="list-style-type: none"> <li>- B Juris</li> <li>- MPA</li> <li>- PhD (Public Management)</li> </ul>	External	n/a	01 December 2023	n/a	01 out of 01
Ms Pamela Nogwili	<ul style="list-style-type: none"> <li>- Master of Management (Monitoring and Evaluation)</li> <li>- Post Graduate Diploma in HIV/AIDS Management</li> <li>- B.Sc (Physiotherapy)</li> </ul>	Internal	Director: Performance, Monitoring and Evaluations (OTP)	01 December 2023	n/a	01 out of 01

## AUDIT COMMITTEE REPORT

We are pleased to present the Audit Committee report of the Northern Cape Department of the Economic Development and Tourism for the financial year ended 31 March 2024.

### Audit Committee Responsibility

The Audit Committee reports that it has complied with its responsibilities arising from section 38 (1)(a)(ii) of the Public Finance Management Act and Treasury Regulation 3.1.13. The Audit Committee also reports that it has adopted appropriate formal terms of reference as its Audit Committee Charter, has regulated its affairs in compliance with this Charter and has discharged all its responsibilities as contained therein.

### The Effectiveness of Internal Control

Our review of the findings of the internal audit work, which was based on the risk assessments conducted in the Department revealed certain areas for improvement, which were then raised with the Department. The following Internal Audit work was completed during the year under review:

- Annual financial statements
- Follow-up AGSA (March 2023)
- Annual performance report review
- Human resource management (leave management)
- Transfer payments
- Follow-up IA (September 2023)
- Follow-up (AGSA completeness and adequacy)
- Follow-up AGSA (December 2023)
- Information technology
- Asset management
- Follow-up AGSA (January 2024)
- Follow-up IA (January 2024)

Management developed an audit action plan to address the audit findings raised by both the AGSA and internal audit. The Audit Committee monitored the implementation of the audit action plan during the year under review and the implementation of the Audit Committee's recommendations by management still requires improvement.

### **In-year management monitoring and reporting**

The Department reported monthly and quarterly to the Provincial Treasury as is required by the PFMA.

### **Evaluation of financial statements and annual performance report**

We have reviewed the annual financial statements and annual performance report prepared by the department.

### **AGSA's report**

We have reviewed the Department's implementation plan for audit issues raised in the previous year and we are satisfied that the matters have been adequately resolved.

The Audit Committee concurs and accepts the conclusions of the AGSA on the annual financial statements and annual performance report and is of the opinion that both conclusions be accepted and read together with the report of the AGSA.

### **Report to Executive Authority and Accounting Officer**

On a quarterly basis the Audit Committee wrote a report to the Executive Authority and Head of Department which highlighted issues that needed attention or improvement within the Department's performance. The Audit Committee met with the Accounting Officer in the Audit Committee meetings.



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**Ms J Gunther**  
**Chairperson of the Audit Committee**  
**Department of Economic Development and Tourism**

**05 August 2024**

### 3.13. B-BBEE Compliance Performance Information

Has the Department/Public Entity applied the relevant Code of Good Practice (B-BBEE Certificate Levels 1-8) with regards to the following:		
Criteria	Response (yes/no)	Discussion
Determining the qualification criteria for the issuing of licenses, concessions or other authorisations in respect of economic activity in terms of any law?	N/A	-
Developing and implementing a preferential procurement policy?	Yes	-
Determining qualification criteria for the sale of state-owned enterprises?	N/A	-
Developing criteria for entering into partnerships with the private sector?	N/A	-
Determining criteria for the awarding of incentives, grants, and investment schemes in supporting Broad Based Black Economic Empowerment?	N/A	-



# PART D



## HUMAN RESOURCE MANAGEMENT

## **PART D: HUMAN RESOURCE MANAGEMENT**

### **4.1. INTRODUCTION**

#### **The status of human resources in the department**

The human resource function is performed efficiently and effectively within the directorate of human resource management, with the following sub-directorates fully functional:

- Human Resource Administration,
- Human Resource Development,
- Labour Relations, and
- Employee Health and Wellness.

The comprehensive HR Plan, HRD Implementation Plan, Employment Equity Plan and the Workplace Skills Plan all guide the HR function in the department. The function is also directed by the comprehensive policy framework that includes the Public Service Regulations, the Leave Determination, Recruitment and Selection Policy, Training Policy, Employee Health and Wellness Policy, Sexual Harassment Policy and others which ensure consistent application of rules and regulations.

#### **Human resource priorities for the year under review and the impact of these**

The priorities include the following:

- The reduction of the vacancy rate to within 10% or below,
- To maintain the turnover rate at 10% or below,
- The implementation of the ethics standards as required by the Public Administration Management Act.

#### **Workforce planning and key strategies to attract and recruit a skilled and capable workforce**

The recruitment process was guided by a comprehensive HR Plan which sought to recruit and place a skilled and capable workforce at the right place at the right time. The recruitment of senior management was guided by the competency assessment as prescribed. The pursuit of targeting 50% women at senior management level continued, as well as efforts to ensure that 2% the workforce of the department is comprised of those who are physically challenged.

#### **Employee performance management**

The Department utilises the Employee Performance and Management System and Chapter 4 of the SMS Handbook to manage performance in a manner that rewards excellence and correct poor performance. The performance agreements, work plans, personal development plans are concluded annually as part of performance management.

#### **Employee wellness programmes**

The department has an Employee Wellness, Diversity Management, Exco Outreach and Social Responsibility Unit responsible for the implementation of the four (4) Employee Health and Wellness Policies. The main aim is to ensure productivity of employees by various proactive interventions aimed at managing environmental factors, health awareness and disease management. South Africa is a diversity rich country and the workplace is a microcosm of this. As a result, the diversity Management component of the unit strives to create a work environment that is inclusive and fosters growth and development for targeted and designated groups.

## **Achievements and challenges faced by the Department, as well as future human resource plans/goals.**

The human resource function is now focussed and dedicated and is a reliable strategic partner to the line functionaries in the Department. In the past few years, it has consistently improved its value addition to the strategic direction of the Department. It has facilitated the recruitment of suitable candidates into key posts in the department. The Department is subsidising its employees in their efforts to upskill themselves through several bursaries.

We strive to continuously upskill and motivate our human resource team to be ethical HR generalists who add value to the strategic objectives of the Department. The Ethics Programme is being institutionalised within the labour Relations unit.

In the period under review, the Department awarded 10 bursaries to employees and accommodated 32 interns to gain work experience.

Eight (8) permanent officials exited the department in 2022/ 2023. Three (3) officials resigned, one (1) retired, one (1) sadly passed away and three (3) officials were dismissed.

## **4.2. HUMAN RESOURCE OVERSIGHT STATISTICS**

### **4.2.1. Personnel related expenditure**

**Table 4.2.1.1 Personnel expenditure by programme for the period 1 April 2023 to 31 March 2024**

<b>Programme</b>	<b>Total expenditure (R'000)</b>	<b>Personnel expenditure (R'000)</b>	<b>Training expenditure (R'000)</b>	<b>Professional and special services expenditure (R'000)</b>	<b>Personnel expenditure as a % of total expenditure</b>	<b>Average personnel cost per employee (R'000)</b>
Administration	72 925,00	50 456,00	0,00	0,00	69,20	601,00
Small business Development (IEDS)	58 924,00	17 945,00	0,00	0,00	30,50	339,00
Trade and Sector Development	118 062,00	6 678,00	0,00	0,00	5,70	742,00
Business Regulation and Governance	44 933,00	8 196,00	0,00	0,00	18,20	683,00
Policy Research and Innovation (Economic Planning)	18 175,00	12 683,00	0,00	0,00	69,80	793,00
Tourism	38 253,00	11 903,00	0,00	0,00	31,10	661,00
<b>Total</b>	<b>3 351 271,00</b>	<b>107 859,00</b>	<b>0,00</b>	<b>0,00</b>	<b>30,70</b>	<b>562,00</b>



**Table 4.2.1.2 Personnel costs by salary band for the period 1 April 2023 to 31 March 2024**

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)	0.00	0.00	00.00	0.00
Skilled (levels 3-5)	6 803,00	6.20	20,00	340 150,00
Highly skilled production (levels 6-8)	22 221,00	20,30	51,00	435 706,00
Highly skilled supervision (levels 9-12)	48 433,00	44,20	65,00	745 123,00
Senior and Top management (levels 13-16)	28 124,00	25,70	21,00	1 339 238,00
Contract (levels 1-2)	0.00	0.00	0.00	0.00
Contract (levels 3-5)	0.00	0.00	0.00	0.00
Contract (levels 6-8)	0.00	0.00	0.00	0.00
Contract (levels 9-12)	998,00	0,90	1,00	998 000,00
Contract (levels 13-16)	1 251,00	1,10	1,00	1 251 000,00
Contract Other	160,00	0,10	2,00	80 000,00
Periodical Remuneration	143,00	0,10	31,00	4 613,00
Abnormal Appointment	0.00	0.00	0.00	0.00
<b>Total</b>	<b>108 133.00</b>	<b>98.60</b>	<b>192.00</b>	<b>563 193,00</b>

**Table 4.2.1.3 Salaries, Overtime, Home Owners Allowance and Medical Aid by programme for the period 1 April 2023 to 31 March 2024**

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	42 173,00	82,50	0,00	0.00	1 162,00	2,30	2 509,00	4,90
Small business Development (IEDS) (INTEGRATED ECONOMIC DEV SERV)	14 747,00	83,20	0,00	0.00	357,00	2,00	833,00	4,70
Trade and Sector Development	6 055,00	82,10	0,00	0.00	182,00	2,50	240,00	3,30
Business Regulation and Governance	6 996,00	84,20	0,00	0.00	203,00	2,40	347,00	4,20
Policy Research and Innovation (Economic Planning)	10 951,00	84,70	0,00	0.00	300,00	2,30	358,00	2,80
Tourism	9 718,00	79,70	0,00	0.00	286,00	2,30	661,00	5,40
<b>Total</b>	<b>90 641,00</b>	<b>82,70</b>	<b>0,00</b>	<b>0.00</b>	<b>2 491,00</b>	<b>2,30</b>	<b>4 948,00</b>	<b>4,50</b>

**Table 4.2.1.4 Salaries, Overtime, Home Owners Allowance and Medical Aid by salary band for the period 1 April 2023 and 31 March 2024**

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
Lower skilled (levels 1-2)	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00
Skilled (levels 3-5)	4 865,00	71,40	0,00	0,00	385,00	5,60	796,00	11,70
Highly skilled production (levels 6-8)	17 063,00	76,50	0,00	0,00	890,00	4,00	2 142,00	9,60
Highly skilled supervision (levels 9-12)	41 146,00	84,10	0,00	0,00	840,00	1,70	1 815,00	3,70
Senior and Top management (levels 13-16)	25 015,00	86,20	0,00	0,00	377,00	1,30	195,00	0,70
Contract (levels 1-2)	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00
Contract (levels 3-5)	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00
Contract Other	160,00	100,00	0,00	0,00	0,00	0,00	0,00	0,00
Contract (levels 6-8)	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00
Contract (levels 9-12)	998,00	99,90	0,00	0,00	0,00	0,00	0,00	0,00
Contract (levels 13-16)	1 250,00	98,30	0,00	0,00	0,00	0,00	0,00	0,00
Periodical Remuneration	143,00	91,10	0,00	0,00	0,00	0,00	0,00	0,00
Abnormal Appointment			0,00	0,00	0,00	0,00	0,00	0,00
<b>Total</b>	<b>90 641,00</b>	<b>82,70</b>	<b>0,00</b>	<b>0,00</b>	<b>2 491,00</b>	<b>2,30</b>	<b>4 948,00</b>	<b>4,50</b>

#### 4.2.2. Employment and Vacancies

**Table 4.2.2.1 Employment and vacancies by programme as on 31 March 2024**

Programme	Number of posts on approved establishment	Number of posts filled	Vacancy Rate	Number of employees additional to the establishment
Administration	99,00	84,00	15,20	0,00
Small business Development (IEDS)	24,00	23,00	4,20	0,00
Trade and Sector Development	12,00	9,00	25,00	0,00
Business Regulation and Governance	13,00	11,00	15,40	0,00
Policy Research and Innovation (Economic Planning)	17,00	16,00	5,90	0,00
Tourism	18,00	18,00	0,00	0,00
<b>Total</b>	<b>183,00</b>	<b>161,00</b>	<b>12,00</b>	<b>0,00</b>

**Table 4.2.2.2 Employment and vacancies by salary band as on 31 March 2024**

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)	0,00	0,00	0,00	0,00
Skilled (3-5)	24,00	20,00	16,70	0,00
Highly skilled production (6-8)	54,00	51,00	5,60	0,00
Highly skilled supervision (9-12)	72,00	65,00	9,70	0,00
Senior management (13-16)	29,00	21,00	27,60	0,00
09 Other, Permanent	2,00	2,00	0,00	0,00
Contract (levels 1-2)	0,00	0,00	0,00	0,00
Contract (levels 3-5)	0,00	0,00	0,00	0,00
Contract (levels 6-8)	0,00	0,00	0,00	0,00
Contract (levels 9-12)	1,00	1,00	0,00	0,00
Contract (levels 13-16)	1,00	1,00	0,00	0,00
Periodical Remuneration	0,00	0,00	0,00	0,00
Abnormal Appointment	0,00	0,00	0,00	0,00
<b>Total</b>	<b>183,00</b>	<b>161,00</b>	<b>12,00</b>	<b>0,00</b>

**Table 4.2.2.3 Employment and vacancies by critical occupation as on 31 March 2024**

Critical occupations	Number of posts on approved establishment	Number of posts filled	Vacancy Rate	Number of employees additional to the establishment
Administrative Related, Perm	51.00	51.00	0	0.00
Client information clerks (e.g. switchboard	1.00	1.00	0.00	0.00
Communication and information related	1.00	1.00	0.00	0.00
Computer programmers	0.00	0.00	0.00	0.00
Computer system designers and analysts	4.00	4.00	0.00	0.00
Economists	1.00	1.00	0.00	0.00
Finance and economics related	8.00	8.00	0.00	0.00
Financial and related professionals	12.00	12.00	0.00	0.00
Financial clerks and credit controllers	8.00	8.00	14.30	0.00
Food services aids and waiters	0.00	0.00	0.00	0.00
General legal administration and related professionals	1.00	1.00	0.00	0.00
Human resources and organisation developed and related	6.00	6.00	0.00	0.00
Human resources clerks	2.00	2.00	0.00	0.00
Human resources related	2.00	2.00	0.00	0.00
Information technology related	1.00	1.00	0.00	0.00
Language practitioners, interpreters and other communication	0.00	0.00	0.00	0.00
Library mail and related clerks	1.00	1.00	0.00	0.00
Material-recording clerks and transport clerks	0.00	0.00	0.00	0.00
Messengers, porters and deliverers	2.00	2.00	0.00	0.00
Other administration and related clerks and organisers	16.00	16.00	9.10	0.00
Other administrative policy and related officers	3.00	3.00	0.00	0.00
Other information technology personnel	1.00	1.00	0.00	0.00
Other occupations	1.00	1.00	0.00	0.00
Regulatory inspectors	7.00	7.00	0.00	0.00
Risk management and security services	0.00	0.00	0.00	0.00
Secretaries and other keyboard operating clerks	10.00	10.00	8.30	0.00
Security guards	5.00	5.00	0.00	0.00
Security Officers, Permanent	0.00	0.00	0.00	0.00
Senior managers	14.00	14.00	17.60	0.00
Trade Labourers, Permanent	0.00	0.00	0.00	0.00
Trade/industry advisors and other related professionals	4.00	4.00	0.00	0.00
<b>Total</b>	<b>183.00</b>	<b>161.00</b>	<b>12.00</b>	<b>0.00</b>

### 4.2.3. Filling of SMS Posts

**Table 4.2.3.1 SMS post information as on 31 March 2024**

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
Director-General/ Head of Department	1	1	4,5 %	0	0
Salary Level 16	0	0	0	0	0
Salary Level 15	0	0	0	0	0
Salary Level 14	8	8	36,4%	0	0
Salary Level 13	13	12	54,5 %	1	4,5%
<b>Total</b>	<b>22</b>	<b>21</b>	<b>95,4%</b>	<b>1</b>	<b>4,5%</b>

**Table 4.2.3.2 SMS post information as on 30 September 2023**

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
Director-General/ Head of Department	1	1	4,5%	0	0
Salary Level 16	0	0	0	0	0
Salary Level 15	0	0	0	0	0
Salary Level 14	5	5	22,7%	0	0
Salary Level 13	16	15	68,2%	1	4,5%
<b>Total</b>	<b>22</b>	<b>21</b>	<b>95,4%</b>	<b>1</b>	<b>4,5%</b>

**Table 4.2.3.3 Advertising and filling of SMS posts for the period 1 April 2023 to 31 March 2024**

SMS Level	Advertising	Filling of Posts	
	Number of vacancies per level advertised in 6 months of becoming vacant.	Number of vacancies per level filled in 6 months of becoming vacant.	Number of vacancies per level not filled in 6 months but filled in 12 months.
Director-General/ Head of Department	0	0	0
Salary Level 16	0	0	0
Salary Level 15	0	0	0
Salary Level 14	0	0	0
Salary Level 13	0	0	0
<b>Total</b>	<b>0</b>	<b>0</b>	<b>0</b>

**Table 4.2.3.4 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 2023 to 31 March 2024**

<b>Reasons for vacancies not advertised within six months</b>
Posts were advertised within 6 months and filled within 12 months.
<b>Reasons for vacancies not filled within twelve months</b>
Posts were advertised within 6 months and filled within 12 months.

**Table 4.2.3.5 Disciplinary steps taken for not complying with the prescribed timeframes for filling SMS posts within 12 months for the period 1 April 2023 to 31 March 2024**

<b>Reasons for vacancies not advertised within six months</b>
Not applicable to the department, still within the timeframe

<b>Reasons for vacancies not filled within six months</b>
Not applicable to the department, still within the timeframe

#### 4.2.4. Job Evaluation

**Table 4.2.4.1 Job Evaluation by salary band for the period 1 April 2023 to 31 March 2024**

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)	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Skilled (levels 3-5)	24.00	0.00	0.00	0.00	0.00	0.00	0.00
Highly skilled production (levels 6-8)	54.00	0.00	0.00	0.00	0.00	0.00	0.00
Highly skilled supervision (levels 9-12)	72.00	0.00	0.00	0.00	0.00	0.00	0.00
Senior Management Service Band A	18.00	0.00	0.00	0.00	0.00	0.00	0.00
Senior Management Service Band B	10.00	0.00	0.00	0.00	0.00	0.00	0.00
Senior Management Service Band C	1.00	0.00	0.00	0.00	0.00	0.00	0.00
09 Other	2.00	0.00	0.00	0.00	0.00	0.00	0.00
Senior Management Service Band D	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Contract (levels 1-2)	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Contract (levels 3-5)	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Contract (levels 6-8)	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Contract (levels 9-12)	1.00	0.00	0.00	0.00	0.00	0.00	0.00
Contract (Band A)	1.00	0.00	0.00	0.00	0.00	0.00	0.00
Contract (Band B)	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Contract (Band C)	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Contract (Band D)	0.00	0.00	0.00	0.00	0.00	0.00	0.00
<b>Total</b>	<b>183.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>

**Table 4.2.4.2 Profile of employees whose positions were upgraded due to their posts being upgraded for the period 1 April 2023 to 31 March 2024**

Gender	African	Asian	Coloured	White	Total
Female	0.00	0.00	0.00	0.00	0.00
Male	0.00	0.00	0.00	0.00	0.00
Total	0.00	0.00	0.00	0.00	0.00

Employees with a disability	0
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**Table 4.2.4.3 Employees with salary levels higher than those determined by job evaluation by occupation for the period 1 April 2023 to 31 March 2024**

Occupation	Number of employees	Job evaluation level	Remuneration level	Reason for deviation
0.00	0.00	0.00	0.00	n/a
Total number of employees whose salaries exceeded the level determined by job evaluation				0
Percentage of total employed				0

**Table 4.2.4.4 Profile of employees who have salary levels higher than those determined by job evaluation for the period 1 April 2023 to 31 March 2024**

Beneficiaries	African	Asian	Coloured	White	Total
Female	0.00	0.00	0.00	0.00	0.00
Male	0.00	0.00	0.00	0.00	0.00
Total	0.00	0.00	0.00	0.00	0.00

Employees with a disability	0.00	0.00	0.00	0.00	0.00
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Total Number of Employees whose remuneration exceeded the grade determined by job evaluation	0.00
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#### 4.2.5. Employment Changes

**Table 4.2.5.1 Annual turnover rates by salary band for the period 1 April 2023 to 31 March 2024**

Salary Band	Employment at beginning of period-April 2023	Appointments and transfers into the department	Terminations and transfers out of the department	Turnover rate
Lower skilled ( levels 1-2)	0.00	0.00	0.00	0.00
Skilled (levels 3-5)	24.00	4.00	3.00	12.50
Highly skilled production (levels 6-8)	46.00	3.00	2.00	4.30
Highly skilled supervision (levels 9-12)	57.00	5.00	2.00	3.50
Senior Management Service Bands A	14.00	0.00	1.00	7.10
Senior Management Service Bands B	5.00	0.00	0.00	0.00
Senior Management Service Bands C	2.00	0.00	1.00	50.00
Senior Management Service Bands D	0.00	0.00	0.00	0.00
Other Permanent	1.00	2.00	1.00	100
Contract (Levels 1-2)	0.00	0.00	0.00	0.00
Contract (Levels 3-5)	0.00	0.00	0.00	0.00
Contract (Levels 6-8)	0.00	0.00	0.00	0.00
Contract (Levels 9-12)	1.00	1.00	1.00	100
Contract (Band A)	1.00	1.00	1.00	100
<b>Total</b>	<b>151.00</b>	<b>16.00</b>	<b>12.00</b>	<b>7.90</b>

**Table 4.2.5.2 Annual turnover rates by critical occupation for the period 1 April 2023 to 31 March 2024**

Critical Occupation	Number of employees at beginning of period-April 2023	Appointments and transfers into the department	Terminations and transfers out of the department	Turnover rate
Administrative Related	47.00	4.00	4.00	8.50
Client information clerks	0.00	0.00	0.00	0.00
Communication and information related	1.00	0.00	0.00	0.00
Computer programmers	0.00	0.00	0.00	0.00
Computer system designers and analysts	2.00	1.00	0.00	0.00
Economists	1.00	0.00	0.00	0.00
Finance and economics related	8.00	2.00	2.00	25.00
Financial and related professionals	10.00	1.00	2.00	20.00
Financial clerks and credit controllers	9.00	0.00	0.00	0.00
Food services aids and waiters	0.00	0.00	0.00	0.00
General legal administration and related professionals	1.00	0.00	0.00	0.00
Head of department/chief executive officer	0.00	0.00	0.00	0.00
Human resources and organisation developed and related	7.00	0.00	0.00	0.00
Human resources clerk	1.00	0.00	0.00	0.00
Human resources related	2.00	0.00	0.00	0.00
Information technology related	0.00	0.00	0.00	0.00
Library mail and related clerks	1.00	0.00	0.00	0.00
Material-recording clerks and transport clerks	0.00	0.00	0.00	0.00
Messengers, porters and deliverers	3.00	0.00	0.00	0.00
Other administrative and related clerks and organisers	10.00	4.00	0.00	0.00
Other administrative policy and related officers	3.00	0.00	0.00	0.00
Other information technology personnel	1.00	0.00	0.00	0.00
Other occupations	2.00	0.00	0.00	0.00
Regulatory inspectors	8.00	0.00	1.00	12.50
Risk management and security services	0.00	0.00	0.00	0.00
Secretaries and other operating clerks	10.00	1.00	0.00	0.00
Security guards	6.00	0.00	1.00	16.70
Security Officers	0.00	0.00	0.00	0.00
Senior managers	14.00	1.00	2.00	14.30
Trade Labourers	0.00	0.00	0.00	0.00
Trade/industry advisers and other related professionals	4.00	0.00	0.00	0.00
<b>Total</b>	<b>151.00</b>	<b>16.00</b>	<b>12.00</b>	<b>7.90</b>

**Table 4.2.5.3 Reasons why staff left the department for the period 1 April 2023 to 31 March 2024**

Termination Type	Number	% of Total Resignations
Death	1.00	8.30
Resignation	4.00	33.30
Expiry of contract	3.00	25.00
Dismissal – operational changes	1.00	8.30
Dismissal – misconduct	2.00	16.70
Dismissal – inefficiency	0.00	0.00
Discharged due to ill-health	0.00	0.00
Retirement	1.00	8.30
Transfer to other Public Service Departments	0.00	0.00
Other	0.00	0.00
<b>Total</b>	<b>12.00</b>	<b>100.00</b>
<b>Total number of employees who left as a % of total employment</b>		<b>7,54%</b>

**Table 4.2.5.4 Promotions by critical occupation for the period 1 April 2023 to 31 March 2024**

Occupation:	Employees 1 April 2023	Promotions to another salary level	Salary level promotions as a % of employees by occupation	Progressions to another notch within a salary level	Notch promotions as a % of employees by occupation
Administrative related	47.00	1.00	2.10	44.00	93.60
Client information clerks	0.00	0.00	0.00	1.00	0.00
Communication and information related	1.00	0.00	0.00	1.00	100.00
Computer system designers and analysts	2.00	1.00	50.00	1.00	50.00
Economists	1.00	0.00	0.00	1.00	100.00
Finance and economics related	8.00	0.00	0.00	4.00	50.00
Financial and related professionals	10.00	2.00	20.00	6.00	60.00
Financial clerks and credit controllers	9.00	0.00	0.00	6.00	66.70
Food services aids and waiters	0.00	0.00	0.00	0.00	0.00
General legal administration and related professionals	1.00	0.00	0.00	0.00	0.00
Head of department	0.00	0.00	0.00	0.00	0.00
Human resources and organisational developed and related	7.00	0.00	0.00	5.00	71.40
Human resources clerk	1.00	1.00	100.00	1.00	100.00
Human resources related	2.00	0.00	0.00	0.00	00.00
Information technology related	0.00	0.00	0.00	0.00	0.00
Library mail and related clerks	1.00	0.00	0.00	1.00	100.00
Material-recording clerks and transport clerks	0.00	0.00	0.00	0.00	0.00
Messengers, porters and deliverers	3.00	0.00	0.00	3.00	100.00
Other administrative and related clerks and organisers	10.00	0.00	0.00	8.00	80.00
Other administrative policy and related officers	3.00	0.00	0.00	2.00	66.70
Other information technology personnel	1.00	0.00	0.00	1.00	100.00
Other occupations	2.00	0.00	0.00	2.00	100.00
Regulatory inspectors	8.00	0.00	0.00	8.00	100.00
Risk management and security services	0.00	0.00	0.00	0.00	0.00
Secretaries and other keyboard operating clerks	10.00	2.00	20.00	9.00	90.00
Security Guards	6.00	0.00	0.00	6.00	100.00
Security Officers	0.00	0.00	0.00	0.00	0.00
Senior managers	14.00	3.00	21.40	11.00	78.60

Occupation:	Employees 1 April 2023	Promotions to another salary level	Salary level promotions as a % of employees by occupation	Progressions to another notch within a salary level	Notch promotions as a % of employees by occupation
Trade Labourers	0.00	0.00	0.00	0.00	0.00
Statisticians and related professionals	0.00	0.00	0.00	0.00	0.00
Trade/industry advisers and other related professionals	4.00	0.00	0.00	1.00	25.00
<b>Total</b>	<b>151.00</b>	<b>10.00</b>	<b>6.16</b>	<b>122.00</b>	<b>80.80</b>

**Table 4.2.5.5 Promotions by salary band for the period 1 April 2023 to 31 March 2024**

Salary band	Employees 1 April 2023	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)	0.00	0.00	0.00	0.00	0.00
Skilled (levels 3-5)	24.00	0.00	0.00	18.00	75.00
Highly skilled production (levels 6-8)	46.00	3.00	6.50	39.00	84.80
Highly skilled supervision (levels 9-12)	57.00	2.00	3.50	46.00	80.70
Senior Management (level 13-16)	21.00	5.00	23.18	16.00	76.20
Other, Permanent	1.00	0.00	0.00	1.00	100.00
Contract (levels 1-2)	0.00	0.00	0.00	0.00	0.00
Contract (levels 3-5)	0.00	0.00	0.00	0.00	0.00
Contract (levels 6-8)	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	0.00
Contract (levels 9-12)	<b>1.00</b>	<b>0.00</b>	<b>0.00</b>	<b>1.00</b>	100.00
Contract (levels 13-16)	<b>1.00</b>	<b>0.00</b>	<b>0.00</b>	<b>1.00</b>	100.00
<b>Total</b>	<b>151.00</b>	<b>10.00</b>	<b>6.60</b>	<b>122.00</b>	<b>80.80</b>

## 4.2.6. Employment Equity

**Table 4.2.6.1 Total number of employees (including employees with disabilities) in each of the following occupational categories as at 31 March 2024**

Occupational category	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Legislators, senior officials and managers	5,00	3,00	1,00	0,00	3,00	1,00	0,00	0,00	13,00
Professionals	11,00	3,00	0,00	2,00	13,00	4,00	0,00	2,00	35,00
Technicians and associate professionals	20,00	6,00	0,00	2,00	21,00	8,00	0,00	1,00	58,00
Clerks	5,00	2,00	0,00	0,00	17,00	9,00	0,00	2,00	35,00
Service and sales workers	5,00	5,00	0,00	0,00	3,00	4,00	0,00	1,00	13,00
Labourers and related workers	0,00	0,00	0,00	0,00	1,00	0,00	0,00	0,00	1,00
Skilled agriculture and fishery workers	1,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	1,00
Craft and related trades workers	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00
Plant and machine operators and assemblers	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00
Elementary occupations	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00
<b>Total</b>	<b>47,00</b>	<b>19,00</b>	<b>1,00</b>	<b>4,00</b>	<b>58,00</b>	<b>26,00</b>	<b>0,00</b>	<b>6,00</b>	<b>161,00</b>
Employees with disabilities	0,00	0,00	0,00	0,00	2,00	1,00	0,00	0,00	3,00

**Table 4.2.6.2 Total number of employees (including employees with disabilities) in each of the following occupational bands on 31 March 2024**

Occupational Band	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Top Management (L15-L16)	1,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	1,00
Senior Management (L13-L14)	5,00	4,00	1,00	3,00	5,00	2,00	0,00	0,00	20,00
Professionally qualified and experienced specialists and mid-management	29,00	8,00	0,00	1,00	17,00	6,00	0,00	4,00	65,00
Skilled technical and academically qualified workers, junior management, supervisors, foreman and superintendents	6,00	6,00	0,00	0,00	23,00	14,00	0,00	2,00	51,00
Semi-skilled and discretionary decision making	5,00	1,00	0,00	0,00	11,00	3,00	0,00	0,00	20,00
Unskilled and defined decision making	0,00	0,00	0,00	0,00	2,00	0,00	0,00	0,00	<b>2,00</b>
Contract (Senior Management)	1,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	1,00
Contract (Professionally qualified)	0,00	0,00	0,00	0,00	0,00	1,00	0,00	0,00	1,00
Contract (Semi-skilled)									
Contract (Unskilled)									
<b>Total</b>	<b>47,00</b>	<b>19,00</b>	<b>1,00</b>	<b>4,00</b>	<b>58,00</b>	<b>26,00</b>	<b>0,00</b>	<b>6,00</b>	<b>161,00</b>

**Table 4.2.6.3 Recruitment for the period 1 April 2023 and 31 March 2024**

Occupational Band	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Top Management	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Senior Management	1.00	1.00	1.00	1.00	1.00	0.00	0.00	0.00	5.00
Professionally qualified and experienced specialists and mid-management	4.00	0.00	0.00	0.00	1.00	0.00	0.00	0.00	5.00
Skilled technical and academically qualified workers, junior management, supervisors, foreman and superintendents	0.00	1.00	0.00	0.00	7.00	0.00	0.00	1.00	9.00
Semi-skilled and discretionary decision making	0.00	0.00	0.00	0.00	4.00	0.00	0.00	0.00	4.00
Unskilled and defined decision making	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Contract (Senior Management)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Contract (Professionally qualified)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Contract (Semi-skilled)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Contract (Unskilled)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
<b>Total</b>	<b>5.00</b>	<b>2.00</b>	<b>1.00</b>	<b>1.00</b>	<b>13.00</b>	<b>0.00</b>	<b>0.00</b>	<b>1.00</b>	<b>23.00</b>
Employees with disabilities	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00

**Table 4.2.6.4 Promotions for the period 1 April 2023 to 31 March 2024**

Occupational Bands	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Top Management	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Senior Management	1.00	1.00	1.00	1.00	1.00	0.00	0.00	0.00	5.00
Professionally qualified and experienced specialists and mid-management	0.00	1.00	0.00	0.00	3.00	0.00	0.00	1.00	5.00
Skilled technical and academically qualified workers, junior management, supervisors, foreman and superintendents	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Semi-skilled and discretionary decision making	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Unskilled and defined decision making	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Contract (Senior Management)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Contract (Professionally qualified)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Contract (Semi-skilled)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Contract (Unskilled)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
<b>Total</b>	<b>1.00</b>	<b>2.00</b>	<b>1.00</b>	<b>1.00</b>	<b>4.00</b>	<b>0.00</b>	<b>0.00</b>	<b>1.00</b>	<b>10.00</b>
Employees with disabilities	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00

**Table 4.2.6.5 Terminations for the period 1 April 2023 to 31 March 2024**

Occupational Band	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Top Management	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Senior Management	0.00	0.00	1.00	1.00	0.00	0.00	0.00	0.00	2.00
Professionally qualified and experienced specialists and mid-management	1.00	0.00	0.00	0.00	1.00	0.00	0.00	0.00	2.00
Skilled technical and academically qualified workers, junior management, supervisors, foreman and superintendents	1.00	0.00	0.00	0.00	2.00	0.00	0.00	0.00	3.00
Semi-skilled and discretionary decision making	1.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	1.00
Not available, Permanent	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Unskilled and defined decision making	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Contract (Senior Management)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Contract (Professionally qualified)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Contract (semi-skilled)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Contract (Unskilled)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
<b>Total</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>8.00</b>
Employees with Disabilities	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00



**Table 4.2.6.6 Disciplinary action for the period 1 April 2023 to 31 March 2024**

Disciplinary action	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Absenteeism	1	0	0	0	1	0	0	0	2
Insubordination	0	0	0	0	0	1	0	0	1
Refusing a lawful instruction	0	0	0	0	0	0	0	0	0
Non-compliance to supply chain processes	2	0	1	1	0	0	0	0	4
Non-compliance to EPMDS processes	0	0	0	0	0	0	0	0	0

**Table 4.2.6.7 Skills development for the period 1 April 2023 to 31 March 2024**

Occupational category	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Legislators, senior officials and managers	0	0	0	0	0	2	0	0	2
Professionals	5	2	0	0	6	7	0	4	24
Technicians and associate professionals	1	1	0	0	5	15	0	2	24
Clerks	2	0	0	0	2	3	0	0	7
Service and sales workers	0	1	0	0	1	0	0	0	2
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	0	0	0	0	0	0	0	0	0
<b>Total</b>	<b>8</b>	<b>4</b>	<b>0</b>	<b>0</b>	<b>14</b>	<b>27</b>	<b>0</b>	<b>6</b>	<b>59</b>
Employees with disabilities	0	0	0	0	0	0	0	0	0

#### 4.2.7. Signing of Performance Agreements by SMS Members

**Table 4.2.7.1 Signing of Performance Agreements by SMS members as on 31 May 2024**

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
Director-General/ Head of Department	1	22	1	4,5%
Salary Level 16	0	0	0	0
Salary Level 15	0	0	0	0
Salary Level 14	8	22	8	36,4%
Salary Level 13	13	22	13	59,1%
<b>Total</b>	<b>22</b>	<b>22</b>	<b>22</b>	<b>100%</b>

**Table 4.2.7.2 Reasons for not having concluded Performance agreements for all SMS members as on 31 March 2024**

Reasons
No applicable.

**Table 4.2.7.3 Disciplinary steps taken against SMS members for not having concluded Performance agreements as on 31 March 2024**

Reasons
No applicable.

#### 4.2.8. Performance Rewards

**Table 4.2.8.1 Performance Rewards by race, gender and disability for the period 1 April 2023 to 31 March 2024**

Race and Gender	Beneficiary Profile			Cost	
	Number of beneficiaries	Number of employees	% of total within group	Cost (R'000)	Average cost per employee
African					
Male	0	47	29,6%	0	0
Female	0	61	38,4%	0	0
Asian					
Male	0	1	0,63%	0	0
Female	0	0	0	0	0
Coloured					
Male	0	19	12%	0	0
Female	0	21	13,2%	0	0
White					
Male	0	4	2,5%	0	0
Female	0	6	3,8%	0	0
<b>Total</b>	<b>0</b>	<b>159</b>	<b>100%</b>	<b>0</b>	<b>0</b>

**Table 4.2.8.2 Performance Rewards by salary bands for personnel below Senior Management Service for the period 1 April 2023 to 31 March 2024**

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)	0	20	14,6%	0	0	0
Highly Skilled Production (Level 6-8)	0	51	37,2%	0	0	0
Highly Skilled Supervision (Level 9-12)	0	66	48,2%	0	0	0
<b>Total</b>	<b>0</b>	<b>137</b>	<b>100%</b>	<b>0</b>	<b>0</b>	<b>0</b>

**Table 4.2.8.3 Performance Rewards by critical occupations for the period 1 April 2023 to 31 March 2024**

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	0	52.00	0	0	0
Client information clerks	0	1.00	0	0	0
Communication and information related	0	1.00	0	0	0
Computer system designers and analysts	0	1.00	0	0	0
Economists	0	1.00	0	0	0
Finance and economics related	0	7.00	0	0	0
Financial and related professionals	0	9.00	0	0	0
Financial clerks and credit controllers	0	6.00	0	0	0
Food services aids and waiters	0	0.00	0	0	0
General legal administration and related professionals	0	1.00	0	0	0
Human resources and organisational development and related personnel	0	7.00	0	0	0
Human resources clerk	0	1.00	0	0	0
Human resources related	0	1.00	0	0	0
Information technology related	0	1.00	0	0	0
Library mail and related clerks	0	1.00	0	0	0

Critical Occupation	Beneficiary Profile				Cost
	Number of beneficiaries	Number of employees	% of total within occupation	Total Cost (R'000)	Average cost per employee
Material-recording clerks and transport clerks	0	0.00	0	0	0
Messengers porters and deliverers	0	3.00	0	0	0
Other administrative related clerks and organisers	0	10.00	0	0	0
Other administrative policy and related officers	0	0.00	0	0	0
Other information technology personnel	0	1.00	0	0	0
Other occupations	0	3.00	0	0	0
Regulatory inspectors	0	9.00	0	0	0
Risk management and security services	0	6.00	0	0	0
Secretaries and other keyboard operating clerks	0	8.00	0	0	0
Security guards	0	6.00	0	0	0
Security Officers	0	0.00	0	0	0
Senior managers	0	21.00	0	0	0
Trade Labourers	0	0.00	0	0	0
Trade/industry advisors and other related professions	0	2.00	0	0	0
<b>Total</b>	<b>0.00</b>	<b>159.00</b>	<b>0</b>	<b>0.00</b>	<b>0.00</b>

**Table 4.2.8.4 Performance related rewards (cash bonus), by salary band for Senior Management Service for the period 1 April 2023 to 31 March 2024**

Salary Band	Beneficiary Profile			Cost		
	Number of beneficiaries	Number of employees	% of total within band	Total Cost (R'000)	Average cost per employee	Total cost as a % of the personnel expenditure
Band A	0	13	59,1%	0	0	0
Band B	0	8	36,4%	0	0	0
Band C	0	1	4,5%	0	0	0
Band D	0	0	0	0	0	0
<b>Total</b>	<b>0</b>	<b>22</b>	<b>100%</b>	<b>0</b>	<b>0</b>	<b>0</b>

#### 4.2.9. Foreign Workers

**Table 4.2.9.1 foreign workers by salary band for the period 1 April 2023 to 31 March 2024**

Salary Band	01 April 2023		31 March 2024		Change	
	Number	% of total	Number	% of total	Number	% Change
Lower skilled	0.00	0.00	0.00	0.00	0.00	0.00
Highly skilled production (level 6-8)	1.00	0.63	1.00	0.63	1.00	0.63
Highly skilled supervision (level 9-12)	1.00	0.63	1.00	0.63	1.00	0.63
Contract (level 9-12)	0.00	0.00	0.00	0.00	0.00	0.00
Contract (level 13-16)	0.00	0.00	0.00	0.00	0.00	0.00
<b>Total</b>	<b>2.00</b>	<b>1.26</b>	<b>2.00</b>	<b>1.26</b>	<b>2.00</b>	<b>1.26</b>

**Table 4.2.9.2 foreign workers by major occupation for the period 1 April 2023 to 31 March 2024**

Major occupation	01 April 2023		31 March 2024		Change	
	Number	% of total	Number	% of total	Number	% Change
	2	1.27	2	1.27	2	1.27

#### 4.2.10. Leave utilisation

**Table 4.2.10.1 Sick leave for the period 1 January 2023 to 31 December 2023**

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 (levels 1-2)	0.00	0.00	0.00	0.00	0.00	0.00
Skilled (levels 3-5)	258.00	83.70	23.00	18.70	11.00	259.00
Highly skilled production (levels 6-8)	364.00	71.70	43.00	35.00	08.00	605.00
Highly skilled supervision (levels 9 -12)	387.00	79.60	43.00	35.00	9.00	1089.00
Top and Senior management (levels 13-16)	83.00	78.30	11.00	8.90	8.00	423.00
Contract (levels 1-2)	0.00	0.00	0.00	0.00	0.00	0.00
Contract (levels 3-5)	0.00	0.00	0.00	0.00	0.00	0.00
Contract Other	1.00	0.00	1.00	0.80	1.00	0.00
Contract (levels 6-8)	364.00	71.70	43.00	35.00	8.00	605.00
Contract (levels 13-16)	3.00	100.00	1.00	0.80	3.00	14.00
<b>Total</b>	<b>1100.00</b>	<b>77.80</b>	<b>123.00</b>	<b>100.00</b>	<b>9.00</b>	<b>2404.00</b>

**Table 4.2.10.2 Disability Leave (temporary and permanent) for the period 1 January 2023 to 31 December 2024**

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)	-	-	-	-	-	-
Skilled (levels 3-5)	35.00	100.00	3.00	15.00	12.00	36.00
Highly skilled production (levels 6-8)	18.00	100.00	1.00	16.70	18.00	23.00
Highly skilled supervision (levels 9-12)	128.00	100.00	2.00	33.30	64.00	371.00
Senior management (levels 13-16)	0.00	0.00	0.00	0.00	0.00	0.00
<b>Total</b>	<b>181</b>	<b>100</b>	<b>6.00</b>	<b>100.00</b>	<b>30.00</b>	<b>431.00</b>

**Table 4.2.10.3 Annual Leave for the period 1 January 2023 to 31 December 2023**

Salary Band	Total days taken	Number of Employees using annual leave	Average per employee
Lower skilled (levels 1-2)	-	-	-
Skilled (levels 3-5)	500.00	19.00	26.00
Highly skilled production (levels 6-8)	1272.00	25.00	51.00
Highly skilled supervision (levels 9-12)	1578.25	24.00	65.00
Senior management (levels 13-16)	542.00	27.00	20.00
Contract (level 1-2)	0.00	0.00	0.00
Contract (level 3-5)	0.00	0.00	0.00
Contract (level 6-8)	0.00	0.00	0.00
Contract level 9-12)	26.00	26.00	1.00
Contract Other	18.00	9.00	2.00
Contract (level 13-16)	36.00	36.00	1.00
<b>Total</b>	<b>3972.25</b>	<b>24.00</b>	<b>166.00</b>

**Table 4.2.10.4 Capped leave for the period 1 January 2023 to 31 December 2023**

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 at 31 March 2024
Lower skilled (Levels 1-2)	0.00	0.00	0.00	0.00
Skilled Levels 3-5)	0.00	0.00	0.00	0.00
Highly skilled production (Levels 6-8)	0.00	0.00	17.00	33.27
Highly skilled supervision (Levels 9-12)	0.00	0.00	22.00	194.15
Senior management (Levels 13-16)	0.00	0.00	41.00	121.64
<b>Total</b>	<b>0.00</b>	<b>0.00</b>	<b>25.00</b>	<b>349.06</b>

**Table 4.2.10.5 Leave payouts for the period 1 April 2023 to 31 March 2024**

Reason	Total Amount (R'000)	Number of Employees	Average per employee (R'000)
Leave payout for 2023/ 2024 due to non-utilisation of leave for the previous cycle.	9.00	1.00	9000.00
Capped leave payouts on termination of service for 2023/2024	284.00	5.00	56 800.00
Current leave payout on termination of service for 2023/2024	12.00	1.00	12 000.00
<b>Total</b>	<b>305.00</b>	<b>7.00</b>	<b>77 800.00</b>

#### 4.2.11. HIV/AIDS & Health Promotion Programmes

**Table 4.2.11.1 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
Women and young people	General awareness programmes are conducted within the departments.

**Table 4.2.11.2 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.	X		The SMS designated member is Mr.T. Ngamole
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.	X		We have a dedicated Employee Wellness Team, which consist of a Deputy Manager X1, Assistant manager X 1, Admin Clerks X 2. The EHW unit also manages other portfolios in the department which are of diversity management, EXCO Outreach and Social Responsibility.
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.	X		The wellness programme in the department is implemented under the following key areas:  -Telephone counselling -Face to face & virtual counselling -Trauma Response Services / Critical - Incident Stress Debriefing. -Life Management Services. -Disease awareness & management services. -Account Manager services. -Manager / Supervisor Training. -Communication, promotion and marketing. -Value added services.
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.	X		The department has had challenges in this area in terms of convening meetings that were organised during this financial year. The unit is currently in the process of appointing new members for the SHERQ committee. All interventions for OHS Act have been implemented by the unit
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.	X		The department has reviewed its recruitment policies to align with current legislation standards.
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.	X		Education and awareness programmes are held at different sessions. GEMS visits the department quarterly to conduct HCT for staff members. Sexual protection packages are distributed in the department.
7. Does the department encourage its employees to undergo Voluntary Counselling and Testing? If so, list the results that you have achieved.	X		GEMS visits the department quarterly to conduct HCT for staff members. Other tests like cholesterol, diabetes, TB etc are conducted as well.  The employees are motivated to live healthy life style and realise the importance of undergoing HCT and other tests as a preventative measure. Results from GEMS on HCT remains confidential.



Question	Yes	No	Details, if yes
8. Has the department developed measures/indicators to monitor & evaluate the impact of its health promotion programme? If so, list these measures/indicators.	X		The SHERQ committee is one tool to monitor and measure impact of health programme. Additionally, we report quarterly on the APP to ensure implementation of such programmes. Risk identification and analysis conducted in the risk register. EHW is a discipline that is reported on in the department on different platforms.

#### 4.2.12. Labour Relations

**Table 4.2.12.1 Collective agreements for the period 1 April 2023 to 31 March 2024**

Subject Matter	Total	Date
Total number of collective agreements	0	Not applicable

**Table 4.2.12.2 Misconduct and disciplinary hearings finalised for the period 1 April 2023 to 31 March 2024**

Outcomes of disciplinary hearings	Number	% of total
Correctional counselling	0	0%
Verbal warning	0	0%
Written warning	3	27.27%
Final written warning	3	27.27%
Suspended without pay	1	9.09%
Fine	0	0%
Demotion	0	0%
Dismissal	2	18.18%
Not guilty	2	18.18%
Case withdrawn	0	0%
<b>Total</b>	<b>11</b>	<b>100%</b>

<b>Total number of Disciplinary hearings finalised</b>	<b>7</b>
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**Table 4.2.12.3 Types of misconduct addressed at disciplinary hearings for the period 1 April 2023 to 31 March 2024**

Type of misconduct	Number	% of total
Irregular expenditure	3	37.5%
Non-compliance to SCM process	1	12.5%
Fruitless and wasteful expenditure	1	12.5%
Repeated absenteeism	2	25%
Insubordination	1	12.5%
<b>Total</b>	<b>8</b>	<b>100</b>

**Table 4.2.12.4 Grievances logged for the period 1 April 2023 to 31 March 2024**

	Number	% of Total
Number of grievances resolved	8	80%
Number of grievances not resolved	2	20%
<b>Total number of grievances lodged</b>	<b>10</b>	<b>100%</b>

**Table 4.2.12.5 Disputes logged with Councils for the period 1 April 2023 to 31 March 2024**

	Number	% of Total
Number of disputes upheld	5	100%
Number of disputes dismissed	0	0%
<b>Total number of disputes lodged</b>	<b>5</b>	<b>100%</b>

**Table 4.2.12.6 Strike actions for the period 1 April 2023 to 31 March 2024**

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

**Table 4.2.12.7 Precautionary suspensions for the period 1 April 2023 to 31 March 2024**

Number of people suspended	3
Number of people whose suspension exceeding 30 days	3
Average number of days suspended	359.3 days
Cost (R'000) of suspension	R 3 350 502.90

**4.2.13. Skills development****Table 4.2.13.1 Training needs identified for the period 1 April 2023 to 31 March 2024**

Occupational Category	Gender	Number of employees as at 1 April 2023	Training needs identified at start of the reporting period			
			Learnerships	Skills Programmes & other short courses	Other forms of training	Total
Legislators, senior officials and managers	Males	21	-	Strategic & Leadership Management	-	21
	Females	9	-		-	9
Professionals	Males	30	-	Financial Management for non-financial managers	-	30
	Females	27	-		-	27
Technicians and associate professionals	Males	9	-	Basic Economics Course	-	9
	Females	33	-		-	33
Clerks	Males	5	-	Report Writing & Minute Taking	-	5
	Females	17	-		-	17
Service and sales workers	Males	5	-	Project Management Course	-	5
	Females	3	-		-	3
Skilled agriculture and fishery workers	Males	-	-	-	-	-
	Females	-	-	-	-	-
Craft and related trade workers	Males	-	-	-	-	-
	Females	-	-	-	-	-
Plant and machine operators and assemblers	Males	-	-	-	-	-
	Females	-	-	-	-	-
Elementary occupations	Males	-	-	-	-	-
	Females	-	-	-	-	-
Sub Total	Males	70	-	-	-	70
	Females	89	-	-	-	89
<b>TOTAL</b>		<b>159</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>159</b>

**Table 4.2.13.2 Training provided for the period for the period 1 April 2023 to 31 March 2024**

Occupational Category	Gender	Number of employees as at 1 April 2023	Training provided within the reporting period			
			Learnerships	Skills Programmes & other short courses	Other forms of training	Total
Legislators, senior officials, and managers	Female	2	-	Project Management	-	2
	Male	0	-		-	0
Professionals	Female	17	-	Financial Management for non- financial managers	-	17
	Male	7	-			7
Technicians and associate professionals	Female	22	-	Basic Economics Training	-	22
	Male	2	-			2
Clerks	Female	5	-	Report Writing & Minute Taking	-	5
	Male	2	-		-	2
Service and sales workers	Female	1	-	Project Management	-	1
	Male	1	-		-	1
Skilled agriculture and fishery workers	Female	-	-	-	-	-
	Male	-	-	-	-	-
Craft and related trade workers	Female	-	-	-	-	-
	Male	-	-	-	-	-
Plant and machine operators and assemblers	Female	-	-	-	-	-
	Male	-	-	-	-	-
Elementary occupations	Female	-	-	-	-	-
	Male	-	-	-	-	-
Sub Total	Female	47	-	-	-	47
	Male	12	-	-	-	12
<b>Total</b>		59	-	-	-	59

#### 4.2.14. Injury on duty

**Table 4.2.14.1 Injury on duty for the period 1 April 2023 to 31 March 2024**

Nature of injury on duty	Number	% of total
Required basic medical attention only	2	1,25%
Temporary Total Disablement	0	0
Permanent Disablement	0	0
Fatal	0	0
<b>Total</b>	<b>2</b>	<b>1,25%</b>

#### 4.2.15. Utilisation of Consultants

**Table 4.2.15.1 Report on consultant appointments using appropriated funds for the period 1 April 2023 to 31 March 2024**

Project Title		Total Number of consultants that worked on project	Duration Work days	Contract value in Rand (R'000)
1	Departmental Employee Wellness Programme: Families South Africa: Kimberley (FAMSA)	1	247	74
2	Prime Property Valuers & Cons	1	162	24
3	Develop an Enterprise Development Strategy (Bigen Africa)	1	38	351
4	Conduct a Waste Tyre Management Feasibility Study (Bigen Africa)	1	121	316
5	Develop a comprehensive master plan for an MME sector industrial cluster (University of Johannesburg)	1	40	138
6	Northern Cape Township Strategy (Re-Adumela Trading)	1	74	344
7	Visitor Tracking System (BDO Consultants)	1	247	1 285
8	Trademark application (Adams & Adams)	1	226	11
9	Competency Assessment of Candidates (The Assessment Toolbox)	1	14	9
10	Verification of qualifications (South African Qualifications Authority)	1	44	1
11	Competency Assessment of Candidates (The Assessment Toolbox)	1	18	56
12	Development, mapping & signage design for Karoo Walking Trails (The Tourism Blueprint)	1	68	134
13	Verification of qualifications (South African Qualifications Authority)	1	0 (Accrual)	4
14	Translation of Bill (Jaryd Martin Visser)	1	34	28

Total number of projects	Total individual consultants	Total duration Work days	Total contract value in Rand (R'000)
14	14	1333	2775

**Table.4.2.15.2 Analysis of consultant appointments using appropriated funds, in terms of Historically Disadvantaged Individuals (HDIs) for the period 1 April 2023 to 31 March 2024**

	Project Title	Percentage ownership by HDI groups	Percentage management by HDI groups	Number of Consultants from HDI groups that work on the project
1	Departmental Employee Wellness Programme: Families South Africa: Kimberley (FAMSA)	100%	100%	1
2	Prime Property Valuers & Cons	51%	51%	1
3	Develop an Enterprise Development Strategy (Bigen Africa)	52,36%	45,83%	1
4	Conduct a Waste Tyre Management Feasibility Study (Bigen Africa)	52,36%	45,83%	1
5	Develop a comprehensive master plan for an MME sector industrial cluster (University of Johannesburg)	0%	14.18%	1
6	Northern Cape Township Strategy (Re-Adumela Trading)	100%	100%	1
7	Visitor Tracking System (BDO Consultants)	53,46%	53,46%	1
8	Trademark application (Adams & Adams)	22.22%	22.22%	1
9	Competency Assessment of Candidates (The Assessment Toolbox)	0%	0%	1
10	Verification of qualifications (South African Qualifications Authority)	0%	0%	1
11	Competency Assessment of Candidates (The Assessment Toolbox)	0%	0%	1
12	Development, mapping & signage design for Karoo Walking Trails (The Tourism Blueprint)	0%	0%	1
13	Verification of qualifications (South African Qualifications Authority)	0%	0%	1
14	Translation of Bill (Jaryd Martin Visser)	0%	0%	1

**Table.4.2.15.3 Report on consultant appointments using donor funds for the period 1 April 2023 to 31 March 2024**

	Project Title	Total number of consultants that worked on project	Duration (work days)	Donor and contract value in Rand
1	Not Applicable			
2				
3				

	Total Number of projects	Total individual consultants	Total Duration (work days)	Total contract value in Rand
1	Not Applicable			
2				
3				

**Table.4.2.15.4 Analysis of consultant appointments using donor funds in terms of Historically Disadvantaged individuals (HDIs) for the period 1 April 2023 to 31 March 2024**

Project title	Percentage ownership by HDI groups	Percentage management by HDI groups	Number of consultants from HDI groups that work on the project
Not Applicable			

## Severance Packages

**Table.4.2.16.1 Granting of employee-initiated severance packages for the period  
1 April 2023 to 31 March 2024**

Salary Band	Number of applications received	Number of applications referred to MPSA	Number of applications supported by MPSA	Number of packages approved by the department
Lower skilled (Levels 1-2)	0.00	0.00	0.00	0.00
Skilled (Levels 3 -5)	0.00	0.00	0.00	0.00
Highly skilled production (Levels 6-8)	0.00	0.00	0.00	0.00
Highly Skilled supervision (Levels 9-12)	0.00	0.00	0.00	0.00
Senior Management (Levels 13-16)	0.00	0.00	0.00	0.00
<b>TOTAL</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>



# PART E

## PFMA COMPLIANCE REPORT



## PART E: PFMA COMPLIANCE REPORT

### 5. IRREGULAR, FRUITLESS AND WASTEFUL, UNAUTHORISED EXPENDITURE AND MATERIAL LOSSES

#### 5.1.1 Irregular Expenditure

##### a) Reconciliation of irregular expenditure

Description	2023/2024 R'000	2022/2023 R'000
Opening Balance	8 063	22 490
Adjustment to opening balance	-	-
Opening balance as restated	8 063	22 490
Add: irregular expenditure confirmed	-	110
Less: Irregular expenditure condoned	-	-12 537
Less: irregular expenditure not condoned and removed	-	-
Less: Irregular expenditure recoverable	-	-
Less: Irregular expenditure not recovered and written off	-	-
<b>Closing balance</b>	<b>8 063</b>	<b>8 063</b>

Irregular expenditure relates to non-compliance with SCM prescripts.

Irregular expenditure amounting to R 7 196 636.66 was not condoned by Provincial Treasury.

The department is still awaiting Provincial treasury regarding the condonation of Barloworld for car hire and Publication Services for advertising and marketing.

#### Reconciling notes

Description	2023/2024 R'000	2022/2023 R'000
Irregular expenditure that was under assessment	-	-
Irregular expenditure that related to the prior year and identified in the current year.	-	-
Irregular expenditure for the current year	-	110
<b>Total</b>	<b>-</b>	<b>110</b>

##### b) Details of current and previous year irregular expenditure (under assessment, determination, and investigation)

Description	2023/2024 R'000	2022/2023 R'000
Irregular expenditure under assessment	59	-
Irregular expenditure under determination	-	-
Irregular expenditure under investigation	-	-
<b>Total</b>	<b>59</b>	<b>-</b>

Irregular expenditure amounting to R59 000.00 was identified by the Auditor's during the audit of 2023/2024 financial year.

The amount will be presented further to the Loss Control Committee for determination as soon as the assessment is completed.

##### c) Details of irregular expenditure condoned

Description	2023/2024 R'000	2022/2023 R'000
Irregular expenditure condoned	-	12 537
<b>Total</b>	<b>-</b>	<b>12 537</b>

The department is still awaiting feedback from Provincial Treasury regarding the condonation of Barloworld for car hire and Publication services for advertising and marketing amounting to R756 000, as well as R110 000 relating to SITA approved transaction and CIDB grading.

**d) Details of irregular expenditure removed – (not condoned)**

Description	2023/2024 R'000	2022/2023 R'000
Irregular expenditure NOT condoned and removed	-	-
<b>Total</b>	-	-

Not applicable

**e) Details of irregular expenditure recoverable**

Description	2023/2024 R'000	2022/2023 R'000
Irregular expenditure recoverable	-	-
<b>Total</b>	-	-

Not applicable

**f) Details of irregular expenditure written off (irrecoverable)**

Description	2023/2024 R'000	2022/2023 R'000
Irregular expenditure written off	-	-
<b>Total</b>	-	-

Not applicable

**Additional disclosure relating to inter-institutional arrangements**

**g) Details of non-compliance cases where an institution is involved in an inter-institutional arrangement (where such an institution is not responsible for the non-compliance)**

Description
-
<b>Total</b>

Not applicable

**h) Details of non-compliance cases where an institution is involved with an inter-institutional arrangement (where such an institution is responsible for the non-compliance)**

Description	2023/2024 R'000	2022/2023 R'000
	-	-
<b>Total</b>	-	-

Not applicable

**i) Details of disciplinary or criminal steps taken as a result of irregular expenditure**

Disciplinary steps taken
Not applicable

Not applicable

**5.1.2 Fruitless and wasteful expenditure**

**a) Reconciliation of fruitless and wasteful expenditure**

Description	2023/2024	2022/2023
	R'000	R'000
Opening balance	25	4
Adjustment to opening balance	-	-
Opening balance as restated	25	4
Add: Fruitless and wasteful expenditure confirmed	-	25
Less: Fruitless and wasteful expenditure recoverable	18	-
Less: Fruitless and wasteful expenditure not recoverable and written off	7	-
<b>Closing balance</b>	<b>-</b>	<b>25</b>

Fruitless and wasteful expenditure amounting to R 17 707.00 was recovered during the year under review for no show accommodation and flights.

The amount of R6 998.00 relating to accommodation and travelling was written off during the year under review after the recommendation from Loss Control Committee.

**Reconciling notes**

Description	2023/2024	2022/2023
	R'000	R'000
Fruitless and wasteful expenditure that was under assessment.	-	-
Fruitless and wasteful expenditure that relates to prior the prior year and identified in the current year.	-	-
Fruitless and wasteful expenditure for the current year	-	25
<b>Total</b>	<b>-</b>	<b>25</b>

**b) Details of fruitless and wasteful expenditure (under assessment, determination, and investigation)**

Description	2023/2024	2022/2023
	R'000	R'000
Fruitless and wasteful expenditure under assessment	-	-
Fruitless and wasteful expenditure under determination	-	-
Fruitless and wasteful expenditure under investigation	-	25
<b>Total</b>	<b>-</b>	<b>25</b>

No fruitless and wasteful expenditure was identified during the year under review.

**c) Details of current and previous year fruitless and wasteful expenditure recoverable**

Description	2023/2024	2022/2023
	R'000	R'000
Fruitless and wasteful expenditure recoverable	18	4
<b>Total</b>	<b>18</b>	<b>4</b>

Fruitless and wasteful expenditure for accommodation and flight (no show) amounting to R 17 707.00 was recovered from the official after the loss control committee found that the officials are liable to pay back the money.

**d) Details of current and previous year fruitless and wasteful expenditure not recovered and written off**

Description	2023/2024	2022/2023
	R'000	R'000
Fruitless and wasteful expenditure written off	7	-
<b>Total</b>	<b>7</b>	<b>-</b>

Fruitless and wasteful expenditure for accommodation and travelling was written off after the Loss Control Committee recommended that expenditure be written off as the officials were notified late about the cancellation of the meetings.

**e) Details of disciplinary or criminal steps taken as a result of fruitless and wasteful expenditure**

Disciplinary steps taken
None

Not applicable

### 5.1.3 Unauthorised expenditure

#### a) Reconciliation of unauthorised expenditure

Description	2023/2024	2022/2023
	R'000	R'000
Opening balance	-	-
Adjustment to opening balance	-	-
Opening balance as restated	-	-
Add: Unauthorised expenditure confirmed	-	-
Less: Unauthorised expenditure approved with funding	-	-
Less: Unauthorised expenditure approved without funding	-	-
Less: Unauthorised expenditure recoverable	-	-
Less: Unauthorised not recovered and written off	-	-
<b>Closing balance</b>	-	-

Not applicable

#### Reconciling notes

Description	2023/2024	2022/2023
	R'000	R'000
Unauthorised expenditure that was under assessment	-	-
Unauthorised expenditure that relates to prior year and identified in the current year	-	-
Unauthorised expenditure for the current year	-	-
<b>Total</b>	-	-

#### b) Details of unauthorised expenditure (under assessment, determination, and investigation)

Description	2023/2024	2022/2023
	R'000	R'000
Unauthorised expenditure under assessment	-	-
Unauthorised expenditure under determination	-	-
Unauthorised expenditure under investigation	-	-
<b>Total</b>	-	-

Not applicable

### 5.1.4 Additional disclosure relating to material losses in terms of PFMA Section 40(3)(b)(i) and (iii)

#### a) Details of material losses through criminal conduct

Material losses through criminal conduct	2023/2024	2022/2023
	R'000	R'000
Theft	-	-
Other material losses	-	-
Less: Recoverable	-	-
Less: Not recovered and written off	-	-
<b>Total</b>	-	-

Not Applicable

**b) Details of other material losses**

Nature of other material losses	2023/2024	2022/2023
	R'000	R'000
No Applicable	-	-
<b>Total</b>	-	-

Not Applicable

**c) Other material losses recoverable**

Nature of losses	2023/2024	2022/2023
	R'000	R'000
Not Applicable	-	-
<b>Total</b>	-	-

Not Applicable

**d) Other material losses not recoverable and written off**

Nature of losses	2023/2024	2022/2023
	R'000	R'000
Not Applicable	-	-
	-	-
	-	-
	-	-
<b>Total</b>	-	-

Not Applicable

## 5.2 LATE AND/OR NON-PAYMENT OF SUPPLIERS

Description	Number of Invoices	Consolidated value R'000
Valid invoices received	1 224	58 811
Invoices paid <b>within</b> 30 days or agreed period	1 224	58 811
Invoices paid <b>after</b> 30 days or agreed period	-	-
Invoices older than 30 days or agreed period ( <b>unpaid and without dispute</b> )	-	-
Invoices older than 30 days or agreed period ( <b>unpaid and in dispute</b> )	-	-

All invoices received were paid within 30 as prescribed by the Treasury Regulations 8.2.3.

## 5.3. SUPPLY CHAIN MANAGEMENT

### 5.3.1 Procurement by other means

Project description	Name of supplier	Type of procurement by other means	Contract Number	Value of contract R'000
Advertisement	Government printing works	Sole Service Provider (Single Source)	OR-011083	62
Advertisement	Government printing works	Sole Service Provider (Single Source)	OR-012417	61
Venue and Catering	CNCM Agencies t/a The Kimberley Club	1 Quote, 2 Regret emails & 4 Service providers that are non-tax compliant	OR-012498	35
Advertisement	Government printing works	Sole Service Provider (Single Source)	OR-012507	5
Advertisement	Government printing works	Sole Service Provider (Single Source)	OR-012506	101
Installation of network points	DVF Network Technology	Valid warranty in place	OR-012667	43
Advertisement	Media 24	Sole Service Provider (Single Source)	OR-012592	8
Exhibition Space	Spintelligent t/a Vuka Events & Management Services	Sole Service Provider (Single Source)	OR-012549	186
Radio Advert	Radio NFM	Sole Service Provider (Single Source)	OR-012634	17
Exhibition Space in Johannesburg	DMG Events co ltd	Sole Service Provider (Single Source)	OR-012560	221
Trademark application	Adams & Adams	Sole Service Provider (Single Source)	OR-012524	44
Exhibition Space	Millvest	Sole Service Provider (Single Source)	OR-012664	350
Publication	Global Africa Network	Sole Service Provider (Single Source)	OR-012663	350
Registration	South African Tourism Services Association (SATSA)	Sole Service Provider (Single Source)	OR-012666	11
Advertisement	Media 24	Sole Service Provider (Single Source)	OR-012637	2
Service Renewal	S&P Global T/A IHS Information and Insight	Sole Service Provider (Single Source)	OR-012755	273
Installation of wireless solution	Nugen Communication	Valid Contract in place	OR-012717	154
Installation of Telephones lines	Nugen Communication	Valid Contract in place	OR-012719	9
Venues & Facilities	Jacobus Johannes Du Plessis T/A Sutherland Hotel	2 Quotes & 2 Regret emails	OR-012727	21
Translation of Bill	Jaryd Martin Visser T/A Translatethisforme	2 Quotes; 2 Regret emails & 1 Service Provider that is non-tax Compliant	OR-012731	28
Advertising - Online Platform	Highbury Media	Sole Service Provider (Single Source)	OR-012825	79



Franking Machine Subscription fees	Sasfin Commercial Solutions (DC Incentives)	Sole Service Provider (Single Source)	OR-012852	4
Venue and Catering	Gerock Active T/A Barons Galley and Lodge	2 Quotes & 2 Regret emails	OR-012988	14
Advertisement	Arena Holdings	Sole Service Provider (Single Source)	OR-012910	59
Advertisement	Media 24	Sole Service Provider (Single Source)	OR-012938	8
Advertisement	Media 24	Sole Service Provider (Single Source)	OR-012990	5
Verification of qualifications	South African Qualifications Authority	Sole Service Provider (Single Source)	OR-013194	5
Venue & Catering	Savoy Hotels	2 Quotes; 1 Quote that is non-tax Compliant & 3 Regret emails	OR-013153	14
Venue & Catering	Gerock Active T/A Barons Galley and Lodge	2 Quotes & 2 Regret emails	OR-013526	22
Advertisement	Radio Ukwazi FM88.9 Npo	Sole Service Provider (Single Source)	OR-013150	15
Advertisement	Media 24	Sole Service Provider (Single Source)	OR-013137	9
Advertisement	Arena Holdings	Sole Service Provider (Single Source)	OR-013154	126
Transport Services	Lethabile Coaches	2 Quotes; 1 Service Provider's CSD that is unable to determine tax compliance & 1 Regret email	OR-013229	60
Advertisement	Media 24	Sole Service Provider (Single Source)	OR-013210	13
Advertisement	Media 24	Sole Service Provider (Single Source)	OR-013284	21
Township Economy Exco	Diamond Creative Vision Hub	Sole Service Provider (Single Source)	OR-013378	30
Advertisement	Government Printing Works	Sole Service Provider (Single Source)	OR-013360	9
Radio Interview	South African Broadcasting Corporation (Radio 2000)	Sole Service Provider (Single Source)	OR-013404	28
Radio Interview	Radio Riverside	Sole Service Provider (Single Source)	OR-013382	18
Installation Telephone Lines	Nugen Communications	Sole Service Provider (Single Source)	OR-013377	7
Advertisement	Noordkaap Bulletin/Media 24	Sole Service Provider (Single Source)	OR-013452	17
Advertisement	Diamond Field Advertiser (DFA)/Royalty Media	Sole Service Provider (Single Source)	OR-013454	28
Advertisement	Noordwes Koerante/ Gernsbok	Sole Service Provider (Single Source)	OR-013453	27
Advertisement	Provincial Government Gazette/Home Affairs - Government Printing	Sole Service Provider (Single Source)	OR-013445	18
Advertisement	Die Plattelander/ Platinum Computers	Sole Service Provider (Single Source)	OR-013455	9
Advertisement	Kathu Gazette	Sole Service Provider (Single Source)	OR-013451	29
Annual Maintenance	Hasler Business Systems (Pty) Ltd	Sole Service Provider (Single Source)	OR-013460	6
Training	Drum Beat Safaris	Sole Service Provider (Single Source)	OR-013480	100
Venue	NCEDA	2 Quote & 1 Regret letter	OR-013448	194
Food Parcels	Shoprite Checkers (Upington)	Single Source	SUNDRY	599
Subscription Fee	Creamer Media SA	Sole Service Provider (Single Source)	OR-013574	1
Refilling of Franking Machine	DG Incentives	Sole Service Provider (Single Source)	OR-013641	19

Cartridge of Franking Machine	Hasler Business Systems (Pty) Ltd	Sole Service Provider (Single Source)	OR-013673	4
Venue and Catering	Gerock Active T/A Barons Galley and Lodge	1 Quote & 2 Regret letter	OR-013714	15
Note counter service & software upgrade	Avansa Business Technologies	Sole Service Provider (Single Source)	OR-013761	1
WISP Training	Danearl Group	2 Quote & 2 Regret letter	OR-013734	324
Clothing & Textile Training	Positive Thinking Consultants	2 Quote & 3 Regret letter	OR-013790	95
Advertisement	Government Gazette	Sole Service Provider (Single Source)	OR-013811	9
Floor Space and Shell Scheme at the Expo	Expo Guys	Sole Service Provider (Single Source)	OR-013795	54
Radio Broadcasting	NCRF Northern Cape	Sole Service Provider (Single Source)	OR-013789	15
Water use License application	Enviro Africa	2 Quote & 1 Regret letter	OR-013825	73
Dangerous game rifle Training	CC Protection and Investigation Service	2 Quote & 1 Regret letter	OR-013799	91
<b>Total</b>				<b>4 255</b>

### 5.3.2 Contract variations and expansions

Project description	Name of supplier	Contract modification type (Expansion or Variation)	Contract Number	Original contract value	Value of previous contract expansion/s or variation/s (if applicable)	Value of current contract expansion or variation
				R'000	R'000	R'000
Security Services	Bafazi Security Services	Expansion		13 895	789	1 286
GEPP Training	Evers Xcellence Management Consulting	Variation	OR-013285	197	-	29
Electrical works at the Skatepark	Digison Renewable Energy	Variation	OR-013803	348	-	52
Gardening Servies	JTM Industries (PTY) LTD	Variation	OR-013809	764	-	50
Visitor Tracking System	BDO Advisory	Variation	OR-013823	4 725	-	340
<b>Total</b>				<b>19 929</b>	<b>789</b>	<b>1 757</b>



# PART F



## FINANCIAL INFORMATION

## PART F: ANNUAL FINANCIAL STATEMENTS

### 6.1 REPORT OF THE AUDITOR GENERAL

#### Report of the auditor-general to Northern Cape Provincial Legislature on vote no. 6: Department of Economic Development and Tourism

##### Report on the audit of the financial statements

#### Opinion

1. I have audited the financial statements of the Northern Cape Department of Economic Development and Tourism set out on pages 192 to 260, which comprise the appropriation statement, statement of financial position as at 31 March 2024, statement of financial performance, statement of changes in net assets, and cash flow statement for the year then ended, as well as notes to financial statements, including a summary of significant accounting policies.
2. In my opinion, the financial statements present fairly, in all material respects, the financial position of the Northern Cape Department of Economic Development and Tourism as at 31 March 2024 and its financial performance and cash flows for the year then ended in accordance with the Modified Cash Standard (MCS) prescribed by National Treasury and the requirements of the Public Finance Management Act 1 of 1999 (PFMA) and the Division of Revenue Act 05 of 2023 (Dora).

#### Basis for opinion

3. I conducted my audit in accordance with the International Standards on Auditing (ISAs). My responsibilities under those standards are further described in the responsibilities of the auditor-general for the audit of the financial statements section of my report.
4. I am independent of the department in accordance with the International Ethics Standards Board for Accountants' *International code of ethics for professional accountants (including International Independence Standards)* (IESBA code) as well as other 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 code.
5. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

#### Emphasis of matters

6. I draw attention to the matters below. My opinion is not modified in respect of these matters.

### Restatement of corresponding figures

7. As disclosed in note 26 to the financial statements, the corresponding figures for 31 March 2023 were restated as a result of errors in the financial statements of the department at, and for the year ended 31 March 2024.

### Material impairments

8. As indicated in note 9.3 to the financial statements, an estimate of impairment of receivables of R19 896 000 was disclosed, as a result of irrecoverable debtors.

### Underspending of the budget

9. As disclosed in the appropriation statement, the department materially underspent the budget by R19 004 000. Included in R19 004 000 is R11 482 000 which was underspent on Programme 2: Integrated Economic Development Services which as disclosed in note 4.1 was intended for the feasibility study of the tyre crumbling project and the tyre crumbling project itself.

### Other matter

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

### Unaudited supplementary schedules

11. The supplementary information set out on pages 261 to 271 does 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

12. The accounting officer is responsible for the preparation and fair presentation of the financial statements in accordance with the MCS prescribed by National Treasury 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 financial statements that are free from material misstatement, whether due to fraud or error.
13. 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.

### Responsibilities of the auditor-general for the audit of the financial statements

14. 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.

15. A further description of my responsibilities for the audit of the financial statements is included in the annexure to this auditor's report. This description, which is located at page 189 forms part of our auditor's report.

### Report on the audit of the annual performance report

16. In accordance with the Public Audit Act 25 of 2004 (PAA) and the general notice issued in terms thereof, I must audit and report on the usefulness and reliability of the reported performance against predetermined objectives for the selected programmes presented in the annual performance report. The accounting officer is responsible for the preparation of the annual performance report.

17. I selected the following programmes presented in the annual performance report for the year ended 31 March 2024 for auditing. I selected programmes that measures the department's performance on its primary mandated functions and that are of significant national, community or public interest.

Programme	Page numbers	Purpose
Programme 2: Integrated Economic Development Services	84-92	Promote economic and small business development through shared partnerships.
Programme 3: Trade and Sector Development	93-98	Stimulate economic growth through the development and industrialisation of key sectors as well as the promotion of trade and sourcing of domestic and foreign direct investment
Programme 6: Tourism	109-117	Lead tourism growth, development and destination promotion in the Northern Cape.

18. I evaluated the reported performance information for the selected programmes against the criteria developed from the performance management and reporting framework, as defined in the general notice. When an annual performance report is prepared using these criteria, it provides useful and reliable information and insights to users on the department's planning and delivery on its mandate and objectives.

19. I performed procedures to test whether:

- the indicators used for planning and reporting on performance can be linked directly to the department's mandate and the achievement of its planned objectives
- all the indicators relevant for measuring the department's performance against its primary mandated and prioritised functions and planned objectives are included



- the indicators are well defined to ensure that they are easy to understand and can be applied consistently, as well as verifiable so that I can confirm the methods and processes to be used for measuring achievements
- the targets can be linked directly to the achievement of the indicators and are specific, time bound and measurable to ensure that it is easy to understand what should be delivered and by when, the required level of performance as well as how performance will be evaluated
- the indicators and targets reported on in the annual performance report are the same as those committed to in the approved initial or revised planning documents
- the reported performance information is presented in the annual performance report in the prescribed manner.
- there is adequate supporting evidence for the achievements reported and for the reasons provided for any over- or underachievement of targets.

20. I performed the procedures for the purpose of reporting material findings only; and not to express an assurance opinion or conclusion.

21. I did not identify any material findings on the reported performance information for the selected programmes.

## Other matter

22. I draw attention to the matter below.

## Achievement of planned targets

23. The annual performance report includes information on reported achievements against planned targets and provides explanations for over- or under achievements.

24. The tables that follow provides information on the achievement of planned targets and lists the key indicators that were not achieved as reported in the annual performance report. The reasons for any underachievement of targets are included in the annual performance report on pages 84 to 117.

## Programme 2: Integrated Economic Development Services

<i>Targets achieved: 81.8 %</i> <i>Budget spent: 83.7 %</i>		
Key indicator not achieved	Planned target	Reported achievement
2.1.6 Number of Jewellery Manufacturing SMMEs established at KDJI	12	2
2.1.7 Number of mining intervention facilitated	9	5



## Programme 6: Tourism

<i>Targets achieved: 70 %</i> <i>Budget spent: 93.7 %</i>		
Key- indicator not achieved	Planned target	Reported achievement
6.2.2 Number of Interventions to support the tourist guiding sub-sector	6	5
6.2.4 Number of Community-Based tourism Programmes conducted	18	6
6.2.5 Number of tourism industry support initiatives	3	2

### Report on compliance with legislation

25. In accordance with the PAA and the general notice issued in terms thereof, I must audit and report on compliance with applicable legislation relating to financial matters, financial management and other related matters. The accounting officer is responsible for the department's compliance with legislation.
26. I performed procedures to test compliance with selected requirements in key legislation in accordance with the findings engagement methodology of the Auditor-General of South Africa (AGSA). This engagement is not an assurance engagement. Accordingly, I do not express an assurance opinion or conclusion.
27. Through an established AGSA process, I selected requirements in key legislation for compliance testing that are relevant to the financial and performance management of the department, clear to allow consistent measurement and evaluation, while also sufficiently detailed and readily available to report in an understandable manner. The selected legislative requirements are included in the annexure to this auditor's report.
28. I did not identify any material non-compliance with the selected legislative requirements.

### Other information in the annual report

29. The accounting officer is responsible for the other information included in the annual report. The other information referred to does not include the financial statements, the auditor's report and those selected programmes presented in the annual performance report that have been specifically reported on in this auditor's report.
30. My opinion on the financial statements, the report on the audit of the annual performance report and the report on compliance with legislation do not cover the other information included in the annual report and I do not express an audit opinion or any form of assurance conclusion on it.

31. My responsibility is to read this other information and, in doing so, consider whether it is materially inconsistent with the financial statements and the selected programmes presented in the annual performance report or my knowledge obtained in the audit, or otherwise appears to be materially misstated.
32. The other information I obtained prior to the date of this auditor's report is the disclosure of the unauthorised, irregular and fruitless and wasteful expenditure, and the remaining information is expected to be made available to us after 31 July 2023.
33. If, based on the work I have performed on the other information that I obtained prior to the date of this auditor's report, I conclude that there is a material misstatement of this other information, I am required to report that fact.
34. When I do receive and read the remaining other 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

35. I considered internal control relevant to my audit of the financial statements, annual performance report and compliance with applicable legislation; however, my objective was not to express any form of assurance on it.
36. I did not identify any significant deficiencies in internal control.

#### Other reports

37. I draw attention to the following engagements conducted by various parties. 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.

38. An investigation was conducted by the South African Police Services on request by the department. The investigation was initiated based on the allegation of possible misappropriation of uncut diamonds that was acquired by the department. The investigation has been referred to the National Prosecution Authority for a final decision, at the reporting date, the investigation was not completed. The matter was referred to the court, but no final decision has been reached at the time of concluding in this report.

*Auditor General*  
Kimberley

30 July 2024



AUDITOR - GENERAL  
SOUTH AFRICA

*Auditing to build public confidence*

## Annexure to the auditor's report

The annexure includes the following:

- The auditor-general's responsibility for the audit
- The selected legislative requirements for compliance testing

### Auditor-general's responsibility for the audit

#### Professional judgement and professional scepticism

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 selected programmes and on the department's compliance with selected requirements in key legislation.

#### Financial statements

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
- conclude on the appropriateness of the 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 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

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.

I also provide the accounting officer with a statement that I have complied with relevant ethical requirements regarding independence and communicate with them all relationships and other matters that may reasonably be thought to bear on my independence and, where applicable, actions taken to eliminate threats or safeguards applied.

## Compliance with legislation – selected legislative requirements

The selected legislative requirements are as follows:

Legislation	Sections or regulations
Public Finance Management Act 1 of 1999	Section 1; 38(1)(b); 38(1)(c)(i); 38(1)(c)(ii); Section 38(1)(d); 38(1)(h)(iii); 38(1)(j); 39(1)(a); Section 39(2)(a); 40(1)(a); 40(1)(b); 40(1)(c)(i); Section 43(1); 43(4); 44(1); 44(2); 45(b)
Treasury Regulations, 2005	Regulation 4.1.1; 4.1.3; 5.1.1; 5.2.1; 5.2.3(a); Regulation 5.2.3(d); 5.3.14; 6.3.1(a); 6.3.1(b); Regulation 6.3.1(c); 6.3.1(d); 6.4.1(b); 7.2.1; Regulation 8.1.1; 8.2.1; 8.2.3; 8.4.1; 9.1.1; 9.1.4; Regulation 10.1.1(a); 10.1.2; 11.4.1; 11.4.2; Regulation 11.5.1; 12.5.1; 15.10.1.2(c); 16A3.2; Regulation 16A3.2(a); 16A6.1; 16A6.2(a); Regulation 16A6.2(b); 16A6.3(a); 16A6.3(b); Regulation 16A6.3(c); 16A 6.3(e); 16A6.4; Regulation 16A6.5; 16A6.6; 16A7.1; 16A7.3; Regulation 16A7.6; 16A7.7; 16A8.2(1); 16A8.2(2); Regulation 16A8.3; ; 16A8.4; 16A9.1(b)(ii); Regulation ; 16A 9.1(d); 16A 9.1(e); 16A9.1(f); Regulation 16A9.2; 16A9.2(a)(ii); 17.1.1; 18.2; Regulation 19.8.4
Construction Industry Development Board Act 38 of 2000	Section 18(1)
Construction Industry Development Board Regulations, 2004	Regulation 17; 25(7A)
Division of Revenue Act 5 of 2023	Section 11(6)(a); 12(5); 16(1); 16(3); 16(3)(a)(i); Section 16(3)(a)(ii)(bb)
Second amendment National Treasury Instruction No. 5 of 202/21	Paragraph 1
Erratum National Treasury Instruction No. 5 of 202/21	Paragraph 2
National Treasury instruction No 5 of 2020/21	Paragraph 4.8; 4.9; 5.3
National Treasury Instruction No. 1 of 2021/22	Paragraph 4.1
National Treasury Instruction No. 4 of 2015/16	Paragraph 3.4
National Treasury SCM Instruction No. 4A of 2016/17	Paragraph 6
National Treasury SCM Instruction No. 03 of 2021/22	Paragraph 4.1; 4.2 (b); 4.3; 4.4(a); 4.17; 7.2; 7.6
National Treasury SCM Instruction No. 11 of 2020/21	Paragraph 3.4(a); 3.4(b); 3.9

Legislation	Sections or regulations
National Treasury SCM Instruction No. 2 of 2021/22	Paragraph 3.2.1; 3.2.4; 3.2.4(a); 3.3.1;
Practice Note 11 of 2008/9	Paragraph 2.1; 3.1 (b)
Practice Note 5 of 2009/10	Paragraph 3.3
Practice Note 7 of 2009/10	Paragraph 4.1.2
Preferential Procurement Policy Framework Act 5 of 2000	Section 1; 2.1(a); 2.1(f)
Preferential Procurement Regulation, 2022	Regulation 4.1; 4.2; 4.3; 4.4; 5.1; 5.2; 5.3; 5.4
Preferential Procurement Regulation, 2017	Regulation 4.1; 4.2; 5.1; 5.3; 5.6; 5.7; 6.1; 6.2; 6.3; Regulation 6.5; 6.6; 6.8; 7.1; 7.2; 7.3; 7.5; 7.6; 7.8; Regulation 8.2; 8.5; 9.1; 10.1; 10.2; 11.1; 11.2;
Prevention and Combating of Corrupt Activities Act 12 of 2004	Section 34(1)
State Information Technology Agency Act 88 of 1998	Section 7(3)





**national treasury**

Department:  
National Treasury  
REPUBLIC OF SOUTH AFRICA

# AUDITED ANNUAL FINANCIAL STATEMENTS FOR THE DEPARTMENT OF ECONOMIC DEVELOPMENT AND TOURISM

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For the year ended  
31 March 2024

Date authorised for issue: 31 July 2024

Authorised by: 

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Appropriation per programme									
2023/24								2022/23	
	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
Programme									
1. Administration	78,784	-	(2,722)	76,062	72,758	3,304	95.7%	70,721	70,359
2. Integrated Economic Development Services	65,580	-	4,732	70,312	58,830	11,482	83.7%	51,738	49,896
3. Trade and Sector Development	120,552	-	(1,162)	119,390	118,082	1,308	98.9%	92,261	80,182
4. Consumer Protection and Business Regulation	44,433	-	626	45,059	45,059	-	100.0 %	44,641	44,641
5. Economic Planning	18,741	-	(204)	18,537	18,213	324	98.3%	18,846	18,216
4. Tourism	42,188	-	(1,270)	40,918	38,332	2,586	93.7%	66,837	66,837
<b>Subtotal</b>	<b>370,278</b>	<b>-</b>	<b>-</b>	<b>370,278</b>	<b>351,274</b>	<b>19,004</b>	<b>94.9%</b>	<b>345,044</b>	<b>330,131</b>
<b>Total</b>	<b>370,278</b>	<b>-</b>	<b>-</b>	<b>370,278</b>	<b>351,274</b>	<b>19,004</b>	<b>94.9%</b>	<b>345,044</b>	<b>330,131</b>

	2023/24			2022/23	
	Final Appropriation	Actual Expenditure		Final Appropriation	Actual Expenditure
<b>Reconciliation with statement of financial performance</b>					
<b>ADD</b>					
Departmental receipts					
<b>Actual amounts per statement of financial performance (total revenue)</b>	<b>370,278</b>			<b>345,044</b>	
<b>Actual amounts per statement of financial performance (total expenditure)</b>		<b>351,274</b>			<b>330,131</b>

Appropriation per economic classification									
2023/24								2022/23	
	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
<b>Economic classification</b>									
<b>Current payments</b>	<b>192,375</b>	<b>(10,372)</b>	<b>(6,600)</b>	<b>175,403</b>	<b>171,195</b>	<b>4,208</b>	<b>97.6%</b>	<b>178,344</b>	<b>178,021</b>
Compensation of employees	113,112	(1,258)	(2860)	108,994	107,860	1,134	99.0%	103,251	103,251
Salaries and wages	98,281	(1,113)	(2,889)	94,279	93,365	914	99.0%	89,717	89,717
Social contributions	14,831	(145)	29	14,715	14,495	220	98.5%	13,534	13,534
Goods and services	79,263	(9,114)	(3,740)	66,909	63,335	3,074	95.4%	75,093	74,770
Administrative fees	1,526	639	(404)	1,761	1,761	-	100.0%	1,383	1,383
Advertising	2,318	98	(187)	2,229	2,229	-	100.0%	1,271	1,271
Minor assets	387	(21)	92	458	458	-	100.0%	782	660
Audit costs: External	3,699	(18)	-	3,681	3,681	-	100.0%	3,653	3,653
Bursaries: Employees	310	(30)	800	1,080	1,080	-	100.0%	628	628
Catering: Departmental activities	1,842	(101)	(17)	1,724	1,724	-	100.0%	1,779	1,779
Communication	1,548	(125)	33	1,456	1,456	-	100.0%	1,535	1,500
Computer services	1,519	(260)	(5)	1,254	1,254	-	100.0%	1,313	1,313
Consultants: Business and advisory services	8,174	(2,896)	(88)	5,190	3,273	1,917	63.1%	6,247	6,246
Legal services	195	-	(35)	160	160	-	100.0%	28	28
Contractors	9,798	(5,787)	(3,646)	365	365	-	100.0%	11,477	11,477
Agency and support/outsourced services	589	(576)	-	13	13	-	100.0%	15	15
Fleet services	1,576	57	17	1,650	1,650	-	100.0%	1,300	1,300
Consumables supplies	725	513	32	1,270	1,270	-	100.0%	954	954
Consumable: Stationery, Printing and Office Supplies	1,496	(336)	(320)	840	840	-	100.0%	842	842
Operating leases	10,730	(267)	1,241	11,704	11,704	-	100.0%	11,884	11,884
Property payments	18,690	(839)	(1,165)	16,686	16,147	539	96.8%	16,284	16,278
Travel and subsistence	10,510	95	(986)	9,619	9,417	202	97.9%	9,779	9,620
Training and development	1,928	(72)	791	2,647	2,231	416	84.3%	1,815	1,815
Operating payments	463	208	28	699	699	-	100.0%	547	547
Venues and facilities	1,236	149	79	1,464	1,464	-	100.0%	1,551	1,551
Rental and hiring	4	455	-	459	459	-	100.0%	26	26

Appropriation per economic classification									
2023/24								2022/23	
	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
<b>Transfers and subsidies</b>	<b>173,231</b>	<b>8,334</b>	<b>6,439</b>	<b>188,004</b>	<b>175,401</b>	<b>12,603</b>	<b>93.3%</b>	<b>161 594</b>	<b>148 273</b>
Provinces and municipalities	5,710	(1,250)	-	4,460	4,460	-	100.0%	2,158	2,158
Municipalities	5,710	(1,250)	-	4,460	4,460	-	100.0%	2,158	2,158
Municipal bank accounts	4,460	-	-	4,460	4,460	-	100.0%	2,158	2,158
Municipal agencies and funds	1,250	(1,250)	-	-	-	-	-	-	-
Departmental agencies and accounts	155,824	7,502	6,439	169,765	157,512	12,253	92.8%	151,514	138,193
Departmental agencies	155,824	7,502	6,439	169,765	157,512	12,253	92.8%	151,514	138,193
Higher education institutions	1,000	-	-	1,000	1,000	-	100.0%	500	500
Public corporations and private enterprises	10,297	1,728	-	12,025	11,675	350	97.1%	6,285	6,285
Private enterprises	10,297	1,728	-	12,025	11,675	350	97.1%	6,285	6,285
Other transfers to private enterprises	10,297	1,728	-	12,025	11,675	350	97.1%	6,285	6,285
Households	400	354	-	754	754	-	100.0%	1,137	1,137
Social benefits	63	236	-	299	299	-	100.0%	1,137	1,137
Other transfers to households	337	118	-	455	455	-	100.0%	-	-
<b>Payments for or capital assets</b>	<b>4,672</b>	<b>2,038</b>	<b>161</b>	<b>6,871</b>	<b>4,678</b>	<b>2,193</b>	<b>68.1%</b>	<b>5,106</b>	<b>3,837</b>
Buildings and other fixed structures	680	(27)	-	653	653	-	100.0%	-	-
Other fixed structures	680	(27)	-	653	653	-	100.0%	-	-
Machinery and equipment	3,916	2,075	201	6,192	3,999	2,193	64.6%	5,074	3,805
Transport equipment	906	30	60	996	996	-	100.0%	722	715
Other machinery and equipment	3,010	2,045	141	5,196	3,003	2,193	57.8%	4,352	3,090
Software and other intangible assets	76	(10)	(40)	26	26	-	100.0%	32	32
<b>Total</b>	<b>370,278</b>	<b>-</b>	<b>-</b>	<b>370,278</b>	<b>351,274</b>	<b>19,004</b>	<b>94.9%</b>	<b>345,044</b>	<b>330,131</b>

Programme 1: ADMINISTRATION									
	2023/24							2022/23	
	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
<b>Sub programme</b>									
1. Office of the MEC	660	564	-	1,224	1,224	-	100.0%	741	741
2. Office of the HOD	5,268	15,566	(10)	20,824	20,824	-	100.0%	22,803	22,803
3. Corporate Services	22,742	1,160	140	24,042	22,524	1,518	93.7%	18,567	18,567
4. Financial Management	30,874	(1,045)	(751)	29,078	27,292	1,786	93.9%	28,610	28,246
5. Executive Support	19,240	(16,245)	(2,101)	894	894	-	100.0%	-	-
<b>Total for sub programmes</b>	<b>78,784</b>	<b>-</b>	<b>(2,722)</b>	<b>76,062</b>	<b>72,758</b>	<b>3,304</b>	<b>95.7%</b>	<b>70,721</b>	<b>70,359</b>
<b>Current payments</b>	<b>76,511</b>	<b>(2,392)</b>	<b>(2,700)</b>	<b>71,419</b>	<b>70,285</b>	<b>1,134</b>	<b>98.4%</b>	<b>67,836</b>	<b>67,673</b>
Compensation of employees	56,201	(1,260)	(3,351)	51,590	50,456	1,134	97.8%	47,805	47,805
Salaries and wages	48,788	(1,070)	(3,351)	44,367	43,453	914	97.9%	41,373	41,373
Social contributions	7,413	(190)	-	7,223	7,003	220	97.0%	6,432	6,432
Goods and services	20,310	(1132)	651	19,829	19,829	-	100%	20,031	19,868
Administrative fees	292	(39)	(28)	225	225	-	100.0%	333	333
Advertising	442	63	-	505	505	-	100.0%	126	126
Minor assets	294	(63)	-	231	231	-	100.0%	759	637
Audit costs: External	3,699	(18)	-	3,681	3,681	-	100.0%	3,653	3,653
Bursaries: Employees	310	(30)	800	1,080	1,080	-	100.0%	628	628
Catering: Departmental activities	354	(95)	89	348	348	-	100.0%	480	480
Communication	710	(163)	-	547	547	-	100.0%	748	713
Computer services	1,514	(260)	-	1,254	1,254	-	100.0%	1,287	1,287
Consultants: Business and advisory	210	(14)	-	196	196	-	100.0%	203	203
Legal services	156	-	-	156	156	-	100.0%	26	26
Contractors	346	5	-	351	351	-	100.0%	730	730
Agency and support/outsourced service	11	2	-	13	13	-	100.0%	15	15
Fleet services	371	58	-	429	429	-	100.0%	422	422
Consumable supplies	551	521	-	1,072	1,072	-	100.0%	801	801
Consumable: stationery, printing and office supplies	700	(130)	-	570	570	-	100.0%	496	496
Operating leases	5,056	(688)	-	4,368	4,368	-	100.0%	4,236	4,236

Programme 1: ADMINISTRATION									
2023/24								2022/23	
	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
Property payments	2,168	227	-	2,395	2,395	-	100.0%	1,980	1,974
Travel and subsistence	2,218	(498)	(210)	1,510	1,510	-	100.0%	2,227	2,227
Training and development	607	(151)	-	456	456	-	100.0%	228	228
Operating payments	286	109	-	395	395	-	100.0%	336	336
Venues and facilities	15	31	-	46	46	-	100.0%	317	317
Rental and hiring	-	1	-	1	1	-	100.0%	-	-
<b>Transfers and subsidies</b>	<b>376</b>	<b>354</b>	<b>-</b>	<b>730</b>	<b>730</b>	<b>-</b>	<b>100.0%</b>	<b>22</b>	<b>22</b>
Households	376	354	-	730	730	-	100.0%	22	22
Social benefits	39	236	-	275	275	-	100.0%	22	22
Other transfers to households	337	118	-	455	455	-	100.0%	-	-
<b>Payments for capital assets</b>	<b>1,897</b>	<b>2,038</b>	<b>(22)</b>	<b>3,913</b>	<b>1,743</b>	<b>2,170</b>	<b>44.5%</b>	<b>2,863</b>	<b>2,664</b>
Machinery and equipment	1,857	2,038	18	3,913	1,743	2,170	44.5%	2,831	2,632
Transport equipment	244	(37)	(7)	200	200	-	100.0%	185	185
Other machinery and equipment	1,613	2,075	25	3,713	1,543	2,170	41.6%	2,646	2,447
Software and other intangible assets	40	-	(40)	-	-	-	-	32	32
<b>Total</b>	<b>78,784</b>	<b>-</b>	<b>(2,722)</b>	<b>76,062</b>	<b>72,758</b>	<b>3,304</b>	<b>95.7%</b>	<b>70,721</b>	<b>70,359</b>

1.1 OFFICE OF THE MEC									
2023/24								2022/23	
	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
<b>Economic classification</b>	<b>535</b>	<b>234</b>	<b>-</b>	<b>769</b>	<b>769</b>	<b>-</b>	<b>100.0%</b>	<b>741</b>	<b>741</b>
<b>Current payments</b>	<b>535</b>	<b>234</b>	<b>-</b>	<b>769</b>	<b>769</b>	<b>-</b>	<b>100.0%</b>	<b>741</b>	<b>741</b>
Good and services	535	234	-	769	769	-	100.0%	741	741
<b>Transfers and subsidies</b>	<b>125</b>	<b>330</b>	<b>-</b>	<b>455</b>	<b>455</b>	<b>-</b>	<b>100.0%</b>	<b>-</b>	<b>-</b>
Households	125	330	-	455	455	-	100.0%	-	-
<b>Total</b>	<b>660</b>	<b>564</b>	<b>-</b>	<b>1,224</b>	<b>1,224</b>	<b>-</b>	<b>100.0%</b>	<b>741</b>	<b>741</b>



1.2 OFFICE OF THE HOD									
2023/24								2022/23	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
Economic classification	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
<b>Current payments</b>	<b>4,826</b>	<b>15,639</b>	<b>-</b>	<b>20,465</b>	<b>20,465</b>	<b>-</b>	<b>100.0%</b>	<b>22,501</b>	<b>22,501</b>
Compensation of employees	3,638	15,716	-	19,354	19,354	-	100.0%	19,562	19,562
Goods and services	1,188	(77)	-	1,111	1,111	-	100.0%	2,939	2,939
<b>Transfers and subsidies</b>	<b>212</b>	<b>10</b>	<b>-</b>	<b>222</b>	<b>222</b>	<b>-</b>	<b>100.0%</b>	<b>22</b>	<b>22</b>
Households	212	10	-	222	222	-	100.0%	22	22
<b>Payments for capital assets</b>	<b>230</b>	<b>(83)</b>	<b>(10)</b>	<b>137</b>	<b>137</b>	<b>-</b>	<b>100.0%</b>	<b>280</b>	<b>280</b>
Machinery and equipment	230	(83)	(10)	137	137	-	100.0%	280	280
<b>Total</b>	<b>5,268</b>	<b>15,566</b>	<b>(10)</b>	<b>20,824</b>	<b>20,824</b>	<b>-</b>	<b>100.0%</b>	<b>22,803</b>	<b>22,803</b>

1.3 CORPORATE SERVICES									
2023/24								2022/23	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
Economic classification	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
<b>Current payments</b>	<b>21,928</b>	<b>186</b>	<b>140</b>	<b>22,254</b>	<b>21,282</b>	<b>872</b>	<b>96.1%</b>	<b>17,692</b>	<b>17,692</b>
Compensation of employees	17,885	-	(749)	17,136	16,264	872	94.9%	14,323	14,323
Goods and services	4,043	186	889	5,118	5,118	-	100%	3,369	3,369
<b>Payments for capital assets</b>	<b>814</b>	<b>974</b>	<b>-</b>	<b>1,788</b>	<b>1,142</b>	<b>646</b>	<b>63.9%</b>	<b>875</b>	<b>875</b>
Machinery and equipment	814	974	-	1,788	1,142	646	63.9%	875	875
<b>Total</b>	<b>22,742</b>	<b>1,160</b>	<b>140</b>	<b>24,042</b>	<b>22,524</b>	<b>1,518</b>	<b>93.7%</b>	<b>18,567</b>	<b>18,567</b>

1.4 FINANCIAL MANAGEMENT									
2023/24								2022/23	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
<b>Economic classification</b>	<b>R'000</b>	<b>R'000</b>	<b>R'000</b>	<b>R'000</b>	<b>R'000</b>	<b>R'000</b>	<b>%</b>	<b>R'000</b>	<b>R'000</b>
<b>Current payments</b>	<b>30,120</b>	<b>(2,206)</b>	<b>(778)</b>	<b>27,136</b>	<b>26,874</b>	<b>262</b>	<b>99.0%</b>	<b>26,902</b>	<b>26,739</b>
Compensation of employees	16,738	(965)	(750)	15,023	14,761	262	98.3%	13,920	13,920
Goods and services	13,382	(1,241)	(28)	12,113	12,113	-	100%	12,982	12,819
<b>Transfers and subsidies</b>	<b>39</b>	<b>14</b>	<b>-</b>	<b>53</b>	<b>53</b>	<b>-</b>	<b>100.0%</b>	<b>-</b>	<b>-</b>
Households	39	14	-	53	53	-	100.0%	-	-
<b>Payments for capital assets</b>	<b>715</b>	<b>1,147</b>	<b>27</b>	<b>1,889</b>	<b>365</b>	<b>1,524</b>	<b>19.3%</b>	<b>1,708</b>	<b>1,509</b>
Machinery and equipment	675	1,147	67	1,889	365	1,524	19.3%	1,676	1,477
Software and other intangible assets	40		(40)					32	32
<b>Total</b>	<b>30,874</b>	<b>(1,045)</b>	<b>(751)</b>	<b>29,078</b>	<b>27,292</b>	<b>1,786</b>	<b>93.9%</b>	<b>28,610</b>	<b>28,248</b>

1.5 EXECUTIVE SUPPORT									
2023/24								2022/23	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
<b>Economic classification</b>	<b>R'000</b>	<b>R'000</b>	<b>R'000</b>	<b>R'000</b>	<b>R'000</b>	<b>R'000</b>	<b>%</b>	<b>R'000</b>	<b>R'000</b>
<b>Current payments</b>	<b>19,102</b>	<b>(16,245)</b>	<b>(2,062)</b>	<b>795</b>	<b>795</b>	<b>-</b>	<b>100.0%</b>	<b>-</b>	<b>-</b>
Compensation of employees	17,940	(16,011)	(1,852)	77	77	-	100.0%	-	-
Goods and services	1,162	(234)	(210)	718	718	-	100.0%	-	-
<b>Payments for capital assets</b>	<b>138</b>	<b>-</b>	<b>(39)</b>	<b>99</b>	<b>99</b>	<b>-</b>	<b>100.0%</b>	<b>-</b>	<b>-</b>
Machinery and equipment	138	-	(39)	99	99	-	100.0%	-	-
<b>Total</b>	<b>19,240</b>	<b>(16,245)</b>	<b>(2,101)</b>	<b>894</b>	<b>894</b>	<b>-</b>	<b>100.0%</b>	<b>-</b>	<b>-</b>

Programme 2: INTEGRATED ECONOMIC DEVELOPMENT SERVICES									
2023/24								2022/23	
	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
<b>Sub programme</b>									
1. Enterprise Development	-	-	-	-	-	-	-	149	149
2. Regional and Local Economic Development	32,521	-	(1,053)	31,468	19,986	11,482	63.5%	14,304	14,187
3. Economic Empowerment Preferential Procurement and BBBEE	27,744	(115)	611	28,240	28,240	-	100.0%	30,754	29,077
4. Blended Fund	-	-	4,638	4,638	4,638	-	100.0%	-	-
5. Office of the Chief Director	5,315	115	536	5,966	5,966	-	100.0%	6,531	6,483
<b>Total for sub programmes</b>	<b>65,580</b>	<b>-</b>	<b>4,732</b>	<b>70,312</b>	<b>58,830</b>	<b>11,482</b>	<b>83.7%</b>	<b>51,738</b>	<b>49,896</b>
<b>Economic classification</b>									
<b>Current payments</b>	<b>25,774</b>	<b>-</b>	<b>1,239</b>	<b>27,013</b>	<b>26,381</b>	<b>632</b>	<b>97.7%</b>	<b>25,875</b>	<b>25,715</b>
Compensation of employees	17,700	-	245	17,945	17,945	-	100.0%	16,891	16,891
Salaries and wages	15,456	-	(38)	15,418	15,418	-	100.0%	14,646	14,646
Social Contributions	2,244	-	283	2,527	2,527	-	100.0%	2,245	2,245
Goods and services	8,074	-	994	9,068	8,436	632	93.0%	8,984	8,824
Administrative fees	423	-	(284)	139	139	-	100.0%	243	243
Advertising	202	-	(180)	22	22	-	100.0%	59	59
Minor assets	34	-	25	59	59	-	100.0%	11	11
Catering: Departmental activities	866	-	(166)	700	700	-	100.0%	612	612
Communication	290	-	(67)	223	223	-	100.0%	183	183
Computer services	-	-	-	-	-	-	-	8	8
Consultants: Business and advisory services	461	-	929	1,390	758	632	54.5%	638	637
Contractors	-	-	-	-	-	-	-	124	124
Fleet services	277	-	(16)	261	261	-	100.0%	93	93
Consumable supplies	46	-	57	103	103	-	100.0%	46	46
Consumable: stationery, printing and office supplies	270	-	(168)	102	102	-	100.0%	42	42
Operating leases	1,263	-	901	2,164	2,164	-	100.0%	2,441	2,441
Property payments	562	-	59	621	621	-	100.0%	1,409	1,409
Travel and subsistence	1,932	-	(583)	1,349	1,349	-	100.0%	1,666	1,507
Training and development	1,173	-	502	1,675	1,675	-	100.0%	1,219	1,219
Operating payments	18	-	13	31	31	-	100.0%	19	19

Programme 2: INTEGRATED ECONOMIC DEVELOPMENT SERVICES									
2023/24								2022/23	
	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
Venues and facilities	257	-	(28)	229	229	-	100.0%	149	149
Rental and hiring	-	-	-	-	-	-	-	22	22
<b>Transfers and subsidies</b>	<b>39,249</b>	<b>-</b>	<b>3,438</b>	<b>42,687</b>	<b>31,837</b>	<b>10,850</b>	<b>74.6%</b>	<b>25,245</b>	<b>23,907</b>
Provinces and municipalities	4,460	-	-	4,460	4,460	-	100.0%	1,900	1,900
Municipalities	4,460	-	-	4,460	4,460	-	100.0%	1,900	1,900
Municipal bank accounts	4,460	-	-	4,460	4,460	-	100.0%	1,900	1,900
Departmental agencies and accounts	27,667	-	3,438	31,105	20,605	10,500	66.2%	18,990	17,652
Departmental agencies	27,667	-	3,438	31,105	20,605	10,500	66.2%	18,990	17,652
Public corporations and private enterprises	7,122	-	-	7,122	6,772	350	95.1%	4,320	4,320
Private enterprises	7,122	-	-	7,122	6,772	350	95.1%	4,320	4,320
Other transfers to private enterprise	7,122	-	-	7,122	6,772	350	95.1%	4,320	4,320
Households	-	-	-	-	-	-	-	35	35
Social benefits	-	-	-	-	-	-	-	35	35
<b>Payments for capital assets</b>	<b>557</b>	<b>-</b>	<b>55</b>	<b>612</b>	<b>612</b>	<b>-</b>	<b>100.0%</b>	<b>618</b>	<b>274</b>
Machinery and equipment	547	10	55	612	612	-	100.0%	618	274
Transport equipment	113	-	89	202	202	-	100.0%	48	48
Other machinery and equipment	434	10	(34)	410	410	-	100.0%	570	226
Software and other intangible assets	10	(10)	-	-	-	-	-	-	-
<b>Total</b>	<b>65,580</b>	<b>-</b>	<b>4,732</b>	<b>70,317</b>	<b>58,830</b>	<b>11,482</b>	<b>83.7%</b>	<b>51,738</b>	<b>49,896</b>

2.1 ENTERPRISE DEVELOPMENT									
2023/24								2022/23	
	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
<b>Economic classification</b>	<b>R'000</b>	<b>R'000</b>	<b>R'000</b>	<b>R'000</b>	<b>R'000</b>	<b>R'000</b>	<b>%</b>	<b>R'000</b>	<b>R'000</b>
<b>Current payments</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>149</b>	<b>149</b>
Goods and services	-	-	-	-	-	-	-	149	149
<b>Total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>149</b>	<b>149</b>

2.2 REGIONAL AND LOCAL ECONOMIC DEVELOPMENT									
	2023/24							2022/23	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
Economic classification	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
<b>Current payments</b>	<b>8,689</b>	-	<b>481</b>	<b>9,170</b>	<b>8,538</b>	<b>632</b>	<b>93.1%</b>	<b>7,944</b>	<b>7,944</b>
Compensation of employees	7,622	-	404	8,026	8,026	-	100.0%	7,156	7,156
Goods and services	1,067	-	77	1,144	512	632	44.8%	788	788
<b>Transfers and subsidies</b>	<b>23,582</b>	-	<b>(1,500)</b>	<b>22,082</b>	<b>11,232</b>	<b>10,850</b>	<b>50.9%</b>	<b>6,220</b>	<b>6,220</b>
Provinces and municipalities	4,460	-	-	4,460	4,460	-	100.0%	1,900	1,900
Departmental agencies and accounts	12,000	-	(1,500)	10,500	-	10,500	-	-	-
Public corporations and private enterprise	7,122	-	-	7,122	6,772	350	95.1%	4,320	4,320
<b>Payments for capital assets</b>	<b>250</b>	-	<b>(34)</b>	<b>216</b>	<b>216</b>	-	<b>100.0%</b>	<b>140</b>	<b>23</b>
Machinery and equipment	250	-	(34)	216	216	-	100.0%	140	23
<b>Total</b>	<b>32,521</b>	-	<b>(1,053)</b>	<b>31,468</b>	<b>19,986</b>	<b>11,482</b>	<b>63.5%</b>	<b>14,304</b>	<b>14,187</b>

2.3 ECONOMIC EMPOWERMENT PREFERENTIAL PROCUREMENT AND BBBEE									
	2023/24							2022/23	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
Economic classification	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
<b>Current payments</b>	<b>11,937</b>	-	<b>311</b>	<b>12,248</b>	<b>12,248</b>	-	<b>100.0%</b>	<b>11,550</b>	<b>11,390</b>
Compensation of employees	7,948	-	(77)	7,871	7,871	-	100.0%	7,815	7,815
Goods and services	3,989	-	388	4,377	4,377	-	100.0%	3,735	3,575
<b>Transfers and subsidies</b>	<b>15,667</b>	-	<b>300</b>	<b>15,967</b>	<b>15,967</b>	-	<b>100.0%</b>	<b>19,025</b>	<b>17,687</b>
Departmental agencies and accounts	15,667	-	300	15,967	15,967	-	100.0%	18,990	17,652
Households	-	-	-	-	-	-	-	35	35
<b>Payments for capital assets</b>	<b>140</b>	<b>(115)</b>	-	<b>25</b>	<b>25</b>	-	<b>100.0%</b>	<b>179</b>	-
Machinery and equipment	130	(105)	-	25	25	-	100.0%	179	-
Software and other intangible assets	10	(10)	-	-	-	-	-	-	-
<b>Total</b>	<b>27,744</b>	<b>(115)</b>	<b>611</b>	<b>28,240</b>	<b>28,240</b>	-	<b>100.0%</b>	<b>30,754</b>	<b>29,077</b>

2.4 BLENDED FUND									
2023/24								2022/23	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
<b>Economic classification</b>	<b>R'000</b>	<b>R'000</b>	<b>R'000</b>	<b>R'000</b>	<b>R'000</b>	<b>R'000</b>	<b>%</b>	<b>R'000</b>	<b>R'000</b>
<b>Transfers and subsidies</b>	-	-	4,638	4,638	4,638	-	100.0%	-	-
Departmental agencies and accounts	-	-	4,638	4,638	4,638	-	100.0%	-	-
<b>Total</b>	-	-	4,638	4,638	4,638	-	100.0%	-	-

2.5 OFFICE OF THE CHIEF DIRECTOR									
2023/24								2022/23	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
<b>Economic classification</b>	<b>R'000</b>	<b>R'000</b>	<b>R'000</b>	<b>R'000</b>	<b>R'000</b>	<b>R'000</b>	<b>%</b>	<b>R'000</b>	<b>R'000</b>
<b>Current payments</b>	<b>5,148</b>	-	447	5,595	5,595	-	100.0%	6,232	6,232
Compensation of employees	2,130	-	(82)	2,048	2,048	-	100.0%	1,920	1,920
Goods and services	3,018	-	529	3,547	3,547	-	100.0%	4,312	4,312
<b>Payments for capital assets</b>	<b>167</b>	<b>115</b>	<b>89</b>	<b>371</b>	<b>371</b>	-	100.0%	<b>299</b>	<b>251</b>
Machinery and equipment	167	115	89	371	371	-	100.0%	299	251
<b>Total</b>	<b>5,315</b>	<b>115</b>	<b>536</b>	<b>5,966</b>	<b>5,966</b>	-	100.0%	<b>6,531</b>	<b>6,483</b>

Programme 3: TRADE AND SECTOR DEVELOPMENT									
	2023/24							2022/23	
	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
<b>Sub programme</b>									
1. Trade and Investment Promotion	98,857	(214)	137	98,780	98,757	23	100.0%	70,050	58,029
2. Sector Development	10,700	174	95	10,969	9,684	1,285	88.3%	14,098	14,040
3. Strategic Initiatives	-	-	-	-	-	-	-	187	187
4. Office of the Chief Director	10,995	40	(1,394)	9,641	9,641	-	100.0%	7,926	7,926
<b>Total for sub programmes</b>	<b>120,552</b>	<b>-</b>	<b>(1,162)</b>	<b>119,390</b>	<b>118,082</b>	<b>1,308</b>	<b>98.9%</b>	<b>92,261</b>	<b>80,182</b>
<b>Economic classification</b>									
<b>Current payments</b>	<b>24,811</b>	<b>-</b>	<b>(1,197)</b>	<b>23,614</b>	<b>22,329</b>	<b>1,285</b>	<b>94.6%</b>	<b>18,580</b>	<b>18,580</b>
Compensation of employees	6,514	-	164	6,678	6,678	-	100.0%	7,088	7,088
Salaries and wages	5,654	-	252	5,906	5,906	-	100.0%	6,265	6,265
Social Contributions	860	-	(88)	772	772	-	100.0%	823	823
Goods and services	18,297	-	(1,361)	16,936	15,651	1,285	92.4%	11,492	11,492
Administrative fees	466	614	(112)	968	968	-	100.0%	365	365
Advertising	1,394	85	-	1,479	1,479	-	100.0%	979	979
Minor assets	6	-	(2)	4	4	-	100.0%	8	8
Catering: Departmental activities	124	(4)	(29)	91	91	-	100.0%	119	119
Communication	135	(3)	36	168	168	-	100.0%	154	154
Computer services	-	-	-	-	-	-	-	3	3
Consultants: Business and advisory services	3,263	(1,650)	90	1,703	418	1,285	24.5%	-	-
Contractors	-	-	-	-	-	-	-	111	111
Fleet services	171	(111)	34	94	94	-	100.0%	69	69
Consumable supplies	31	(14)	(6)	11	11	-	100.0%	30	30
Consumable: stationery, printing and office supplies	117	(39)	(47)	31	31	-	100.0%	108	108
Operating leases	1,139	-	6	1,145	1,145	-	100.0%	1,081	1,081
Property payments	8,357	78	(1,458)	6,977	6,977	-	100.0%	5,784	5,784
Travel and subsistence	2,251	543	(1)	2,793	2,783	-	100.0%	1,868	1,868
Training and development	26	(26)	-	-	-	-	-	110	110
Operating payments	136	85	5	226	226	-	100.0%	121	121
Venues and facilities	677	(12)	123	788	788	-	100.0%	580	580
Rental & Hiring	4	454	-	458	458	-	100%	2	2



**Programme 3: TRADE AND SECTOR DEVELOPMENT**

2023/24								2022/23	
	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
<b>Transfers and subsidies</b>	<b>95,535</b>	-	-	<b>95,535</b>	<b>95,535</b>	-	100.0%	<b>73,476</b>	<b>61,493</b>
Departmental agencies and accounts	94,185	-	-	94,185	94,185	-	100.0%	72,434	60,451
Departmental agencies	94,185	-	-	94,185	94,185	-	100.0%	72,434	60,451
Private enterprises	1,350	-	-	1,350	1,350	-	100.0%	-	-
Other transfers to private enterprises	1,350	-	-	1,350	1,350	-	100.0%	-	-
Households	-	-	-	-	-	-	-	1,042	1,042
Social benefits	-	-	-	-	-	-	-	1,042	1,042
<b>Payment for capital assets</b>	<b>206</b>	-	<b>35</b>	<b>241</b>	<b>218</b>	<b>23</b>	<b>90.5%</b>	<b>205</b>	<b>109</b>
Machinery and equipment	197	-	35	232	209	23	90.1%	205	109
Transport equipment	43	13	12	68	68	-	100.0%	35	28
Other machinery and equipment	154	(13)	23	164	141	23	86.0%	170	81
Software and other intangible assets	9	-	-	9	9	-	100.0%	-	-
<b>Total</b>	<b>120552</b>	-	<b>(1162)</b>	<b>119390</b>	<b>118082</b>	<b>1308</b>	<b>98.9%</b>	<b>92,261</b>	<b>80,182</b>

**3.1 TRADE AND INVESTMENT PROMOTION**

2023/24								2022/23	
	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
<b>Economic classification</b>	<b>R'000</b>	<b>R'000</b>	<b>R'000</b>	<b>R'000</b>	<b>R'000</b>	<b>R'000</b>	<b>%</b>	<b>R'000</b>	<b>R'000</b>
<b>Current payments</b>	<b>8,677</b>	<b>(214)</b>	<b>120</b>	<b>8,583</b>	<b>8,583</b>	-	<b>100.0%</b>	<b>6,165</b>	<b>6,165</b>
Compensation of employees	2,206	-	120	2,328	2,328	-	100.0%	2,484	2,484
Goods and services	6,469	(214)	-	6,255	6,255	-	100.0%	3,681	3,681
<b>Transfers and subsidies</b>	<b>90,135</b>	-	-	<b>90,135</b>	<b>90,135</b>	-	<b>100.0%</b>	<b>63,840</b>	<b>51,857</b>
Departmental agencies accounts	90,135	-	-	90,135	90,135	-	100.0%	62,798	50,815
Households	-	-	-	-	-	-	-	1,042	1,042
<b>Payments for capital assets</b>	<b>45</b>	-	<b>17</b>	<b>62</b>	<b>39</b>	<b>23</b>	<b>62.9%</b>	<b>45</b>	<b>7</b>
Machinery and equipment	45	-	17	62	39	23	62.9%	45	7
<b>Total</b>	<b>98,857</b>	<b>(214)</b>	<b>137</b>	<b>98,780</b>	<b>98,757</b>	<b>23</b>	<b>100.0%</b>	<b>70,050</b>	<b>58,029</b>

3.2 SECTOR DEVELOPMENT									
	2023/24							2022/23	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
<b>Economic classification</b>	<b>R'000</b>	<b>R'000</b>	<b>R'000</b>	<b>R'000</b>	<b>R'000</b>	<b>R'000</b>	<b>%</b>	<b>R'000</b>	<b>R'000</b>
<b>Current payments</b>	<b>5,260</b>	<b>214</b>	<b>95</b>	<b>5,569</b>	<b>4,284</b>	<b>1,285</b>	<b>76.9%</b>	<b>4,387</b>	<b>4,387</b>
Compensation of employees	3,760	-	5	3,765	3,765	-	100.0%	3,973	3,973
Goods and services	1,500	214	90	1,804	519	1,285	28.8%	414	414
<b>Transfers and subsidies</b>	<b>5,400</b>	<b>-</b>	<b>-</b>	<b>5,400</b>	<b>5,400</b>	<b>-</b>	<b>100.0%</b>	<b>9,636</b>	<b>9,636</b>
Departmental agencies and accounts	4,050	-	-	4,050	4,050	-	100.0%	9,636	9,636
Public corporations and Private enterprises	1,350	-	-	1,350	1,350	-	100.0%	-	-
<b>Payments for capital assets</b>	<b>40</b>	<b>(40)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>75</b>	<b>17</b>
Machinery and equipment	40	(40)	-	-	-	-	-	75	17
<b>Total</b>	<b>10,700</b>	<b>174</b>	<b>95</b>	<b>10,969</b>	<b>9,684</b>	<b>1285</b>	<b>88.3%</b>	<b>14,098</b>	<b>14,040</b>

3.3 STRATEGIC INITIATIVES									
	2023/24							2022/23	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
<b>Economic classification</b>	<b>R'000</b>	<b>R'000</b>	<b>R'000</b>	<b>R'000</b>	<b>R'000</b>	<b>R'000</b>	<b>%</b>	<b>R'000</b>	<b>R'000</b>
<b>Current payments</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>187</b>	<b>187</b>
Compensation of employees	-	-	-	-	-	-	-	162	162
Goods and services	-	-	-	-	-	-	-	25	25
<b>Total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>187</b>	<b>187</b>

3.4 OFFICE OF THE CHIEF DIRECTOR									
2023/24								2022/23	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
Economic classification	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
<b>Current payments</b>	<b>10,874</b>	<b>-</b>	<b>(1,412)</b>	<b>9,462</b>	<b>9,462</b>	<b>-</b>	<b>100.0%</b>	<b>7,841</b>	<b>7,841</b>
Compensation of employees	546	-	39	585	585	-	100.0%	469	469
Goods and services	10,328	-	(1,451)	8,877	8,877	-	100.0%	7,372	7,372
<b>Payments for capital assets</b>	<b>121</b>	<b>40</b>	<b>18</b>	<b>179</b>	<b>179</b>	<b>-</b>	<b>100.0%</b>	<b>85</b>	<b>85</b>
Machinery and equipment	112	40	18	170	170	-	100.0%	85	85
Software and other intangible assets	9	-	-	9	9	-	100.0%	-	-
<b>Total</b>	<b>10,995</b>	<b>40</b>	<b>(1,394)</b>	<b>9,641</b>	<b>9,641</b>	<b>-</b>	<b>100.0%</b>	<b>7,926</b>	<b>7,926</b>

Programme 4: CONSUMER PROTECTION AND BUSINESS REGULATION									
2023/24								2022/23	
	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
<b>Sub programme</b>									
1.Consumer Protection	11,119	308	655	12,082	12,082	-	100.0%	11,474	11,474
2.Liquor Regulations	33,314	(308)	(29)	32,977	32,977	-	100.0%	15,363	15,363
3.Gambling and Betting	-	-	-	-	-	-	-	17,627	17,627
4.Corporate Governance	-	-	-	-	-	-	-	177	177
<b>Total for sub programmes</b>	<b>44,433</b>	<b>-</b>	<b>626</b>	<b>45,059</b>	<b>45,059</b>	<b>-</b>	<b>100.0%</b>	<b>44,641</b>	<b>44,641</b>
<b>Economic classification</b>									
<b>Current payments</b>	<b>11,690</b>	<b>-</b>	<b>495</b>	<b>12,185</b>	<b>12,185</b>	<b>-</b>	<b>100.0%</b>	<b>12,389</b>	<b>12,389</b>
Compensation of employees	8,395	-	(200)	8,195	8,195	-	100.0%	8,008	8,008
Salaries and wages	7,381	-	(176)	7,205	7,205	-	100.0%	7,017	7,017
Social Contributions	1,014	-	(24)	990	990	-	100.0%	991	991
Goods and services	3,295	-	695	3,990	3,990	-	100.0%	4,381	4,381
Administrative fees	21	-	19	40	40	-	100.0%	30	30
Advertising	179	-	32	211	211	-	100.0%	94	94
Minor assets	-	-	60	60	60	-	100.0%	-	-
Catering: Departmental activities	42	-	59	101	101	-	100.0%	68	68
Communication	92	-	26	118	118	-	100.0%	129	129
Computer Services	-	-	-	-	-	-	-	1	1
Legal services	39	-	(35)	4	4	-	100.0%	2	2
Contractors	-	-	8	8	8	-	100.0%	168	168
Fleet services	398	37	28	463	463	-	100.0%	417	417
Consumable supplies	10	-	2	12	12	-	100.0%	15	15
Consumable: stationery, printing and office supplies	8	-	(8)	-	-	-	-	27	27
Operating leases	1,018	271	328	1,617	1,617	-	100.0%	1,965	1,965
Property payments	1,047	(308)	176	915	915	-	100.0%	1,026	1,026
Travel and subsistence	435	-	(8)	427	427	-	100.0%	427	427
Operating payments	6	-	8	14	14	-	100.0%	10	10
Venues and facilities	-	-	-	-	-	-	-	2	2

PROGRAMME 4: CONSUMER PROTECTION AND BUSINESS REGULATION									
2023/24								2022/23	
	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
<b>Transfers and subsidies</b>	<b>32,483</b>	-	-	<b>32,483</b>	<b>32,483</b>	-	<b>100.0%</b>	<b>32,017</b>	<b>32,017</b>
Departmental agencies and accounts	32,472	-	-	32,472	32,472	-	100.0%	32,017	32,017
Departmental agencies	32,472	-	-	32,472	32,472	-	100.0%	32,017	32,017
Households	11	-	-	11	11	-	100.0%	-	-
Social benefits	11	-	-	11	11	-	100.0%	-	-
<b>Payment for capital assets</b>	<b>260</b>	-	<b>131</b>	<b>391</b>	<b>391</b>	-	<b>100.0%</b>	<b>235</b>	<b>235</b>
Machinery and equipment	260	-	131	391	391	-	100.0%	235	235
Transport equipment	232	(37)	(34)	161	161	-	100.0%	208	208
Other machinery and equipment	28	37	165	230	230	-	100.0%	27	27
<b>Total</b>	<b>44,433</b>	-	<b>626</b>	<b>45,059</b>	<b>45,059</b>	-	<b>100.0%</b>	<b>44,641</b>	<b>44,641</b>

4.1 CONSUMER PROTECTION									
2023/24								2022/23	
	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
<b>Economic classification</b>	<b>R'000</b>	<b>R'000</b>	<b>R'000</b>	<b>R'000</b>	<b>R'000</b>	<b>R'000</b>	<b>%</b>	<b>R'000</b>	<b>R'000</b>
<b>Current payments</b>	<b>10,985</b>	<b>271</b>	<b>495</b>	<b>11,751</b>	<b>11,751</b>	-	<b>100.0%</b>	<b>11,372</b>	<b>11,372</b>
Compensation of employees	8,395	-	(200)	8,195	8,195	-	100.0%	7,999	7,999
Goods and services	2,590	271	695	3,556	3,556	-	100.0%	3,373	3,373
<b>Transfers and subsidies</b>	<b>11</b>	-	-	<b>11</b>	<b>11</b>	-	<b>100.0%</b>	-	-
Households	11	-	-	11	11	-	100.0%	-	-
<b>Payments for capital assets</b>	<b>123</b>	<b>37</b>	<b>160</b>	<b>320</b>	<b>320</b>	-	<b>100.0%</b>	<b>102</b>	<b>102</b>
Machinery and equipment	123	37	160	320	320	-	100.0%	102	102
<b>Total</b>	<b>11,119</b>	<b>308</b>	<b>655</b>	<b>12,082</b>	<b>12,082</b>	-	<b>100.0%</b>	<b>11,474</b>	<b>11,474</b>

4.2 LIQUOR REGULATION									
2023/24								2022/23	
	Adjust ed Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
Economic classification	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
<b>Current payments</b>	<b>705</b>	<b>(271)</b>	<b>-</b>	<b>434</b>	<b>434</b>	<b>-</b>	<b>100.0%</b>	<b>493</b>	<b>493</b>
Goods and services	705	(271)	-	434	434	-	100.0%	493	493
<b>Transfers and subsidies</b>	<b>32,472</b>	<b>-</b>	<b>-</b>	<b>32,472</b>	<b>32,472</b>	<b>-</b>	<b>100.0%</b>	<b>14,772</b>	<b>14,772</b>
Departmental agencies and accounts	32,472	-	-	32,472	32,472	-	100.0%	14,772	14,772
<b>Payments for capital assets</b>	<b>137</b>	<b>(37)</b>	<b>(29)</b>	<b>71</b>	<b>71</b>	<b>-</b>	<b>100.0%</b>	<b>98</b>	<b>98</b>
Machinery equipment	137	(37)	(29)	71	71	-	100.0%	98	98
<b>Total</b>	<b>33,314</b>	<b>(308)</b>	<b>(29)</b>	<b>32,977</b>	<b>32,977</b>	<b>-</b>	<b>100.0%</b>	<b>15,363</b>	<b>15,363</b>

4.3 GAMBLING AND BETTING									
2023/24								2022/23	
	Adjust ed Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
<b>Economic classification</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>R'000</b>	<b>R'000</b>
<b>Current payments</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>347</b>	<b>347</b>
Goods and services	-	-	-	-	-	-	-	347	347
<b>Transfers and subsidies</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>17,245</b>	<b>17,245</b>
Departmental agencies and accounts	-	-	-	-	-	-	-	17,245	17,245
<b>Payments for capital assets</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>35</b>	<b>35</b>
Machinery equipment	-	-	-	-	-	-	-	35	35
<b>Total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>17,627</b>	<b>17,627</b>

4.4 CORPORATE GOVERNANCE									
2023/24								2022/23	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
Economic classification	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
<b>Current payments</b>	-	-	-	-	-	-	-	177	177
Compensation of employees	-	-	-	-	-	-	-	9	9
Goods and services	-	-	-	-	-	-	-	168	168
<b>Total</b>	-	-	-	-	-	-	-	177	177



Programme 5: ECONOMIC PLANNING									
	2023/24							2022/23	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
Economic classification	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
<b>Sub programme</b>									
1.Economic Research and Policy Development	6,662	(36)	(40)	6,586	6,586	-	100.0%	6,127	6,027
2.Knowledge Economy Support	7,114	184	(159)	7,139	6,815	324	95.5%	7,364	6,834
3.Office of the Chief Director	4,965	(148)	(5)	4,812	4,812	-	100.0%	5,348	5,348
4.Monitoring and evaluation	-	-	-	-	-	-	-	7	7
<b>Total for sub programmes</b>	<b>18,741</b>	<b>-</b>	<b>(204)</b>	<b>18,537</b>	<b>18,213</b>	<b>324</b>	<b>98.3%</b>	<b>18,846</b>	<b>18,216</b>
<b>Economic classification</b>									
<b>Current payments</b>	<b>16,749</b>	<b>-</b>	<b>(232)</b>	<b>16,517</b>	<b>16,193</b>	<b>324</b>	<b>98.0%</b>	<b>16,525</b>	<b>16,525</b>
Compensation of employees	12,479	-	204	12,683	12,683	-	100.0%	11,903	11,903
Salaries and wages	10,902	-	350	11,252	11,252	-	100.0%	10,574	10,574
Social Contributions	1,577	-	(146)	1,431	1,431	-	100.0%	1,329	1,329
Goods and services	4,270	-	(436)	3,834	3,510	324	91.5%	4,622	4,622
Administrative fees	82	-	1	83	83	-	100.0%	178	178
Advertising	39	-	(39)	-	-	-	-	-	-
Minor assets	36	-	9	45	45	-	100.0%	-	-
Catering: Departmental activ-	107	-	30	137	137	-	100.0%	289	289
Communications	159	-	38	197	197	-	100.0%	145	145
Computer Services	5	-	(5)	-	-	-	-	6	6
Consultants: Business and advisory services	605	-	(478)	127	127	-	-	-	-
Fleet services	56	-	(29)	27	27	-	100.0%	6	6
Consumable supplies	70	-	(21)	49	49	-	100.0%	31	31
Consumable: stationery, printing and office supplies	184	-	(97)	87	87	-	100.0%	69	69
Operating leases	1,139	-	6	1,145	1,145	-	100.0%	1,080	1,080
Property payments	963	-	58	1,021	1,021	-	100.0%	1,672	1,672
Travel and subsistence	742	-	(184)	558	558	-	100.0%	1,081	1,081
Training and development	35	-	289	324	-	324	-	-	-
Operating payments	4	-	2	6	6	-	100.0%	5	5
Venues and facilities	44	-	(16)	28	28	-	100.0%	60	60

<b>Transfers and subsidies</b>	<b>1,500</b>	-	-	<b>1,500</b>	<b>1,500</b>	-	<b>100.0%</b>	<b>1,538</b>	<b>1,538</b>
Higher education institutions	500	-	-	500	500	-	100.0%	500	500
Public corporations and private enterprise	1,000	-	-	1,000	1,000	-	100.0%	1,000	1,000
Private enterprises	1,000	-	-	1,000	1,000	-	100.0%	1,000	1,000
Other transfers to private enterprises	1,000	-	-	1,000	1,000	-	100.0%	1,000	1,000
Households	-	-	-	-	-	-	-	38	38
Social Benefits	-	-	-	-	-	-	-	38	38
<b>Payment for capital assets</b>	<b>492</b>	-	<b>28</b>	<b>520</b>	<b>520</b>	-	<b>100.0%</b>	<b>783</b>	<b>153</b>
Machinery and equipment	475	-	28	503	503	-	100.0%	783	153
Transport equipment	42	(33)	-	9	9	-	100.0%	-	-
Other machinery and equipment	433	33	28	494	494	-	100.0%	783	153
Software and tangible assets	17	-	-	17	17	-	100.0%	-	-
<b>Total</b>	<b>18,741</b>	-	<b>(204)</b>	<b>18,537</b>	<b>18,213</b>	<b>324</b>	<b>98.3%</b>	<b>18,846</b>	<b>18,216</b>

#### 5.1 ECONOMIC RESEARCH AND POLICY DEVELOPMENT

	2023/24							2022/23	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
<b>Economic classification</b>	<b>R'000</b>	<b>R'000</b>	<b>R'000</b>	<b>R'000</b>	<b>R'000</b>	<b>R'000</b>	<b>%</b>	<b>R'000</b>	<b>R'000</b>
<b>Current payments</b>	<b>6,496</b>	-	<b>(40)</b>	<b>6,454</b>	<b>6,454</b>	-	<b>100.0%</b>	<b>5,989</b>	<b>5,989</b>
Compensation of employees	5,775	-	48	5,823	5,823	-	100.0%	5,411	5,411
Goods and services	719	-	(88)	631	631	-	100.0%	578	578
<b>Transfers and Subsidies</b>	-	-	-	-	-	-	-	<b>38</b>	<b>38</b>
Households	-	-	-	-	-	-	-	38	38
<b>Payments for capital assets</b>	<b>168</b>	<b>(36)</b>	-	<b>132</b>	<b>132</b>	-	<b>100.0%</b>	<b>100</b>	-
Machinery and equipment	168	(36)	-	132	132	-	100.0%	100	-
<b>Total</b>	<b>6,662</b>	<b>(36)</b>	<b>(40)</b>	<b>6,586</b>	<b>6,586</b>	-	<b>100.0%</b>	<b>6,127</b>	<b>6,027</b>

5.2 KNOWLEDGE ECONOMY SUPPORT									
2023/24								2022/23	
	Adjust ed Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
Economic classification	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
<b>Current payments</b>	<b>5,614</b>	<b>-</b>	<b>(187)</b>	<b>5,427</b>	<b>5,103</b>	<b>324</b>	<b>94.0%</b>	<b>5,334</b>	<b>5,334</b>
Compensation of employees	4,729	-	73	4,802	4,802	-	100.0%	4,532	4,532
Goods and services	885	-	(260)	625	301	324	48.2%	802	802
<b>Transfers and subsidies</b>	<b>1,500</b>	<b>-</b>	<b>-</b>	<b>1,500</b>	<b>1,500</b>	<b>-</b>	<b>100.0%</b>	<b>1,500</b>	<b>1,500</b>
Higher education instates	500	-	-	500	500	-	100.0%	500	500
Public corporations and private enterprise	1,000	-	-	1,000	1,000	-	100.0%	1,000	1,000
<b>Payments for capital assets</b>	<b>-</b>	<b>184</b>	<b>28</b>	<b>212</b>	<b>212</b>	<b>-</b>	<b>100.0%</b>	<b>530</b>	<b>-</b>
Machinery and equipment	-	184	28	212	212	-	100.0%	530	-
<b>Total</b>	<b>7,114</b>	<b>184</b>	<b>(159)</b>	<b>7,139</b>	<b>6,815</b>	<b>324</b>	<b>95,5%</b>	<b>7,364</b>	<b>6,834</b>

5.3 OFFICE OF THE CHIEF DIRECTOR									
2023/24								2022/23	
	Adjust ed Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
Economic classification	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
<b>Current payments</b>	<b>4,641</b>	<b>-</b>	<b>(5)</b>	<b>4,636</b>	<b>4,636</b>	<b>-</b>	<b>100.0%</b>	<b>5,195</b>	<b>5,195</b>
Compensation of employees	1,975	-	83	2,058	2,058	-	100.0%	1,960	1,960
Goods and services	2,666	-	(88)	2,578	2,578	-	100.0%	3,235	3,235
<b>Payments for capital assets</b>	<b>324</b>	<b>(148)</b>	<b>-</b>	<b>176</b>	<b>176</b>	<b>-</b>	<b>100.0%</b>	<b>153</b>	<b>153</b>
Machinery and equipment	307	(148)	-	159	159	-	100.0%	153	153
<b>Total</b>	<b>4,965</b>	<b>(148)</b>	<b>(5)</b>	<b>4,812</b>	<b>4,812</b>	<b>-</b>	<b>100.0%</b>	<b>5,348</b>	<b>5,348</b>

5.4 MONITORING AND EVALUATION									
2023/24							2022/23		
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
Economic classification	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Current payments	-	-	-	-	-	-	-	7	7
Goods and services	-	-	-	-	-	-	-	7	7
<b>Total</b>	-	-	-	-	-	-	-	7	7

Programme 6. TOURISM									
2023/24								2022/23	
	Adjust ed Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
Economic classification	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Sub programme									
1.Tourism Growth	22,145	(6,966)	(3,576)	11,603	10,770	833	92.8%	9,397	9,397
2.Tourism Development	11,828	6,131	2,306	20,265	18,512	1,753	91.3%	48,623	48,623
3.Office of the Chief Director	8,215	835	-	9,050	9,050	-	100.0%	8,817	8,817
<b>Total for sub programmes</b>	<b>42,188</b>	<b>-</b>	<b>(1,270)</b>	<b>40,918</b>	<b>38,332</b>	<b>2,586</b>	<b>93.7%</b>	<b>66,837</b>	<b>66,837</b>
<b>Economic classification1</b>									
<b>Current payments</b>	<b>36,840</b>	<b>(7,980)</b>	<b>(4,205)</b>	<b>24,655</b>	<b>23,822</b>	<b>833</b>	<b>96,6%</b>	<b>37,139</b>	<b>37,139</b>
Compensation of employees	11,823	2	78	11,903	11,903	-	100.0%	11,556	11,556
Salaries and wages	10,100	(43)	74	10,131	10,131	-	100.0%	9,842	9,842
Social Contributions	1,723	45	4	1,772	1,772	-	100.0%	1,714	1,714
Goods and services	25,017	(7,982)	(4,283)	12,752	11,919	833	93.5%	25,583	25,583
Administrative fees	242	64	-	306	306	-	100.0%	234	234
Advertising	62	(50)	-	12	12	-	100.0%	13	13
Minor assets	17	42	-	59	59	-	100.0%	4	4
Catering: Departmental activities	349	(2)	-	347	347	-	100.0%	211	211
Communication(G&S)	162	41	-	203	203	-	100.0%	176	176
Computer services	-	-	-	-	-	-	-	8	8
Consultants: Business and advisory services	3,635	(1,232)	(629)	1,774	1,774	-	100.0%	5,406	5,406
Contractors	9,452	(5,792)	(3,654)	6	6	-	100.0%	10,344	10,344
Agency and support / outsourced services	578	(578)	-	-	-	-	-	-	-
Fleet services	303	73	-	376	376	-	100.0%	293	293
Consumable supplies	17	6	-	23	23	-	100.0%	31	31
Consumable: stationery, printing and office supplies	217	(167)	-	50	50	-	100.0%	100	100
Operating leases	1,115	150	-	1,265	1,265	-	100.0%	1,081	1,081
Property payments	5,593	(836)	-	4,757	4,218	539	88.7%	4,413	4,413
Travel and subsistence	2,932	50	-	2,982	2,780	202	93.2%	2,510	2,510
Training and development	87	105	-	192	100	92	52.1%	258	258
Operating payments	13	14	-	27	27	-	100.0%	56	56
Venues and facilities	243	130	-	373	373	-	100.0%	443	443
Rental and Hiring	-	-	-	-	-	-	-	2	2

<b>Transfers and subsidies</b>	<b>4,088</b>	<b>7,980</b>	<b>3,001</b>	<b>15,069</b>	<b>13,316</b>	<b>1,753</b>	<b>88.4%</b>	<b>29,296</b>	<b>29,296</b>
Provinces and Municipalities	1,250	(1,250)	-	-	-	-	-	258	258
Municipalities	1,250	(1,250)	-	-	-	-	-	258	258
Municipal Agencies and Funds	1,250	(1,250)	-	-	-	-	-	258	258
Departmental agencies and accounts	1,500	7,502	3,001	12,003	10,250	1,753	85.4%	28,073	28,073
Departmental agencies	1,500	7,502	3,001	12,003	10,250	1,753	85.4%	28,073	28,073
Higher education instates	500	-	-	500	500	-	100.0 %	-	-
Public corporations and private enterprise	825	1,728	-	2,553	2,553	-	100.0 %	965	965
Private enterprises	825	1,728	-	2,553	2,553	-	100.0 %	965	965
Other transfers to private enterprises	825	1,728	-	2,553	2,553	-	100.0 %	965	965
Households	13	-	-	13	13	-	100.0 %	-	-
Social benefits	13	-	-	13	13	-	100.0 %	-	-
<b>Payments for capital assets</b>	<b>1,260</b>	<b>-</b>	<b>(66)</b>	<b>1,194</b>	<b>1,194</b>	<b>-</b>	<b>100.0 %</b>	<b>402</b>	<b>402</b>
Buildings and other fixed structures	680	(27)	-	653	653	-	100.0 %	-	-
Other fixed structures	680	(27)	-	653	653	-	100.0 %	-	-
Machinery and equipment	580	27	(66)	541	541	-	100.0 %	402	402
Transport equipment	232	124	-	356	356	-	100.0 %	246	246
Other machinery and equipment	348	(97)	(66)	185	185	-	100.0 %	156	156
<b>Total</b>	<b>42,188</b>	<b>-</b>	<b>(1,270)</b>	<b>40,918</b>	<b>38,332</b>	<b>2,586</b>	<b>93.7%</b>	<b>66,837</b>	<b>66,837</b>

6.1 TOURISM GROWTH									
2023/24								2022/23	
	Adjust ed Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
<b>Economic classification</b>	<b>R'000</b>	<b>R'000</b>	<b>R'000</b>	<b>R'000</b>	<b>R'000</b>	<b>R'000</b>	<b>%</b>	<b>R'000</b>	<b>R'000</b>
<b>Current payments</b>	<b>22,145</b>	<b>(6,966)</b>	<b>(3,576)</b>	<b>11,603</b>	<b>10,770</b>	<b>833</b>	<b>92.8%</b>	<b>9,397</b>	<b>9,397</b>
Compensation of employees	5,500	141	78	5,719	5,719	-	100.0%	5,289	5,289
Goods and services	16,645	(7,107)	(3,654)	5,884	5,051	833	85.8%	4,108	4,108
<b>Total</b>	<b>22,145</b>	<b>(6,966)</b>	<b>(3,576)</b>	<b>11,603</b>	<b>10,770</b>	<b>833</b>	<b>92.8%</b>	<b>9,397</b>	<b>9,397</b>

6.2 TOURISM DEVELOPMENT									
2023/24								2022/23	
	Adjust ed Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
<b>Economic classification</b>	<b>R'000</b>	<b>R'000</b>	<b>R'000</b>	<b>R'000</b>	<b>R'000</b>	<b>R'000</b>	<b>%</b>	<b>R'000</b>	<b>R'000</b>
<b>Current payments</b>	<b>6,796</b>	<b>(1,032)</b>	<b>(629)</b>	<b>5,135</b>	<b>5,135</b>	<b>-</b>	<b>100.0%</b>	<b>19,298</b>	<b>19,298</b>
Compensation of employees	3,741	(32)	-	3,709	3,709	-	100.0%	4,242	4,242
Goods and services	3,055	(1,000)	(629)	1,426	1,426	-	100.0%	15,056	15,056
<b>Transfers and subsidies</b>	<b>4,088</b>	<b>7,980</b>	<b>3,001</b>	<b>15,069</b>	<b>13,316</b>	<b>1,753</b>	<b>88.4%</b>	<b>29,296</b>	<b>29,296</b>
Provinces and municipalities	1,250	(1,250)	-	-	-	-	-	258	258
Departmental agencies and accounts	1,500	7,502	3,001	12,003	10,250	1,753	85.4%	28,073	28,073
Higher education instates	500	-	-	500	500	-	100.0%	-	-
Public corporations and private enterprises	825	1,728	-	2,553	2,553	-	100.0%	965	965
Households	13	-	-	13	13	-	100.0%	-	-
<b>Payments for capital assets</b>	<b>944</b>	<b>(817)</b>	<b>(66)</b>	<b>61</b>	<b>61</b>	<b>-</b>	<b>100.0%</b>	<b>29</b>	<b>29</b>
Buildings and other fixed structures	680	(680)	-	-	-	-	-	-	-
Machinery and equipment	264	(137)	(66)	61	61	-	100.0%	29	29
<b>Total</b>	<b>11,828</b>	<b>6,131</b>	<b>2,306</b>	<b>20,265</b>	<b>18,512</b>	<b>1,753</b>	<b>91.3%</b>	<b>48,623</b>	<b>48,623</b>

6.3 OFFICE OF THE CHIEF DIRECTOR									
2023/24								2022/23	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
Economic classification	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
<b>Current payments</b>	<b>7,899</b>	<b>18</b>	<b>-</b>	<b>7,917</b>	<b>7,917</b>	<b>-</b>	<b>100.0%</b>	<b>8,444</b>	<b>8,444</b>
Compensation of employees	2,582	(107)	-	2,475	2,475	-	100.0%	2,025	2,025
Goods and services	5,317	125	-	5,442	5,442	-	100.0%	6,419	6,419
<b>Payments for capital assets</b>	<b>316</b>	<b>817</b>	<b>-</b>	<b>1,133</b>	<b>1,133</b>	<b>-</b>	<b>100.0%</b>	<b>373</b>	<b>373</b>
Buildings and other fixed structures	-	653	-	653	653	-	100.0%		
Machinery and equipment	316	164	-	480	480	-	100.0%	373	373
<b>Total</b>	<b>8,215</b>	<b>835</b>	<b>-</b>	<b>9,050</b>	<b>9,050</b>	<b>-</b>	<b>100.0%</b>	<b>8,817</b>	<b>8,817</b>



**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, disclosure notes and Annexure 1 (A-H) 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 on Payments for financial assets to the Annual Financial Statements.

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

4.1 Per programme	Final Appropriation	Actual Expenditure	Variance R'000	Variance as a % of Final Appropriation
<b>Administration</b>				
Compensation of employees	51,590	50,456	1,134	2.20%
Payments for Capital Assets	3,913	1,743	2,170	55,46%

Payments for Capital Assets under spend with R2 170 000. Three orders were issue prior to year-end. An order has been issued to MTN (Issued on 28 March 2024, OR-013862) and payment could only be affected once delivery took place. The service provider will only be able to deliver after year-end. The BAS system closed for payments on the 18th of March 2024 for the 2023/24 financial year. An order has been issued to O2MOD Projects (Issued on 15 March 2024, OR-013785) and payment could only be affected once delivery was taken place. The service provider is in process to complete the upgrade. The BAS system closed for payment on 18 March 2024. After following up with the service provider prior to system closure, they indicated that that expected time of upgrading will only be after system closure. An order has been issued to Lesedi ICT (Issued on 18 March 2024, OR-013808) and payment could only be affected once delivery was taken place. The service provider delivered the computer equipment prior to 31 March 2024. The BAS system closed for payment on 18 March 2028. After following up with the service provider prior to system closure, they indicated that that expected time of delivery will only be after system closure. Compensation of Employees under spend with R1 134 000 due to not all vacant funded posts were filled.

**Integrated Economic Development  
Services**

Goods and Services	9,068	8,436	632	6.97%
Transfers and Subsidies	42,687	31,837	10,850	25.42%

Goods and Services under spend with R 632 000. An order number has been issued to Bigen Africa Services (Issued 07 Feb 2023, OR-012219) to complete a feasibility study for the tyre crumbling project. Payment could only be affected once the services was delivered. Transfer and Subsidies under spend with R 10 850 000 which was intended for the tyre crumbling project.

### Trade and Sector Development

Goods and Services	16,936	15,651	1,285	7.59%
Payments for Capital Assets	241	218	23	9.54%

Goods and Services under spend with R1 285 000. An order number has been issued to University of Johannesburg (Issued 07 Feb 2023, OR-012219) to complete a masterplan for the establishment and development of metals, machinery and equipment (MME) sector industrial cluster in the province. Payment could only be affected once the services was delivered. Only R138 000 was paid at year end due to the completion of only the first stage. Payments for Capital Assets under spend with R 23 000. An order has been issued to Kika Furniture (Issued on 28 February 2024, OR-013708) and payment could only be affected once delivery took place. The service provider delivered the furniture prior to 31 March 2024. The BAS system closed for payment on 18 March 2024. After following up with the service provider prior to system closure, they indicated that that expected time of delivery will only be after system closure.

### Economic Planning

Goods and Services	7.139	6.815	324	4.54%
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Goods and Services under spend with R324 000. An order number has been issued to Danearl (Issued 06 March 2024, OR-013734) to provide training in rifle usage. Payment could only be affected once the services was delivered.

### Tourism

Goods and Services	12,752	11,919	833	6.53%
Transfers and Subsidies	15,069	13,316	1,753	11.63%

Goods and Services under spend with R833 000. An order number has been issued to CC Protection and Investigations (Issued 18 March 2024, OR-013799) and to U4nia Travel and Tours (Issued 20 March 2024, OR-013844) for the rifle usage training. The department also had a commitment at year end for urgent repairs and maintenance work at the Kimberley Skate Plaza amounting to R539 000. Transfer and Subsidies under spend with R 1 753 000 of which R 1 500 000 was intended for the tyre crumbling project.

4.2 Per economic classification	Final Appropriation	Actual Expenditure	Variance	Variance as a % of Final Appropriation
	R'000	R'000	R'000	R'000
<b>Current payments</b>				
Compensation of employees	108,994	107,860	1,134	1.04%
Goods and services	66,409	63,335	3,074	4.63%
<b>Transfers and subsidies</b>				
Provinces and municipalities	4,460	4,460	-	0.0%
Departmental agencies and accounts	169,765	157,512	12,253	7.22%
Higher education institutions	1,000	1,000	-	0.0%
Public corporations and private enterprises	12,025	11,675	350	0.0%
Households	754	754	-	0.0%
<b>Payments for capital assets</b>				
Buildings and other fixed structures	653	653	-	0.0%
Machinery and equipment	6,192	3,999	2,193	35.42%
Software and other intangible assets	26	26	-	0.0%

The department under spend with R 19 004 000 for the 2023/24 financial year. The department have commitments at year-end on Goods and Services amounting to R 3 063 000 and Payments for Capital Assets amounting to R 2 193 000. The department registered an roll-over request with Provincial Treasury prior to the requested date. Transfer and Subsidies under spend with R 12 000 000 which was intended for the tyre crumbling project.

4.3 Per conditional grant	Final Appropriation	Actual Expenditure	Variance	Variance as a % of Final Appropriation
	R'000	R'000	R'000	R'000
Expanded Public Works Programme	1,769	1,769	-	0.0%
Integrated Grant for Provinces- Economic Development and Tourism				

	<i>Note</i>	<b>2023/24 R'000</b>	<b>2022/23 R'000</b>
<b>REVENUE</b>			
Annual appropriation	<u>1</u>	370,278	345,044
Departmental revenue	<u>2</u>		-
<b>TOTAL REVENUE</b>		<b>370,278</b>	<b>345,044</b>
<b>EXPENDITURE</b>			
<b>Current expenditure</b>			
Compensation of employees	<u>3</u>	107,859	103,249
Goods and services	<u>4</u>	63,338	74,771
<b>Total current expenditure</b>		<b>171,197</b>	<b>178,020</b>
<b>Transfers and subsidies</b>			
Transfers and subsidies	<u>5</u>	175,400	148,273
<b>Total transfers and subsidies</b>		<b>175,400</b>	<b>148,273</b>
<b>Expenditure for capital assets</b>			
Tangible assets	<u>6</u>	4,651	3,806
Intangible assets		26	32
<b>Total expenditure for capital assets</b>		<b>4,677</b>	<b>3,838</b>
<b>TOTAL EXPENDITURE</b>		<b>351,274</b>	<b>330,131</b>
<b>SURPLUS/(DEFICIT) FOR THE YEAR</b>		<b>19,004</b>	<b>14,913</b>
<b>Reconciliation of Net Surplus/(Deficit) for the year</b>			
Voted funds		19,004	14,913
Annual appropriation		19,004	14,913
Departmental revenue and NRF Receipts	<u>2</u>		-
<b>SURPLUS/(DEFICIT) FOR THE YEAR</b>		<b>19,004</b>	<b>14,913</b>

	Note	2023/24 R'000	2022/23 R'000
<b>ASSETS</b>			
<b>Current assets</b>		<b>57,251</b>	<b>57,166</b>
Cash and cash equivalents	7	20,700	20,725
Prepayments and advances	8	66	160
Receivables	9	36,485	36,281
<b>Non-current assets</b>		<b>6,852</b>	<b>6,852</b>
Prepayments and advances		56	56
Receivables	9	6,796	6,796
<b>TOTAL ASSETS</b>		<b>64,103</b>	<b>64,018</b>
<b>Current liabilities</b>		<b>21,774</b>	<b>21,862</b>
Voted funds to be surrendered to the Revenue Fund	10	19,004	19,479
Departmental revenue and NRF Receipts to be surrendered to the Revenue Fund	11	-	-
Payables	12	2,770	2,214
		-	169
<b>TOTAL LIABILITIES</b>		<b>21,774</b>	<b>21,862</b>
<b>NET ASSETS</b>		<b>42,329</b>	<b>42,156</b>
<b>Represented by:</b>			
Recoverable revenue		42,329	42,156
<b>TOTAL</b>		<b>42,329</b>	<b>42,156</b>

	<i>Note</i>	<b>2023/24 R'000</b>	<b>2022/23 R'000</b>
<b>Recoverable revenue</b>			
Opening balance		42,156	47,402
Transfers:		<b>173</b>	<b>(5,246)</b>
Debts revised		173	(5,246)
Closing balance		<b>42,329</b>	<b>42,156</b>
<b>TOTAL</b>		<b>42,329</b>	<b>42,156</b>

	<i>Note</i>	<b>2023/24 R'000</b>	<b>2022/23 R'000</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Receipts		<b>405,814</b>	<b>373,406</b>
Annual appropriated funds received	<u>1.1</u>	370,278	345,044
Departmental revenue received	<u>2</u>	35,536	28,362
Net (increase)/decrease in working capital		(279)	(2,196)
Surrendered to Revenue Fund		(54,528)	(33,082)
Current payments		(171,197)	(178,020)
Transfers and subsidies paid		(175,400)	(148,273)
<b>Net cash flow available from operating activities</b>		<b>4,410</b>	<b>11,835</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Payments for capital assets	<u>6</u>	(4,677)	(3,838)
Proceeds from sale of capital assets		69	-
<b>Net cash flows from investing activities</b>		<b>(4,608)</b>	<b>(3,838)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
Increase/(decrease) in net assets	<u>1</u>	173	2,274
<b>Net cash flows from financing activities</b>		<b>173</b>	<b>2,274</b>
Net increase/(decrease) in cash and cash equivalents		(25)	10,271
Cash and cash equivalents at beginning of period		20,725	10,454
<b>Cash and cash equivalents at end of period</b>	<u>7</u>	<b>20,700</b>	<b>20,725</b>

## PART A: ACCOUNTING POLICIES

### 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.

<b>1</b>	<b>Basis of preparation</b> The financial statements have been prepared in accordance with the Modified Cash Standard.
<b>2</b>	<b>Going concern</b> The financial statements have been prepared on a going concern basis.
<b>3</b>	<b>Presentation currency</b> Amounts have been presented in the currency of the South African Rand (R) which is also the functional currency of the department.
<b>4</b>	<b>Rounding</b> Unless otherwise stated financial figures have been rounded to the nearest one thousand Rand (R'000).
<b>5</b>	<b>Foreign currency translation</b> Cash flows arising from foreign currency transactions are translated into South African Rands using the spot exchange rates prevailing at the date of payment / receipt.
<b>6</b>	<b>Comparative information</b>
<b>6.1</b>	<b>Prior period comparative information</b> 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.
<b>6.2</b>	<b>Current year comparison with budget</b> A comparison between the approved, final budget and actual amounts for each programme and economic classification is included in the appropriation statement.
<b>7</b>	<b>Revenue</b>
<b>7.1</b>	<b>Appropriated funds</b> Appropriated funds comprise of departmental allocations as well as direct charges against the revenue fund (i.e. statutory appropriation).



	<p>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.</p> <p>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.</p>
<b>7.2</b>	<p><b>Departmental revenue</b></p> <p>Departmental revenue is recognised in the statement of financial performance when received and is subsequently paid into the relevant revenue fund, unless stated otherwise.</p> <p>Any amount owing to the relevant revenue fund at the reporting date is recognised as a payable in the statement of financial position.</p>
<b>7.3</b>	<p><b>Accrued departmental revenue</b></p> <p>Accruals in respect of departmental revenue (excluding tax revenue) are recorded in the notes to the financial statements when:</p> <ul style="list-style-type: none"> <li>• it is probable that the economic benefits or service potential associated with the transaction will flow to the department; and</li> <li>• the amount of revenue can be measured reliably.</li> </ul> <p>The accrued revenue is measured at the fair value of the consideration receivable.</p> <p>Accrued tax revenue (and related interest and / penalties) is measured at amounts receivable from collecting agents.</p> <p>Write-offs are made according to the department's debt write-off policy.</p>
<b>8</b>	<b>Expenditure</b>
<b>8.1</b>	<b>Compensation of employees</b>
<b>8.1.1</b>	<p><b>Salaries and wages</b></p> <p>Salaries and wages are recognised in the statement of financial performance on the date of payment.</p>
<b>8.1.2</b>	<p><b>Social contributions</b></p> <p>Social contributions made by the department in respect of current employees are recognised in the statement of financial performance on the date of payment.</p> <p>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.</p>
<b>8.2</b>	<p><b>Other expenditure</b></p> <p>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.</p>
<b>8.3</b>	<p><b>Accruals and payables not recognised</b></p> <p>Accruals and payables not recognised are recorded in the notes to the financial statements at cost at the reporting date.</p>

<b>8.4</b>	<b>Leases</b>
<b>8.4.1</b>	<p><b>Operating leases</b></p> <p>Operating lease payments made during the reporting period are recognised as current expenditure in the statement of financial performance on the date of payment. Operating lease payments received are recognised as departmental revenue.</p> <p>The operating lease commitments are recorded in the notes to the financial statements.</p>
<b>8.4.2</b>	<p><b>Finance leases</b></p> <p>Finance lease payments made during the reporting period are recognised as capital expenditure in the statement of financial performance on the date of payment. Finance lease payments received are recognised as departmental revenue.</p> <p>The finance lease commitments are recorded in the notes to the financial statements and are not apportioned between the capital and interest portions.</p> <p>Finance lease assets acquired at the end of the lease term are recorded and measured at the lower of:</p> <ul style="list-style-type: none"> <li>• cost, being the fair value of the asset; or</li> <li>• the sum of the minimum lease payments made, including any payments made to acquire ownership at the end of the lease term, excluding interest.</li> </ul>
<b>9</b>	<b>Aid Assistance</b>
<b>9.1</b>	<p><b>Aid assistance received</b></p> <p>Aid assistance received in cash is recognised in the statement of financial performance when received. In-kind aid assistance is recorded in the notes to the financial statements on the date of receipt and is measured at fair value.</p> <p>Aid assistance not spent for the intended purpose and any unutilised funds from aid assistance that are required to be refunded to the donor are recognised as a payable in the statement of financial position.</p>
<b>9.2</b>	<p><b>Aid assistance paid</b></p> <p>Aid assistance paid is recognised in the statement of financial performance on the date of payment. Aid assistance payments made prior to the receipt of funds are recognised as a receivable in the statement of financial position.</p>
<b>10</b>	<p><b>Cash and cash equivalents</b></p> <p>Cash and cash equivalents are stated at cost in the statement of financial position.</p> <p>Bank overdrafts are shown separately on the face of the statement of financial position as a current liability.</p> <p>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.</p>
<b>11</b>	<p><b>Prepayments and advances</b></p> <p>Prepayments and advances are recognised in the statement of financial position when the department receives or disburses the cash.</p> <p>Prepayments and advances are initially and subsequently measured at cost.</p> <p>&lt;Indicate when prepayments and advances are expensed and under what circumstances.&gt;</p>

<b>12</b>	<b>Loans and receivables</b> 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.
<b>13</b>	<b>Investments</b> Investments are recognised in the statement of financial position at cost.
<b>14</b>	<b>Financial assets</b>
<b>14.1</b>	<b>Financial assets (not covered elsewhere)</b> A financial asset is recognised initially at its cost plus transaction costs that are directly attributable to the acquisition or issue of the financial asset. At the reporting date, a department shall measure its financial assets at cost, less amounts already settled or written-off, except for recognised loans and receivables, which are measured at cost plus accrued interest, where interest is charged, less amounts already settled or written-off.
<b>14.2</b>	<b>Impairment of financial assets</b> Where there is an indication of impairment of a financial asset, an estimation of the reduction in the recorded carrying value, to reflect the best estimate of the amount of the future economic benefits expected to be received from that asset, is recorded in the notes to the financial statements.
<b>15</b>	<b>Payables</b> Payables recognised in the statement of financial position are recognised at cost.
<b>16</b>	<b>Capital Assets</b>
<b>16.1</b>	<b>Immovable capital assets</b> 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.
<b>16.2</b>	<b>Movable capital assets</b> 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.

	<p>Movable capital assets are subsequently carried at cost and are not subject to depreciation or impairment.</p> <p>Biological assets are subsequently carried at fair value.</p> <p>Subsequent expenditure that is of a capital nature forms part of the cost of the existing asset when ready for use.</p>
<b>16.3</b>	<p><b>Intangible assets</b></p> <p>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.</p> <p>Internally generated intangible assets are recorded in the notes to the financial statements when the department commences the development phase of the project.</p> <p>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.</p> <p>All assets acquired prior to 1 April 2002 (or a later date as approved by the OAG) may be recorded at R1.</p> <p>Intangible assets are subsequently carried at cost and are not subject to depreciation or impairment.</p> <p>Subsequent expenditure of a capital nature forms part of the cost of the existing asset when ready for use.</p>
<b>16.4</b>	<p><b>Project Costs: Work-in-progress</b></p> <p>Expenditure of a capital nature is initially recognised in the statement of financial performance at cost when paid.</p> <p>Amounts paid towards capital projects are separated from the amounts recognised and accumulated in work-in-progress until the underlying asset is ready for use. Once ready for use, the total accumulated payments are recorded in an asset register. Subsequent payments to complete the project are added to the capital asset in the asset register.</p> <p>Where the department is not the custodian of the completed project asset, the asset is transferred to the custodian subsequent to completion.</p>
<b>17</b>	<p><b>Provisions and Contingents</b></p>
<b>17.1</b>	<p><b>Provisions</b></p> <p>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.</p>
<b>17.2</b>	<p><b>Contingent liabilities</b></p> <p>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</p>

	amount of the obligation cannot be measured reliably.
<b>17.3</b>	<p><b>Contingent assets</b></p> <p>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.</p>
<b>17.4</b>	<p><b>Capital commitments</b></p> <p>Capital commitments are recorded at cost in the notes to the financial statements.</p>
<b>18</b>	<p><b>Unauthorised expenditure</b></p> <p>Unauthorised expenditure is recognised in the statement of financial position until such time as the expenditure is either:</p> <ul style="list-style-type: none"> <li>• Approved by Parliament or the Provincial Legislature with funding and the related funds are received; or</li> <li>• Approved by Parliament or the Provincial Legislature without funding and is written off against the appropriation in the statement of financial performance; or</li> <li>• Transferred to receivables for recovery.</li> </ul> <p>Unauthorised expenditure is measured at the amount of the confirmed unauthorised expenditure.</p>
<b>19</b>	<p><b>Fruitless and wasteful expenditure</b></p> <p>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.</p> <p>Fruitless and wasteful expenditure is removed from the notes to the financial statements when it is resolved or transferred to receivables or written off.</p> <p>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.</p>
<b>20</b>	<p><b>Irregular expenditure</b></p> <p>Irregular expenditure is recorded in the notes to the financial statements when confirmed after its assessment. 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.</p> <p>Irregular expenditure is reduced from the note when it is either condoned by the relevant authority, transferred to receivables for recovery, not condoned and removed or written-off.</p> <p>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.</p>
<b>21</b>	<p><b>Changes in accounting estimates and errors</b></p> <p>Changes in accounting estimates are applied prospectively in accordance with MCS requirements.</p> <p>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</p>

	shall restate the opening balances of assets, liabilities and net assets for the earliest period for which retrospective restatement is practicable.
<b>22</b>	<p><b>Events after the reporting date</b></p> <p>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.</p>
<b>23</b>	<p><b>Principal-Agent arrangements</b></p> <p>The department is party to a principal-agent arrangement for [include details here]. In terms of the arrangement the department is the [principal / agent] and is responsible for [include details here]. All related revenues, expenditures, assets and liabilities have been recognised or recorded in terms of the relevant policies listed herein. Additional disclosures have been provided in the notes to the financial statements where appropriate.</p>
<b>24</b>	<p><b>Departures from the MCS requirements</b></p> <p>Management has concluded that the financial statements present fairly the department's primary and secondary information; that the department complied with the Standard except that it has departed from a particular requirement to achieve fair presentation; and the requirement from which the department has departed, the nature of the departure and the reason for departure.</p>
<b>25</b>	<p><b>Capitalisation reserve</b></p> <p>The capitalisation reserve comprises of financial assets and/or liabilities originating in a prior reporting period but which are recognised in the statement of financial position for the first time in the current reporting period. Amounts are recognised in the capitalisation reserves when identified in the current period and are transferred to the National/Provincial Revenue Fund when the underlying asset is disposed and the related funds are received.</p>
<b>26</b>	<p><b>Recoverable revenue</b></p> <p>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.</p>
<b>27</b>	<p><b>Related party transactions</b></p> <p>Related party transactions within the Minister/MEC's portfolio are recorded in the notes to the financial statements when the transaction is not at arm's length.</p> <p>The full compensation of key management personnel is recorded in the notes to the financial statements.</p>
<b>28</b>	<p><b>Inventories</b></p> <p>At the date of acquisition, inventories are recognised at cost in the statement of financial performance.</p> <p>Where inventories are acquired as part of a non-exchange transaction, the inventories are measured at fair value as at the date of acquisition.</p> <p>Inventories are subsequently measured at the lower of cost and net realisable value or where intended for distribution (or consumed in the production of goods for distribution) at no or a nominal charge, the lower of cost and current replacement value.</p>

	The cost of inventories is assigned by using the weighted average cost basis.
<b>29</b>	<p><b>Public-Private Partnerships</b></p> <p>Public Private Partnerships are accounted for based on the nature and or the substance of the partnership. The transaction is accounted for in accordance with the relevant accounting policies.</p> <p>A summary of the significant terms of the PPP agreement, the parties to the agreement, and the date of commencement thereof together with the description and nature of the concession fees received, the unitary fees paid, rights and obligations of the department are recorded in the notes to the financial statements.</p>
<b>30</b>	<p><b>Employee benefits</b></p> <p>The value of each major class of employee benefit obligation (accruals, payables not recognised and provisions) is disclosed in the Employee benefits note.</p>
<b>31</b>	<p><b>Transfer of functions</b></p> <p>Transfer 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.</p> <p>Transfer of functions are accounted for by the transferor by derecognising or removing assets and liabilities at their carrying amounts at the date of transfer.</p>
<b>32</b>	<p><b>Mergers</b></p> <p>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.</p> <p>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.</p>



## 1. Annual Appropriation

### 1.1 Annual Appropriation

	Final Appropriation	2023/24 Actual Funds Received	Funds not requested /not received	Final Appropriation	2022/23 Appropriation received	Funds not requested /not received
	R'000	R'000	R'000	R'000	R'000	R'000
Administration	78,784	78,784	-	72,489	72,489	-
Integrated Economic Development Services	65,580	65,580	-	57,237	57,237	-
Trade and Sector Development	120,551	120,551	-	82,110	82,110	-
Business Regulation and Governance	44,432	44,432	-	43,887	43,887	-
Economic Planning	18,742	18,742	-	20,127	20,127	-
Tourism	42,189	42,189	-	69,194	69,194	-
<b>Total</b>	<b>370,278</b>	<b>370,278</b>		<b>345,044</b>	<b>345,044</b>	<b>-</b>

The Department received 100% of the appropriated funds for the 2023/2024 financial year from the Northern Cape Provincial Treasury

### 1.2 Conditional Grants

	Note	2023/24 R'000	2022/23 R'000
Total grants received	28	1,769	1,900

Conditional grants were used for the intended purpose in EPWP projects. Total grants were received from the Department of Public works and Infrastructure.

## 2. Departmental Revenue

	Note	2023/24 R'000	2022/23 R'000
Tax revenue		35,133	27,972
Sales of goods and services other than capital assets	2.1	173	172
Fines, penalties and forfeits	2.2	165	177
Sales of capital assets	2.3	69	-
Transactions in financial assets and liabilities	2.4	65	41
<b>Total revenue collected</b>		<b>35,605</b>	<b>28,362</b>
Less: Own revenue included in appropriation	13	35,605	28,362
<b>Departmental revenue collected</b>		<b>-</b>	<b>-</b>



The increase in tax revenue is due to most bookmakers utilising the online platform for betting that emanates from gambling activities.

## 2.1 Sales of Goods and Services other than Capital Assets

	Note	2023/24	2022/23
	2	R'000	R'000
Sales of goods and services produced by the department		173	172
Sales by market establishment		106	110
Administrative fees		1	1
Other sales		66	61
<b>Total</b>		<b>173</b>	<b>172</b>

## 2.2 Fines, Penalties and Forfeits

	Note	2023/24	2022/2023
	2	R'000	R'000
Fines		13	12
Penalties		152	165
<b>Total</b>		<b>165</b>	<b>177</b>

Fines paid during the year under review were as a result of business transgressors and penalties paid are due the license holders paying for the annual liquor late.

## 2.3 Sales of capital assets

	Note	2023/24	2022/23
	2	R'000	R'000
Machinery and equipment		69	-
<b>Total</b>		<b>69</b>	<b>-</b>

The sale of machinery and equipment relates to cell phones and laptops sold to the departmental official as per the asset management policy.

## 2.4 Transactions in Financial Assets and Liabilities

	Note	2023/24	2022/23
	2	R'000	R'000
Other Receipts including Recoverable Revenue		65	41
<b>Total</b>		<b>65</b>	<b>41</b>

### 3. Compensation of Employees

#### 3.1 Salaries and Wages

	Note	2023/24 R'000	2022/23 R'000
Basic salary		74,610	69,419
Service Based		31	65
Compensative/circumstantial		1,351	918
Periodic payments		506	313
Other non-pensionable allowances		16,866	19,001
<b>Total</b>		<b>93,364</b>	<b>89,716</b>

#### 3.2 Social Contributions

	Note	2023/24 R'000	2022/23 R'000
<b>Employer contributions</b>			
Pension		9,462	8,820
Medical		5,015	4,697
Bargaining council		18	16
<b>Total</b>		<b>14,495</b>	<b>13,533</b>

<b>Total Compensation of Employees</b>	<b>107,859</b>	<b>103,249</b>
Average number of employees	160	143

Increase in basic salary is due to the cost-of-living adjustment implemented for officials as well as new appointments. Thirty (30) EPWP workers were appointed in the 4<sup>th</sup> quarter of 2023/24 Financial Year.

### 4. Goods and Services

	Note	2023/24 R'000	2022/23 R'000
Administrative fees		2,033	1,383
Advertising		2,207	1,272
Minor assets	4.1	481	660
Bursaries (employees)		1,080	628
Catering		1,726	1,780
Communication		1,458	1,499
Computer services	4.2	1,254	1,314
Consultants: Business and advisory services		2,775	6,246
Legal services		160	28
Contractors		364	11,478
Agency and support / outsourced services		13	15
Audit cost – external	4.3	3,681	3,653
Fleet services		1,650	1,300

Consumables	4.4	2,110	1,793
Operating leases		11,583	11,883
Property payments	4.5	16,264	16,278
Rental and hiring		459	25
Travel and subsistence	4.6	9,420	9,620
Venues and facilities		1,464	1,552
Training and development		2,458	1,816
Other operating expenditure	4.7	698	548
<b>Total</b>		<b>63,338</b>	<b>74,771</b>

The decrease in goods and services is due to cost containment measures that were put in place by the department after NCPT issued a letter in September 2023.

#### 4.1 Minor Assets

	Note	2023/24	2022/23
	4	R'000	R'000
<b>Tangible Assets</b>		<b>273</b>	<b>544</b>
Machinery and equipment		273	544
<b>Intangible Assets</b>		<b>208</b>	<b>116</b>
Software		208	116
<b>Total</b>		<b>481</b>	<b>660</b>

#### 4.2 Computer Services

	Note	2023/24	2022/23
	4	R'000	R'000
SITA computer services		1,085	1,096
External computer service providers		169	218
<b>Total</b>		<b>1,254</b>	<b>1,314</b>

#### 4.3 Audit Cost – External

	Note	2023/24	2022/23
	4	R'000	R'000
Regularity audits		3,681	3,653
<b>Total</b>		<b>3,681</b>	<b>3,653</b>

#### 4.4 Consumables

	Note 4	2023/24 R'000	2022/23 R'000
Consumable supplies		1,268	953
Uniform and clothing		57	2
IT consumables		85	310
Other consumables		1,126	641
Stationery, printing and office supplies		842	840
<b>Total</b>		<b>2,110</b>	<b>1,793</b>

Included in the total amount on the line item for other Consumables is the refreshments and groceries procured for Chief Directors.

#### 4.5 Property Payments

	Note 4	2023/24 R'000	2022/23 R'000
Municipal services		6,113	3,972
Property maintenance and repairs		1,406	-
Other		8,745	12,306
<b>Total</b>		<b>16,264</b>	<b>16,278</b>

Included under the line-item, OTHER is the total cost for security services, Cleaning as well as gardening services expenditure incurred during the financial year.

#### 4.6 Travel and Subsistence

	Note 4	2023/24 R'000	2022/23 R'000
Local		7,110	8,312
Foreign		2,310	1,308
<b>Total</b>		<b>9,420</b>	<b>9,620</b>

#### 4.7 Other Operating Expenditure

	Note 4	2023/24 R'000	2022/23 R'000
Professional bodies, membership and subscription fees		4	-
Resettlement costs		94	-
Other		600	548
<b>Total</b>		<b>698</b>	<b>548</b>

## 5. Transfers and Subsidies

		2023/24 R'000	2022/23 R'000
	<i>Note</i>		
Provinces and municipalities	28, 29	4,460	2,158
Departmental agencies and accounts	Annexure 1B	157,512	138,193
Higher education institutions	Annexure 1C	1,000	500
Public corporations and private enterprises	Annexure 1D	11,675	6,285
Households	Annexure 1G	753	1,137
<b>Total</b>		<b>175,400</b>	<b>148,273</b>

The increase on the item of departmental agencies and accounts is due to transfer payments made to NCEDA for maintenance and repairs. The increase is due to additional funding allocated to NCEDA for the office purchase, for maintenance and repairs at the convention centre and for the BFI applications for the SEZ's

## 6. Expenditure for Capital Assets

	<i>Note</i>	2023/24 R'000	2022/23 R'000
<b>Tangible Assets</b>		<b>4,651</b>	<b>3,806</b>
Buildings and other fixed structures	26	653	-
Machinery and equipment	24	3,998	3,806
<b>Intangible Assets</b>		<b>26</b>	<b>32</b>
Software	25	26	32
<b>Total</b>		<b>4,677</b>	<b>3,838</b>

The increase in machinery and equipment is due to procurement of office furniture as well as computer equipment for the year under review. Furthermore, renovations were made at the Tourism Office. The increase is due to the procurement of computer equipment and renovations made at the Tourism Uptington office.

### 6.1 Analysis of funds utilised to acquire capital assets – 2023/24

	Voted funds R'000	Aid assistance R'000	Total R'000
<b>Tangible assets</b>	<b>4,651</b>	<b>-</b>	<b>4,651</b>
Building and other fixed structures	653	-	653
Machinery and equipment	3,998	-	3,998
<b>Intangible assets</b>	<b>26</b>	<b>-</b>	<b>26</b>
Software	26	-	26
<b>Total</b>	<b>4,677</b>	<b>-</b>	<b>4,677</b>

## 6.2 Analysis of funds utilised to acquire capital assets – 2022/23

	Voted funds	Aid assistance	Total
	R'000	R'000	R'000
<b>Tangible Assets</b>	<b>3,806</b>		<b>3,806</b>
Buildings and other fixed structures	3,806	-	3,806
<b>Intangible Assets</b>			
Machinery and equipment	32	-	32
	32		32
<b>Total</b>	<b>3,838</b>	<b>-</b>	<b>3,838</b>

## 6.3 Finance Lease Expenditure included in Expenditure for Capital Assets

	Note	2023/24 R'000	2022/23 R'000
<b>Tangible Assets</b>			
Machinery and equipment		1,164	1,190
<b>Total</b>		<b>1,164</b>	<b>1,190</b>

## 7. Cash and Cash Equivalents

	Note	2023/24 R'000	2022/23 R'000
Consolidated Paymaster General Account		20,695	20,721
Cash on hand		5	4
<b>Total</b>		<b>20,700</b>	<b>20,725</b>

The balance includes unspent funds, petty cash as well as revenue collected in March 2024 but not paid over to Provincial Treasury.

## 8. Prepayments and Advances

	Note	2023/24 R'000	2022/23 R'000
Travel and subsistence		32	56
Prepayments (Not expensed)	8.2	34	104
Advances paid (Not expensed)	8.1	56	56
<b>Total</b>		<b>122</b>	<b>216</b>

## Analysis of Total Prepayments and Advances

Current prepayments and advances		66	160
Non-current prepayments and advances	8.1	56	56
<b>Total</b>		<b>122</b>	<b>216</b>

The decrease is due to the refundable deposit paid during the year as per the lease agreement after Consumer Protection (Pr4) vacated the Anlar Belleging Building. Furthermore, the balance on Travel and Subsistence is less than 30 days and will be cleared in April 2024.

### 8.1 Advances Paid (Not Expensed)

Note	Balance as at 1 April 2023	Less: Amount expensed in current year	Add or Less: Other	Add: Current Year advances	Balance as at 31 March 2024
	R'000	R'000	R'000	R'000	R'000
Other entities	56	-	-	-	56
<b>Total</b>	<b>56</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>56</b>

The advance paid relates to a refundable deposit paid for municipal services. See attached Annexure A

Note	Balance as at 1 April 2022	Less: Amount expensed in current year	Add or Less: Other	Add: Current Year advances	Balance as at 31 March 2023
	R'000	R'000	R'000	R'000	R'000
Other entities	56	-	-	-	56
<b>Total</b>	<b>56</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>56</b>

### 8.2 Prepayments (Not Expensed)

Note	Balance as at 1 April 2023	Less: Amount expensed in current year	Add or Less: Other	Add: Current Year prepayments	Balance as at 31 March 2024
	R'000	R'000	R'000	R'000	R'000
Good and services	104	(70)	-	-	34
<b>Total</b>	<b>104</b>	<b>(70)</b>	<b>-</b>	<b>-</b>	<b>34</b>

	Note	Balance as at 1 April 2022	Less: Amount expensed in current year	Add or Less: Other	Add: Current Year prepayments	Balance as at 31 March 2023
		R'000	R'000	R'000	R'000	R'000
Goods and services	8	95	-	-	9	104
<b>Total</b>		<b>95</b>	<b>-</b>	<b>-</b>	<b>9</b>	<b>104</b>

## 9. Receivables

		2023/24			2022/23		
	Note	Current	Non-current	Total	Current	Non-current	Total
		R'000	R'000	R'000	R'000	R'000	R'000
Claims recoverable	9.1		6,796	6,796		6,796	6,796
Other receivables	9.3	36,485	-	36,485	36,281	-	36,281
<b>Total</b>		<b>36,485</b>	<b>6,796</b>	<b>43,281</b>	<b>36,281</b>	<b>6,796</b>	<b>43,077</b>

The restatement on receivables is due to the recalculation on transfer made to the SMME'S (EGDF and TGDF) for determining whether funds were used for its intended purpose.

### 9.1 Claims Recoverable

	Note	2023/24	2022/23
		R'000	R'000
Private enterprises	9	6,796	6,796
<b>Total</b>		<b>6,796</b>	<b>6,796</b>

The amount of R 6,796 million was impaired due to the irrecoverable amount from a company that went under liquidation. The amount is also included in the closing balance of R19 896 million of the total impairment amount. Non movement is due to the ongoing court case for the disappearance of the diamond.



## 9.2 Other Receivables

	<i>Note</i>	<b>2023/24</b>	<b>2022/23</b>
	<b>9</b>	<b>R'000</b>	<b>R'000</b>
Pension Recoverable Acc		3	-
SAL: Reversal Control		87	65
SAL: Tax Debt		14	13
SAL: Deduction		5	-
SAL: Income Tax		10	10
SAL: Insurance Deductions		2	2
Disallowance with a debit balance		831	831
DEBTS – Transfer payments to SMMEs		35,533	35,360
<b>Total</b>		<b>36,485</b>	<b>36,281</b>

## 9.3 Impairment of Receivables

	<i>Note</i>	<b>2023/24</b>	<b>2022/23</b>
		<b>R'000</b>	<b>R'000</b>
Estimate of impairment of receivables		19,896	20,029
<b>Total</b>		<b>19,896</b>	<b>20,029</b>

Included in the total impairment balance of R 19,896 million is the irrecoverable amount from SMME's of R 13,100 million and the non-current receivable that was classified as being highly irrecoverable due to the company being under liquidation to the amount of R 6. 796 million.

The methodology that was used for the impairment of the SMME's balance is the assumption that all SMME's could not be classified under the same risk profile.

## 10. Voted Funds to be surrendered to the Revenue Fund

	<i>Note</i>	<b>2023/24</b>	<b>2022/23</b>
		<b>R'000</b>	<b>R'000</b>
Opening balance		19,479	9,579
As restated		19,479	9,579
Transfer from statement of financial performance (as restated)		19,004	14,913
Paid during the year		(19,479)	(5,013)
<b>Closing balance</b>		<b>19,004</b>	<b>19,479</b>

The unspent funds of R19, 004 million are due to the cost containment measures implemented by the Department and will be surrendered after the audit has been finalized.

## 10.1 Reconciliation of Unspent Conditional Grants

	Note	2023/24 R'000	2022/23 R'000
Total conditional grants received		1,769	1,900
Total conditional grants spent		(1,769)	(1,900)
<b>Due by the Provincial Revenue Fund</b>		<b>-</b>	<b>-</b>

## 11. Departmental Revenue and NRF Receipts to be surrendered to the Revenue Fund

	Note	2023/24 R'000	2022/23 R'000
Opening balance		2,214	1,921
As restated		2,214	1,921
Transfer from Statement of Financial Performance (as restated)		-	-
Own revenue included in appropriation		35,605	28,362
Paid during the year		(35,049)	(28,069)
<b>Closing balance</b>		<b>2,770</b>	<b>2,214</b>

The closing balance of departmental revenue and NRF receipts to be surrendered to the revenue funds amounting to R 2, 770 million will be paid over to Provincial Treasury after the year end book closure. The revenue (casino taxes) collected in March 2024 will be paid after the audit has been finalised

## 12. Payables – Current

	Note	2023/24 R'000	2022/23 R'000
Clearing Accounts	12.1	-	167
Other payables	12.2	-	2
<b>Total</b>		<b>-</b>	<b>169</b>

Payables were cleared during the year. Housing withdrawals were not requested by employees at year end.

### 12.1 Clearing Accounts

	Note	2023/24 R'000	2022/23 R'000
SAL: GEHS Refund Control Acc	12	-	167
<b>Total</b>		<b>-</b>	<b>167</b>

## 12.2 Other Payables

	Note	2023/24	2022/23
	12	R'000	R'000
Disallowance Miscellaneous -Liquor License		-	
Penalty Fees			2
<b>Total</b>		<b>-</b>	<b>2</b>

## 13. Net Cash Flow Available from Operating Activities

	Note	2023/24	2022/23
		R'000	R'000
Net surplus/(deficit) as per Statement of Financial Performance		19,004	14,913
Add back non cash/cash movements not deemed operating activities		(14,594)	(3,078)
(Increase)/decrease in receivables		(204)	(2,204)
(Increase)/decrease in prepayments and advances		94	(26)
Increase/(decrease) in payables – current		(169)	34
Proceeds from sales of capital assets		(69)	-
Expenditure on capital assets		4,677	3,838
Surrenders to Revenue Fund		(54,528)	(33,082)
Own revenue included in appropriation		35,605	28,362
<b>Net cash flow generated by operating activities</b>		<b>4,410</b>	<b>11,835</b>

## 14. Reconciliation of Cash and Cash Equivalents for Cash Flow Purposes

	Note	2023/24	2022/23
		R'000	R'000
Consolidated Paymaster General account		20,695	20,721
Cash on hand		5	4
<b>Total</b>		<b>20,700</b>	<b>20,725</b>

## 15. Contingent Liabilities and Contingent Assets

### 15.1 Contingent Liabilities

	Note	2023/24	2022/23
		R'000	R'000
<b>Liable to</b>			
<b>Nature</b>			
Claims against the department	Annex 3B	553	568
Intergovernmental payables	Annex 5	20	195
<b>Total</b>		<b>573</b>	<b>763</b>

Included in the claims against the department is Fleet Damages repairs of R53 000 and R500 000 disclosed relate to the litigation by employees who took the department to the labour court. Pemberley Investment of R15 000 was cancelled during the year. Furthermore, the amounts disclosed for intergovernmental payables are due to Provincial Treasury and Premiers Office.

## 16. Capital Commitments

	<i>Note</i>	<b>2023/24</b>	<b>2022/23</b>
		<b>R'000</b>	<b>R'000</b>
Machinery and equipment		1,564	369
<b>Total</b>		<b>1,564</b>	<b>369</b>

The bulk purchases assisted with less commitments at financial year end. Commitment for servers, computer equipment and cell phones was made with the service providers towards the end of March 2024.

## 17. Accruals and Payables not recognised

### 17.1 Accruals

			<b>2023/24</b>	<b>2022/23</b>
			<b>R'000</b>	<b>R'000</b>
<b>Listed by economic classification</b>				
	<b>30 Days</b>	<b>30+ Days</b>	<b>Total</b>	<b>Total</b>
Goods and services	1,863	50	1,913	1,519
Capital assets	58		58	258
<b>Total</b>	<b>1,921</b>	<b>50</b>	<b>1,971</b>	<b>1,777</b>

	<i>Note</i>	<b>2023/24</b>	<b>2022/23</b>
		<b>R'000</b>	<b>R'000</b>
<b>Listed by programme level</b>			
Administration		461	737
Integrated Economic Development Services		26	437
Trade and Sector Development		264	164
Business Regulation and Governance		16	73
Economic Planning		356	109
Tourism		848	257
<b>Total</b>		<b>1,971</b>	<b>1,777</b>

**17.2 Payables not Recognised**

			<b>2023/24 R'000</b>	<b>2022/23 R'000</b>
<b>Listed by economic classification</b>				
	<b>30 Days</b>	<b>30+ Days</b>	<b>Total</b>	<b>Total</b>
Goods and services	95	-	95	291
Capital assets	527		527	-
<b>Total</b>	<b>622</b>	<b>-</b>	<b>622</b>	<b>291</b>
	<i>Note</i>		<b>2023/24 R'000</b>	<b>2022/23 R'000</b>
<b>Listed by programme level</b>				
Administration			622	291
Integrated Economic Development Services			-	-
Trade and Sector Development			-	-
Economic Planning			-	-
Tourism			-	-
<b>Total</b>			<b>622</b>	<b>291</b>
	<i>Note</i>		<b>2023/24 R'000</b>	<b>2023/22 R'000</b>
<b>Included in the above totals are the following:</b>				
Confirmed balances with other departments	<i>Annex 5</i>		-	-
<b>Total</b>			<b>-</b>	<b>-</b>

**18. Employee Benefits**

	<i>Note</i>	<b>2023/24 R'000</b>	<b>2022/23 R'000</b>
Leave entitlement		4,511	4,714
Service bonus		3,046	2,701
Capped leave		969	1,263
Other		-	-
<b>Total</b>		<b>8,526</b>	<b>8,678</b>

Included in the leave entitlement is the negative amount of R49, 768.89 for leave owed to the Department. The decrease is mainly due to leave entitlement and capped leave in the 2023/24 financial year.

## 19. Lease commitments

### 19.1 Operating Leases

	Specialised military equipment R'000	Land R'000	Buildings and other fixed structures R'000	Machinery and equipment R'000	Total R'000
<b>2023/24</b>					
Not later than 1 year	-	-	12,375	-	12,375
Later than 1 year and not later than 5 years	-	-	58,083	-	58,083
Later than five years	-	-	14,958	-	14,958
<b>Total lease commitments</b>	-	-	<b>85,416</b>	-	<b>85,416</b>

	Specialised military equipment R'000	Land R'000	Buildings and other fixed structures R'000	Machinery and equipment R'000	Total R'000
<b>2022/23</b>					
Not later than 1 year	-	-	11,619	-	11,619
Later than 1 year and not later than 5 years	-	-	54,538	-	54,538
Later than five years	-	-	30,878	-	30,878
<b>Total lease commitments</b>	-	-	<b>97,035</b>	-	<b>97,035</b>

The Department has leased the following buildings as per table below:

Company	Location	End date of contract
Ocean Echo Properties	Khaya La Bantu	31 August 2030
Columbia Falls Properties	Metlife Towers	30 November 2029

### 19.2 Finance leases \*\*

	Specialised military equipment R'000	Land R'000	Buildings and other fixed structures R'000	Machinery and equipment R'000	Total R'000
<b>2023/24</b>					
Not later than 1 year	-	-	-	1,653	1,653
Later than 1 year and not later than 5 years	-	-	-	2,492	2,492
<b>Total lease commitments</b>	-	-	-	<b>4,145</b>	<b>4,145</b>

2022/23	Specialised military equipment R'000	Land R'000	Buildings and other fixed structures R'000	Machinery and equipment R'000	Total R'000
Not later than 1 year	-	-	-	919	919
Later than 1 year and not later than 5 years	-	-	-	1,194	1,194
<b>Total lease commitments</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>2,113</b>	<b>2,113</b>

The Finance Leases has increased due to the replaced three (3) new photocopy machines and Fleet Services with four (4) new vehicles as at 31 March 2024.

## 20. Unauthorised, Irregular and Fruitless and Wasteful Expenditure

	Note	2023/24 R'000	2022/23 R'000
Unauthorised expenditure		-	-
Irregular expenditure		-	110
Fruitless and wasteful expenditure		-	25
<b>Total</b>		<b>-</b>	<b>135</b>

No unauthorised, irregular as well as fruitless and wasteful expenditure was incurred for the year under review.

## 21. Related Party Transactions

Payments made	Note	2023/24 R'000	2022/23 R'000
Goods and services		434	769
Expenditure for capital assets		71	133
<b>Total</b>		<b>505</b>	<b>902</b>

The department has an administrative role over the following public entities of the department, to whom funds are transferred to via transfer payments as disclosed in Note 9 and Annexure 1B a) Northern Cape Tourism Agency, b) NCEDA, c) NCGB d) NCLB. The department pays the contract of car rental of NCLB and NCLG on their behalf for the period under review. 2) The department serves as trustee on the Board of Trustees of Frances Baard SMME to whom funds were transferred via transfer payments, 3) The department serves as a trustee on the Board of Trustees of KIDJA and during the financial year under review 4) The department serves as trustee on the board of Trustees of Kimberley International Diamond and Jewellery Academy. 5) Northern Cape Provincial Treasury - Executive authority provides political and strategic direction to the Northern Cape Provincial

Treasury; thus the Provincial Treasury and Economic Development are regarded as related parties. 6) The note on key management personnel also falls under the chapter 15 of the MCS related party disclosures (refer to note 33) for details.

## 22. Key Management Personnel

	2023/24 R'000	2022/23 R'000
Political office bearers (provide detail below)		
Officials:		
Level 15	1,883	1,769
Level 14 (incl CFO if at lower level)	12,016	11,371
<b>Total</b>	<b>13,899</b>	<b>13,140</b>

This includes the HOD (L15) and all Chief Directors (L14). The increase is due to COLA and notch increments. The above-mentioned officials had the authority and responsibility for planning, directing and controlling the activities of the department.

## 23. Movable Tangible Capital Assets

### MOVEMENT IN MOVABLE TANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2024

	Opening balance R'000	Value adjustments R'000	Additions R'000	Disposals R'000	Closing Balance R'000
<b>MACHINERY AND EQUIPMENT</b>	<b>16,795</b>	<b>-</b>	<b>2,334</b>	<b>2,393</b>	<b>16,736</b>
Computer equipment	6,346	-	1,917	575	7,688
Furniture and office equipment	5,298	-	270	164	5,404
Other machinery and equipment	5,151	-	147	1,654	3,644
<b>TOTAL MOVABLE TANGIBLE CAPITAL ASSETS</b>	<b>16,795</b>	<b>-</b>	<b>2,334</b>	<b>2,393</b>	<b>16,736</b>

The department conducted a full asset count at year end. The count data was reconciled to the Asset Register from count sheets to register and from register to count sheets. This reconciliation identified items that were not found. The Asset Management Unit will investigate these missing items. A write-off process will be followed if these assets are not found, upon completion of the investigation.

### Movable Tangible Capital Assets under investigation

	Number	Value
<b>Included in the above total of the movable tangible capital assets per the asset register are assets that are under investigation:</b>		
Machinery and equipment	183	328



The items under investigation refers to items which were not successfully verified during the full asset count. A investigation process will be followed to trace these items.

### 23.1 Movement for 2022/23

#### MOVEMENT IN TANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2023

	Opening balance	Prior period error	Additions	Disposals	Closing Balance
	R'000	R'000	R'000	R'000	R'000
<b>MACHINERY AND EQUIPMENT</b>	<b>17,242</b>	<b>-</b>	<b>2,616</b>	<b>3,063</b>	<b>16,795</b>
Computer equipment	7,018	-	1,215	1,887	6,346
Furniture and office equipment	5,545	-	707	954	5,298
Other machinery and equipment	4,679	-	694	222	5,151
<b>TOTAL MOVABLE TANGIBLE CAPITAL ASSETS</b>	<b>17,242</b>	<b>-</b>	<b>2,616</b>	<b>3,063</b>	<b>16,795</b>

### 23.2 Minor Assets

#### MOVEMENT IN MINOR ASSETS PER THE ASSET REGISTER FOR THE YEAR ENDED AS AT 31 MARCH 2024

	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	-	2,174	-	4,013	-	6,187
Additions	-	208	-	273	-	481
Disposals	-	1,180	-	375	-	1,555
<b>TOTAL MINOR ASSETS</b>	<b>-</b>	<b>1,202</b>	<b>-</b>	<b>3,911</b>	<b>-</b>	<b>5,113</b>

	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 minor assets at cost	-	485	-	2,462	-	2,947
<b>TOTAL NUMBER OF MINOR ASSETS</b>	<b>-</b>	<b>485</b>	<b>-</b>	<b>2,462</b>	<b>-</b>	<b>2,947</b>

### Minor Capital Assets Under Investigation

	Number	Value
<b>Included in the above total of the movable tangible capital assets per the asset register are assets that are under investigation:</b>		
Machinery and equipment	183	328

The department conducted a full asset count at year end. The count data was reconciled to the Asset Register from count sheets to register and from register to count sheets. This reconciliation identified items that were not found. The Asset Management Unit will investigate these missing items. A write-off process will be followed if these assets are not found, upon completion of the investigation.

### Minor Assets

#### MOVEMENT IN MINOR ASSETS PER THE ASSET REGISTER FOR THE YEAR ENDED AS AT 31 MARCH 2023

	Specialised military assets R'000	Intangible assets R'000	Heritage assets R'000	Machinery and equipment R'000	Biological assets R'000	Total R'000
Opening balance		2,077		3,955		6,032
Additions	-	116	-	544	-	660
Disposals	-	19		486	-	505
<b>TOTAL MINOR ASSETS</b>	<b>-</b>	<b>2,174</b>	<b>-</b>	<b>4,013</b>	<b>-</b>	<b>6,187</b>

	Specialised military assets	Intangible assets	Heritage assets	Machinery and equipment	Biological assets	Total
NUMBER OF MINOR ASSETS	-	454	-	2,875	-	3,329
<b>TOTAL NUMBER OF MINOR ASSETS</b>	<b>-</b>	<b>454</b>	<b>-</b>	<b>2,875</b>	<b>-</b>	<b>3,329</b>

### 23.3 Movable Assets Written-Off

#### MOVABLE ASSETS WRITTEN OFF FOR THE YEAR ENDED AS AT 31 MARCH 2024

	Specialised military assets R'000	Intangible assets R'000	Heritage assets R'000	Machinery and equipment R'000	Biological assets R'000	Total R'000
Assets written off	-	1,346	-	331	-	1,677
<b>TOTAL MOVABLE ASSETS WRITTEN OFF</b>	<b>-</b>	<b>1,346</b>	<b>-</b>	<b>331</b>	<b>-</b>	<b>1,677</b>

#### MOVABLE ASSETS WRITTEN OFF FOR THE YEAR ENDED AS AT 31 MARCH 2023

	Specialised military assets R'000	Intangible assets R'000	Heritage assets R'000	Machinery and equipment R'000	Biological assets R'000	Total R'000
Assets written off	-	23	-	3,173	-	3,196
<b>TOTAL MOVABLE ASSETS WRITTEN OFF</b>	<b>-</b>	<b>23</b>	<b>-</b>	<b>3,173</b>	<b>-</b>	<b>3,196</b>

### 24. INTANGIBLE CAPITAL ASSETS

#### MOVEMENT IN INTANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2024

	Opening balance R'000	Additions R'000	Disposals R'000	Closing Balance R'000
SOFTWARE	536	26	257	305
SERVICES AND OPERATING RIGHTS	51	-	-	51
<b>TOTAL INTANGIBLE CAPITAL ASSETS</b>	<b>587</b>	<b>26</b>	<b>257</b>	<b>356</b>

24.1 Movement for 2022/23

**MOVEMENT IN INTANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2023**

	Opening balance	Prior period error	Additions	Disposals	Closing Balance
	R'000	R'000	R'000	R'000	R'000
SOFTWARE	504	-	32	-	536
SERVICES AND OPERATING RIGHTS	51	-	-	-	51
<b>TOTAL INTANGIBLE CAPITAL ASSETS</b>	<b>555</b>	<b>-</b>	<b>32</b>	<b>-</b>	<b>587</b>

25. Immovable Tangible Capital Assets

**MOVEMENT IN IMMOVABLE TANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2024**

	Opening balance	Additions	Disposals	Closing Balance
	R'000	R'000	R'000	R'000
<b>BUILDINGS AND OTHER FIXED STRUCTURES</b>	<b>4,778</b>	<b>653</b>	<b>-</b>	<b>5,431</b>
Other fixed structures	4,778	653	-	5,431
<b>TOTAL IMMOVABLE TANGIBLE CAPITAL ASSETS</b>	<b>4,778</b>	<b>653</b>	<b>-</b>	<b>5,431</b>

25.1 Movement for 2022/23

**MOVEMENT IN IMMOVABLE TANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2023**

	Opening balance	Prior period error	Additions	Disposals	Closing Balance
	R'000	R'000	R'000	R'000	R'000
<b>BUILDINGS AND OTHER FIXED STRUCTURES</b>	<b>4,778</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>4,778</b>
Other fixed structures	4,778	-	-	-	4,778
<b>TOTAL IMMOVABLE TANGIBLE CAPITAL ASSETS</b>	<b>4,778</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>4,778</b>

## 26. Prior Period Errors

### Correction of Prior Period Errors

2022/23

	<i>Note</i>	<b>Amount bef error correction</b>	<b>Prior period error</b>	<b>Restated Amount</b>
		<b>R'000</b>	<b>R'000</b>	<b>R'000</b>
<b>Assets: Receivables, Investments, Accrued departmental revenue, Movable tangible capital assets</b>				
Receivables-transfer to SMME's	14	39,120	(3,760)	35,360
Impairment – Transfer to SMME's	14	13,061	172	13,233
<b>Net effect</b>		<b>52,181</b>	<b>(3,588)</b>	<b>48,593</b>

The restatement on receivables and impairment on receivables is due to the recalculation on transfers and subsidies made to SMME's (EGDF and TGDF) as well invoices submitted by the SMME's to clear the debt.

## 27 STATEMENTS OF CONDITIONAL GRANTS RECEIVED

NAME OF GRANT	GRANT ALLOCATION					SPENT				2022/23	
	Division of Revenue Act/ Provincial Grants	Roll Overs	DORA Adjust -ments	Other Adjust -ments	Total Availa ble	Amount received by depart- ment	Amount spent by depart- ment	Under / (Overs pendin g)	% of availabl e funds spent by depart- ment	Divisio n of Reven ue Act	Amount spent by departme nt
	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Expanded Public Works Programme	1,960		(191)		1,769	1,769	1,769	-	100%	1,900	1,900
<b>TOTAL</b>	<b>1,960</b>	<b>-</b>	<b>(191)</b>	<b>-</b>	<b>1,769</b>	<b>1,769</b>	<b>1,769</b>	<b>-</b>	<b>100%</b>	<b>1,900</b>	<b>1,900</b>

Conditional grants were used for EPWP projects as well as Tourism projects as disclosed in note 5 and Annexure 1A

28 STATEMENT OF CONDITIONAL GRANTS AND OTHER TRANSFERS PAID TO MUNICIPALITIES

	2023/24							2021/22	
NAME OF MUNICIPALITY	GRANT ALLOCATION				TRANSFER				
	DoRA and other transfers	Roll Overs	Adjustments	Total Available	Actual Transfer	Funds Withheld	Re-allocations by National Treasury or National Department	Division of Revenue Act	Actual transfer
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Richtersveld Municipality	-	-	-	-	-	-	-	258	258
Sol Plaatje Municipality	-	-	-	-	-	-	-	900	900
Namakwa District Municipality	900	-	500	1,400	1,400	-	100%	1,000	1,000
Pixley ka Seme District Municipality	1,060	-	500	1,560	1,560	-	100%	-	-
Dawid Kruiper Municipality	1,250	-	(1,250)	-	-	-	-	-	-
Frances Baard District Municipality	-	-	500	500	500	-	100%	-	-
John Taaolo Gaetsewe District Municipality	-	-	500	500	500	-	100%	-	-
ZF Mgcawu District Municipality	-	-	500	500	500	-	100%	-	-
<b>TOTAL</b>	<b>3,210</b>	<b>-</b>	<b>1,250</b>	<b>4,460</b>	<b>4,460</b>	<b>-</b>	<b>100%</b>	<b>2,158</b>	<b>2,158</b>

Transfers to Municipalities were used for Conditional grants for EPWP projects as well as Tourism projects as disclosed in note 29 and Annexure 1A

## 29. 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.

## 30 COVID 19 Response Expenditure

	<i>Note</i>	<b>2023/24</b>	<b>2022/23</b>
	<i>Annexure 11</i>	<b>R'000</b>	<b>R'000</b>
Goods and services		-	6
<b>Total</b>		<b>-</b>	<b>6</b>

The expenditure incurred was relating to the procurement of PPE materials during the pandemic of Covid-19.



ANNEXURE 1A

STATEMENT OF CONDITIONAL GRANTS AND OTHER TRANSFERS PAID TO MUNICIPALITIES

NAME OF MUNICIPALITY	GRANT ALLOCATION				TRANSFER			SPENT				2022/23	
	DoRA and other transfers	Roll Overs	Adjust-ments	Total Avail-able	Actu-al Trans-fer	Funds With-held	Re-allo-cat-ions by Nation-al Treasu-ry or Nation-al Depart-ment	Amou-nt receiv-ed by munic-i-pality	Amo-unt spen-t by muni-cipali-ty	Unsp-ent funds	% of available funds spent by munici-pality	Division of Revenue Act	Actu-al trans-fer
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000	R'000	%	R'000	R'000
Richtersveld Municipality	-	-	-	-	-	-	-	-	-	-	100.0%	258	258
Sol Plaatje Municipality	-	-	-	-	-	-	-	-	-	-	100.0%	900	900
Namakwa District municipality	900	-	500	1,400	1,400	-	-	1,400	1,400	-	100.0%	1,000	1,000
Pixley Ka Seme District municipality	1,060	-	500	1,560	1,560	-	-	1,560	1,560	-	100.0%	-	-
Dawid Kruiper Municipality	1,250	-	(1,250)	-	-	-	-	-	-	-	-	-	-
Frances Baard District Municipality	-	-	500	500	500	-	-	500	500	-	100.0%	-	-
John Taolo Gaetsewe District Municipality	-	-	500	500	500	-	-	500	500	-	100.0%	-	-
ZF Mgcawu District Municipality	-	-	500	500	500	-	-	500	500	-	100.0%	-	-
<b>TOTAL</b>	<b>3,210</b>	<b>-</b>	<b>1,250</b>	<b>4,460</b>	<b>4,460</b>	<b>-</b>	<b>-</b>	<b>4,460</b>	<b>4,460</b>	<b>-</b>		<b>2,158</b>	<b>2,158</b>

Transfers to Municipalities were used for Conditional grants for EPWP projects as well as Tourism projects as disclosed in note 5 as well as note 28 and 29

## ANNEXURE 1B

### STATEMENT OF TRANSFERS TO DEPARTMENTAL AGENCIES AND ACCOUNTS

DEPARTMENTAL AGENCY/ ACCOUNT	TRANSFER ALLOCATION				TRANSFER		2022/23
	Adjusted Appropriation	Roll Overs	Adjustments	Total Available	Actual Transfer	% of Available funds Transferred	Final Appropriation
	R'000	R'000	R'000	R'000	R'000	%	R'000
Northern Cape Gambling Board	17,208	-	-	17,208	17,208	100.0%	17,245
NCEDA	63,923	-	8,050	71,973	71,973	100.0%	51,261
Northern Cape Liquor Board	15,264	-	-	15,264	15,264	100.0%	14,772
NCTA tourism Promotion Dev	26,712	-	-	26,712	26,712	100.0%	26,436
Northern Cape SMME Trust	21,067	-	(1,050)	20,017	20,017	100.0%	27,288
Mc Gregor Museum	-	-	-	-	-	100.0%	300
SKA SA	-	-	-	-	-	100.0%	241
Roads and Public Works	-	-	-	-	-	100.0%	650
South African national Parks	650-	-	700	1,350	1,350	100.0%	-
South African Astronomical ABSE	350	-	-	350	350	100.0%	-
National Empowerment Fund Trust	-	-	4,638	4,638	4,638	100.0%	-
Tyre Crumbling	12,000	-	-	12,000	-	0.0%	-
Route Development	253	-	-	253	-	0.0%	-
<b>TOTAL</b>	<b>157,427</b>	<b>-</b>	<b>12,338</b>	<b>169,765</b>	<b>157,512</b>		<b>138,193</b>

Transfer to public entities and other projects to departmental agencies.

ANNEXURE 1C

STATEMENT OF TRANSFERS TO HIGHER EDUCATION INSTITUTIONS

NAME OF HIGHER EDUCATION INSTITUTION	TRANSFER ALLOCATION				TRANSFER			2022/23
	Adjusted Appropriatio n	Roll Overs	Adjust -ments	Total Available	Actual Transfer	Amount not transferred	% of Available funds Transferred	Final Appropriatio n
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000
Sol Plaatje University	1,000	-	-	1,000	1,000	-	100.0%	500
<b>TOTAL</b>	<b>1,000</b>	<b>-</b>	<b>-</b>	<b>1,000</b>	<b>1,000</b>	<b>-</b>		<b>500</b>

ANNEXURE 1D

STATEMENT OF TRANSFERS/SUBSIDIES TO PUBLIC CORPORATIONS AND PRIVATE ENTERPRISES

NAME OF PUBLIC CORPORATION/PRIVATE ENTERPRISE	TRANSFER ALLOCATION				EXPENDITURE				2022/23
	Adjusted Appropriation Act	Roll Overs	Adjustments	Total Available	Actual Transfer	% of Available funds Transferred	Capital	Current	Final Appropriation
	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000	R'000
<b>Private Enterprises</b>									
<b>Transfers</b>									
Kimberley Diamond and Jewellery	4,000	-	-	4,000	4,000	100.0%	-	-	4,320
Incubator	-	-	-	-	-	-	-	-	-
CEO Consultancy	-	-	-	-	-	100.0%	-	-	81
Karoo Oasis Route	-	-	230	230	230	100.0%	-	-	225
Mmogo and Daughter Services	-	-	-	-	-	100.0%	-	-	62
Sisonke Performing Arts	-	-	-	-	-	1000%	-	-	43
SNE and BSUI	-	-	-	-	-	-	-	-	-
Porterry	-	-	-	-	-	100.0%	-	-	20
Zenzeleni Networks	-	-	-	-	-	100.0%	-	-	44
MLAB Southern Africa	1,000	-	-	1,000	1,000	100.0%	-	-	956
ZIKMO Promotions	-	-	100	100	100	100.0%	-	-	535
KIDJA	3,122	-	-	3,122	2,772	88.8%	-	-	-
Millvest Advisory	-	-	100	100	100	100.0%	-	-	-
The Kalahari Red	400	-	(202)	198	198	100.0%	-	-	-
Dune Route	-	-	-	-	-	-	-	-	-
Kokerboom Food and Wine Route	200	-	-	200	200	100.0%	-	-	-
Karoo Development Foundation	225	-	-	225	225	100.0%	-	-	-
Pyrolysis Plant	12,000	-	(12,000)	-	-	-	-	-	-
NC Solar and Renewable Energy	-	-	1,350	1,350	1,350	100.0%	-	-	-
African Media Connection	-	-	1,500	1,500	1,500	100.0%	-	-	-
<b>Sub total</b>	<b>20,947</b>	<b>-</b>	<b>(8,922)</b>	<b>12,025</b>	<b>11,675</b>	<b>97.1%</b>	<b>-</b>	<b>-</b>	<b>6,287</b>
<b>TOTAL</b>	<b>20,947</b>	<b>-</b>	<b>(8,922)</b>	<b>12,025</b>	<b>11,675</b>	<b>97.1%</b>	<b>-</b>	<b>-</b>	<b>6,287</b>

## ANNEXURE 1G

### STATEMENT OF TRANSFERS TO HOUSEHOLDS

HOUSEHOLDS	TRANSFER ALLOCATION				EXPENDITURE		2022/23
	Adjusted Appropriation Act	Roll Overs	Adjust- ments	Total Available	Actual Transfer	% of Available funds Transferred	Final Appropriation
	R'000	R'000	R'000	R'000	R'000	%	R'000
<b>Transfers</b>							
GEPF (Penalty)	-	-	-	-	-	-	877
SS De Vos	-	-	-	-	-	-	35
BS Morukhu	-	-	-	-	-	-	22
F Links	-	-	-	-	-	-	103
Yedwa Transport	-	-	-	-	-	-	63
NN Nyembe	-	-	-	-	-	-	37
LA Davel	39	-	-	39	39	100%	-
NC Provincial Govt	125	-	-	125	125	100%	-
K Packirisamy	188	-	24	212	212	100%	-
KM Moheta	11	-	-	11	11	100%	-
TJW Crutse	13	-	-	13	13	100%	-
TN Thompson	-	-	14	14	14	100%	-
LBP Accom	-	-	10	10	10	100%	-
MS Barlow	-	-	10	10	10	100%	-
G Boltman	-	-	10	10	10	100%	-
L Crowie	-	-	10	10	10	100%	-
S Heroldt	-	-	10	10	10	100%	-
J Krieg	-	-	10	10	10	100%	-
GP Ledibane	-	-	10	10	10	100%	-
B Mabele	-	-	10	10	10	100%	-
J Makgetla	-	-	10	10	10	100%	-
M Moahludi	-	-	10	10	10	100%	-
P Mocwane	-	-	10	10	10	100%	-
N Mokgoro	-	-	10	10	10	100%	-
L Molefe	-	-	10	10	10	100%	-
L Mosiea	-	-	10	10	10	100%	-
K Motabogi	-	-	10	10	10	100%	-
M Mothibi	-	-	10	10	10	100%	-
M Musa	-	-	10	10	10	100%	-
M Namate	-	-	10	10	10	100%	-
T Ngamole	-	-	10	10	10	100%	-
U Ngomane	-	-	10	10	10	100%	-
P Nodom	-	-	10	10	10	100%	-
K Pause	-	-	10	10	10	100%	-
P Phoofolo	-	-	10	10	10	100%	-
L Setlhabi	-	-	10	10	10	100%	-
K Sheen	-	-	10	10	10	100%	-

M Tlhalogang	-	-	10	10	10	100%	-
R Toffar	-	-	10	10	10	100%	-
M V/D Lith	-	-	10	10	10	100%	-
NR Louw	-	-	10	10	10	100%	-
B Letsie	-	-	50	50	50	100%	-
<b>TOTAL</b>	<b>376</b>	<b>-</b>	<b>377</b>	<b>753</b>	<b>753</b>		<b>1,137</b>

Leave gratuity due to retirement and resignation of employees and a settlement agreement. Furthermore, employees were awarded for obtaining their qualification in the year under review.

ANNEXURE 3B

STATEMENT OF CONTINGENT LIABILITIES AS AT 31 MARCH 2023

Nature of Liability	Opening Balance	Liabilities incurred during the year	Liabilities paid/cancel led/reduced during the year	Liabilities recoverable (Provide details hereunder)	Closing Balance
	1 April 2023				31 March 2024
	R'000	R'000	R'000	R'000	R'000
<b>Claims against the department</b>					
Northern cape fleet management	53	-	-	-	53
Pemberley Investment Limited	15	-	15	-	-
GXOTHA SN & OTHERS (Departmental Officials)	500	-	-		500
<b>Subtotal</b>	<b>568</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>553</b>
<b>TOTAL</b>	<b>568</b>	<b>-</b>	<b>15</b>	<b>-</b>	<b>553</b>

## ANNEXURE 5

### INTER-GOVERNMENT PAYABLES

GOVERNMENT ENTITY	Confirmed balance outstanding		Unconfirmed balance outstanding		TOTAL		Cash in transit at year end 2023/24 *	
	31/03/2024	31/03/2023	31/03/2024	31/03/2023	31/03/2024	31/03/2023	Payment date up to six (6) working days before year end	Amount
	R'000	R'000	R'000	R'000	R'000	R'000		R'000

#### DEPARTMENTS

##### Current

Northern cape provincial Treasury	-	-	19	95	19	95		
Office of the Premier	-	-	1	100	1	100		
EC – DEDEAT	63	-	-	-	63	-		
<b>Sub total</b>	63	-	-	195	83	195		-
<b>TOTAL</b>	63	-	20	195	83	195		-



## ANNEXURE 8A

### INTER-ENTITY ADVANCES PAID (note 8)

ENTITY	Confirmed balance outstanding		Unconfirmed balance outstanding		TOTAL	
	31/03/2024	31/03/2023	31/03/2024	31/03/2023	31/03/2024	31/03/2023
	R'000	R'000	R'000	R'000	R'000	R'000

#### OTHER INSTITUTIONS

Sol Plaatje (refundable  
deposit electricity)

#### Subtotal

#### TOTAL

56	56	-	-	56	56
56	56	-	-	56	56
56	56	-	-	56	56

## ANNEXURE 11

### COVID 19 RESPONSE EXPENDITURE

Per quarter and in total

Expenditure per economic classification	2023/24					2022/23
	Q1	Q2	Q3	Q4	Total	Total
	R'000	R'000	R'000	R'000	R'000	R'000
<b>Compensation of employees</b>						
<b>Goods and services</b>	-	-	-	-	-	6
List all applicable SCOA level 4 items						
Cons Hous Sup: Wash /Clean	-	-	-	-	-	-
Cons supp: Medical Supplies	-	-	-	-	-	-
<b>TOTAL COVID 19 RESPONSE EXPENDITURE</b>	-	-	-	-	-	6

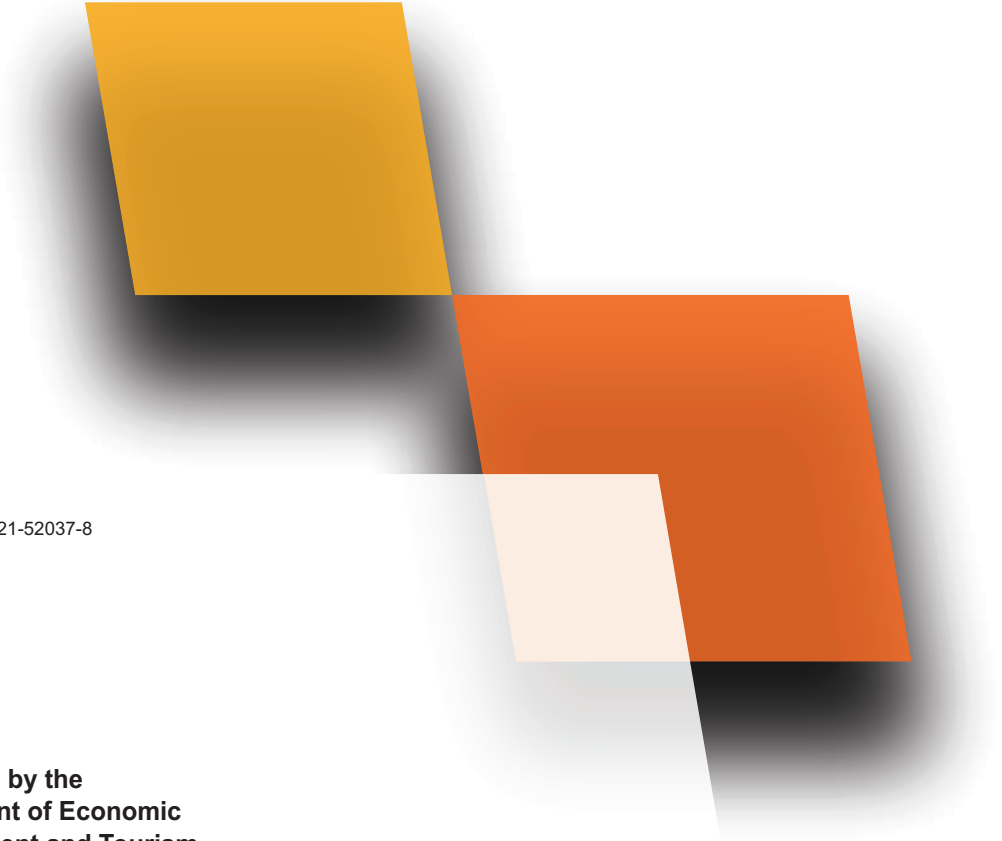
The expenditure incurred was relating to the procurement of PPE materials during the pandemic of Covid-19.

## ANNEXURE 12

### ANALYSIS OF PREPAYMENTS AND ADVANCES (NOTES 4.2 AND 13)

Name of Entity	Sector of the entity	Description of the item paid for	Classification category	Total Contract Value	Balance outstanding as at 31 March 2023	Total amount prepaid/advanced in the current year	Less: goods, services or capital assets received in the current year	Add/Less: Other	Balance outstanding as at 31 March 2024
				R'000	R'000	R'000	R'000	R'000	R'000
<b>Prepayments</b>									
Uppington Era	Private	Refundable Deposit	Other	20	20	-	-	-	20
Anlar Bellegging	Private	Refundable deposit	Other	75	75	-	60	-	15
<b>Total prepayments</b>				<b>95</b>	<b>95</b>	<b>-</b>	<b>60</b>	<b>-</b>	<b>35</b>
<b>Advances</b>									
Sol Plaatjie Mun		Refundable deposit	Other institutions	16	16	-	-	-	16
Sol Plaatjie Mun		Refundable deposit	Other institutions	40	50	-	-	-	40
<b>Total advances</b>				<b>56</b>	<b>56</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>56</b>
<b>TOTAL PREPAYMENTS AND ADVANCES</b>				<b>151</b>	<b>151</b>	<b>-</b>	<b>60</b>	<b>-</b>	<b>91</b>

A refundable balance of R60 000.00 was received from Anlar Bellegging during the year under review.



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