

**DEPARTMENT
OF ECONOMIC DEVELOPMENT
AND
TOURISM**

**Annual Performance Plan
for
2022 – 2023**

DATE of TABLING



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Executive Authority Statement

The global economy is on an upward resurgence, however the growth in most countries is tepid. This is mostly due to the economic policy positions adopted at the height of the COVID-19 restrictions. Economic prospects have diverged further across countries since the April 2021 World Economic Outlook (WEO) forecast. Vaccine access has emerged as the principal fault line along which the global recovery splits into two blocs: those that can look forward to further normalization of activity later this year (almost all advanced economies) and those that will still face resurgent infections and rising COVID death tolls. The recovery, however, is not assured even in countries where infections are currently very low so long as the virus circulates elsewhere (IMF, 2021).

In the gripping height of the COVID-19 pandemic the South African government developed an Economic Reconstruction and Recovery Plan (ERRP), which elevated the need for a more interventionist approach to the economic scenario at the time. In context, it conceded that the country's economy had hit the proverbial snag, and thus needed much resuscitation. The stagnation of the economy for a long period coupled with the Covid-19 crisis has also led to low levels of capacity utilization in the various sectors of the South African economy. This trend is projected to continue; painting a dire picture for gross fixed capital formation. A significant reduction in the gross fixed capital formation variable is a troubling development; given that this variable is critical in sustaining and growing the productive base of the economy (The Presidency 2020).

The economy of the Northern Cape Province contracted by 0.6 per cent in 2019, which was below the national economic growth of 0.2 per cent over the same period. With the Covid-19 restrictions that were necessitated in 2020, the Northern Cape economy is also expected to have contracted in 2020, however, with fewer restrictions in 2021, we expect some recovery.

On an annual basis in the Northern Cape, the unemployment rate increased by 1.8 percentage points from 23.1 per cent in the third quarter of 2020 to 24.9 per cent in the third quarter of 2021. The number of employed people decreased by 11 000 and the number of unemployed people increased by 5 000. The number of discouraged work seekers increased by 45 000. On a quarterly basis, the unemployment rate decreased by 3.2 percentage points. The decrease in unemployment rate was as a result of an increase in employment in all industries, except for Construction and Transport. The number of employed people increased by 19 000 while the unemployed decreased by 9 000.

WHILE the employment rate in the Northern Cape increased during the third quarter of 2021, youth unemployment rose to 51,4 percent. This high unemployment rate for youth between the ages of 15-24 years suggests that the Province's youth talent pool is underutilised in both the public and the private sector.

Hence the Northern Cape Economic Development, Trade and Investment Promotion Agency (Nceda) will run skills development initiatives in partnership with the Department of Small Business Development. Additional skills development initiatives for the youth are on offer at KIDJA and KIDJI. We would also like to encourage young people to take advantage of these diamond cutting and jewellery manufacturing training initiatives.

Building "A Modern, Growing and Successful Province", is the pledge of this Sixth Administration. We shall do everything in our power to build a society in which knowledge and opportunity inequity shall be condemned to history; in which poverty will be a thing of the past; in which success shall be the normative defining factor of every child and resident of the Northern Cape (Z. Saul 2021). In this regard, there is an insistent need to transform the provincial economic landscape. Thus, the investment in the Northern Cape Industrial Corridor and more pertinently the Namakwa Special Economic Zone (SEZ) could act as catalysts to provincial economic growth.

The Premier articulated in his 2021 State of the Province Address (SOPA) that the Namakwa SEZ, based in the Khai-Ma Municipality is one of our most exciting investment opportunities in the province and country. This investment is supported by the commitment of Vedanta Zinc International (VZI) mining expansion combined with the incorporation of a zinc smelter and sulphuric acid production facility with an array of downstream activities. This project is supported by the Presidential Infrastructure Investment Committee (PIIC) and for now has a committed investment of R 26 billion.

This will be one of the five critical nodes being developed from 2021 onwards in the Northern Cape Industrial Corridor. We are furthermore confident that soon to follow will be the Kathu Industrial Park, Upington Industrial Park, Boegoebai Harbour and De Aar Rail Cargo Hub. Namakwa SEZ will be implemented in phases and the establishment phase is already in place. It has the potential to realise up to 6 000 direct and indirect jobs between the public and private partners in the years to come.

In an attempt to accelerate the economic recovery of the Province, interventions will be directed at exploiting the values chains available in Renewable Energy. As part of the economic development strategy the Department will pursue economic growth through the energy sector. At the United Nations Climate Change Conference (COP26) South Africa, together with the United Kingdom of Great Britain and Northern Ireland, the United States of

America, the Republic of France and the Federal Republic of Germany, and the European Union, committed themselves to the just energy transition in South Africa. In addition RSA and emphasised the necessity of a just, equitable and inclusive transition for workers and affected communities so that all are protected against the risks and benefit from the opportunities presented by this transition. The Province is committed to strengthen the hand of the country in helping to achieve the Nationally Determined Contribution to the adaptation and mitigation goals of the Paris Agreement. The Department, together with other delivery partners, will thus increase energy efficiency and pursue green industrialisation.

In line with the United Nation's 2021 climate change conference (COP26) goals of mitigation and adaptation the Department and Economic Development and Tourism formed part of the South African delegation to announce the Green Hydrogen Energy (GHE) initiative as a proactive intervention to ensure energy security, while transitioning our economy towards a sustainable low-carbon future. These measures accord with the principles of the Glasgow Climate Pact. A recent report by PwC South Africa highlighted the immense potential of the GHE to create long-term jobs and open the market for substantial investment. If harnessed effectively, the GHE would help South Africa secure its domestic energy supply, while also driving economic growth through the export of green hydrogen power fuels and technology applications to European and Asian markets.

The Green Hydrogen Export Special Economic Zone is to be developed in the Northern Cape, with SASOL as an anchor investor. It is anticipated to economically benefit the previously marginalised sectors in a Province. Sectoral job opportunities in the future GHE for skilled graduates are expected to range from operations, maintenance, refining and beneficiation, transportation, construction and industrial manufacturing. The Minister of Forestry, Fisheries and the Environment, Barbara Creecy, indicated that the "... intention is to have a dedicated green grid, electrolizer park and green hydrogen related Special Economic Zone to manufacture green hydrogen industry related goods and services in the Northern Cape."

The post-pandemic economic recovery has experienced headwinds from successive waves of COVID-19 infections (driven by new variants such as Omicron) and related lockdowns. Small, medium and micro enterprises (SMMEs), which are crucial for employment creation, were seriously affected by the unrest. These developments will likely prolong uncertainty and impede the momentum of the economic recovery, thereby negatively affecting firms' demand for labour.

The tourism sector which is largely composed of small business, has been negatively affected by the COVID-19 pandemic since the proclamation of the disaster management act resulting in the complete shutdown of the sector. Upon the announcement, on 25 November 2021, by the Network for Genomics Surveillance in South Africa (NGS-SA), that they had detected a new variant of the SARS-COV-2 (B.1.1.529), countries like the United Kingdom, the USA, Japan and the European Union were quick to impose travel restrictions on South Africa; on the eve of the tourism season. This served to exacerbate the far-reaching disruption in tourism activity experienced in accommodation and catering, road and air transport, leisure tourism, recreation activities, food and beverage, postponement or cancellations of events and the cancellation of bookings. The National Accommodation Association of South Africa indicated that about 90% of small lodges and guest houses in South Africa may have to shut their doors due to the number of booking cancellations Demand for vacation travel, meetings and events are likely to remain strained until effective prevention and treatment strategies for COVID-19 are found.

Tourism has been declared a national priority and the sector will contribute to the departmental vision in a number of ways – employment creation, skills development, tourism enterprise development, infrastructure development and township integration in the mainstream economy.

The strategic priority remains the stabilisation of the provincial economy so that it serves as a catalyst to unlock the productive capacity of the province. In an effort to reap the greatest benefit for every rand spent the department will constantly assess spending patterns to shift the composition away from an incremental approach to focus on budgeting in terms of programme effectiveness in line with national and provincial service delivery imperatives.

The department will also seek to continue to build on the unqualified audit outcome for 2020/2021 financial year. During the audit process of 2020/2021 the AGSA noted that the Department of Economic Development and Tourism is close to obtaining a clean audit. In anticipation of obtaining a clean audit, effective internal control measures will continue to be implemented to avoid the manifestation of matters of non-compliance. The implementation of action plans will be monitored, as part of Operation Clean Audit, and an ethos of accountability will be instilled in the department through an effective consequence management framework.

I hereby table the Department's Annual Performance Plan for 2022/2023 as informed by the Economic Recovery Plan announced by the Honourable President Cyril Ramaphosa, the Tourism Sector Recovery Plan, the National Development Plan, Medium Term Strategic Framework 2019-2024, Election Manifesto, the Provincial Growth and Development Plan and the Programme of Action



Mr Abraham Vosloo

Member of the Executive Committee

Finance, Economic Development and Tourism.

Accounting Officer Statement

Global economy is projected to grow 5.9% in 2021 and 4.9% in 2022, a slight 0.1 percentage point lower for 2021 than in the July 201 IMF forecast. The downward revision for 2021 reflects a downgrade for advanced economies in part due to supply disruptions and for low-income developing countries, largely due to worsening pandemic dynamics.

The global recovery continues but the momentum has weakened, hobbled by the pandemic. Fuelled by the highly transmissible Delta variant, the recorded global COVID-19 death toll has risen close to 5 million and health risks abound, holding back a full return to normalcy. The COVID-19 variant outbreaks in critical links of global supply chains have resulted in longer-than-expected supply disruptions, further feeding inflation in many countries. Overall, risks to economic prospects have increased, and policy trade-offs have become more complex – and could see differentiated approaches to economic policy implementation (IMF,2021).

The third quarter growth of 2021 in SA turned out negative following the civil unrest and looting that happened in the two most populous provinces. This follows four consecutive quarters of positive growth that started in 2020-Q3.

Six industries recorded negative growth between the second quarter of 2021 and the third quarter of 2021. The largest negative contributors to growth in GDP in the third quarter were the trade, manufacturing and agriculture industries. The trade industry decreased by 5.5% and contributed -0.7 of a percentage point to GDP growth. The manufacturing industry decreased by 4.2% and contributed -0.5 of a percentage point to GDP growth. The agriculture industry decreased by 13.6% and contributed -0.4 of a percentage point to GDP growth

GDP measured by expenditure estimates growth of 5.1% in 2021 driven largely by exports, imports, household consumption expenditure and a recovery in fixed investment. This recovery in growth will moderate though to under 2% pa in 2022 and 2023.

Provincially GDP-R has shown a strong and consistent recovery according to HIS MarkIT estimates with four consecutive quarters of positive growth up to 2021-Q2 since the sharp recovery in 2020-Q3. It must be noted though that the provincial growth outcome for calendar 2020 will be highly negative in the region of -6 to -8 percent. The data does point to a positive GDP-R number for calendar 2021.

At a district level the negative 2020 number is led by JTG at -18.1%; followed by Namakwa at -10.0% and; and ZFM we registered -7.8% according to estimates. Pixley ka Seme is estimated to have contracted by -3.6% and FBDM by -3.4% respectively. Provincial growth is forecast to be more robust starting in 2021 and going into the outer years up to 2024.

The provincial unemployment rate has declined by 3.2% in the third quarter of 2021 when compared to the second quarter of 2021, estimated at 28.1%. The provincial unemployment rate for the third quarter is estimated at 24.9% (StatsSA). Importantly, the unemployment numbers declined by almost ten thousand (i.e. around 9 195), to around 91 000, in contrast to over 100 000 unemployed, in the second quarter. The province should be cautiously optimistic about the low official unemployment rate, as the expanded unemployment rate according to the expanded definition of unemployment still hovered around 49.1% in third quarter 2021

The provincial labour participation rate increased marginally by about 1.1 percentage point, whereas the provincial ability to absorb labour (i.e. Absorption rate) also increased 2.2 percentage point, on a quarter-on-quarter basis. Despite, the increased labour absorption appetite there was an increase in the number of the discouraged work-seekers by 11 609 (up by 9.3%) for the period of analysis. Year-on-year the discouraged work-seekers increased by a staggering 45 331.

Policy proposals that can be proffered in light of this analysis are essentially a concerted effort by the provincial government to get the secondary industries of the economy to invest in both greenfield and brownfield projects. This will be enabled by getting electricity and other energy generation capacity to come online soonest. Mining and mineral beneficiation and agriculture sectors as the primary industries are doing relatively well under the constraining conditions and will support and be reinforced by complementary up-and downstream projects in the secondary industries of the provincial economy.

These projects should focus on greener production in order to receive favourable consideration as most investor decisions are underpinned by these ESG¹ criteria. Therefore, the department's approach in terms of its investment attraction strategies should be adapted to these considerations.

During the State of the Province Address in 2020, it was announced that 4 projects in Northern Cape were gazetted as Strategic Integrated Projects by the Minister of Public Works and Infrastructure as priority projects for implementation during the 6th administration. The following progress can be reported on these projects: The Boegoebaai Port and Rail Development has now been expanded to include the adjacent Hydrogen SEZ as a key priority programme coordinated through NCEDA in collaboration with Infrastructure South Africa, the different relevant National Departments and State-Owned Entities; The Northern Cape Province in collaboration with Infrastructure South Africa developed the Provincial Hydrogen Strategy which was approved in 2021 and launched at COP 26; Recognising the importance

¹ ESG is the acronym for environmental, social and governance, the three broad categories, or areas, for what is termed socially responsible investors

of Hydrogen for the country and the province ISA has mobilised technical expertise and capacity which will further continue support the Province to do deliver on this priority programme. Thirty-two Million rand million has been approved for project preparation through the Budget Facility for Infrastructure for the Vaalharts-Taung irrigation scheme to finalise the Master-planning and feasibility process.

An additional benefit for the Northern Cape Province, is that during the last SOPA, the preferred bidders for SIP 20A, the Risk Mitigation Independent Power Purchase Procurement Programme, was not yet announced. In March of 2021, the Minister of Department of Minerals, Resource and Energy, announced the preferred bidders of which 450 MW is to be developed within the Northern Cape. Additional generation capacity is expected in future bid windows that will soon be announced; BFI Funding Approved for the Social Housing Programme. This secured funding will serve as a bridging facility and unlock debt funding on the Hull Street Social Housing Project in Kimberley as well as a few others in the rest of the country. The project is expected to deliver 372 social housing units and will commence with construction this year. Implementation was delayed due to funding approvals. This challenge faced by many social housing projects across the country is what the proposed bridging facility seeks to unlock.

The Kathu Industrial Park is a key priority for the province and was recently also presented at the Sustainable Development Infrastructure Development Symposium hosted by the President and coordinated by Infrastructure South Africa. The project received much interest from potential investors. By unlocking the bulk infrastructure for this development, we will mobilize approximately R 580 million in private sector investment and create 450 permanent job opportunities.

Two special programmes have been prioritized for the Northern Cape Province. These are the Rural Roads Programme and the Northern Cape Schools Programme. ISA, in collaboration Development Finance Institutions, is piloting the introduction of an innovative social infrastructure delivery mechanism through a special purpose vehicle, to address the issues affecting the delivery of school infrastructure in the Northern Cape.

The rural roads programme will make use of labour intensive methods for the construction and upgrading of roads in the province. ISA is in the process of identifying roads for inclusion in the programme which have designs completed and ready for construction.

The Department of Economic Development and Tourism (DEDAT) in the Northern Cape and the National Empowerment Fund (NEF) have launched a multi-million-rand enterprise development programme. As part of the initiative, DEDAT and the NEF have jointly set aside

R75 million to establish the Northern Cape Blended SMME Fund that will provide concessionary funding to local entrepreneurs across all sectors of the provincial economy.

The funds for the EGDF are being utilised in the newly established Northern Cape SMME Blended Fund done in collaboration with the National Empowerment Fund (NEF). There has been slow progress on the implementation of this blended fund partly due to the NEF involvement in the instability that happened in KZN and Gauteng last year – all the personnel from the NEF were re-assigned for 3 months to assist business in these areas to come back on stream. We expect the fund to pick up in the 2022/23 financial year and we have committed an additional R30m to be matched with R45m from the NEF, to become a R150m fund.

The Department is finalising an MOU with the Department Roads and Public Works to implement a renewable project of greening government building across the province. The project will start with pilot in Frances in the first quarter of 2022, and if the pilot is successful, the project will be rolled out to all the 5 regions of the province. The project will be implemented with the assistance of the NC SMME Trust and SEDA who will incubate the SMMEs that will participate in the project. We expect to incubate not more than 10 SMME's in the Pilot phase.

In an effort to ensure a greater share of procurement opportunities for localisation, the department of Economic Development and Tourism have established ongoing engagements with Sol Plaatje University and Orion Mine and Acwa (Red Stone CSP) and the mines in general to open up opportunities for local businesses to benefit from their tender processes. We expecting to get closer to an agreement when we meet with the mines in the NC during the Mining Investment Conference that will be hosted by the Department of Minerals and Energy in March 2022.

With the current high levels of unemployment, the informal sector has proven to have the potential of created job opportunities especially amongst the youth. It is against this background that research on Township economy will be conducted with the aim of identifying interventions that government could embark on to grow this sector. Collaboration discussions are taking place between SEDA, Sefsa, Incubators located in the Province to focus on Township, Rural and the Informal Sector. We hoping to pilot one or two programmes jointly in the 2022/23 financial year as a start.

The Department of Economic Development and Tourism response is to counter the impact of the pandemic and related lockdowns to support tourism enterprises to adapt to the new normal of doing business, experience development and infrastructure development. This is guided by the provincial tourism recovery plan and work takes place in partnership with the Northern Cape Tourism authority. The assistance of tourism enterprises will continue in the 2022/23

Provincially, 124 tourism enterprises received funding from Tourism Relief Fund to the amount of R6.2 million and 105 tourist guides were supported financially through Freelance Tourist Guide Relief Fund to the amount of R475 000.

Work is continuing to expand the Rietfontein Waste Water Treatment Works after a delay as human remains have been unearthed during site excavations.

Work on final designs of the SKA Carnarvon Exploratorium continues and is taken care of by the project partners. The MOU was signed by all stakeholders, namely the Dept. of Science and Innovation, the Dept. of Tourism, Dept. of Economic Development and Tourism, the South African Radio Astronomy Observatory and the Kareeberg Municipality. The first of the three tranches of the R62m commitment towards the construction of the facility has been transferred to the National Research Foundation. SARAO, as project implementer, has commenced with the facility design refinements and has produced a project charter.

We also need to congratulate the Northern Cape Tourism Authority who won a silver award during the International Tourism African Film Festival in Cape Town for a destination promotional video.

Initiatives to enhance provincial visitor experience and position the province as a “must visit” destination, include funding repairs to the chalet roofs and furnish bungalows at Witsand Nature Reserve; furnishing of the Bagpipe Lodge; and the Dawid Kruiper Municipality for visitor information and other tourism support.

In 2022/23, the Tourism Programme will work towards the establishment of tourism precincts in line with the National DT guidelines to create township destinations and integrate townships with the mainstream economy in Galeshewe (Kimberley), Pabalello (Upington) and Kuyasa (Colesberg).

The department remains committed to supporting the development of industrialisation in the Province. The sustainable development of SMMEs is crucial to the successful of the diversification of the economy and to stimulate growth that drives job creation. The province needs to promote and attract BEE-empowered companies. In order to stimulate this DEDAT will actively strive towards the fostering of local BEE partnerships in the Industrial Zones and SEZ, mining operations, farming and IPP.

As Mariana Mazzucato asserts “Government must transform itself into an innovating organisation with the capacity and capability to organise and catalyst the economy to be more purpose driven.”

Mr T Mabija

Acting Accounting Officer

Department of Economic Development and Tourism

Official Sign Off

It is hereby certified that this Annual Performance Plan:

- Was developed by the Department of Economic Development and Tourism under the guidance of the MEC for Finance, Economic Development and Tourism Mr Abraham Vosloo.
- Takes into account all the relevant policies, legislation and other mandates for which the Department of Economic Development and Tourism is responsible.
- Accurately reflects the Outcomes and Outputs which the Department of Economic Development and Tourism will endeavour to achieve over the period 2022-2023.

SIGNATORY	DATE
<hr/> Ms L Wyngaard Executive Manager Executive Support	<hr/>
<hr/> Mr T Ngamole Acting Chief Operations Officer Corporate Services	<hr/>
<hr/> Mr Z Cader Acting Chief Financial Officer Executive Manager Administration	<hr/>
<hr/> Mr D Christians Executive Manager Integrated Economic Development Services	<hr/>

SIGNATORY	DATE
<hr/> Mr. R Warie Acting Executive Manager Trade and Sector Development	<hr/>
<hr/> Adv. P Olivier Executive Manager Consumer Protection and Business Regulation	<hr/>
<hr/> Mr. G S Mabilo Executive Manager Economic Planning Head Official Responsible for Planning	<hr/>
<hr/> Ms. J Wilson Executive Manager Tourism	<hr/>
<hr/> Mr. T Mabija Accounting Officer Department of Economic Development and Tourism	<hr/>
Approved by:	<hr/>
<hr/> Mr. Abraham Vosloo MEC for Finance, Economic Development and Tourism	<hr/>

PART A: OUR MANDATE

UPDATES TO LEGISLATIVE AND POLICY MANDATES

Constitutional Mandate

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.

There have been no changes to the Constitutional mandates.

Legislative and Policy 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).

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. The passing of the Division of Revenue Amendment Bill of 2016, which is introduced to pave way for the National Treasury to allocate funds to urgent and unavoidable service delivery interventions, has not been passed to date.

Institutional Polices and Strategies 2020 – 2025

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.

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.

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, and
- 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.

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.

Medium Term Strategic Framework

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: Building a capable, ethical and developmental state.
- Priority 2: Economic transformation and job creation.
- Priority 3: Education, skills and health.
- Priority 4: Consolidating 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 is:

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

An integrated monitoring framework will track progress using a variety of tools to measure the achievement of the priorities, by the different government and non-government stakeholders.

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 the 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.

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.

RELEVANT COURT RULINGS

The matter of Imperial Group (Pty) Ltd t/a Cargo Motors Klerksdorp v Dipico and Others (1260/2015) [2016] ZANHC 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."

PART B: OUR STRATEGIC FOCUS

Vision

A radically transformed economy in the Northern Cape.

Mission

Accelerating the inclusive economic growth of the NC Province through modernization, 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
- Accessibility

Situational Analysis

Economic Overview

Introduction

International Monetary Fund (IMF) notes that South Africa's economy is expected to grow by 5.1% in 2021, following the 6.4% contraction recorded in 2020. This is despite the unrest and looting that occurred in South Africa's most populous province, and considerable economic powerhouses, that is Gauteng and KwaZulu-Natal. The positive domestic economic activity recovered more rapidly than anticipated, as previously cited by the National Treasury (NT) in the 2021 Budget, supported by international demand and higher commodity prices.

Moreover, the NT (2021) cautions that structural constraints in the domestic economy are expected to slow the recovery. Inadequate electricity supply, combined with pandemic-induced job losses, will continue to limit the speed and durability of the recovery and long-term growth. Global factors, including higher and more persistent inflation and associated changes in monetary policy, along with changes in commodity prices, add to uncertainty about the medium-term outlook.

There are a number of reasons that contribute to the long-term decline in South Africa's GDP growth rate. According to the NT (2021), these relate to structural weaknesses in the economy, poor education outcomes as well as external shocks. Lower economic growth is also affected by the increase in public debt, which has elevated borrowing costs across the economy. For the economy to grow faster strongminded implementation of policy reforms is required to promote confidence, investment, competitiveness, entrepreneurship as well as job creation in the country.

The South African economy declined by -1.5%, in the third quarter of 2021, this at the back of a calamitous riots and looting, two of the biggest provincial economies, that is, Gauteng and KwaZulu-Natal. The National Treasury had anticipated the following sectors could be impacted by the July unrest:

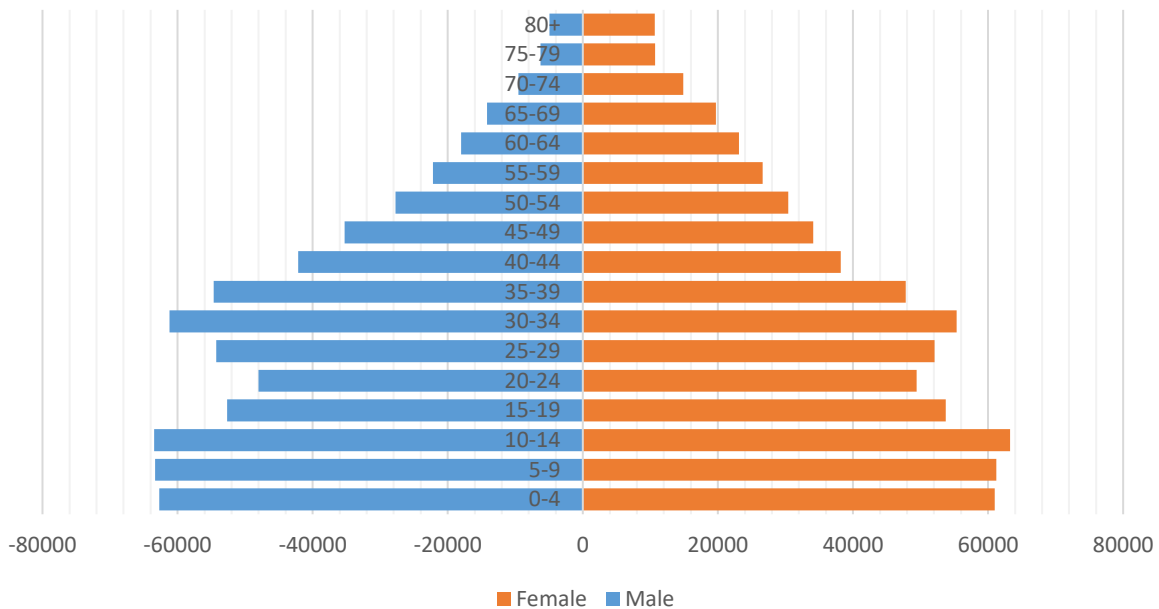
- Transport
- Agriculture
- Mining
- Manufacturing
- Trade

These sectors account for over fifty percent of gross value added – thus the impact of the July unrest will be dire on the provincial economy. The Northern Cape provincial economy has a stronger positive relationship to the Kwazulu-Natal provincial economy. This could be ascribed to the quantum of goods and services exchanged between the two provinces meaning the value-chains that link them together. A ten percent increase in the KwaZulu-Natal economy could translate to around eight percent increase in the Northern Cape economy. Whilst for Gauteng, a ten percent increase could lead to the decline of the provincial economy by 1.5 percent. Thus, the severe impact on the KZN province translates into a negative economic impact on the Northern Cape. In context, the -1.5% decline recorded by the country could result in just under a percent (i.e. 0.94%) decline in the provincial economy.

Population, Poverty and Development: Provincial Socio-Economic Landscape

Poverty and economic inequality manifest in patterns that severely prejudice vulnerable individuals and groups based on their race, geographic location, gender and disability status. It is accordingly found that government’s programme of radical socio-economic transformation is necessary, and should focus on addressing the extreme concentration of income and wealth in the top deciles of society. Tailored policies should aim to address economic inequality (South African Human Rights Council (SAHRC), 2018).

Figure 1: Northern Cape Provincial Population Pyramid

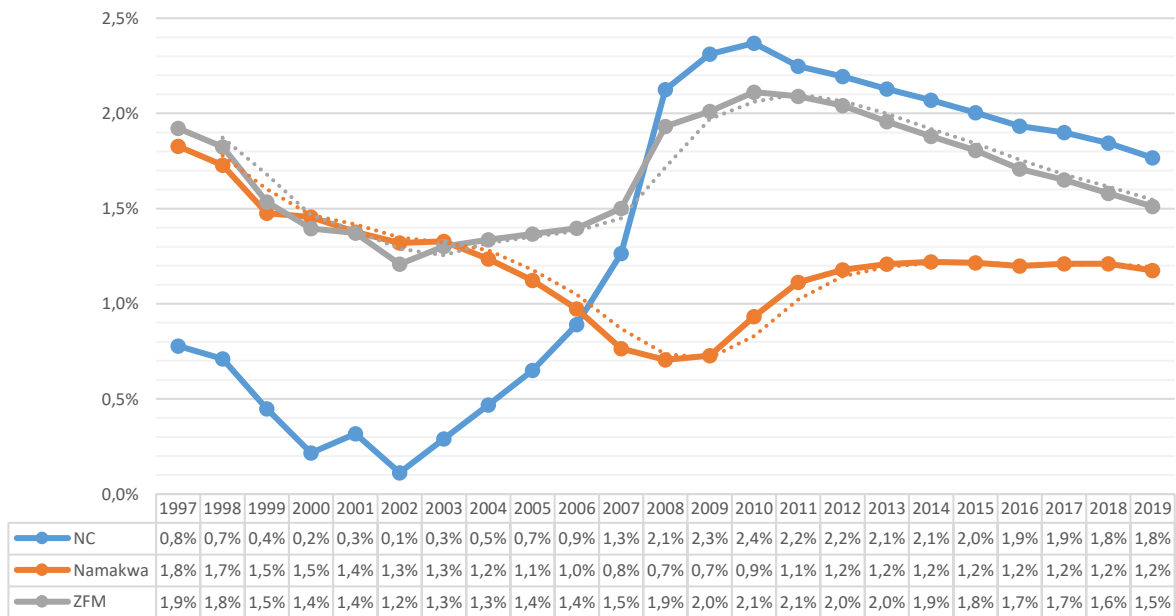


Source: StatsSA, 2021

Figure 1 (Northern Cape Provincial Population Pyramid) depicts the provincial population pyramid. The Northern Cape Province has a population of almost 1.3 million as per the latest

Mid-Year Population Estimates (MYPE). Moreover, the Northern Cape population seemingly mirrors the national picture. As the majority of the population is aged younger than 15 years, that is, 29.0% or about 374 995. Whilst, true to the normative demographic patterns, there are more males (i.e. 189 481) in the Ages 0-14, when compared to females (i.e. 185 514). This is an asymptotic pattern in terms of demographic studies. This asymptotic trend is notable also in the 25-34 year cohort, wherein more males (i.e. 115 452), surpass their female counterparts (i.e. 107 452). This phenomenon could adversely stunt population growth rates, and thus planning. In relation to development planning, it is worth noting that the Northern Cape has a youthful population, with 62.0% (or about 801 698) of the population below the age of 35.

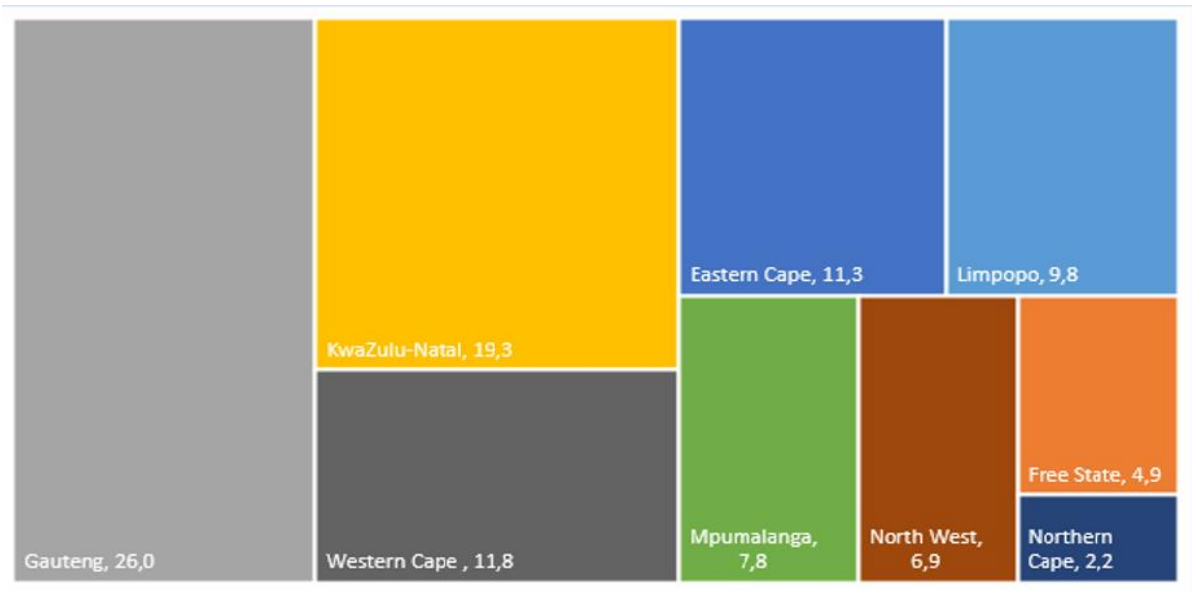
Figure 2: Northern Cape Provincial Population growth rate



Source: IHS MarkIT, 2021

The provincial population growth is on a downward trajectory, this after the province noted a higher population growth rate of 2.4% before the period of interest (i.e. 2015 to 2019). For the period of analysis, the provincial population growth rate has hovered around the 1.9%. the highest point being in 2015, when it recorded 2.0%.

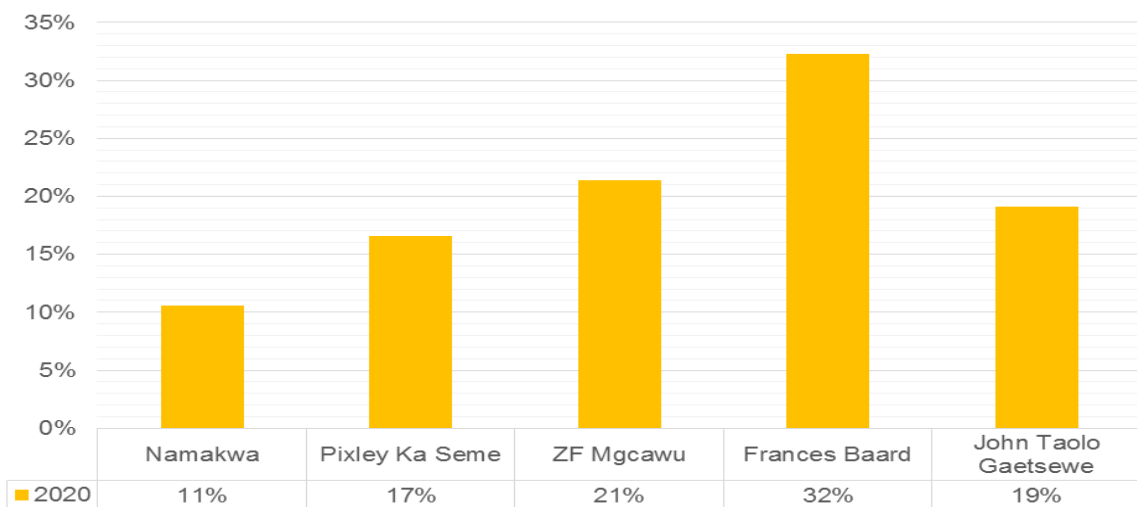
Figure 3: South Africa's Provincial Population contribution



Source: StatsSA, 2021

Statistics South Africa (StatsSA) estimates the mid-year population at 59.6 million for the country. Further approximates that 51 per cent at approximately 30.4 million of the population is female. In the provincial population contexts, Gauteng comprises the largest share of the South African population. Approximately 15.4 million people (26.0%) live in this province. KwaZulu-Natal is the province with the second largest population, with 11.6 million people (19.5%) living in this province. With a population of approximately 1.29 million people (2.2%), the Northern Cape remains the province with the smallest share of the South African population (as depicted by figure above).

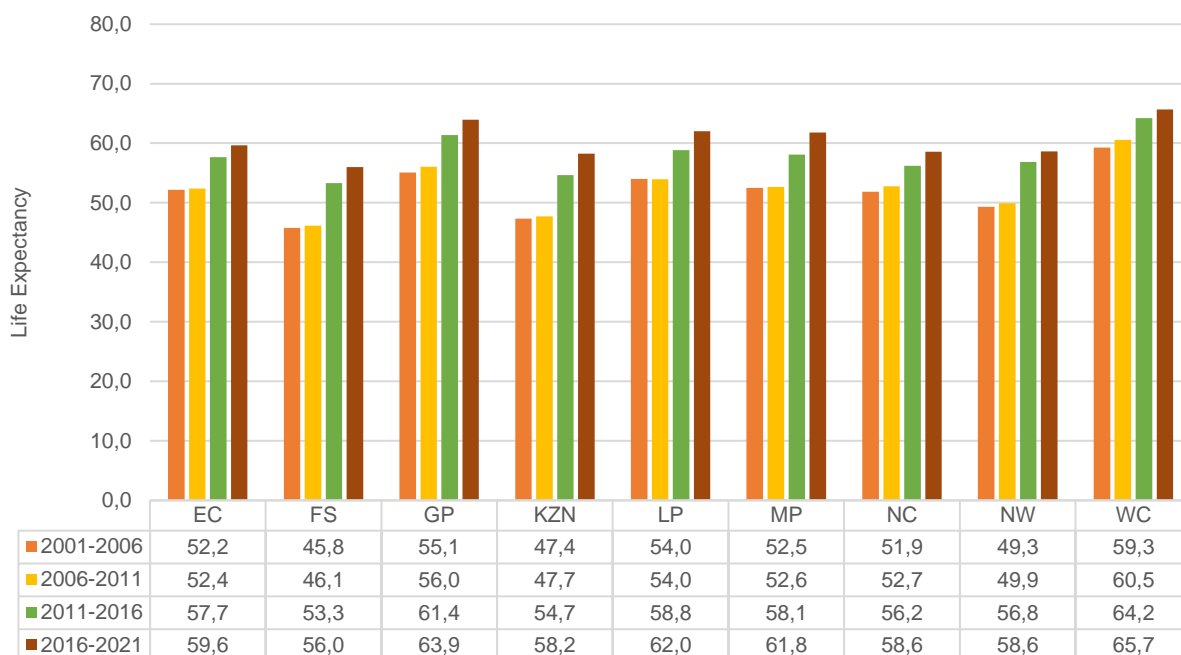
Distribution of the population in the Northern Cape Province



Source: IHS MarkiT, 2021

The provincial population is largely found in the Frances Baard district, which accounts for about a third of population reside. The Frances Baard district, is thus followed by the ZF Mgcawu district which its population represents a fifth of the provincial population. The least populous district, is the Namakwa, which accounts for around 11%.

Figure 4: South Africa's Male Life Expectancy

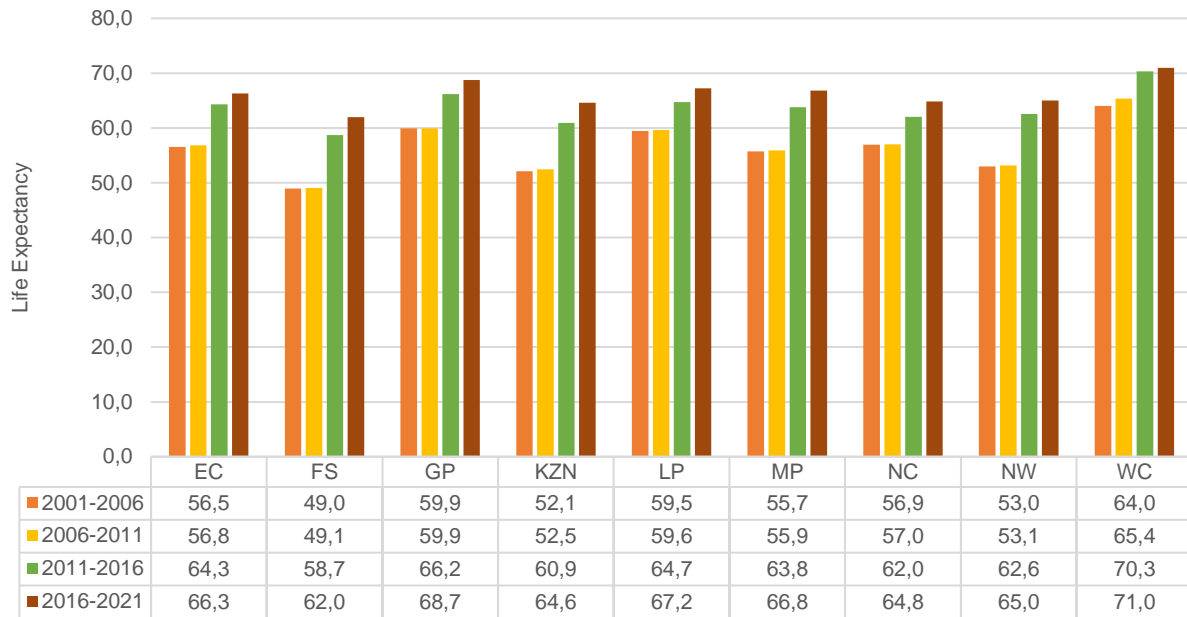


Source: StatsSA, 2021

There is general improvement in the life expectancy at birth for both the female and the male cohort. Notably, StatsSA estimates the male life expectancy to be at 62 years, while that of a female at 67 years. There is an average 5-year gap in life expectancy between males and females in South Africa. Free State has significantly lower life expectancy than the SA average. Whereas in the province a male’s life expectancy is said to be at 58.6 years, four years below the national average of 62 years. Noteworthy, there are improvements in the life expectancy at birth for males in that province in comparative terms.

Whilst the OECD defines Total Fertility Rate (TFR) as, the total fertility rate in a specific year is defined as the total number of children that would be born to each woman if she were to live to the end of her child-bearing years and give birth to children in alignment with the prevailing age-specific fertility rates. It is calculated by totalling the age-specific fertility rates as defined over five-year intervals (Organisation of Economic Cooperation and Development (OECD), 2017). There’s been a notable decline in the provincial TRF, and in simpler terms suggests that more and more women are having fewer children than before.

Figure 5: South African and Provincial Female Life Expectancy



Source: StatsSA, 2021

As previously noted, there is a six-year gap in the life expectancies, with the female cohort advantaged. As such, the life expectancy of females is 6.3 years higher than that of males. Worth noting, the Western Cape has the highest female life expectancy at 71.0 years, whereas the Free State province has the lowest female life expectancy at 62.0 years.

Table 1: Estimated provincial migration streams: 2011-2016 and 2016–2021

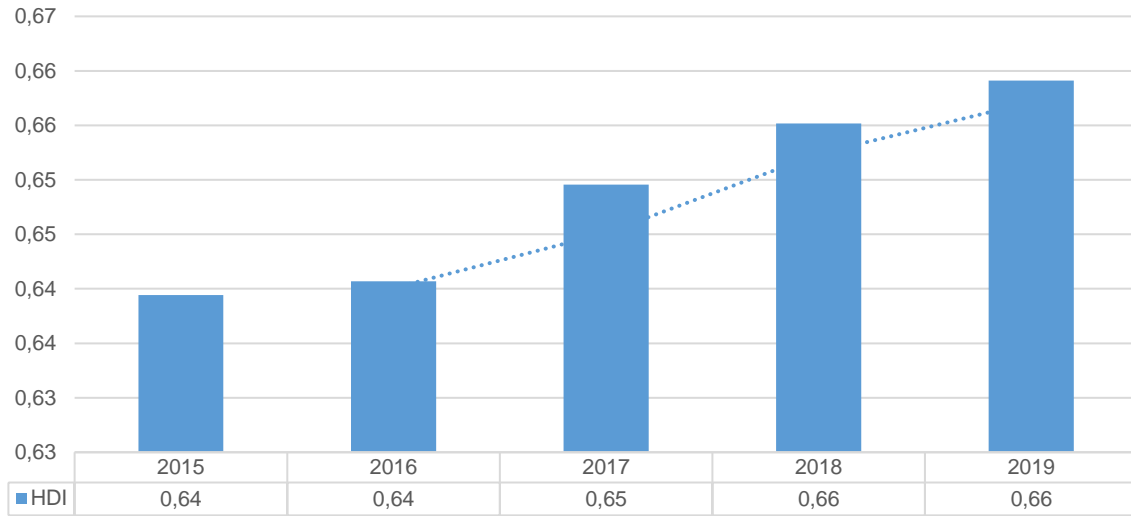
Province in 2011	Province in 2016									Out-migrants	In-migrants	Net migration
	EC	FS	GP	KZN	LIM	MP	NC	NW	WC			
EC	0	13 011	145 819	98 121	13 971	16 784	8 075	37 579	174 590	507 950	181 109	-326 841
FS	8 374	0	81 405	7 805	6 503	10 698	8 997	23 584	12 109	159 474	128 179	-31 295
GP	45 871	35 590	0	61 796	91 147	72 677	11 105	97 700	86 252	502 137	1 528 589	1 026 451
KZN	24 784	11 986	217 611	0	9 338	35 691	8 365	11 358	32 413	351 546	280 666	-70 880
LIM	4 356	5 651	336 704	8 000	0	46 149	2 518	31 438	11 021	445 838	270 970	-174 868
MP	4 961	5 132	132 233	12 434	23 058	0	2 282	13 195	9 633	202 928	270 665	67 736
NC	4 335	8 717	16 388	5 561	2 601	4 409	0	12 476	17 892	72 380	83 008	10 628
NW	4 986	11 328	103 941	5 867	19 129	11 430	22 653	0	8 754	188 087	305 900	117 813
WC	48 830	7 670	59 492	12 550	5 545	6 958	12 247	7 998	0	161 291	458 892	297 601
Outside SA (net migration)	34 613	29 095	434 995	68 530	99 678	65 869	6 768	70 572	106 227			
Province in 2016	Province in 2021									Out-migrants	In-migrants	Net migration
	EC	FS	GP	KZN	LIM	MP	NC	NW	WC			
EC	0	13 192	147 876	99 442	14 168	16 996	8 184	38 047	176 984	514 888	191 931	-322 957
FS	8 613	0	83 824	8 030	6 693	11 012	9 265	24 275	12 471	164 185	134 256	-29 929
GP	52 196	40 565	0	70 546	103 684	82 955	12 663	111 507	98 647	572 765	1 553 162	980 398
KZN	26 474	12 804	232 459	0	9 965	38 148	8 941	12 156	34 636	375 583	287 420	-88 163
LIM	4 576	5 924	353 346	8 406	0	48 355	2 645	32 910	11 532	467 693	278 581	-189 112
MP	5 391	5 570	143 588	13 483	25 013	0	2 481	14 323	10 454	220 302	281 336	61 034
NC	4 600	9 264	17 449	5 901	2 768	4 685	0	13 259	19 027	76 954	88 507	11 554
NW	5 456	12 386	113 683	6 416	20 913	12 499	24 787	0	9 582	205 723	318 604	112 881
WC	53 664	8 469	65 793	13 883	6 128	7 699	13 521	8 855	0	178 013	468 568	290 555
Outside SA (net migration)	30 961	26 081	395 145	61 313	89 249	58 986	6 019	63 273	95 234			

Source: StatsSA, 2020

Table 1 above provides insight into the South African migration streams. Noteworthy, the economic powerhouses (i.e. Gauteng and the Western Cape), continue to attract “economic” migrants. As both provinces lead in the net migration, with 1 048 440 for Gauteng and 311 004 for the Western Cape Province. On the home front, there is also an increase in the province’s net migration. Which implies that there were more persons migrating to the Northern Cape (i.e. 83 008), than those leaving the province (i.e. 72 380), culminating in a net-migration of 10 642 (i.e. for the period 2011-2016).

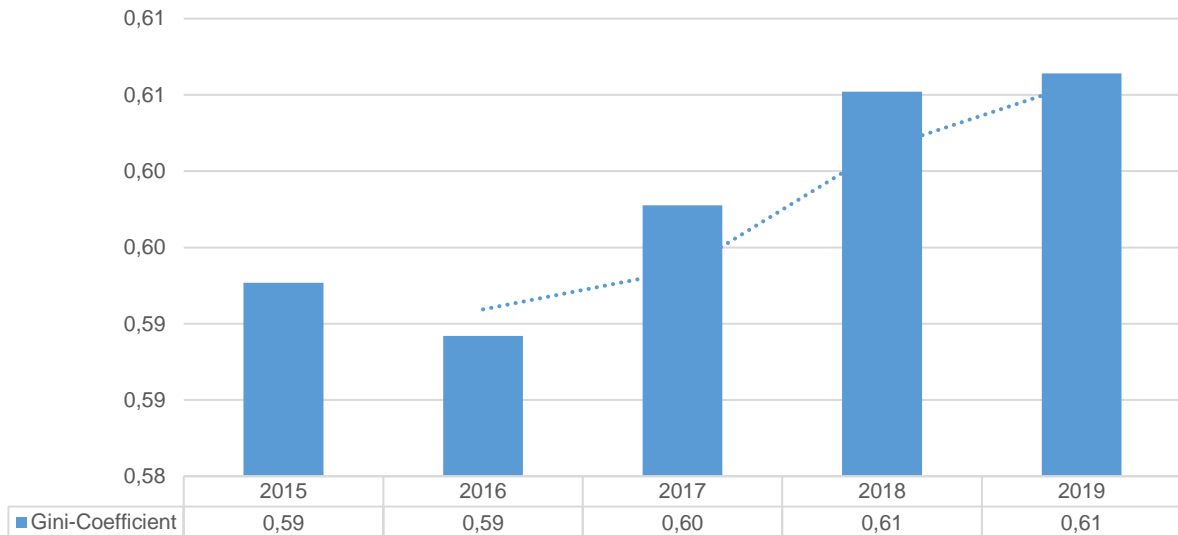
In terms of the net-migration outlook, it is expected that the net-migration to increase to around 11 554 (i.e. ending 2021). Persons leaving the province, tend to migrate to the Western Cape, Gauteng and the North-West province. Whereas, the in-migrants tend to be from the North-West (i.e. 24 787) and the Western Cape with over 13 521 migrants to the province, as well as Gauteng with 12 663.

Figure 6: Provincial Human Development Index (HDI)



As per definition of the Human Development Index (HDI)², the Northern Cape province is considered to be a medium-developed region. According to the IHS Markit data, the province has an HDI of 0.66, and has been on a slow yet upward trajectory and thus considered to be medium developed, as per the United Nations (UN) definition. Despite the slow improvement in the quality of life, there is a gradual increase over the period of review.

Figure 7: Provincial Gini-Coefficient

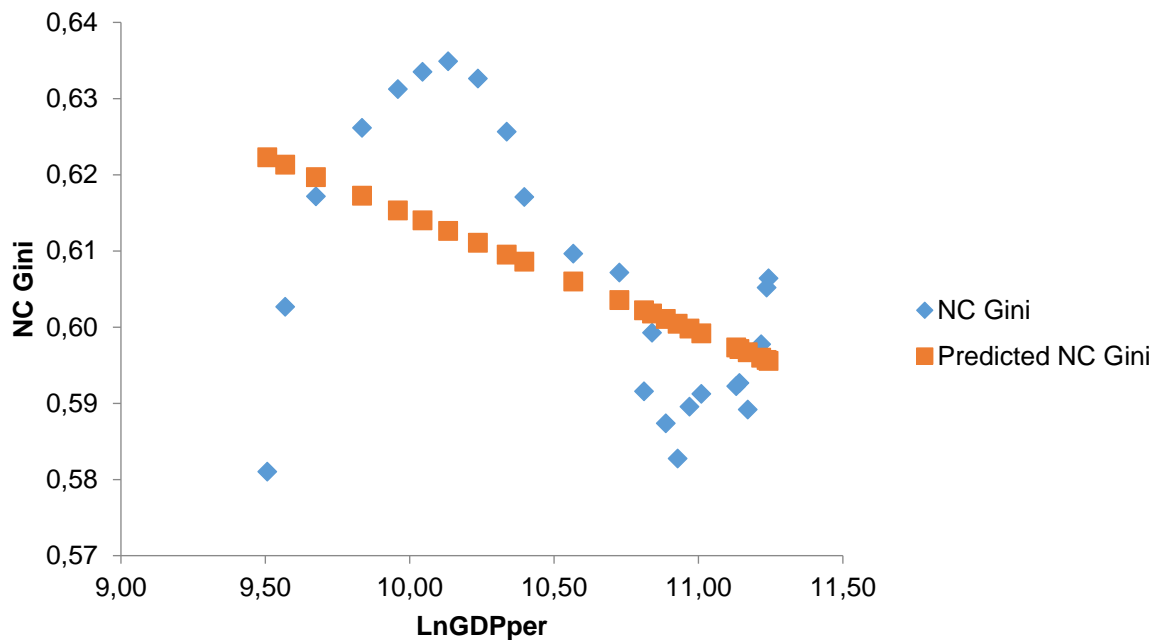


Source: IHS Markit, 2020

² Human development is all about people— expanding their freedoms, enlarging their choices, enhancing their capabilities and improving their opportunities. It is a process as well as an outcome. Economic growth and income are means to human development but not ends in themselves—because it is the richness of people’s lives, not the richness of economies, that ultimately is valuable to people.

As depicted by the figure, the provincial income inequality measure or Gini-coefficient has increased over the period of analysis. It increased from 0.59 in 2015, to around 0.61 which amounts to a 0.02 index point increase. In laymen terms, this increase suggest that the provincial income redistribution mechanisms have been reversed, as there are more people contesting for 39% of the income generated in the province, as the top ten percent earn the 61% of the provincial income.

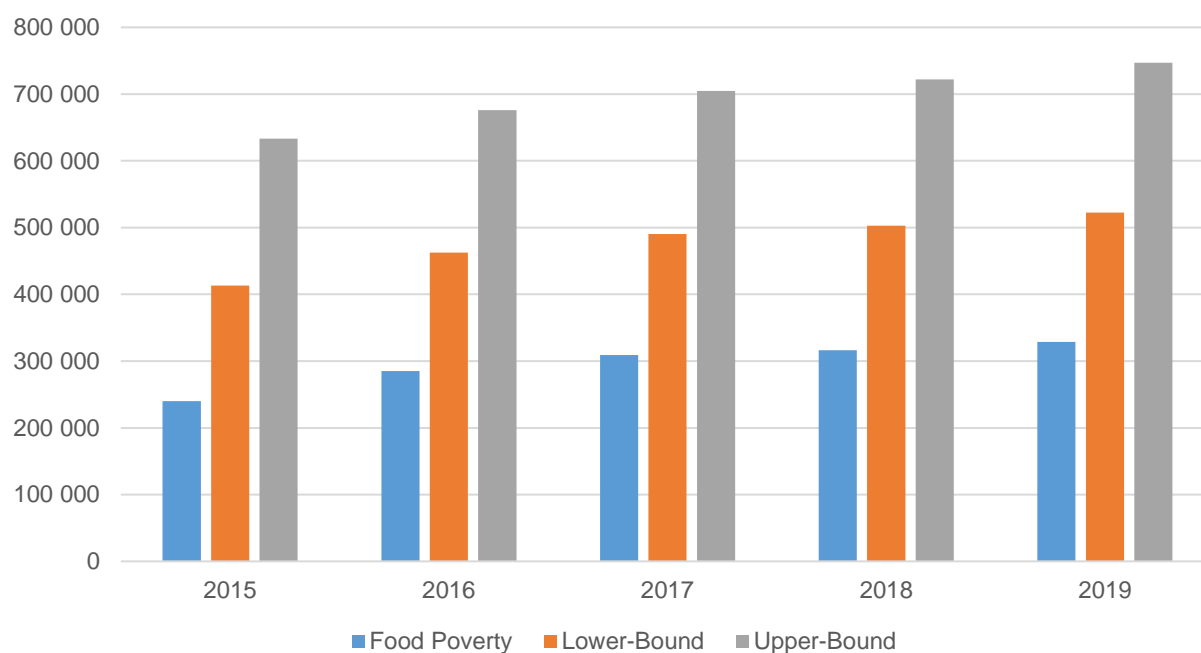
Figure 8: Northern Cape Kuznets Curve



Source: NC DEDaT, 2022

Does inequality in the distribution of income increase or decrease in the course of a region's economic growth? What factors determine the secular level and trends of income inequalities? These questions were answered by Simon Kuznets, wherein he developed the Kuznets curves – contrasting the per capita income and its impact on the inequality levels. For the Northern Cape, inequality was on the decline, however, the province has turned the corner and thus increasing per capita income.

Figure 9: Provincial poverty figures by the three measures



Source: StatsSA, 2020

There is heightened poverty incidence experienced in the greater Northern Cape province, as depicted by the figure above. The province intensifies its quest to arrest the high rate of adult poverty, which was said to be around 53.8%, which is 4.6 percentage point higher than the national average of 49.2%.

Between 2015 and 2019 there was an increase in the number of people living below the Food Poverty Line in the Province. Similarly increases in the number of people living below the Lower-Bound and Upper-bound Poverty Lines has occurred. In 2015 those living below the Lower-bound Poverty line increased from 413 072 people to 522 513 people in 2019. Whilst, the number of people living below the Upper-bound Poverty line increased from 633 354 people in 2015 to 746 999 people in 2019, spelling a 17.9% increase in the absolute number of those living in poverty.

World Economy at pace

The global economic resurgence is at pace. The global recovery continues but the momentum has weakened, hobbled by the pandemic. Fuelled by the highly transmissible Delta variant³, the recorded global COVID-19 death toll has risen close to 5 million and health risks abound, holding back a full return to normalcy. The COVID-19 variant outbreaks in critical links of global supply chains have resulted in longer-than-expected supply disruptions, further feeding

³ As well as the Omicron variant, first highlighted in South Africa.

inflation in many countries. Overall, risks to economic prospects have increased, and policy trade-offs have become more complex – and could see differentiated approaches to economic policy implementation (IMF, 2021).

Table 2: World Economic Outlook (WEO) - IMF

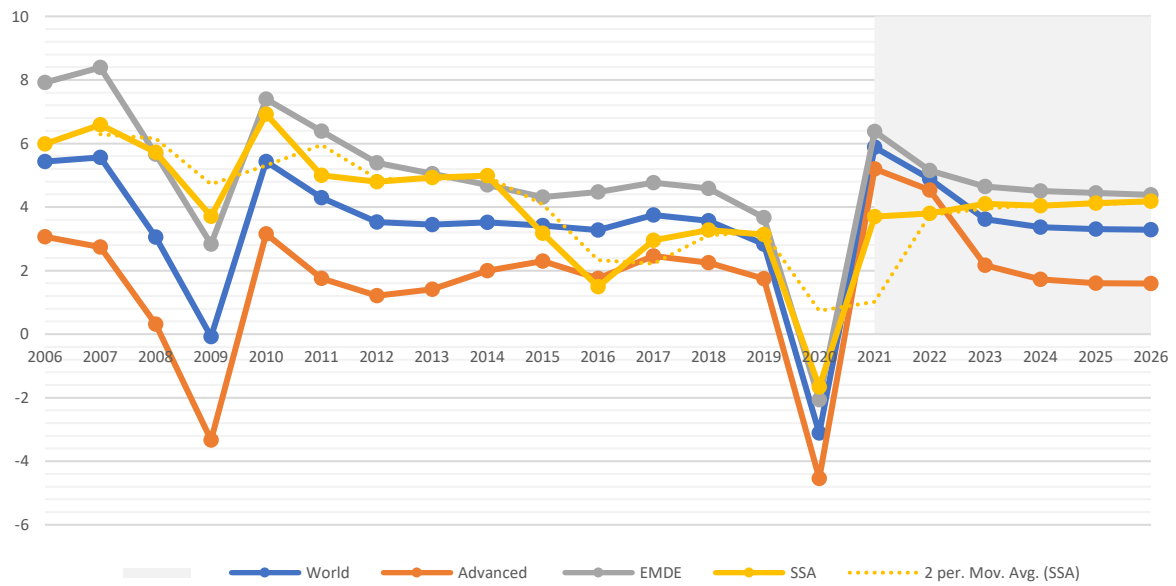
Region/country	2019	2020	2021	2022	2023
Percentage	Actual		Forecast		
World	2,8	-3,1	5,9	4,9	3,6
Advanced economies	1,7	-4,5	5,2	4,5	2,2
United States	2,3	-3,4	6,0	5,2	2,2
Euro area	1,5	-6,3	5,0	4,3	2,0
United Kingdom	1,4	-9,8	6,8	5,0	1,9
Japan	0,0	-4,6	2,4	3,2	1,4
Emerging and developing countries	3,7	-2,1	6,4	5,1	4,6
China	6,0	2,3	8,0	5,6	5,3
India	4,0	-7,3	9,5	8,5	6,6
Brazil	1,4	-4,1	5,2	1,5	2,0
Russia	2,0	-3,0	4,7	2,9	2,0
Sub-Saharan Africa	3,1	-1,7	3,7	3,8	4,1
Nigeria	2,2	-1,8	2,6	2,7	2,7
South Africa¹	0,1	-6,4	5,1	1,8	1,6
World trade volumes	0,9	-8,2	9,7	6,7	4,5

Source: IMF, 2021

Global economy is projected to grow 5.9% in 2021 and 4.9% in 2022, meaning a muted 0.1 percentage point lower for 2021 than in the July IMF forecast. The downward revision for 2021 reflects a downgrade for advanced economies—in part due to supply disruptions—and for low-income developing countries, largely due to worsening pandemic dynamics. This is partially offset by stronger near-term prospects among some commodity-exporting emerging market and developing economies. Rapid spread of Delta⁴ and the threat of new variants have increased uncertainty about how quickly the pandemic can be overcome. Policy choices have become more difficult, with limited room to manoeuvre.

⁴ The recently discovered Omicron variant could worsen the global economic scenario.

Figure 10: World Economic Outlook- Regional Forecast

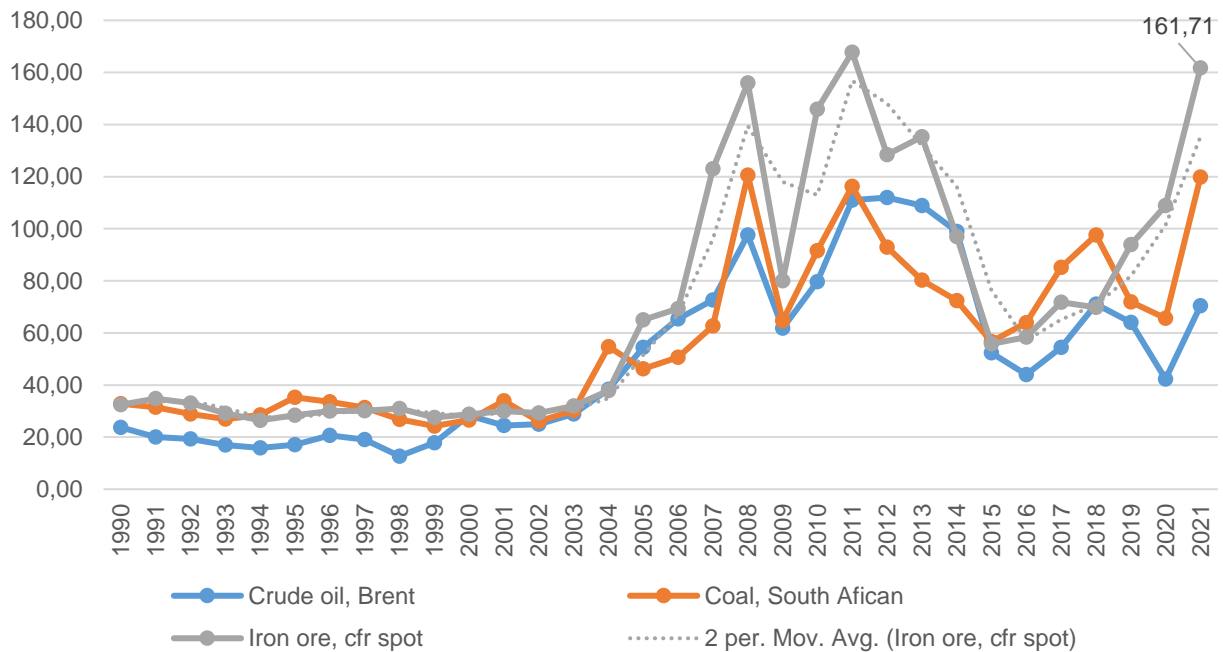


Source: IMF, 2021

Sub-Saharan Africa experienced a contraction of -1.7% in 2020 and has growth projections of 3.7% in 2021 and 3.8% in 2022. The contraction of -6.4% recorded in South Africa in 2020 is far worse than what was experienced in Sub-Saharan Africa as well as Emerging-Market and Developing Economies (EMDE) as a whole.

While important commodity export prices such as for coal, iron ore, platinum, and rhodium generally decreased in the latter half of 2021, in recent weeks some prices and export values have been more buoyant. As a result, the current account surplus of the past year is expected to decline at a slower pace than at the time of the November meeting (South African Reserve Bank (SARB) 2022).

Figure 11: Commodity Price Movement



Source: World Bank, 2021

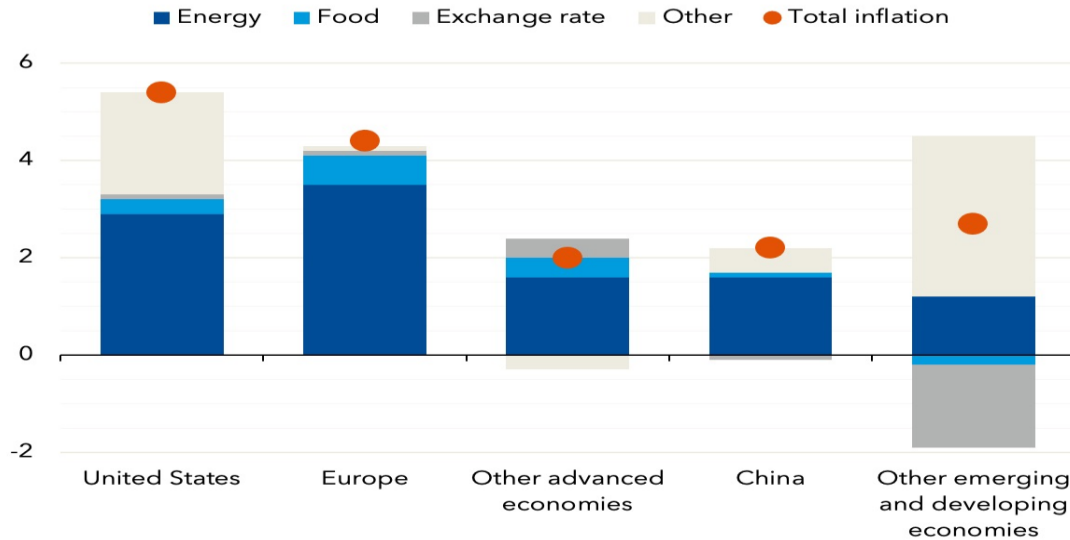
The sharp rebound in commodity prices is turning out to be more pronounced than previously projected. Recent volatility in prices may complicate policy choices as countries recover from last year’s global recession. Crude oil prices (an average of Brent, WTI, and Dubai) are expected to average \$70 in 2021, an increase of 70 percent. They are projected to be \$74 a barrel in 2022 as oil demand strengthens and reaches pre-pandemic levels. The use of crude oil as a substitute for natural gas presents a major upside risk to the demand outlook, although higher energy prices may start to weigh on global growth (World Bank 2021).

As global growth softens and supply disruptions are resolved, metal prices are forecast to fall 5 percent in 2022, after rising by an estimated 48 percent in 2021. Following a projected 22 percent increase in 2021, agricultural prices are expected to decline modestly next year as supply conditions improve and energy prices stabilize.

Figure 12: Inflation as global price pressures set in

Price pressures

Inflation has risen throughout the second half of 2021, driven by several factors of varying importance across regions. (change in inflation, Dec 2020-latest, percentage points)



Sources: Haver Analytics; and IMF staff calculations.
 Note: Inflation refers to the year-over-year change in consumer prices from Dec 2020 through the latest data. Exchange rate refers to short-term depreciation-induced inflation using estimates by Carrière-Swallow and others (2021). Sample includes countries with all components available. Purchasing-power-parity weights are used for aggregation.



Source: IMF, 2022

As similar picture permeates the South African headline inflation, as it came out at 4.5%, during 2021. South African Reserve Bank (SARB) forecast of headline inflation for this year is revised higher to 4.9% (from 4.3%). Headline inflation is expected to be 4.5% in 2023 and in 2024. Core inflation was 3.1% in 2021, and is forecast to rise to 3.8% in 2022 (up from 3.7%). With the economy expanding faster than potential over the forecast period, core inflation is projected to rise to 4.5%, despite a still low rate of services price inflation and unit labour costs. Core inflation forecasts for 2023 and 2024 are unchanged at 4.4% and 4.5%.

The risks to the inflation outlook are assessed to the upside. Global producer price and food price inflation continued to surprise higher in recent months and could do so again. Oil prices increased strongly through 2021 and are up sharply year to date. Current oil prices sit well above forecasted levels for this year. Electricity and other administered prices continue to present short- and medium-term risks. Given the moderate medium and long-term inflation projections set out above, higher domestic import tariffs, stronger services inflation, and higher wage demands present additional upside risks to the inflation forecast (SARB, 2022).

Table 3: SACU - Effects on Inflation - Panel Data Analysis for the region SACU⁵

Prais-Winsten regression, correlated panels corrected standard errors (PCSEs)

```

Group variable:   i                Number of obs   =       150
Time variable:   t                Number of groups =        5
Panels:          correlated (unbalanced)  Obs per group:
Autocorrelation: common AR(1)                min =       22
Sigma computed by casewise selection          avg =       30
                                                max =       42
Estimated covariances   =       15      R-squared       =    0.3107
Estimated autocorrelations =       1      Wald chi2(6)    =    54.81
Estimated coefficients   =       7      Prob > chi2     =    0.0000

```

inflation	Panel-corrected				
	Coef.	Std. Err.	z	P> z	[95% Conf. Interval]
growth	.1487745	.0719397	2.07	0.039	.0077753 .2897737
totalinvestment	.1425193	.0228164	6.25	0.000	.0978 .1872385
grosssavings	-.0295239	.0320884	-0.92	0.358	-.092416 .0333682
exports	-.0096888	.0161556	-0.60	0.549	-.0413531 .0219756
governmentrevenue	.0727283	.0627006	1.16	0.246	-.0501627 .1956193
governmentexpenditure	-.1390908	.0600589	-2.32	0.021	-.256804 -.0213776
_cons	6.352412	1.118219	5.68	0.000	4.160742 8.544082
rho	.3909478				

Source: NC DEDaT, 2022

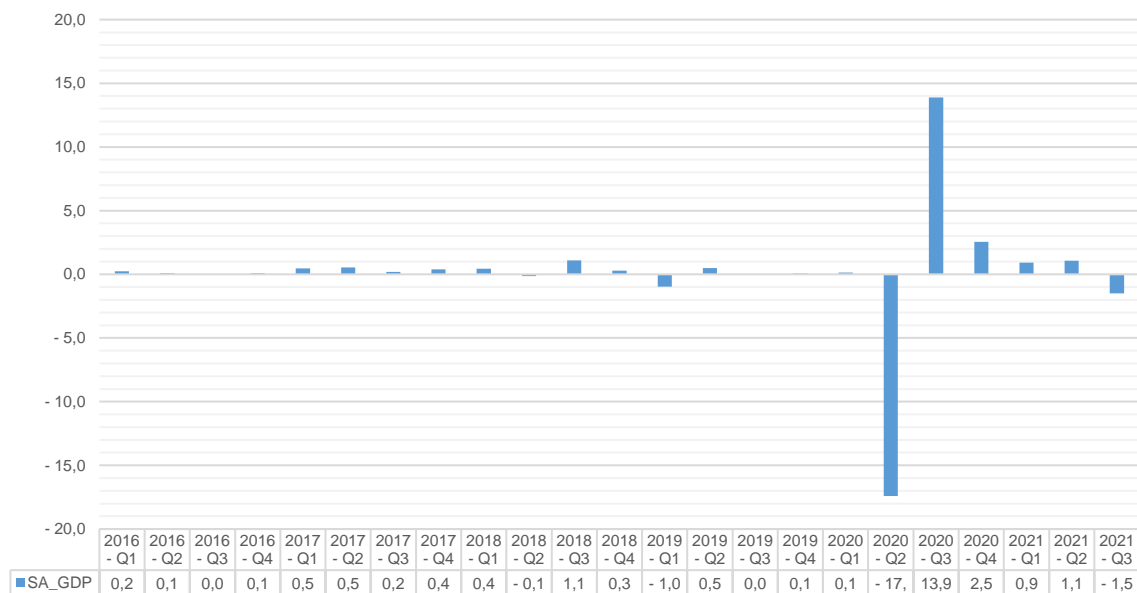
Table above provides a panel data regression analysis, on the impact of growth, investment, exports etc. on the level of inflation, in the Southern African Customs Union (SACU) region. Notably, growth, investment and government revenue seem to suggest an inflationary pattern. Whilst, government expenditure, savings and exports seemingly have a deflationary impact, meaning when government increases its spending could lead to lowered inflation impact, more so in contrast to growth and investment.

⁵ The Southern African Customs Union (SACU) comprises of the following five participating countries: Botswana, Eswatini, Lesotho, Namibia, (BELN) and South Africa. It was formed in 1910 and is the oldest customs union in the world. South Africa, Lesotho, Namibia and Eswatini also form part of the Common Monetary Area (CMA) and the currencies of Eswatini, Lesotho and Namibia are equal to the South African Rand (South African Revenue Services(SARS) 2018)

South African Economy – Performance and Outlook

As South Africa begins to emerge from the shadow of COVID-19, it confronts deep-rooted social and economic problems. Foremost among these are the crises of poverty and unemployment. In essence, COVID-19 pandemic has magnified South Africa’s social and economic crises, further straining the public finances. To address these realities, the national budget has to be highly redistributive (NT, 2021). Of concern, is the recent global restrictions placed on South Africa at the advent of Omicron variant being discovered in the country. These restrictions could derail the country’s growth prospects, as it is anticipated that the restrictions will compromise tourism as well as key value-chains in mining, agriculture and manufacturing.

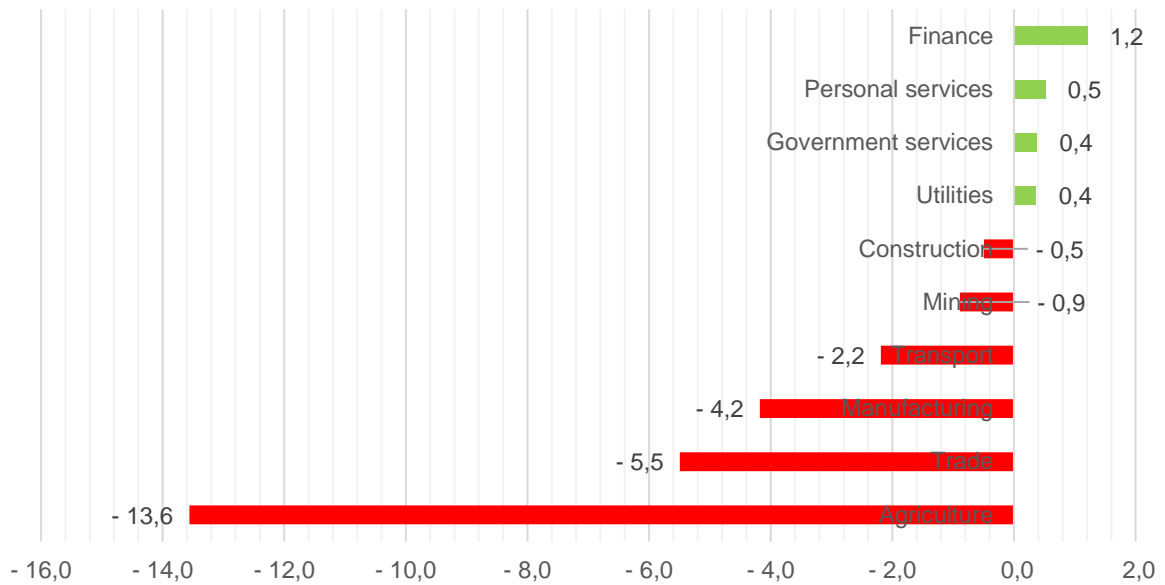
Figure 13: South Africa's Third Quarter 2021 – GDP growth Performance



Source: StatsSA (2021)

In its latest GDP report, according to StatsSA real GDP as measured by production, declined by 1.5% in the third quarter of 2021, following an increase of 1.1% in the second quarter of 2021. Six industries recorded negative growth between the second quarter of 2021 and the third quarter of 2021. The largest negative contributors to growth in GDP in the third quarter were the trade (0.7%), manufacturing (0.5%) and agriculture (0.4%) industries.

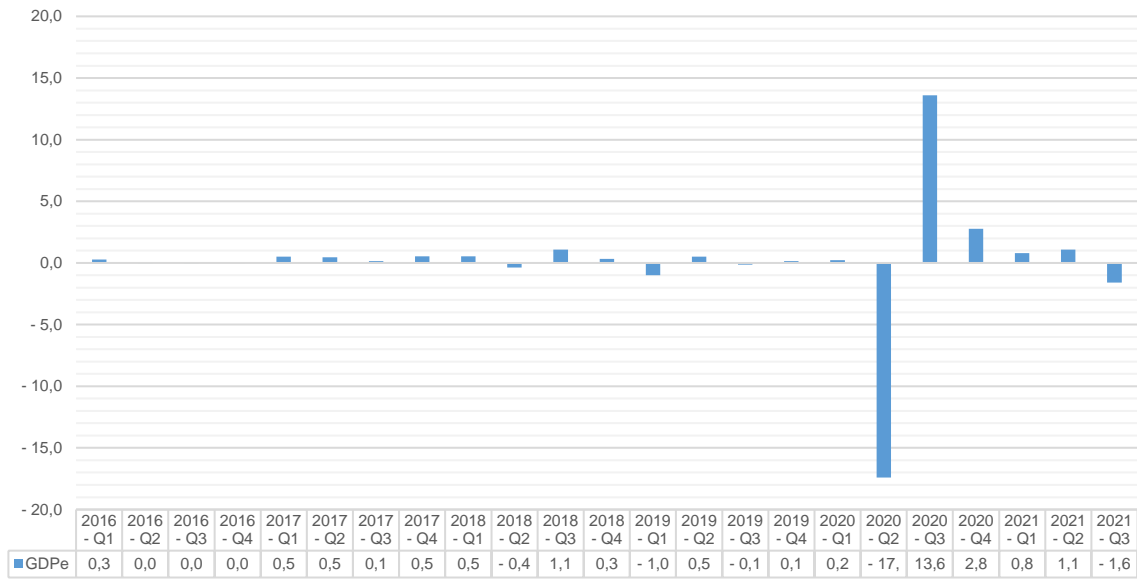
Figure 14: South Africa's Sectoral Performance - Third Quarter 2021



Source: StatsSA (2021)

Six industries recorded negative growth between the second quarter of 2021 and the third quarter of 2021. The largest negative contributors to growth in GDP in the third quarter were the trade, manufacturing and agriculture industries. The trade industry decreased by 5.5% and contributed -0.7 of a percentage point to GDP growth. The manufacturing industry decreased by 4.2% and contributed -0.5 of a percentage point to GDP growth. The agriculture industry decreased by 13.6% and contributed -0.4 of a percentage point to GDP growth. StatsSA (2021) note that the agriculture decrease in performance, was mainly due to decreased production of field crops and animal products.

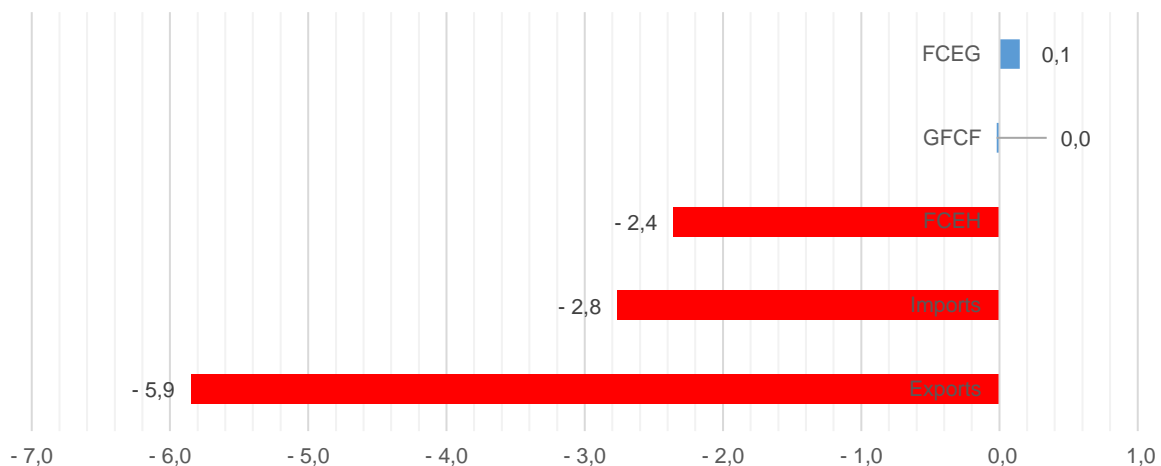
Figure 15: South Africa Expenditure on GDP growth rate - Third Quarter 2021



Source: StatsSA (2021)

Expenditure on real gross domestic product decreased by -1.6% in the third quarter of 2021, following an increase of 1.1% in the second quarter of 2021. Investments or Gross fixed capital formation was flat between the second and third quarters. This is a worrying sign as it foretells that investment appetite is at an all-time low and could spell declines in economic activity as well as the ability to create much needed employment.

Figure 16: South Africa Growth in expenditure on GDP (%) – Component



Source: StatsSA (2021)

Household final consumption expenditure decreased by -2.4% in the third quarter of 2021, contributing -1.6 percentage points to total growth. Government final consumption expenditure

increased by 0.1% in the third quarter of 2021 (see figure above). Net exports contributed -0.9 of a percentage point to total growth, mainly attributed to a -5.9% decrease in exports of goods and services (StatsSA, 2021).

Table 4: South Africa's Macroeconomic projections

	2018	2019	2020	2021	2022	2023	2024
	Actual		Estimate		Forecast		
Final household consumption	2.4	1.1	-6.5	5.7	2.0	1.9	1.9
Final government consumption	1.0	2.7	1.3	0.1	-1.4	-2.9	-0.1
Gross fixed-capital formation	-1.8	-2.4	-14.9	1.2	3.1	3.4	3.5
Gross domestic expenditure	1.6	1.2	-8.0	4.9	2.4	1.9	1.7
Exports	2.8	-3.4	-12.0	10.3	2.9	2.6	2.7
Imports	3.2	0.5	-17.4	9.5	5.3	4.0	2.6
Real GDP growth	1.5	0.1	-6.4	5.1	1.8	1.6	1.7
GDP inflation	4,0	4,5	5,3	5,4	1,3	3,2	4,4
GDP at current prices (R billion)	5 358	5 605	5 521	6 112	6 304	6 607	7 018
CPI inflation	4,6	4,1	3,3	4,5	4,2	4,3	4,5
Current account balance (% of GDP)	-3,0	-2,6	2,0	3,8	0,4	-1,5	-1,7

Source: National Treasury (NT) (2021)

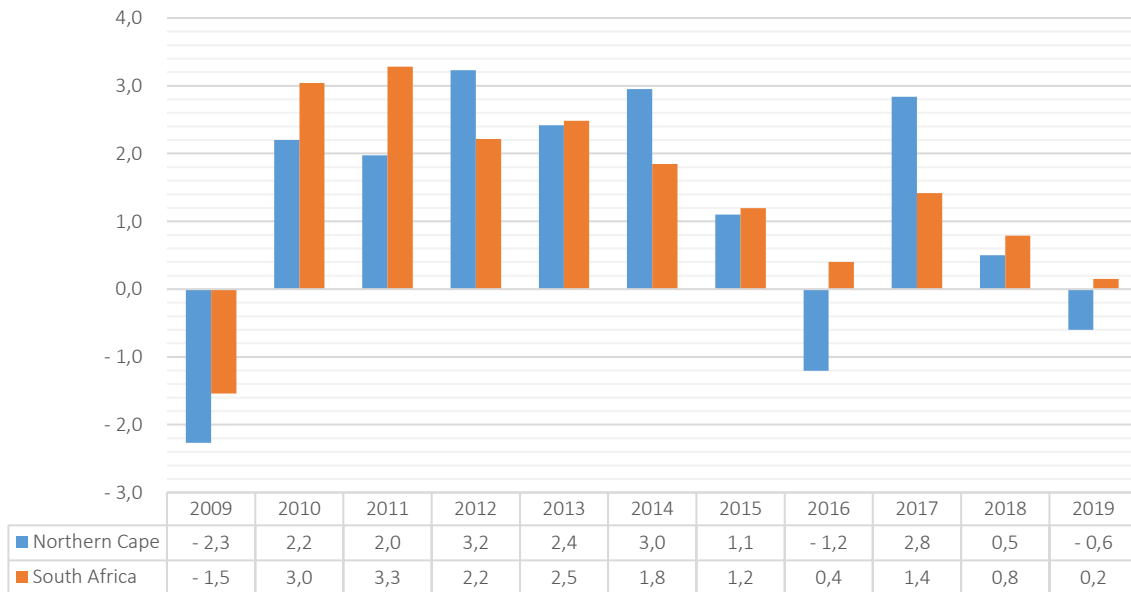
National Treasury projects real economic growth of 5.1 per cent in 2021 and 1.8 per cent in 2022. This is an improvement, when compared with 2021 Budget estimates of 3.3 per cent and 2.2 per cent respectively. Real GDP growth is expected to moderate to 1.6 per cent in 2023 and 1.7 per cent in 2024. The 2021 projection reflects supportive global growth and export commodity prices, and the easing of COVID-19 lockdown restrictions.

Provincial Economic Overview

The IMF (2020), noted the impact of the coronavirus is having a profound and serious impact on the global economy and has sent policymakers looking for ways to respond. China’s experience so far shows that the right policies make a difference in fighting the disease and mitigating its impact—but some of these policies come with difficult economic trade-offs. Moreover, according to the global body, what started as a series of sudden stops in economic activity, quickly cascaded through the economy and morphed into a full-blown shock simultaneously impeding supply and demand—as visible in the very weak economic readings of industrial production and retail sales.

The economy of the Northern Cape contracted by -0.6 per cent in 2019, which was below the national economic growth of 0.2 per cent over the same period. With the Covid-19 restrictions that were necessitated in 2020, the Northern Cape economy is also expected to have contracted in 2020, however, with fewer restrictions in 2021, we expect some recovery during this year.

Figure 17: Northern Cape and South Africa's economic growth outcomes: 2011-2019

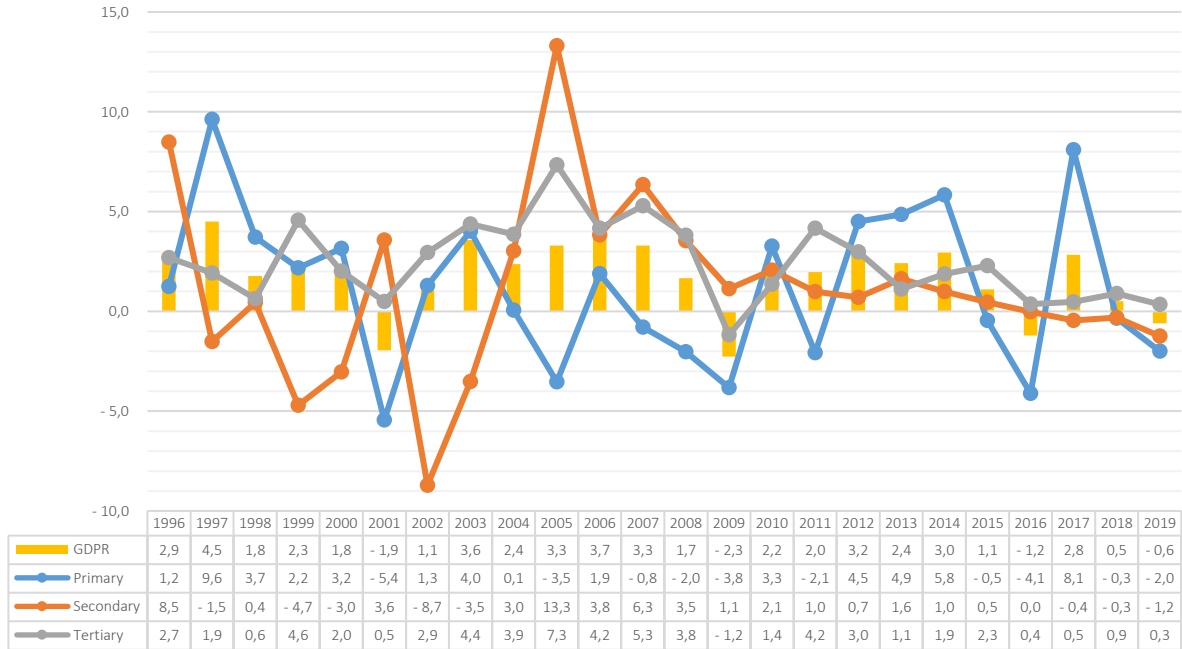


Source: StatsSA, 2021

According to StatsSA, the provincial economy contracted by -0.6% in 2019, down from positive growth of 0.5% in 2018. In contrast, the country’s GDP grew by a lacklustre yet positive growth 0.2% in 2019. The negative growth rate recorded by the province was due to the fact that seven out of the ten sectors recorded negative growth rates. This includes the biggest sector

in the province which is mining, declining by -0.9% whilst only three industries that did not contract in 2019 were financial services, personal services and government services.

Figure 18: Northern Cape Sectoral growth rates: 1996 -2019



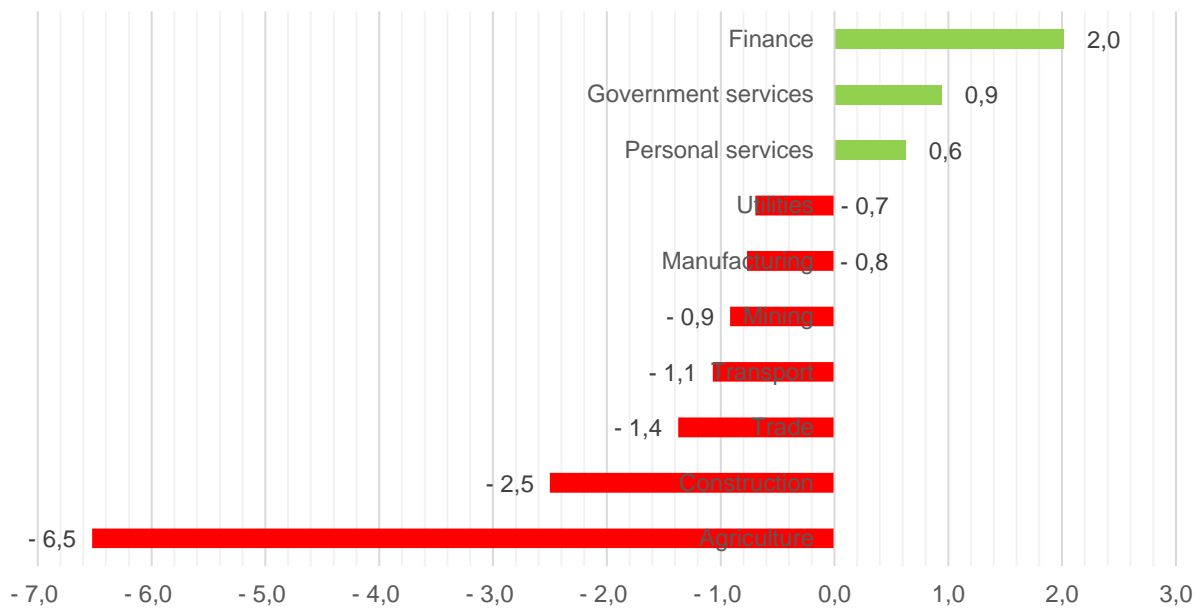
Source: StatsSA, 2021

Figure above denotes the historical provincial economic growth rate by the three industries. The tertiary industries are the biggest contributors to the provincial economy, followed by the primary industries with a contribution of around 26.5%. The monetary size of the provincial economy is estimated at R 103 billion in 2019 in nominal terms (i.e. current prices). This is a gradual growth improvement in comparison to 2018 when the provincial economy was estimated to have bridged the R 100 billion mark. Whilst on the real or constant price definition, the provincial economy is estimated to be worth around R 68.4 billion. Explicating a decline of 0.6%, when compared to the constant GDP figures of 2018, wherein it recorded R 68.9 billion.

The following sectors recorded the most notable performances, in comparison between 2018 and 2019:

- Mining activities expanded by R 1.3 billion
- Trade also expanded by around R 1.1 billion
- The government services sector grew by R 859 million
- The transport service sector stretched its contribution by R 737 million
- The agriculture sector declined by R 858 million

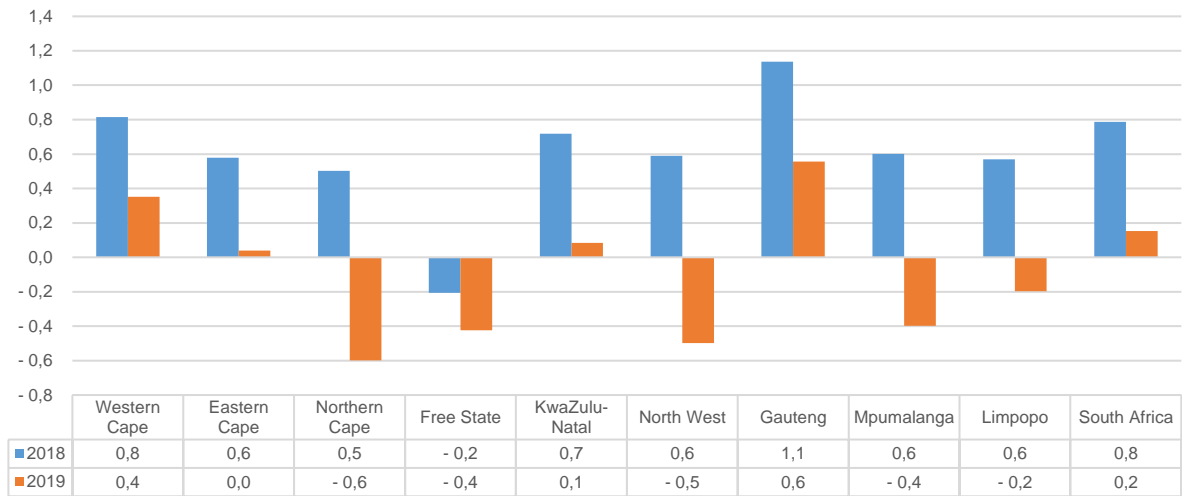
Figure 19: Northern Cape Sectoral growth rate - 2019



Source: StatsSA, 2021

The decline in the provincial economy, was at the back of seven of its economic sectors recording negative growth outcomes. Included in this was agriculture which declined by -6.5%. Second biggest sectoral decline was construction with -2.5%, whilst trade recorded a decline of -1.4%. Mining, the biggest contributor to the provincial economy also recorded a subdued -0.9%, yet impactful given the sector's contribution. Only finance, government services as well as personal services cushioned the provincial economy from a more severe decline.

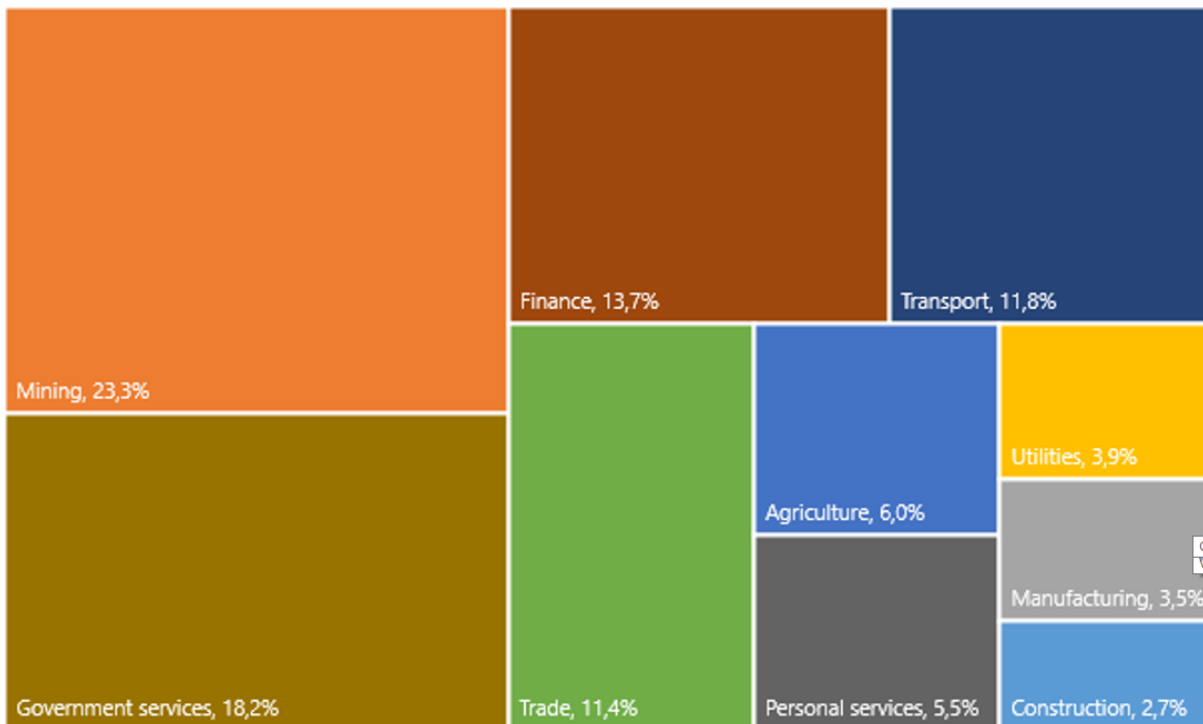
Figure 20: South Africa and nine province's economic growth rates: 2018 and 2019



Source: StatsSA, 2021

The Northern Cape Province recorded the steepest decline in growth at -0.6%, however due to the province’s smallest contribution to the South African economy at 2.2%, the impact is rather muted. On the other hand, the Gauteng province which is the biggest contributor to the South African economy, grew positively by 0.6% thus ensuring that the country did not reach the negative growth mark.

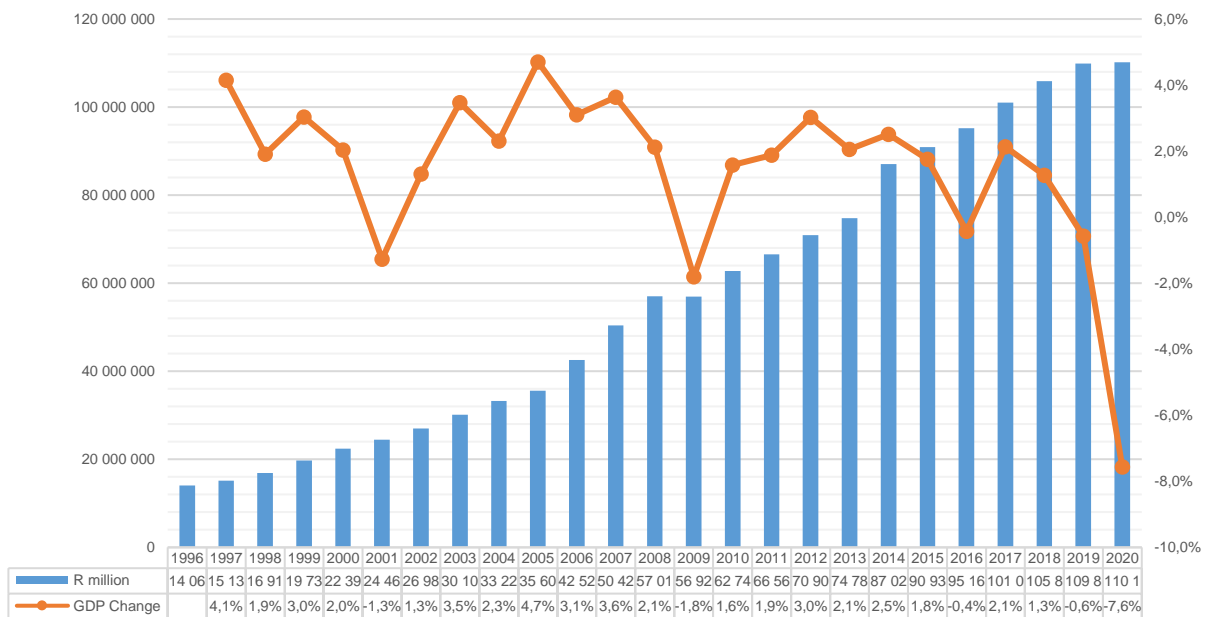
Figure 21: Northern Cape Provincial - Gross Value Added - 2019



Source: StatsSA, 2021

The provincial economy continues to be concentrated in mining activities. As illustrated by the figure above, depicting the provincial gross value-added (GVA)⁶. In context, the provincial mining activities contributed around 23.3% of the total gross-value added, followed by the government service sector. The government service sector is estimated to have contributed about 18.2%, in terms of GVA during 2019. Construction (2.7%), manufacturing (3.5%) as well as the utilities industry (3.9%) have the lowest contribution with a combined 10.1% contribution (StatsSA, 2021).

Figure 22: Provincial Economic Performance - Estimated by IHS MarkIT - 2020

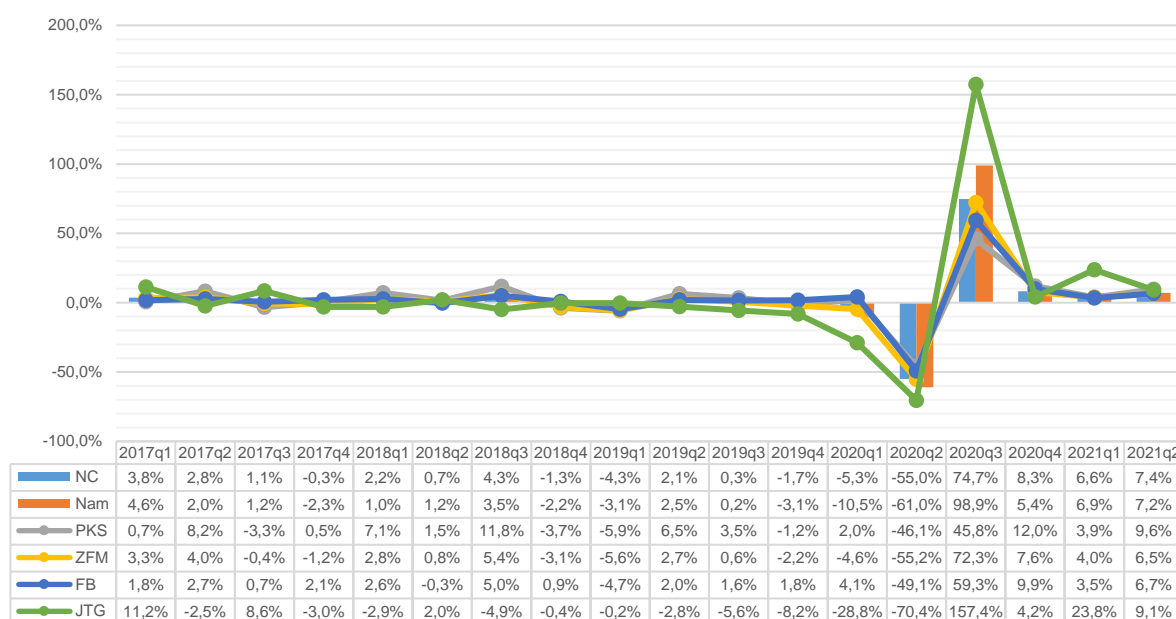


Source: IHS MarkIT, 2021

At the height of COVID-19 lockdown restrictions – IHS MarkIT estimated that the provincial economy would be around R 110 billion using current prices as a basis. It is in accordance with the latest GDP measures as prescribed by StatsSA, thus the elevation from R 100 billion previously computed to the estimated R 110 billion. This is despite the decline estimated in terms of growth. IHS MarkIT, estimates that the provincial economy to have declined by around 7.6% during 2020(at the height of COVID-19)

⁶ Gross Value Added is a measure of output (total production) which measures the total output of a region by considering the value that was created within that region. One can think of GVA-R as the difference between the inputs obtained from outside the region and the outputs of the region – that is, the region’s total “value added” (IHS MarkIT 2019).

Figure 23: Northern Cape Provincial and District Economic Growth Rates



Source: IHS MarkIT, 2021

Figure above provides an estimated quarterly performance of the provincial economy, based on the computations by IHS MarkIT. In the first quarter of 2021 it is estimate that the provincial economy would've grown by 8.5%. Notwithstanding this impressive estimated outcome – it could still be elevated given that the rebasing is not effected in this computation. Factoring in the rebasing, the provincial economy could have grown by 6.6% in the first quarter of 2021. Marginally increasing the second quarter, as estimated by 7.2%

The National Treasury – had anticipated the following sectors could gravely impacted by the July unrest:

- Transport
- Agriculture
- Mining
- Manufacturing
- Trade

These sectors account for over fifty percent of gross value added – thus the impact of the July unrest will be dire on the provincial economy. The Northern Cape provincial economy has a stronger positive relationship to the Kwazulu-Natal provincial economy. This could be ascribed to the quantum of goods and services exchanged between the two provinces. A ten percent increase in the KwaZulu-Natal economy could translate to around eight percent increase in the Northern Cape economy. Whilst for Gauteng, a ten percent increase could lead to the

decline of the provincial economy by 1.5 percent. Thus, the severe impact on the KZN province translates into a negative economic impact on the Northern Cape.

The 1.5% decline in the country's economy could be expected to lead to a similar decline in the Northern Cape economy. This is despite the July Unrest hugely impacting Gauteng and the KwaZulu-Natal provinces. In order to contextualise the potential impact of the 1.5% decline in the national economy, the provincial Department of Economic Development and Tourism (DEDaT) estimates that the provincial economy could have declined by -0.94%. This is due to the impact to the six sectors (agriculture, trade, mining, manufacturing, transport and construction) negative impacted in the national economy, which provincially constitute around 60 percent of the provincial economy.

Provincial Labour Market Analysis

The Quarterly Labour Force Survey (QLFS) for the third quarter of 2021 show that the number of employed persons decreased by 660 000 in the third quarter of 2021 to 14,3 million. The number of unemployed persons decreased by 183 000 to 7,6 million compared to the second quarter of 2021. The number of discouraged work-seekers increased by 545 000 (16.4%) and the number of people who were not economically active for reasons other than discouragement increased by 443 000 (3.3%) between the two quarters resulting in a net increase of 988 000 in the not economically active population

These changes resulted in the official unemployment rate increasing by 0.5 of a percentage point from 34.4% in the second quarter of 2021 to 34.9% in the third quarter of 2021 - the highest since the start of the QLFS in 2008. The unemployment rate according to the expanded definition of unemployment increased by 2.2 percentage points to 46.6% in quarter 3 of 2021 compared to the second quarter of 2021.

Table 5: Northern Cape Labour Market Characteristics

Northern Cape	Jul-Sep 2020	Oct-Dec 2020	Jan-Mar 2021	Apr-Jun 2021	Jul-Sep 2021	q-on-q	
						% Change	Difference
Population 15-64 yrs	812	816	815	817	819	0.2%	1 917
Labour Force	373	431	409	357	366	2.7%	9 641
Employed	287	308	313	256	275	7.3%	18 836
Unemployed	86	124	96	100	91	-9.2%	-9 195
Not economically active	439	384	406	461	453	-1.7%	-7 724
Discouraged work-seekers	91	74	98	125	137	9.3%	11 609
Other	348	311	309	335	316	-5.8%	-19 333
Rates (%)							
Unemployment rate	23.1	28.7	23.4	28.1	24.9	-11.4%	-3.2
Employed / population ratio (Absorption)	35.3	37.7	38.4	31.4	33.6	7.0%	2.2
Labour force participation rate	45.9	52.9	50.2	43.6	44.7	2.5%	1.1

Source: StatsSA (2021)

Conversely, the provincial unemployment rate has declined over the same period of analysis, declining by 3.2 percentage points, when compared to the second quarter of 2021, estimated 28.1%. The provincial unemployment rate for the third quarter is estimated at 24.9% (StatsSA). Importantly, the unemployment numbers declined by almost ten thousand (i.e. around 9 195), to around 91 000, in contrast to over 100 000 unemployed, in the second quarter. The province should be cautiously optimistic about the low official unemployment rate, as the expanded unemployment rate according to the expanded definition of unemployment still hovers around the fifty percent unemployment rate at 49.1% in third quarter 2021. It should however be noted that the expanded unemployment rate also declined by around 1.2 percentage to the second quarter.

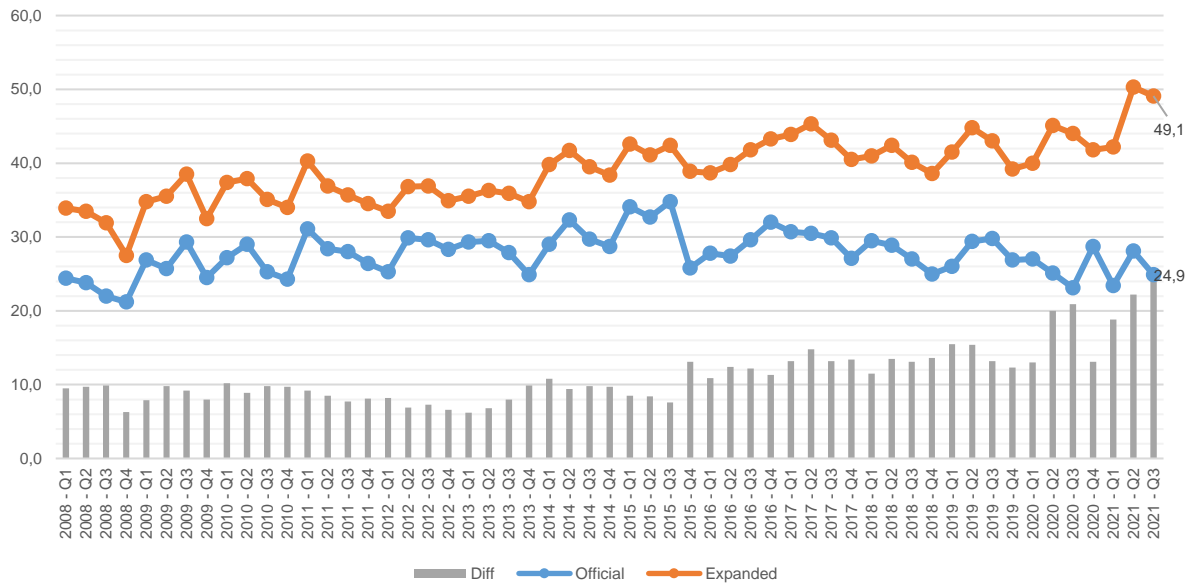
The provincial labour participation rate⁷ increased marginally by about 1.1 percentage point, whereas the provincial ability to absorb labour (i.e. Absorption rate⁸) also increased 2.2 percentage point, on a quarter-on-quarter basis. Despite, the increased labour absorption

⁷ Labour force participation rate is the proportion of the working-age population that is either employed or unemployed.

⁸ Absorption rate is the proportion of the working-age population that is employed (StatsSA).

appetite there was an increase in the number of the discouraged work-seekers by 11 609 (up by 9.3%) for the period of analysis. Year-on-year the discouraged work-seekers increased by a staggering 45 331.

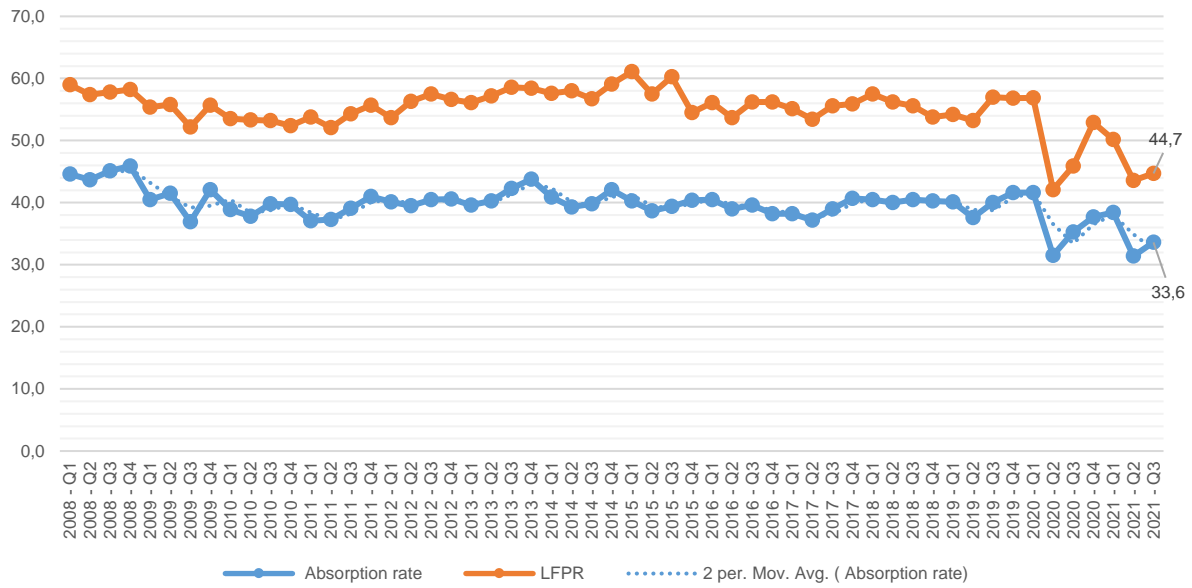
Figure 24: Northern Cape Official and Expanded Definition of Unemployment rates



Source: StatsSA (2021)

Figure above depicts the provincial unemployment rate, as per the two measures, which are expanded and official. The provincial official unemployment rate is estimated at 24.9%, having declined from 28.1% in the second quarter. Whilst, the expanded definition measure also declined to record unemployment rate of 49.1%, there is significant divergence in the two measures. This could be related to the increases in the number of the discouraged work-seekers.

Figure 25: Labour Force Participation Rate (LFPR) and Absorption rate

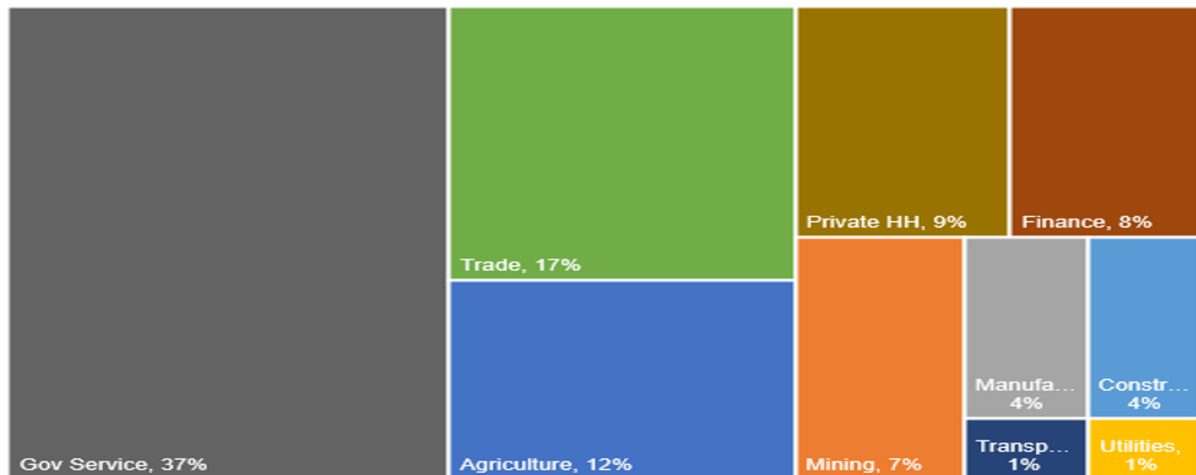


Source: StatsSA (2021)

Figure above illustrate the participation rate as well as the absorption rate. Interestingly both measures declined in the second quarter, with the absorption rate declining from 38.1% in the first quarter to around 31.4% in the second quarter. And further improved to 33.6% in the third quarter of 2021. However, the below par absorption rate suggest that the provincial employment ability is somewhat waned and thus could hamper the employment opportunities. Also, the decline in the labour participation rate, from 50.2% to 43.6%, points to the lack of employment opportunities. As it is, StatsSA estimates the provincial labour participation rate to be around 44.7%

As, according to the International Labour Organisation (ILO, 2016), the labour force participation rate is a measure of the proportion of a country’s working-age population that engages actively in the labour market, either by working or looking for work; it provides an indication of the size of the supply of labour available to engage in the production of goods and services, relative to the population at working age ILO (2016). Thus, in essence, the 44.7 labour participation rate infer that only four out ten persons willing and able to work, is in employment.

Figure 26: Northern Cape Provincial Employment Contribution by Sector



The formal sector in South Africa accounts for 67.4% of total employment which is similar to the Northern Cape at 72% of the employed. For the period of review the formal employment sector employment increased by over 9 500 employment entrants. Followed by private households, which recorded increases of over 6 300, in its employment cohort. Moreover, sectoral employment analysis highlights that private households had the highest employment increase, with an estimated 6 353 or 35.5% employment growth, quarter-on-quarter. The sector is followed by the trade and finance sectors, with 5 907 and 5 760, respectively. More of significance, is that the trade sector is second biggest employing sector in the province, with an estimated employment contribution of around 16.8% (or 46 244 of total employment).

Table 6: Northern Cape Sectoral Employment Movement

	q3 2021	q4 2021	q1 2022	q2 2022	q3 2022	Q-on-Q %	Q-on-Q
Agriculture	28	28	39	31	34	10.2%	3 125
Mining	34	32	28	18	20	12.3%	2 185
Manufacturing	9	14	20	11	11	-1.0%	-110
Utilities		1	3	1	3	428.2%	2 685
Construction	16	20	11	19	10	-47.5%	-9 086
Trade	43	46	40	40	46	14.6%	5 907
Transport	7	7	9	5	4	-26.8%	-1 338
Finance	27	37	31	16	21	36.8%	5 760
Community Service	107	106	119	98	102	3.4%	3 353
Private Households	15	17	11	18	24	35.5%	6 354

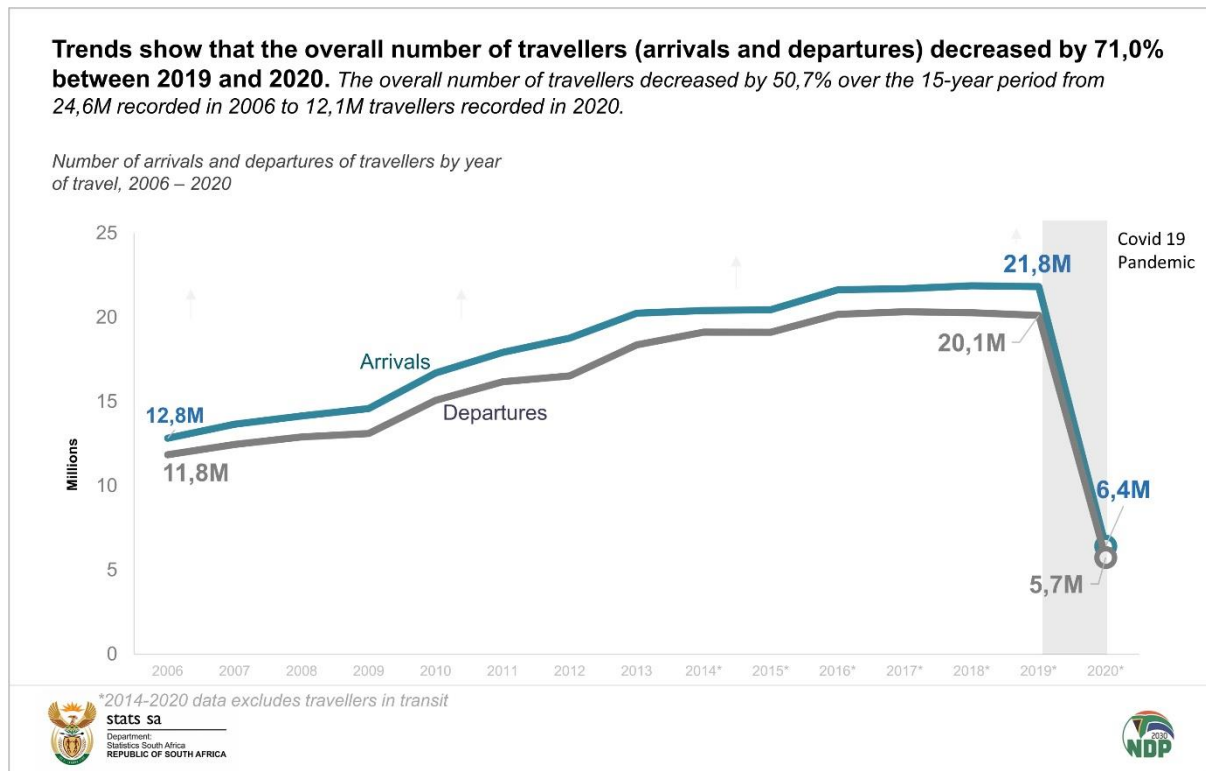
Source: StatsSA, 2021

Government services sector remains the biggest employer in the province, with an estimated 102 000 in its employ accounting for 38% of the employed. Employment increased by 3 353. The construction sector saw a decline in its employment cohort, declining by 9 086, on a quarter-on-quarter basis. This is indicative of the slowness on investment in the “Brown and Greenfields” projects, as well as a declining spending ability by households.

Impact of COVID-19 on Tourism in South Africa

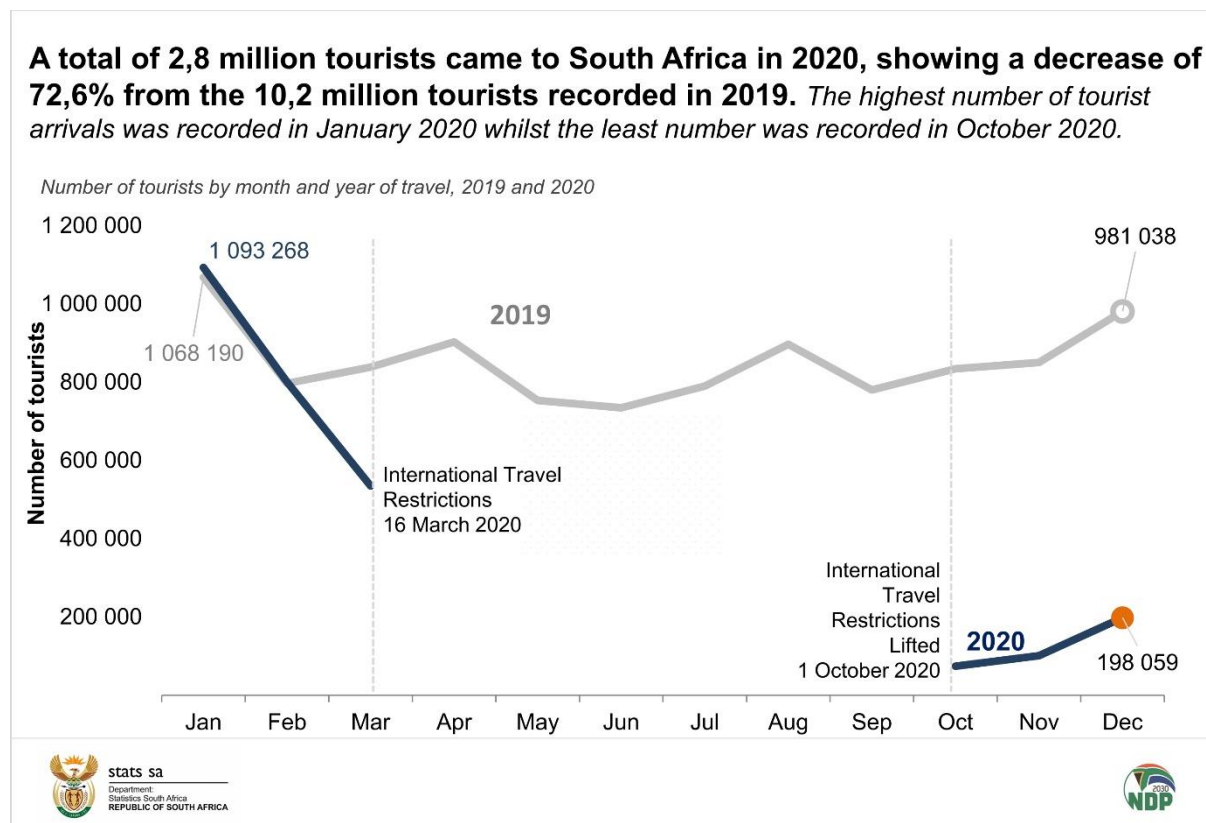
According to the Tourism, 2020 report released by Statistics South Africa, foreign arrivals dropped by 71% from just over 15, 8million in 2019 to less than 5 million in 2020. It is evident that the COVID-19 pandemic impacted the tourism industry quite hard around the world and in South Africa, mainly due to the lockdown and travel restrictions that were imposed.

According to the report, the overall number of travellers (arrivals and departures) decreased by 71,0% between 2019 and 2020. The overall number of travellers decreased by 50,7% over a 15-year period from nearly 24,6 million recorded in 2006 to 12,1 million travellers recorded in 2020.



Source StasSA, April 2021

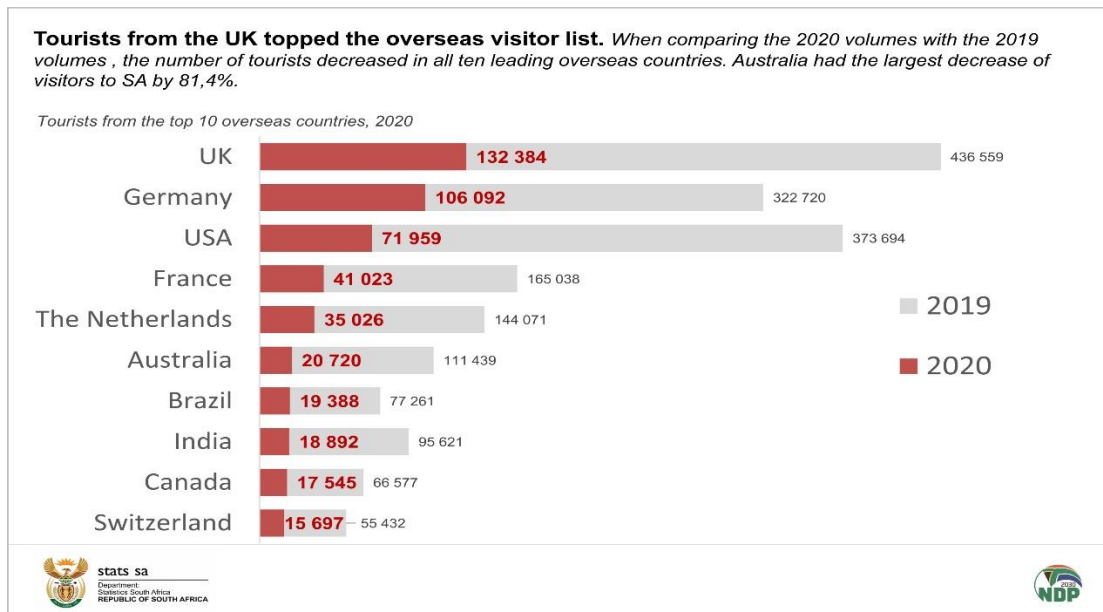
In South Africa, the direct contribution of the tourism sector to GDP (Gross Domestic Product) was 130,1 billion rand in 2018 and constituted nearly 3% direct contribution to GDP.¹ In 2018, the tourism sector contributed about 4,5% of total employment in South Africa.¹ In 2020, the volume of tourists decreased by 72,6% from 10,2 million in 2019 to 2,8 million in 2020. The distribution of tourists by region of residence shows that 74,8% of the tourists who arrived in South Africa in 2020 were residents of the Southern African Development Community (SADC) countries and 1, 5% were from ‘other’ African countries. These two sub-regions constituted a total of 76,3% tourists from Africa. Residents of overseas countries made up 23,6% of the tourists.



Source: StatsSA, April 2021

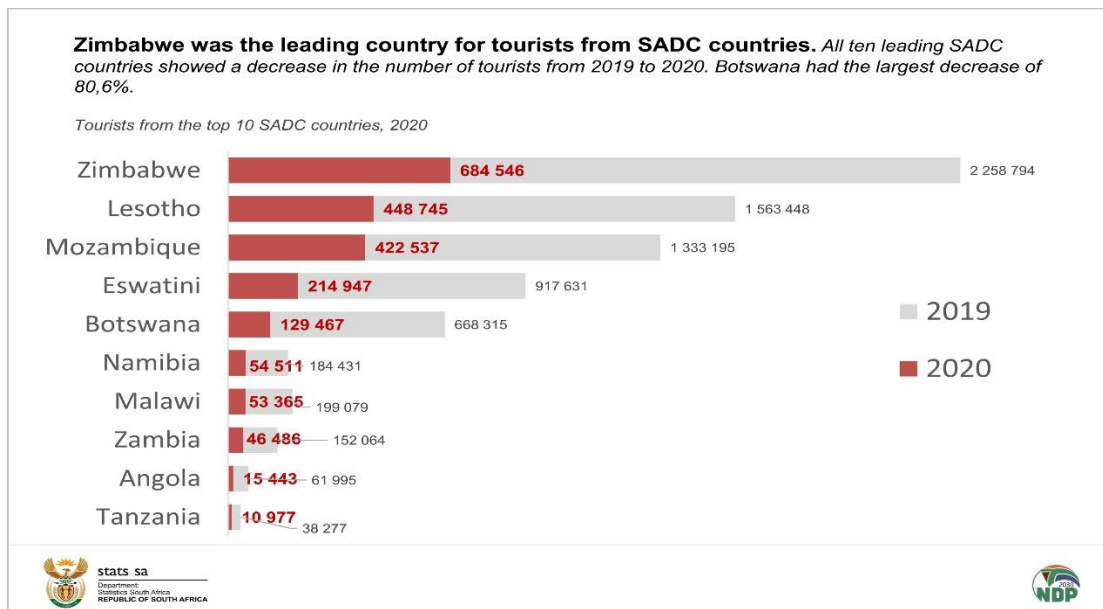
The outbreak of the COVID-19 pandemic had a significant impact on the South African tourism industry. On the 16th of March 2020, President Ramaphosa announced measures to combat the spread of COVID -19 in South Africa. These measures were in line with reducing and monitoring inward as well as departing travellers. In addition, a travel ban on selected foreign nationals from high-risk countries into SA was communicated on 18 March 2020. Of the 53 land ports, 35 were shut down, as well as 2 of the 8 sea ports. The Level 5 (hard) lockdown introduced by President Ramaphosa on the 26th of March 2020 resulted in tourism numbers dropping drastically for both incoming and outgoing travellers. In light of this, South Africa did not receive visitors for a period of six months from April to September 2020.

In 2020, tourists from the United Kingdom topped the overseas visitor list. When comparing the 2020 volumes with the 2019 volumes, the number of tourists decreased in all ten leading overseas countries. Australia had the largest percentage decrease of visitors to SA (81,4%).



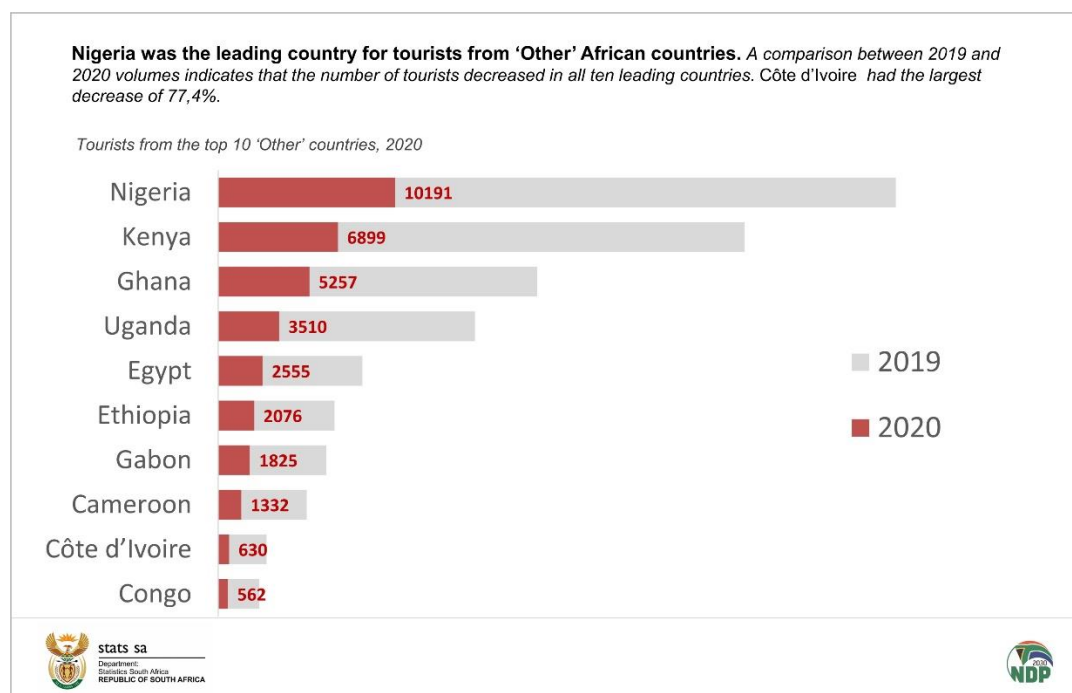
Source: StatsSA, April 2021

All ten leading SADC countries showed a decrease in the number of tourists from 2019 to 2020. Botswana had the largest percentage decrease of 80,6%. Zimbabwe remained the leading SADC country in terms of tourist visits.



Source: StatsSA, April 2021

Nigeria was the leading country for tourists from 'Other' African countries. A comparison between 2019 and 2020 volumes indicates that the number of tourists decreased in all ten leading countries. Côte d'Ivoire had the largest percentage decrease of 77,4%



Source: StatsSA, April 2021

Overall, holiday continued to be the main reason for visits to South Africa. A large majority (96,0%) of tourists came for holidays whilst business persons, students and medical treatment constituted 3,1%, 0,9% and 0,1% respectively of the 2020 tourists. In 2020, tourists from overseas and 'other' African countries spent, on average, seven and five days per month respectively in South Africa, compared to tourists from SADC who spent only two days. Tourists continued to be predominantly male (53, 8%).

With the world of travel having changed drastically due to the pandemic, the year 2020 will always be remembered as the year that COVID-19 changed the world.

The total number of foreign travellers who visited South Africa from Africa, overseas and unspecified countries, arriving through all ports of entry during 2020 was 4 586 387. The 2020 figure represents a decrease of 71,0% as compared with the 2019 figure of 15 825 296. Foreign arrivals were made up of 699 804 non-visitors and 3 886 583 visitors. Visitors were made up of 1 084 263 same-day visitors and 2 802 320 tourists (overnight visitors). The breakdown of tourists by sex and age is as follows: 1 629 263 were males, 1 173 057 were females; 121 081 were less than 15 years, 227 962 were aged 15-24, 737 033 were aged 25-34, 821 383 were aged 35-44, 471 212 were aged 45-54, 259 140 were aged 55-64, 164 509 were aged 65+

When considering the current unpredictable and volatile travel environment the questions begs where and how do we focus the efforts on Northern Cape Industry`s Road to Recovery. As the lockdown eased and interprovincial travel relaxed, there was a significant pickup in domestic tourism. We have not only seen the domestic market which would normally have gone overseas and have their annual overseas holiday – the very high-net-worth individuals, who have been travelling around and exploring different places in our country, but we have seen huge growth in our emerging black middle market. Internationally, successful tourism destinations are those that are built on a successful domestic tourism market.

Domestic tourism will be the key driver in the near to medium term to stimulate growth and recovery of the Northern Cape Tourism industry. Greater emphasis will be placed on growing domestic demand to the Northern Cape. We will deliberate on how we market and promote domestic tourism to address geographical spread, seasonality, length of stay and transformation. We will continue to build demand for domestic travel, through our campaigns. We know from our research that there is appetite for domestic travel. We will work closely with the private sector to create a conducive environment for increased travel within and to the Northern Cape. Initiatives in this respect will range from aggressive marketing, affordable tourism product packaging and enhancing our digital footprint. We will continue to build demand for domestic travel, through our campaigns.

It is the opportune time again for our provincial tourism products and experiences to tailor their product to the domestic markets, to create more diverse, affordable and authentic experiences which in turn would be more appealing to the foreign market and the way tourism is evolving globally. Caravanning, glamping and camping holidays are increasingly becoming popular and in great demand as it offers not only affordability, but the social distancing tourists will be looking for. The Northern Cape is well positioned to take full advantage of this opportunity. Post-COVID-19, travel will be about authentic and experiential travel. International visitors will want to avoid busy city centres and head to more remote locations. No longer will it be about a tick list but rather a “bucket” list. They would want to experience the truly unique and authentic experiences available within destination, the culture, the lifestyle, in short have life-changing experiences. We will facilitate a greater understanding of our indigenous heritage and drive the uptake of our indigenous /township tourism experiences as well as greater awareness of the tourism offering within the two world heritage sites within the Northern Cape. The Northern Cape’s indigenous/ township tourism experiences are a significant element of our tourism offering and provide a point of differentiation with competitor domestic and regional destinations. It further will acknowledge and deliver on the need of today’s conscious traveller whom is increasingly looking for an immersive experience and a real connection to the

destination planned to visit. The Northern Cape is well placed to offer travellers these experiences.

The focus on domestic does not mean we have forgotten about international. We will continue to focus on keeping the Northern Cape top of mind in our key international markets, through content partnerships, PR, advocacy, social, digital and trade marketing. Continuing to maintain this visible international presence is especially important now and will be more so in the coming months as competitor destinations open before us. As international travel resumes, every major international destination will be poised to market themselves – we must be ready too.

We will work closely with all our partners (local, regional and national) to realize our goals. We will collaborate with South African Tourism on regional programmes and initiatives, especially those related to Namibia and Botswana. With regional countries moving to herd immunity and fewer travel restrictions we will increase our efforts to exploit regional opportunities through our partnerships with Namibia and Botswana. Through targeted campaigns we will encourage cross border travel, both business and leisure, to encourage our target segments to come and experience the unique tourism offerings of the Northern Cape.

Leisure and business events provided an opportunity for the growth of arrivals to our shores as well as moving people within the province. We will continue to support the design of attractive leisure events that bring people together to celebrate our rich culture, heritage and nature. However, as activation of such events will still be restricted to the regulations as defined in the Disaster Management Act, 2002: Amendment of Regulations issued in terms of Section 27 (2) we will continue our focus on sporting events. The Northern Cape's unique landscape offers the ideal backdrop to the hosting of extreme sporting events. We will enhance the bidding and hosting of leisure and business events by working closely with SANCB and relevant stakeholders.

Transformation and inclusion will continue to play a key role in reshaping the industry and the Northern Cape tourism brand. The stagnant and declining levels of economic growth exacerbated by the additional shocks from COVID-19 severely affected the sustainability and growth of SMMEs in the province. The ability to sustain SMMEs will depend on the coordinated and integrated response from different stakeholders. Amidst these challenges we will continue with the implementation of our SMME Market Access Framework initiatives which directs the marketing and promotion of our SMMEs. The introduction a multi-sectorial approach to drive sustainable transformation and development will allow for focused and comprehensive interventions.

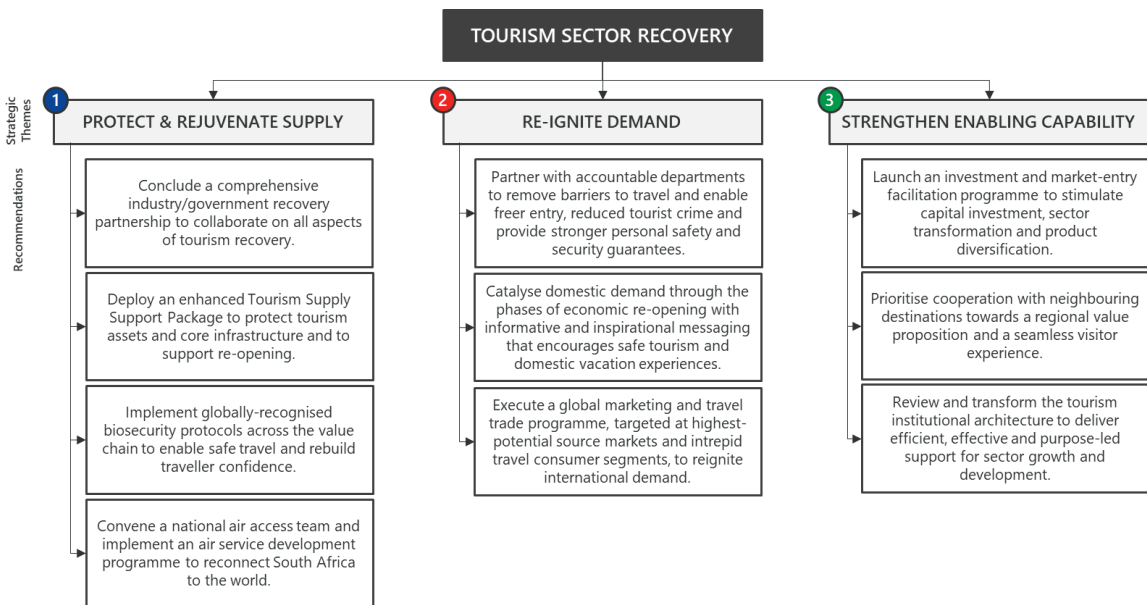
Technological innovation will play a central role in the delivery of services in the tourism sector and NCTA will be changing the adoption and the usage of these technologies. Reorienting our destination to attract international and domestic digital nomads is fundamental shift that the sector will need to embrace as increasingly businesses and professions are opting to work remotely. As a sector, we need to harness technology and innovation in order to meet the needs of the traveller. The unique tourism offering of the Northern Cape coupled with the vast open landscapes for example could deliver in the growing demand of “workcations”. However, the limited technological and connectivity of the province is a huge stumbling block in the Northern Cape’s ability to compete for a market share of this growing market. Video and content will be increasingly important to reach and influence both our domestic and international target markets as they seek authentic experiences. We will work closely with our industry to ensure our marketing programmes are responsive to this change and many others

Collaboration and cooperation were the mainstay of tourism recovery during 2020 and 2021 and we will continue with our collaboration with national and provincial tourism structures, both government and private sector to ensure the continued recovery of the Northern Cape’s tourism sector.

National Tourism Recovery Strategy (NTRS)

Though tourism has performed well in recent years, COVID-19 has disrupted the sector and has led to the need for a National Tourism Recovery Strategy (NTRS) to restart the sector in three phases.

The recovery strategy contain these phases with three strategic objectives central to its implementation namely re-igniting demand, rejuvenating supply and strengthening enabling capability.



Impact of COVID-19 on the Northern Cape

Tourism is a vital contributor to the Northern Cape is acknowledged as a tool for economic development, and a significant role player in responding to the province’s socio-economic challenges. Notably its provision of employment to individuals of varying skills levels, the employment of women including in rural areas and ensuring the geographic spread of tourism benefits.

The COVID-19 Pandemic and national lockdown had a significant adverse impact on the provincial tourism industry and its potential to flourish as a key contributor to the economy. Tourism was one of the first economic sectors to be deeply impacted by the pandemic with measures to contain its spread, including restrictions on movement. Operations were halted under various phases of lockdown and tourism revenues were severely diminished.

The tourism sector is largely composed of small business, that have been negatively affected by the COVID-19 Pandemic since the proclamation of the disaster management act resulting

in the complete shutdown of the sector. Drastic reduction in tourism activity has been experienced in the accommodation, catering, road and air transport, leisure tourism, recreation activities, food and beverage, postponement or cancellations of events and bookings.

Based on growth outcomes nationally and estimates it appears that the provincial economy is on a recovery path (1Q21 = 8.5%). Failure by public to observe COVID-19 safety guidelines, the slow uptake of vaccines and fluctuating levels of infections however remains a threat to the provincial economic recovery.

The Northern Cape Tourism Recovery Plan

In the previous financial year our recovery plan centred around three phases: Survival, Recovery and Thrive. These phases were linked to the National risk adjusted levels. It should be noted that the uncertainty emanating from the epidemiological dimensions of this pandemic, these phases remain relevant except that our recovery will continue throughout the 2022/23 fiscal year and beyond.

Period	LEISURE TOURISM PROMOTION –	Business Tourism	Stakeholder Industry Relations / Communications	SMME and Route Support	Internal Development
Q1-Q4	<ul style="list-style-type: none"> Implement a marketing communications and PR program that focuses on raising awareness and consideration of the Northern Cape as a compelling and desirable domestic, regional and international leisure destination Creation of compelling content, editorial, Blogs, and affiliated advertising, campaigns to keep the destination top of mind. Enhance and expand our distribution channels to include online travel platforms such as expedia, tripadvisor.com, viator.com, booking.com, travel 	<ul style="list-style-type: none"> Implement a marketing communications and PR program that focuses on raising awareness and consideration of the Northern Cape as a competitive business and Leisure events destination Create business leads through mining of business events industry databases in NC Foster effective and sustainable relationships /partnerships with SANCB, SPU, Industry Associations, Sport Federations and Leisure events organisers to host high value events within the Northern Cape 	<ul style="list-style-type: none"> Continued advocacy for a single tourism voice Share updates on travel insights and changing traveler demands with stakeholders Continued collaboration and co-operation with local, and provincial partners to promote inclusive growth and recovery of the Northern Cape tourism sector. 	<ul style="list-style-type: none"> Encourage Rebuilding of supply and diversified experiences to meet changing needs and travel demands of our target markets and segments Direct marketing support- social media and online platforms, media and trade exposure Encourage skills development- identifying and provide online skills training modules, online skills training sessions, (understand how to create and manage online meetings, attend webinars, how to run a business on social media platforms, benefit from the online marketing and e-commerce 	<ul style="list-style-type: none"> Upskilling in terms of the new tourism norm (technology, virtual meetings/ workshops/ digitalization/ virtual conferencing and events)

Period	LEISURE TOURISM PROMOTION –	Business Tourism	Stakeholder Industry Relations / Communications	SMME and Route Support	Internal Development
	<p>update, nightjar.com, places.co.za, lastminute.com and natinalgeographic.com</p> <ul style="list-style-type: none"> • Maintain contact with our trade partners via online travel platforms to keep destinations in mind. 	<ul style="list-style-type: none"> • Continued implementation of SANCB VSTD campaign • Identify and host high value business and leisure events • Hosting of high value business events • Re-introduction of signature/flagship Northern Cape events 		<p>platforms to build competitive businesses)</p> <ul style="list-style-type: none"> • Industry collaboration/Market Access- Continue to encourage and connect Route and SMME products with trade partners and platforms. • Trade Membership- assist Route and SMME products to obtain industry membership to improve their competitiveness. 	

External Environmental Analysis

In addition to the economic overview, the department also conducted a stakeholder analysis in 2020 to inform interventions, targets and operations over the MTSF.

STAKEHOLDER ANALYSIS MATRIX					
Stakeholder	Level of impact	Level of influence	Nature of contribution of stakeholder	Frequency	Strategy to engage stakeholder
NCTA	High	High	Destination marketing and positioning	Monthly	Joint planning session/campaigns
Tourism routes forum	High	High	Provision of tourism experiences	Quarterly	Route forum consultative sessions
TGCSA	High	High	Quality assurance and standards	On going	Grading roadshow
District and Local Municipalities	High	High	Local economic development	Quarterly	Consultative forums
DENC	High	High	Sustainable development	On going	Consultative
SATSA	Low	Low	Organised tourism businesses	On going	Consultative
NDT	High	High	Alignment with national policies	Quarterly	National Development and Governance Forum
DSAC	High	High	Cultural/heritage tourism/creative industries	On going	Consultative
Tourism industry	High	High	Delivering tourism product and experience	On going	Joint campaigns
Event organisers	Low	Low	Delivering events	On going	Consultative
CPA/Communities	High	High	Creating a culture of tourism	Quarterly	Awareness campaigns
DRPW	High	High	Ensuring accessibility and infrastructure	On going	Consultative
Funding institutions	High	Low	Funding development and growth	On going	Conducting awareness/roadshows
SAT	High	High	Collaborative marketing	Quarterly	Marketing forum consultative sessions
SANPARKS	High	High	Wildlife and naturebased experiences	On going	Consultative
Service providers	Low	Low	Outsource functions	On going	Service level agreement
Tertiary institutions	High	High	Research and development	On going	Consultative
STATSSA	High	High	Tourism industry performance	Quarterly	Consultative
Economic Development Department	High	High	Strategic direction	On going	Meetings
Department of Social Development	High	Low	Social Economic	On going	Meetings
SETA	High	Low	Skills development	On going	Consultative
Incubators	High	High	Mentorship and SMME development	On going	Consultative
OTP	High	High	Planning	Monthly	Meetings, Forums, Consultative
Sector Departments: Agric, DENC, Mining etc.	Low	Low	Planning	Monthly	Meetings, Forums, Consultative
Division of Career Development and Transition (DCDT)	High	High	Mentorship and SMME development	On going	Meetings, Forums, Consultative
Department of Science and Innovation (DSI)	High	High	Collaborative	Bi-monthly	Meetings
SARAO (SKA)	High	High	Collaborative	Bi-monthly	Meetings
Sol Plaatje University	High	High	Research and development	Monthly	Meetings, Forums, Consultative
SITA	High	High	Information technology	On going	Consultative
TVET Colleges	High	High	Skills development	On going	Consultative
Telco Operations	High	High	Information technology	On going	Consultative
DASC	Low	Low	Innovation	On going	Consultative
State-Owned Entities	High	Low	Planning	On going	Meetings, Forums, Consultative
Departmental Programmes	High	High	Planning	On going	Meetings, Forums, Consultative
Private Sector	High	High	Partnerships for economic development	On going	Meetings, Forums, Consultative
SMMEs	High	High	Development, mentorship, funding etc.	Monthly	Consultative
Information/Service providers (IHS MarkIT, Quantec)	High	Low	Economic Intelligence	On going	Consultative
International Data providers (World Bank, IMF)	High	Low	Economic Intelligence	On going	Consultative
Public Sector Economist Forum (PSEF)	Low	Low	Planning	On going	Consultative
Development Finance Institutions	Low	Low	Investment	On going	Consultative
NCEDA	High	High	Investment attraction	On going	consultative
Foreign Direct Investment	High	High	Bi-lateral agreements	On going	consultative

The Department of Economic Development and Tourism (DEDaT) agreed on a strategy to develop multi-stakeholder relationships, to promote, grow and modernize the provincial industry(s), with the development of local capacity, which would serve to expand the resource base from which the Province could encourage inclusive economic development.

The Stakeholder Engagement Plan (SEP), is designed to deliver a strong network of stakeholders who will contribute to sustainable economic growth, social enhancement, and empowerment for the modernization, growth and success of the province. The SEP will impact economic development and human resource development, two strategic focus areas critical to the success of the province. More specifically, it intends to contribute to building key stakeholder relationships to increase employment, developing intellectual capital, and build local capacity to enhance skills.

Overall issues impacting efficient stakeholder engagements are the utilization and coordination of multiple stakeholders, resources and delivery partners; involvement of two or more provincial government department, the want of project office for coordination and planning amongst stakeholders and the challenging issues of social redress and sustainability.

To support stakeholder engagement, a comprehensive Communications Plan is critical to ensure effective, efficient conduct of relationships, operations and smooth adoption of overall objectives. The strategic intent of the Communications Plan is to increase delivery partner and stakeholder knowledge of economic developmental interventions, promote end-user awareness of the purpose of the interventions and to provide a consultative mechanism. The primary target audience will be comprised of the project delivery partners. The secondary audience will be comprised of the various stakeholders in the Province. The third audience to be targeted by the Communications Plan are the beneficiaries.

<u>SA Government Members</u>	<u>Labour Members</u>
Department Economic Development	Congress of South Africa Trade Unions (COSATU)
Department Trade & Industry	Communications Workers Unions (CWU)
Department Small Business Development	National Union of Metalworkers of South Africa (NUMSA)
Department Science & Technology	South Africa Commercial, Catering and Allied Workers Union (SACCAWU)
Department of Telecommunications & Postal Services	South African Society of Bank Officials (SASBO)
Department of Tourism	
Department of Agriculture, Forestry & Fisheries	
Department of Arts, Sports & Culture	
Department of Mineral Resources	
Department of International Relations	
State Owned Enterprises	
SITA	
SARAO	
District and Local Government	
Provincial Legislature	
Public Sector Economist Forum	
Auditor General	
SANParks	
Traditional Leaders	
International Organizations...	
Embassies...	
Railways...	
Harbor...	
SABS	
SARS	

<p><u>Association Members</u></p> <p>Steel, Iron and Engineering Federation of South Africa (SIEFSA)</p> <p>NC SMME Trust</p> <p>National Youth Development Agency</p>	<p><u>Business/Industry Members</u></p> <p>South Africa Chamber of Business (SACOB)</p> <p>Northern Cape Chamber of Commerce and Industry (NOCCI)</p> <p>Black Management Forum (BMF)</p> <p>Development Finance Institutions</p> <p>Media Houses</p> <p>Mining Houses</p> <p>Farms</p> <p>SMME</p> <p>Entrepreneur</p> <p>Information Service Provider including IHS MarkIT, Quantec.</p> <p>Renewable Energy Companies...</p> <p>Trade Partner Countries.</p> <p>Export markets...International, Local</p> <p>Telecoms Operators</p> <p>Tourism Routes</p> <p>Bank</p>
<p><u>Parastatals & Service Provider Members</u></p> <p>Eskom</p> <p>Internet Service Providers Association (ISPA)</p> <p>Telkom</p> <p>TransNet</p>	<p><u>Civil Organization Members</u></p> <p>South Africa National Civics Association (SANCO)</p>
<p><u>Human Resource (Training) and R&D Members</u></p> <p>Council for Scientific and Industrial Research (CSIR)</p> <p>Foundation for Research Development (FRD)</p> <p>Universal Service Agency</p> <p>Sector Education Training Authority(s)</p> <p>Sol Plaatje University (SPU)</p> <p>TVET Colleges</p> <p>mLab NC and the University of Potchefstroom</p>	<p><u>Other Stakeholders</u></p> <p>Incubators.</p> <p>Community based organizations</p>

The development corridors of the province were also considered and hence interventions designed to maximise the economic advantages in SIPS 3, 5, 8, 14, 15 and 16.

In order to improve stakeholder relations in terms of enterprise development an integrated approach towards nation-wide economic coordination is being pursued nationally. The purpose is to collaborate, coordinate and target collective planning and investment efforts. To this effect, the DSBD has developed a draft masterplan for small enterprise support and development. One of the thrusts of the master plan is to secure alignment of efforts across the three spheres of government in support of enterprises.

DSBD has started implementing its SMME support programme that is focussed on the implementation of nine interventions, as part of the district development model. The Township and Rural Entrepreneurship Programme (TREP); directed mainly at the informal sector; is one of the interventions and has seen support opportunities, by way of loans, being extended to Spaza shops, Automotive aftermarket industries, Clothing and Textile sector and Bakeries and Confectionaries in townships. DEDaT has been providing support and will continue to support enterprises in these industries.

In terms of stakeholder relations and disaster management the Department has implemented prescripts as per disaster management regulations. To this effect:

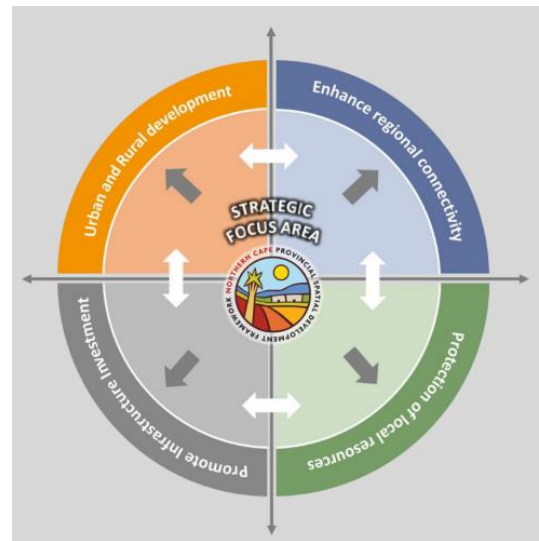
- Masks are worn;
- screening is done;
- washing of hands and sanitising is encouraged, and
- social distancing is enforced.
- Appointments are encouraged instead of just walk-ins.

Meetings with members of the PEDF take place via virtual platforms: Zoom; Microsoft Teams and Google Meet. In collaboration with stakeholders of the PEDF, webinars are hosted to engage clients. Collaboration with SEDA is effected through an MoU, to confer with stakeholders across the province for assistance – since the Department does not have a regional presence.

In addition the Provincial Spatial Development Framework was taken into account as well that is included in the Provincial Growth and Development Plan as it relates to the eradication of poverty and inequality and the protection of the integrity of the environment.

The department seeks to implement this strategy through interventions that:

- Compact, densify and diversify urban growth in the Kimberley Urban Core well connected with a national network of resilient urban cores.
- Consolidate and expand provincial competitive advantages supporting the national competitive advantages.
- Utilise the benefits of urbanisation to enhance the potential of young people through: human capital development, and opening-up of urban economies to enable and support a multiplicity of livelihood options.
- Maintain and strengthen international trade, ports, transport, through-routes and related infrastructure in order to support international and national competitiveness.
- Support diversification of economies, tourism, the knowledge economy, the entertainment industry, the green economy and alternative energy-related enterprise development.
- Focus on green economy solutions.



Internal Environment Analysis

The department also undertook a SWOT analysis in 2020 to examine how competition in the external environment, in which it is to fulfil its mandate, is likely to evolve and what implications that evolution has for the threats and opportunities the organization is facing.

In terms of the internal analysis the following findings were made:

Strengths	Weaknesses
Intellect Resources Information (NC Procurement Spend per sector, Primary & Secondary Sectors Contribution to Regional GDP) Experience/ Institutional memory Compliance/ Regulations Management Retention: <ul style="list-style-type: none"> • Executive Management • Senior Management Innovation Networking Systems Shared vision Institutional functions Policy Framework	Branding Duplication of functions Implementation of plans Red-tape Inconsistency Legislation constraints: <ul style="list-style-type: none"> • Localisation in the PFMA and Treasury Regulations. • Redefine localisation in favour of businesses within the borders of the Northern Cape. • The Northern Cape Liquor Act and Northern Cape Gambling Act is currently not aligned with the National Norms and standards. • Regulations for Northern Cape Gambling Board and Northern Cape Liquor Board, must be amended with regards to the fees payable by licensees in order to enable the Boards to collect more revenue for the fiscus. • Both entities do not have the power to impose fines on non-compliant licensees. No coordination Accessibility Misalignment Governance Stakeholder engagement Acting Senior instability/ Organisational instability Connectivity (marketing) Integration Under-utilisation of technology Marginalising targeted groups EPMDS Monitoring & Evaluation (Capacity)

An analysis of the external environment yielded the following results.

Opportunities	Threats
Investment funding Partnerships Branding Revenue streams Natural resources (Mining & Solar) Skills development Technological advancement Land/Space (372 889 km ²) Renewable energy/Climate Informal business sector	Revenue decline: <ul style="list-style-type: none"> • DEDaT is not in a fiscal position to assist NCEDA COVID19 Pandemic <ul style="list-style-type: none"> • Deferred investment • Low business confidence • Travel restrictions Increased unemployment <ul style="list-style-type: none"> • Loss of 82000 jobs in the Province in first two quarters of 2020. Commodity price fluctuation Leakages: 60% Capital Flight Brain drain Corruption Specific Skills (ICT) set for 4IR

These findings were also contextualized:

Opportunities		Threats	
	Context		Context
Investment funding	The President has undertaken to increase the Foreign Direct Investment (FDI) into the country and thus the Department would need to leverage from the presidential investment drive.	Revenue decline	The economic and revenue outlook has deteriorated since the October 2018 Medium Term Budget Policy Statement (MTBPS), and funding pressures from state-owned companies have increased.
Partnerships	A need to expand and harness the partnerships that exist between the Department and private sector, National and Local government, as well as the provincial Trading partners.	Increasing unemployment	The provincial unemployment rate stands at 29.4%, as at the second quarter of 2019. Notable increase from its first quarter result of 26.0%. While also, the unemployment is seen as the main poverty driver (36.7%) followed by years of schooling (18.7%) in the NC, whereas the population has increased. Youth unemployment is the highest.

<p>Land/space</p> <p>The province boasts a landmass (372 889 km²) equal to the country Germany (357 386 km²), and in context accounts for over a third of the South Africa's geographical mass. Thus, it is no anomaly that the province has mining as its biggest contributor to the Gross Value-Added (GVA) as computed by (Statistics South Africa (StatsSA), March 2019).</p> <p>NC = 3 X FS (129 825 km²) NC = 21 X Gauteng (18 176 km²)</p>	<p>Corruption</p>	<p>The country and the province are seen as corrupt and this tends to lessen the possible growth of the province and curtail its potential.</p>
<p>Brain gain</p> <p>The province has recently experienced a positive net migration, which simply means more and more people (of both productive and reproductive age) are coming to the province and could assist in growing the province.</p>	<p>Specific skills set for the Fourth Industrial Revolution(4IR)</p>	<p>Know the impact of the 4IR to the greater population of the province: look at the first 3 revolutions and determine who benefited there</p>

The following recommendations were made:

Strengths	Weaknesses
<p>Institutional Memory : Use effectively in strategic planning and decision-making e.g. inputs and engagements in planning forum and EMC meetings</p> <p>Compliance/regulations : Strengthen organisational capacity and improve performance e.g. review organisational structure and increase skills development</p> <p>Shared vision: Promote shared vision in the organisation to improve performance and achieve objectives e.g. skills development.</p> <p>Policy Framework : Review organisational structure in line with policy position of the department and province e.g. rationalisation</p>	<p>Duplication of functions – integration: Reduce duplication. Increase efficiencies (Rationalisation of functions). Improve planning and integration of functions</p> <p>Red-Tape: Service delivery and innovation severely hampered by red tape. Introduce red-tape reduction measures. Promote and cultivate innovation in the department.</p> <p>Inconsistencies : Standardize administrative processes to improve performance e.g. transparent and fair EPMS assessments</p> <p>Accessibility : Improve visibility and presence of department in districts e.g. improve branding, increase partnerships and collaboration (Triple Helix Model)</p>

Opportunities	Threats
<p>Investment Funding : Leverage presidential investment drive i.e. FDI e.g. build partnerships and attract investments by</p>	<p>Revenue Decline: Increase efficiencies. Integrate functions. Reduce duplication.</p>

Opportunities	Threats
<p>creating an enabling investment environment</p> <p>Partnerships : Expand and harness the partnerships that exist between the Department and private sector, other spheres of government and trading partners e.g. exploit shared objectives/ mandates</p> <p>Branding: Rebrand department and province in line with the premier's vision of modern, growing and successful province.</p> <p>Favourable Political Environment: Leverage favourable environment to improve investor confidence in the country/ province e.g. IPPs.</p>	<p>Rationalize functions. Increase collaboration e.g. co-funding of projects and programmes</p> <p>Leakages: Support economic growth and job creation e.g. Increase localisation/ Local Content and Production. Self-designation of sectors and products</p> <p>Specific skills set for the Fourth Industrial</p> <p>Revolution(4IR) : Evolution in the economy i.e. shift toward digital economy and 4IR requires improvement in development of scarce skills, compatibility of departmental programmes and organisational structure with prevailing opportunities e.g. develop and improve human resources to acquire requisite skills and competencies for absorption</p>

The Department of Economic Development and Tourism is developed within the framework of the Budget Structure. It is organised into six Programmes i.e. Administration, Integrated Economic Development Services, Trade and Sector Development, Business Regulation and Governance, Policy Research and Innovation, and Tourism. Each Programme performs specific functions directed at collectively implementing the department's mandate to create an enabling environment to stimulate inclusive economic growth that address the unemployment, inequality and poverty.

Administration

In 2020/2021 the Office of the HOD, the Economic Technical Cluster Secretariat mainly provided technical support to the Economic Sectors, Investment, Employment and Infrastructure Development Cluster. The Economic Technical Cluster Secretariat provided technical support 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. The sub-programme is also responsible for coordinating the Economic Technical Advisory Committee (ETAC) or (Think Tank) which is a research and planning component, analysing and coordination of the High Impact Projects within the department.

The departmental structure has subsequently been revised for 2022/2023. There is a new directorate that has been named – Executive Support. The purpose of this directorate is to provide an administrative and strategic leadership function to the Provincial Economic Cluster. This is provided through the ECTS secretariat that performs the same functions as it did in 2020/2021 but under the sub-directorate Economic Cluster Secretariat and IGR. 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 function of Governance & Risk Management is to manage and coordinate the provision of entity oversight and stakeholder relations services.

The Financial Management Unit delivers supportive functions within the Department relating to financial accounting, management accounting, Supply Chain Management. 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 that have been moved to “Executive Support.” 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.

Supporting functions rendered within Corporate Services include HRA&D, Communications, ICT Management, Employee Health and Wellness, Registry, Security, Labour and Legal Services.

Integrated Economic Development Services

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

The Department has developed a new organisational structure that has resulted in the programme consisting of two sub-programmes (directorates). This has been effected through the Enterprise Development and Economic Empowerment sub programmes being merged to form the Sub-programme : Economic Empowerment, Preferential Procurement and BBBEE. RaLED remains a sub-programme in Programme 2.

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

The purpose of the sub-programme: Regional and Local Economic Development (Raled) is to ensure the promotion of economic growth and development in local economies in partnership with key stakeholders.

Programme 2 (IEDS), in real terms, has twenty (20) personnel – higher than the average; but this is aggravated by the fact that four (4) of the personnel, in Programme 2, have been seconded elsewhere. This places extreme pressure on the programme to deliver optimally on its mandate.

Trade and Sector Development

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.

The sub-programme (Trade and Investment Promotion) will drive economic transformation and increase participation in industrialisation by actively promoting high impact projects in the priority sectors, as identified in the PGDP, for domestic and foreign direct investment. Promoting the diversification of exports from the province to traditional and new markets by growing the export base of the province and providing market access for companies, products and services are also important deliverables.

The focus will be on attracting domestic and foreign investment by promoting the region as an ideal investment location. Emphasis will be on improving the business environment for both local and foreign companies, as well as alignment with national initiatives to attract investment for new businesses or businesses that want to expand their current activities. This additional investment will result in an increase in GDP and potential job creation.

The Department, in collaboration with NCEDA, will 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. This will be achieved through the co-ordination and dissemination of trade intelligence, as well as promoting our products and offerings at domestic, international, and Africa wide events with industry stakeholders and other strategic partners from identified sectors.

Consumer Protection and Business Regulation

The purpose of the programmes 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.

The new organogram of the Department has been approved and Business Regulation is now included in Programme 4. In order to make this sub-programme functional, we need resources to do so. We will therefore require a budget for appointment of vacant positions and to draft a new legislation to regulate the industry in the Province. Due to the fact that there are no warm bodies to perform this function, targets cannot be inserted for this financial year. The DPME recommends that "...the department should ensure that indicators are reflected in the Annual Performance Plan with measurable targets. If the indicator will not be implemented in the MTEF period, the department is advised to remove it from the Annual Performance Plan."⁹ Hence the indicators for Business Regulation has not been included in the APP 22/23.

Economic Planning

This Programme seeks to support and facilitate the transformation of the economy by developing economic policies and strategies to support job creation informed by relevant economic research.

Economic Planning will comprise only two sub-programmes: Economic Research and Policy Development; and Knowledge Economy Support respectively. The Monitoring and Evaluation sub-programme is relocated to Programme 1: Administration and will form part of a new directorate called Strategy Management, Monitoring and Evaluation. Furthermore, the Policy and Planning and Research and Development sub-programmes will be merged into a single sub-programme called Economic Research and Policy Development. All staff under the two sub-programmes will be reporting to the Director: Economic Research and Policy Development.

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 advent of COVID-19, the Northern Cape Economic Reconstruction and Recovery Plan

⁹ DPME Assessment Report on the Draft APP 2022/2023, paragraph 3.1.1

(ERRP) was developed with the aim to re-invigorate the economy and create the much-needed jobs.

The Knowledge Economy Support 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 the youth and 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.

Tourism

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

The Tourism Development unit in the department will continue to respond to the national and provincial tourism recovery strategies as we partner with other governmental entities and the private sector to deliver on a successful survival, recovery and once again thriving provincial tourism industry. Such partnerships will include the Northern Cape Tourism Authority, Northern Cape Economic Development Agency, relevant provincial departments, national department of Tourism and national department of Forestry, Fishing and the Environment.

It will continue to work in partnership with the Northern Cape Tourism Authority and provide operational support to the entity as we work towards the development of an attractive and competitive destination Northern Cape.

The purpose of the Tourism Growth Directorate is to unlock the growth potential of the sector through integrated planning as well as to ensure inclusive participation and ensure that a safe environment is created for the sector to flourish.

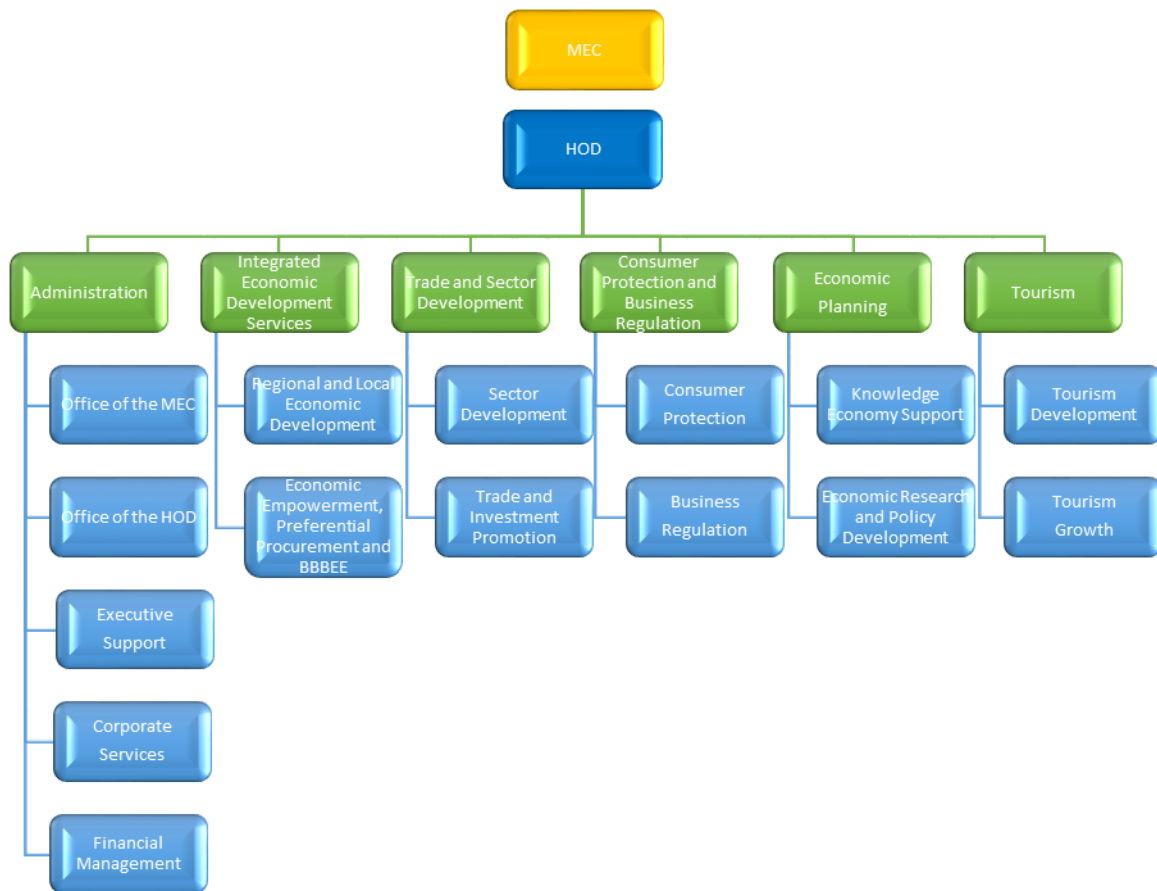
Due to the implementation of the new organisational structure in DEDaT, the configuration of the directorate has assumed additional priorities to ensure that it achieve its purpose.

The Tourism Directorate has identified the township economy as one of the building blocks to diversify the tourism product offering in the province. Township tourism has always been in

the plans of the Directorate but this time around research has become a priority to ignite the potential of the sector and therefore unlock the projects to be undertaken.

The Directorate will facilitate and develop an empowered tourist guiding sub-sector through skills development initiatives to ensure quality service offering. These interventions include mentorship programmes, tourist guiding workshop, tourism business registration and illegal tourist guiding inspections. Create enabling environment for a sustained tourist visitation through tourism safety awareness interventions which includes Covid-19 awareness campaigns and development of a tourism crisis management framework.

Organisational Structure



As per a directive from the DPSA, the department was tasked to review its organisational structure. The department embarked on this process and received concurrence on its proposed organisational structure from the Minister of Public Service and Administration in December 2021. It is envisaged to commence with the implementation of this new structure from 1 April 2022.

The rationale for the new structure:

- To comply with the DPSA directive on structuring that came into effect on 1 September 2015.
- To create a functional organogram for the department as per the DPSA requirements (previous structure did not comply).
- To align the structure to new strategic developments in order to be in a better position to carry out its strategic mandate.
- To accommodate the sub-programmes, directorates and sub-directorates created by means of ad-hoc arrangements and submissions.
- To accommodate the return of Consumer Authority as part of departmental establishment

- To eliminate the situation where posts of same level report to each other or reside in the same directorate.

A detailed narrative on the changes to the departmental organogram (Programme and Sub-Programme) is included in ANNEXURE A: Amendments to the Strategic Plan. The heading for the narrative outlining these amendments is, “**Organogram Changes to APP 2022/2023.**”

Employment Vacancy Rate as of 31 March 2021

Programme	Number of posts on approved establishment	Number of posts filled	Vacancy Rate	Number of employees additional to the establishment
Administration	77.00	69.00	10.39%	0.00
Small business Development (IEDS)	22.00	22.00	0%	0.00
Trade and Sector Development	14.00	13.00	7.14%	0.00
Business Regulation and Governance	19.00	16.00	15.79%	0.00
Policy Research and Innovation (Economic Planning)	21.00	19.00	9.52%	0.00
Tourism	21.00	20.00	4.76%	0.00
Total	174.00	159.00	8.62%	0.00

Total number of employees (including employees with disabilities) in each of the following occupational bands on 31 March 2021

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	22.00	8.33%	0.00
Highly skilled production (6-8)	56.00	51.00	8.93%	0.00
Highly skilled supervision (9-12)	66.00	62.00	6.06%	0.00
Senior management (13-16)	24.00	21.00	12.5%	0.00
09 Other, Permanent	2.00	0.00	100%	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
Total	174.00	159.00	8.62%	0.00

The current vacancy rate in relation to the new organisational structure is 11.4%. The objective of the department is to reduce the vacancy rate to 5% by the end of the financial year.

Kindly note the departments intends on doing the following to reduce the vacancy rate:

- Utilize interns during the recruitment drive
- Implement and monitor project plan on filling of posts.
- Increase the advertisement platform to attract more applicants.
- Ensure that the department does not lose more employees by keeping employees motivated via the reward and recognition system.

African females are underrepresented in Top Management. The appointment of women into Senior / Top management positions is an EE priority and therefore when posts become vacant, Equity priorities will be applied.

African females will be targeted when positions become vacant and when recruitment is possible. However, should opportunities arise as a result of resignations or retirements within this category, the promotion of senior and middle managers (African females) may be considered especially if they meet the requirements for the post.

Financial considerations when planning include the projected budget for Vote 6 over the MTEF

Table 2.1 : Summary of payments and estimates by programme: Economic Development And Tourism

R thousand	Outcome			Main appropriation	Adjusted appropriation 2021/22	Revised estimate	Medium-term estimates		
	2018/19	2019/20	2020/21				2022/23	2023/24	2024/25
1. Administration	63 332	65 907	51 696	59 509	63 891	63 891	73 303	74 717	78 073
2. Intergrated Economic Developm	65 042	35 917	57 988	58 611	58 866	58 866	68 878	62 075	63 986
3. Trade And Sector Development	64 275	50 854	51 237	57 432	65 453	65 453	72 626	53 002	55 681
4. Business Regulation And Gover	40 633	43 415	40 331	42 659	44 594	44 594	41 745	43 373	45 321
5. Economic Planning	21 162	20 884	19 813	21 978	22 501	22 501	19 458	20 091	20 992
6. Tourism	58 851	88 542	54 474	80 219	78 201	78 201	67 686	74 491	75 325
Total payments and estimates	313 295	305 519	275 539	320 408	333 506	333 506	343 696	327 749	339 378

Table 2.2 : Summary of provincial payments and estimates by economic classification: Economic Development And Tourism

R thousand	Outcome			Main appropriation	Adjusted appropriation 2021/22	Revised estimate	Medium-term estimates		
	2018/19	2019/20	2020/21				2022/23	2023/24	2024/25
Current payments	177 104	201 859	142 490	189 127	188 686	188 640	192 842	201 973	207 933
Compensation of employees	103 997	107 323	99 481	101 165	103 507	103 507	106 061	109 456	115 685
Goods and services	73 107	94 536	43 009	87 962	85 179	85 133	86 781	92 517	92 248
Interest and rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies to:	132 788	98 612	129 783	128 725	141 248	141 248	146 230	122 436	127 924
Provinces and municipalities	4 980	4 860	2 525	2 460	2 460	2 460	1 900	-	-
Departmental agencies and acc	83 450	79 886	115 918	83 482	97 282	124 507	98 464	81 956	85 627
Higher education institutions	2 100	89	500	1 500	1 500	1 500	1 500	1 566	1 636
Foreign governments and interr	-	-	-	-	-	-	-	-	-
Public corporations and private	42 251	10 993	9 510	41 283	39 383	12 158	44 366	38 914	40 661
Non-profit institutions	-	-	-	-	-	-	-	-	-
Households	7	2 784	1 330	-	623	623	-	-	-
Payments for capital assets	3 403	5 048	3 266	2 556	3 572	3 618	4 624	3 340	3 521
Buildings and other fixed structu	-	2 799	1 282	-	516	516	-	-	-
Machinery and equipment	3 386	2 249	1 984	2 306	2 906	2 952	4 624	3 340	3 521
Heritage Assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible as	17	-	-	250	150	150	-	-	-
Payments for financial assets	-	-	-	-	-	-	-	-	-
Total economic classification	313 295	305 519	275 539	320 408	333 506	333 506	343 696	327 749	339 378

The department applied the following broad assumptions when compiling the budget:

- The expenditure has increased from R313.295 million in 2018/19 to R333.506 million in 2021/22 Adjusted Appropriation and the budget is projected to increase over the MTEF to R339.378 million in 2024/25.
- Compensation of employees shows an expenditure decrease from R103.997 million in 2018/19 to R103.507 million in 2021/22 Adjusted Appropriation and the budget is projected to increase over the MTEF to R115.685 million in 2024/25.
- The expenditure on goods and services has increased from R73.107 million in 2018/19 to R85.179 million in 2021/22 Adjusted Appropriation and the budget is projected to increase over the MTEF to R92.248 million in 2024/25.

- The expenditure on Transfers and subsidies has increased from R132.788 million in 2018/19 to R141.248 million in 2021/22 Adjusted Appropriation and the budget is projected to decrease over the MTEF to R127.924 million in 2024/25.
- The expenditure on Payments for capital assets has increased from R3.403 million in 2018/19 to R3.572 million in 2021/22 Adjusted Appropriation and the budget is projected to decrease over the MTEF to R3.521 million in 2024/25.
- The amount of R44.448 million baseline re-prioritized was done within the department in the 2022/23 financial year for the implementation of Zero-Base Budgeting (ZBB) as prescribed by Treasury.
- The department received an equitable share baseline reduction due to the wage freeze with an amount of R6.515 million in the 2022/23 financial year, amount of R10.009 million for the 2023/24 financial year and an amount of R13.579 million for the 2024/25 financial year.
- The department's equitable share baseline has been increased with an amount of R21.200 million in the 2022/23 financial year for Provincial Earmarked Funds.

PART C: MEASURING OUR PERFORMANCE

Institutional Programme Performance Information

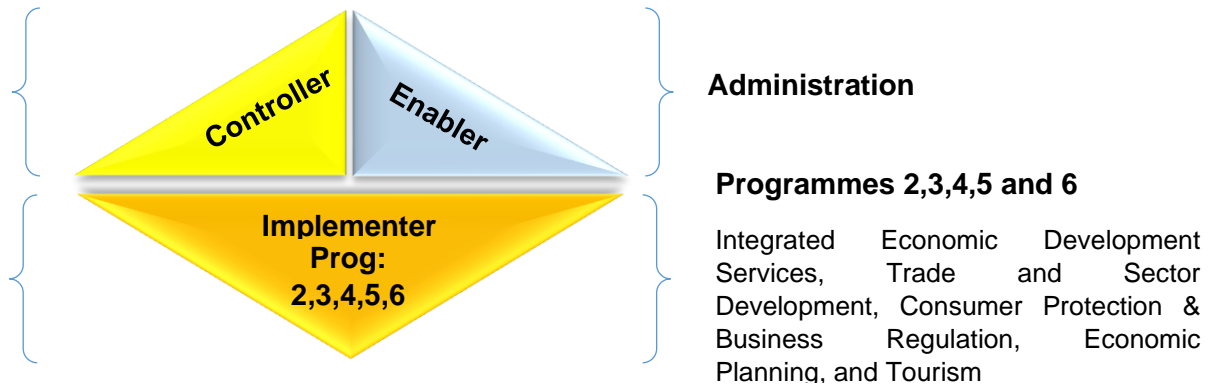
Programme 1: ADMINISTRATION

Purpose

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

Administration’s role is that of an enabler and a controller. It supports the functioning of the five implementation “arms” (Programmes 2,3,4,5 and 6) of the department whose collective responsibility is to impact on the 1st Priority of the MTSF i.e. Economic Transformation and Job Creation.

The following diagram provides a snapshot of the role played by Administration.



According to the new organogram, Administration is actioned by the sub-programmes i.e. Executive Support, Financial Management and Corporate Services.

Executive Support is underpinned by the following administrative operational units (sub-directorates) viz. Economic Cluster Secretariat & Intergovernmental Relations; Strategic Management and Monitoring & Evaluation, Governance; Risk Management and Integrity Management; and Security and Records Management.

Economic Cluster Secretariat & Intergovernmental Relations (IGR) mainly provides technical support to the Economic Sectors, Investment, Employment and Infrastructure Development Cluster. It also provides technical support 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. It is also responsible for coordinating the Economic Technical Advisory Committee (ETAC) or (Think Tank) which is a research and planning component, analysing and coordination of the High Impact Projects within the department.

Executive Support is also provided through the Strategic Planning unit to assist the department in 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.

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. The intention is to sharpen the focus on the Presidential Employment Stimulus and to monitor the departmental contribution to the broader economic cluster.

The function of Governance is to provide administrative support to the public entities reporting to the MEC for Finance, Economic Development and Tourism. The Governance unit seeks to ensure that the entities viz. the Northern Cape Liquor Board (NCLB), the Northern Cape Tourism Authority (NCTA), the Northern Cape Economic Development, Trade and Investment Promotion Agency (NCEDA) and the Northern Cape Gambling Board (NCGB) are legislatively compliant.

The Risk Management and Integrity Management unit ensures the support for the continuous implementation of enterprise risk management processes to adequately manage risks.

Security and Records Management provides security services, facilities management and to provide effective and efficient records management systems and auxiliary services.

The National Archives and Records Services Act, 1996 defines a record as recorded information regardless of form or medium. In addition the National Archives and Records Services of South Africa (NARS)'s 2007 records management policy manual second definition of "record" means evidence of a transaction, preserved for the evidential information it contains. Non-records include copies of correspondence, directives, forms, and other documents on which no administrative action is recorded or taken, catalogues, trade journals, and other publications that are received from other Government agencies.

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. Three vacant funded posts in SCM are earmarked to be filled during this financial year due to the critical nature of these functions.

The sub-programme, Corporate Services, is responsible for ensuring that the appropriate officials are recruited and retained so as to allow the department to meet its legislative mandate. As such, it must ensure that the organisational structure of the department is fit for purpose.

It aims to achieve its targets through the sound management and implementation of existing policies, frameworks, legislation and guidelines. The aim of the Employment Equity Reports is to inform recruitment and other processes e.g. the Gender Employment Equity Forum committee discussions and decisions. These HR processes and dialogues may assist in informing processes relating to new appointments in the department in order to strategically assist and position the department on achieving its mandate.

Integrity management is an integral part of the department and this function also includes the management of the SMS / MMS and other financial disclosures that need to be completed and submitted annually, as required by the Public Service Commission. The aim of this is to ensure transparency in terms of financial and other interest of public servants in an effort to manage fraud and corruption. It must be noted that legal services are a key support function to the department and any deficiencies in this respect will the department with litigation with possible significant financial implications for the department. The challenge the department is facing now is that there are no dedicated legal officials in the unit as the posts are vacant.

The Performance Management indicator of Performance Agreements submitted intends to ensure that the department has 100% compliance figures associated with these relevant documents. This is done to manage Job descriptions as well as identify any skills gaps that may exist, in order to assist officials on training and other development areas going forward in an attempt to improve individual and organisational performance.

The objective of the staff information dissemination sessions is to establish a well- informed and ethically sound workforce and in essence they cover; labour relations issues such as the Disciplinary Code & Procedures; precautionary suspensions; protected disclosure, ethics and anti-corruption. Furthermore, HR issues such as leave management, Temporary incapacity leave and injuries on duty processes etc. Other topics involving social responsibility, diversity and employment health & wellness may also form part of these sessions from time to time.

The Department values the well-being of its staff. Management of COVID-19 has become a serious part of workplace life and the relevant procedures and measures are implemented accordingly, and Women, youth and other programmes are also part of this indicator as it deals with the various events to empower and to educate staff on various social, health and wellness issues.

ICT services are essential as they provide and maintain broadband internet connectivity and other electronic support services within the department. These services are crucial as they make certain that the department has stable internet connectivity and it is kept at the standard that is in line with the ICT Corporate Governance requirements.

These outputs evidences the commitment of Corporate Service to play an effective support role for the Department to advancing in its core functional areas. It is important to state that this is an auxiliary function that the sub-programme is providing and it is intended to ensure that the core sub-programmes are able to achieve the objectives of creating employment opportunities in the province and support efforts towards economic growth.

Programme Resource Allocations

Table 3.1 : Summary of payments and estimates by sub-programme: Programme 1: Administration

R thousand	Outcome			Main appropriation	Adjusted appropriation 2021/22	Revised estimate	Medium-term estimates		
	2018/19	2019/20	2020/21				2022/23	2023/24	2024/25
1. Office Of The Mec	2 062	942	-	1 239	1 239	1 239	1 239	1 291	1 349
2. Office Of The Hod	5 621	4 439	2 888	3 705	5 596	5 596	22 800	23 201	24 243
3. Corporate Services	26 964	27 553	22 711	23 096	24 970	24 970	19 915	21 362	22 321
4. Financial Management	28 685	32 973	26 097	31 469	32 086	32 086	29 349	28 863	30 160
Total payments and estimates	63 332	65 907	51 696	59 509	63 891	63 891	73 303	74 717	78 073

Table 3.2 : Summary of payments and estimates by economic classification: Programme 1: Administration

R thousand	Outcome			Main appropriation	Adjusted appropriation 2021/22	Revised estimate	Medium-term estimates		
	2018/19	2019/20	2020/21				2022/23	2023/24	2024/25
Current payments	61 499	64 723	50 780	58 941	62 193	62 193	70 569	74 204	77 536
Compensation of employees	42 196	42 816	37 838	39 610	40 284	40 284	48 574	49 295	51 509
Goods and services	19 303	21 907	12 942	19 331	21 909	21 909	21 995	24 909	26 027
Interest and rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies to:	252	558	275	-	591	591	-	-	-
Provinces and municipalities	177	110	-	-	-	-	-	-	-
Departmental agencies and acc	69	-	-	-	-	-	-	-	-
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and intern	-	-	-	-	-	-	-	-	-
Public corporations and private	-	-	-	-	-	-	-	-	-
Non-profit institutions	-	-	-	-	-	-	-	-	-
Households	6	448	275	-	591	591	-	-	-
Payments for capital assets	1 581	626	641	568	1 107	1 107	2 734	513	537
Buildings and other fixed structu	-	-	-	-	-	-	-	-	-
Machinery and equipment	1 570	626	641	568	1 107	1 107	2 734	513	537
Heritage Assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible as	11	-	-	-	-	-	-	-	-
Payments for financial assets	-	-	-	-	-	-	-	-	-
Total economic classification	63 332	65 907	51 696	59 509	63 891	63 891	73 303	74 717	78 073

Sub-Programme: Economic Cluster Secretariat and Inter-governmental Relations (IGR)

Purpose

Management of the departmental transversal administrative programmes and the provision of economic development leadership.

Outcomes, Outputs, Output Indicators and Targets

Outcome	Outputs	Output indicators	Annual Targets						
			Audited/ Actual Performance			Estimated Performance	MTEF Period		
			2018/19	2019/20	2020/2021	2021/22	2022/23	2023/24	2024/25
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	80%	85%	90%

Output Indicators: Annual and Quarterly Targets

Indicator Number	Output Indicators	Annual Target 2022/2023	Q1	Q2	Q3	Q4
1.1.1	% of recommendations accepted by the Economic Sectors Employment Investment and Infrastructure Development Cluster.	80%	-	80%	-	80%

Sub-Programme: Strategic Planning, and Monitoring and Evaluation

Purpose

Strategy Planning facilitates strategic planning, monitoring of departmental performance and reporting.

Monitoring and Evaluation 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.

Outcomes, Outputs, Output Indicators and Targets

Outcome	Outputs	Output indicators	Annual Targets						
			Audited/ Actual Performance			Estimated Performance	MTEF Period		
			2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25
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%
		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%
Higher economic growth.	Economic Development Initiatives monitored.	1.1.4 Number of Monitoring reports on the impact of economic development initiatives in the Province.	5	5	2	4	4	4	4

Outcome	Outputs	Output indicators	Annual Targets						
			Audited/ Actual Performance			Estimated Performance	MTEF Period		
			2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25
Higher economic growth.	Economic Development Initiatives evaluated.	1.1.5 Number of Evaluation reports.	2	3	1	2	2	2	2

Output Indicators: Annual and Quarterly Targets

Indicator Number	Output Indicators	Annual Target 2022/2023	Q1	Q2	Q3	Q4
1.1.2	Percentage of departmental planning documents that subscribe to the Treasury Regulations as stipulated in the PFMA 1 of 1999.	100%	-	-	-	100%
1.1.3	Percentage of departmental reporting documents that subscribe to the Treasury Regulations as stipulated in the PFMA 1 of 1999.	100%	-	-	-	100%
1.1.4	Number of Monitoring reports on the impact of economic development initiatives in the Province.	4	1	1	1	1
1.1.5	Number of Evaluation reports.	2	-	1	-	1

Sub-Programme: Governance, Risk Management and Integrity Management

Purpose

The function of the Governance unit is to manage and coordinate the provision of entity oversight and stakeholder relations services.

The risk and integrity management unit provides support for the continuous implementation of enterprise risk and integrity management processes to adequately reduce uncertainty.

Outcomes, Outputs, Output Indicators and Targets

Outcome	Outputs	Output indicators	Annual Targets						
			Audited/ Actual Performance			Estimated Performance	MTEF Period		
			2018/19	2019/20	2020/21		2021/22	2022/23	2023/24
Higher economic growth.	Legislatively compliant entities.	1.1.6 Percentage of legislatively compliant entities reporting to the MEC for Economic Development and Tourism	-	New	4	100%	100%	100%	100%
	Risk and integrity Management Maturity Reports.	1.1.7 Number of Risk and Integrity Management Committee reports compiled.	-	-	-	New	4	4	4

Output Indicators: Annual and Quarterly Targets

Indicator Number	Output Indicators	Annual Target 2022/2023	Q1	Q2	Q3	Q4
1.1.6	Percentage of legislatively compliant entities reporting to the MEC for Economic Development and Tourism	100%	100%	100%	100%	100%
1.1.7	Number of Risk and Integrity Management Committee reports compiled.	4	1	1	1	1

Sub-Programme: Financial Management

Purpose

Facilitate the 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.

Outcomes, Outputs, Output Indicators and Targets

Outcome	Outputs	Output indicators	Annual Targets						
			Audited/ Actual Performance			Estimated Performance	MTEF Period		
			2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25
Higher Economic Growth	Unqualified financial audit opinion.	1.2.1 % of expenditure within the Vote 6.	94.8%	98.2%	98.52%	98%	98%	98%	98%
		1.2.2 % of departmental budget spent on procurement	-	New	15.39%	50%	50%	50%	50%
		1.2.3 % of procurement from women.	-	New	50.2%	50%	35%	35%	35%
		1.2.4 % of procurement from youth.	-	New	27.53%	30%	35%	35%	35%
		1.2.5 % procurement from people with disabilities.	-	New	0.6%	2%	2%	2%	2%
		1.2.6 % of invoices paid within 30 days.	-	New	99.6%	100%	100%	100%	100%

Output Indicators: Annual and Quarterly Targets

Indicator Number	Output Indicators	Annual Target 2022/2023	Q1	Q2	Q3	Q4
1.2.1	% of expenditure within the Vote 6.	98%	-	-	-	98%
1.2.2	% of departmental budget spent on procurement	50%	-	-	-	50%
1.2.3	% of procurement from women.	35%	-	-	-	35%
1.2.4	% of procurement from youth.	35%	-	-	-	35%
1.2.5	% procurement from people with disabilities.	2%	-	-	-	2%
1.2.6	% of invoices paid within 30 days.	100%	-	100%	-	100%

Sub-Programme: Corporate Services

Purpose

Provide strategic, leadership, management and support services to the department that include Human Resources Management i.e. administration, recruitment and development, Communications, ICT Management, Employee Health and Wellness, Labour and Legal Services.

Outcomes, Outputs, Output Indicators and Targets

Outcome	Outputs	Output indicators	Annual Targets						
			Audited/ Actual Performance			Estimated Performance	MTEF Period		
			2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25
Higher Economic Growth	Human Resource Development Reports.	1.3.1 Number of departmental Employment equity reports completed.	4	4	4	4	4	4	4
	Integrity Management.	1.3.2 Number of departmental SMS financial disclosures submitted.	26	26	26	22	22	22	22
	Performance Management.	1.3.3 Percentage of completed PMDS documentation signed.	-	-	-	New	100%	100%	100%
	Social Responsibility, Diversity & Health and Wellness.	1.3.4 Number of departmental Social Responsibility, Diversity & Health and Wellness initiatives held.	-	-	-	New	4	4	4

Outcome	Outputs	Output indicators	Annual Targets						
			Audited/ Actual Performance			Estimated Performance	MTEF Period		
			2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25
Higher Economic Growth	Human Resources, Administration and communication.	1.3.5 Number of departmental Information dissemination initiatives implemented.	4	4	5	4	4	4	4
	Information Communication technology.	1.3.6 Percentage of Local Area network Uptime maintained.	95%	95%	95%	95%	95%	95%	95%
		1.3.7 Percentage of Wide Area Network uptime maintained.	95%	95%	95%	95%	95%	95%	95%

Output Indicators: Annual and Quarterly Targets

Indicator Number	Output Indicators	Annual Target 2022/ 2023	Q1	Q2	Q3	Q4
1.3.1	Number of departmental Employment equity reports completed	4	1	1	1	1
1.3.2	Number of SMS Financial Disclosures submitted.	22	22	-	-	-
1.3.3	Percentage of departmental Performance Agreements submitted	100%	100%	-	-	-
1.3.4	Number of departmental Social Responsibility, Diversity & Health and Wellness initiatives held.	4	1	1	1	1
1.3.5	Number of departmental Information dissemination initiatives implemented	4	1	1	1	1
1.3.6	Percentage of Local Area network Uptime maintained.	95%	95%	95%	95%	95%
1.3.7	Percentage of Wide Area Network uptime maintained.	95%	95%	95%	95%	95%

Programme 2: INTEGRATED ECONOMIC DEVELOPMENT SERVICES

Purpose

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

Explanation of planned performance over the medium-term period

The Department has developed a new organisational structure that has resulted in the programme consisting of two sub-programmes (directorates). This has been effected through the Enterprise Development and Economic Empowerment sub programmes being merged to form the Sub-programme: Economic Empowerment, Preferential Procurement and BBBEE. This sub-programme has two sub-directorates, the first sub-directorate is Economic Empowerment and Enterprise Development and the second one is Preferential Procurement and BBBEE.

Regional and Local Economic Development (RaLED) remains the second sub-programme in Programme 2. Mining and Mineral beneficiation has been moved from Programme 3 (Trade and Sector) to RaLED. RaLED now has two sub-directorates; the first being EPWP and Township Development and the second being Mining and Mineral beneficiation.

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

Programme 2, in real terms, has twenty (20) personnel – higher than the average; but this is aggravated by the fact that four (4) of the personnel, in Programme 2, have been seconded elsewhere. This places extreme pressure on the programme. Whether the resources availed are sufficient to deliver on the mandate, remains to be seen.

ECONOMIC EMPOWERMENT, PREFERENTIAL PROCUREMENT AND BBBEE

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.

The imminent gazetting of the National Integrated Small Enterprise Development Masterplan (NISED), as per the National Small Enterprise Act 1996 (NSEA - amended 2004), will result in the NISED Masterplan becoming the legislative guiding document as prescribed in the

NSEA and establishes the framework for the reporting, guidelines and thrust of South Africa's support strategy for small enterprises across all of government (National, Provincial and Local) and the ecosystem.

Key impacts of the Masterplan are focussed on:

- more small enterprises productively contributing to GDP
- significant increase of formal employment by SMMEs
- intensifying formalisation of smaller enterprises to support transformation
- raising the productivity and competitiveness of smaller enterprises

As per the guidelines, the DEDaT will continue to support enterprises and will seek to collaborate with stakeholders in the enterprise development ecosystem to provide enterprise development services across the province. This includes the Red Tape Reduction and Ease of Doing Business efforts being embarked upon to identify and respond the administrative constraints within government.

The opportunities presented by the industrial projects being pursued in the province are huge and the intent is to ensure that enterprises can benefit maximally from these opportunities.

The sub-programme will continue to implement interventions that empower businesses owned by target groups. Interventions to be implemented will include relevant skills programmes, access to markets, sharing relevant opportunities and assistance with compliance in specialized areas.

The sub-programme is also responsible for the implementation and monitoring of Preferential procurement and BBBEE in the Province. The Preferential procurement and BBBEE policy aims to ensure that SMMEs in the Northern Cape benefit from procurement and skills development opportunities arising from government procurement and enterprise development.

The implementation of the newly established Northern Cape SMME Blended Fund has not been according to expectation. At the time of the final submission of this narrative, only one enterprise has been funded. This against the following background:

NEF Activity Summary

	Total
Applications received	94
Approved	1
Currently at Due Diligence Stage	3
Currently at Screening	6
Applications requested additional information	35
Declined	27
Withdrawn	22

As a result, the Department is engaging other funding institutions to expand the number of funders that are prepared to fund SMMEs. Engagements are ongoing and we wish to create a similar funding instrument or instruments with those stakeholders that wish to collaborate with the Department to avail funds to SMMEs.

REGIONAL AND LOCAL ECONOMIC DEVELOPMENT (RALED)

RaLED remains a sub-programme in Programme 2. Mining and Mineral beneficiation has been moved to RaLED. RaLED now has two sub-directorates, the first sub-directorate is EPWP and Township development, and the second sub-directorate is Mining and Mineral beneficiation.

The Regional and Local Economic Development (RaLED) sub-programme will continue to support economic development planning and implementation in the municipalities. The support to municipalities is initiated by assisting them with the LED strategies, LED components for their IDP's and plans focusing on Red Tape Reduction and project assistance. It will require spatial referencing, economic intelligence and strategic alignment to be provided by the Departmental District Managers.

The key focus for the LED support is to evaluate municipalities in terms of their LED maturity and performance status by using the LED Maturity Assessment and Section 47 report, and based on this, identify the worst performing Municipalities in terms of LED. Each year the MEC for Local Government must compile and submit to the Provincial Legislature and the Minister of Cooperate Governance and Traditional Affairs, a consolidated report on the performance of municipalities in the province. Section 47 of the Local Government Systems

Act instructs that key performance indicators (KPIs) for municipalities are reviewed annually, and Regulation 5(1) indicates that seven of these KPIs are compulsory, LED being one of the indicators (KPI 3). The next step is to then review or develop their LED Strategies for inclusion in their IDPs for implementation. It should be noted that the municipalities need to implement these documents and this requires municipal council approval and adoption which is dependent on the municipality.

An additional focus area for support is Township Development. The intention is to incorporate this component into the LED strategies and plans of the municipalities. In terms of Red Tape Reduction an evaluation and assessment of the five District capitals have been conducted against the Red Tape Analysis Framework. For 2022/23 FY a benchmarking process will be implemented.

One (1) Local Municipality from John Taolo Gaetsewe District and one (1) from ZF Mgcawu District Municipality will be supported in terms of RTR, benchmarking with Dawid Kruiper Local Municipality in terms of best practices and processes based on the evaluation done on the seven indicators. In terms of Township Development, support by the RaLED sub programme will be implemented in collaboration with municipalities, based on what is required by the municipality. This will be implemented in accordance with the Municipal IDP's, RTR assessment outcomes and municipal requests.

These interventions will guide project support and ensure that the Provincial and District LED Forum system functions optimally. Two LED fora will be conducted in each of John Taolo Gaetsewe and ZF Mgcawu Districts respectively for the financial year. The Forum deals with topics as requested by the members of the Forum as to what they deem to be relevant in terms of Economic Development i.e. infrastructure, energy, human capital and training etc. Local support to municipalities will be provided "onsite" and the creation of intelligence and network support are the key enablers to ensure success.

A key enabler for EPWP in the Department is the conditional grant received via the Environmental Sector. This provides project funding that is applied to initiate sector specific EPWP projects. A critical success factor is to have a good project partner and administrator in place to administer the payroll and project expenditure as per transfer agreement.

RaLED renders project support and reporting of Work Opportunities created. To realise these following measures are utilised: business plans, funding applications, project implementation support and system reporting. The Target for 2022/23 is 150 Work Opportunities (WO) to be

created. A key component is to capture all the employment created by all Programmes in the Department. This must be reported and in turn advise the funding applications made for conditional grants. It must be noted that reporting by all Departmental project implementers is required to achieve the Departmental Work Opportunity target.

Key Risks

Outcome	Key Risk	Risk Mitigation
Higher Economic Growth	Internal	
	Insufficient human resources.	Advocate for recruitment of appropriately qualified personnel. Greater capacity to be allocated to the targets related to target groups.
	External	
	Failure of a business or a collapse.	Enterprise Development ecosystem to provide appropriate support.
	Inadequate/poor buy-in from external stakeholders.	Improved Stakeholder engagements with the private sector.
Improved levels of employment.	External	
	Uncoordinated support/collaboration between the stakeholders in the enterprise development ecosystem.	Positively engage stakeholders for the alignment of efforts. Strengthen relationships with national departments and entities to improve the uptake of incentives by enterprises from the Northern Cape.
	Lack of commitment by stakeholders to implement interventions directed at local procurement.	Release information to CFO's regarding the status of procurement in the province – the 60% of capital flight occurring from the province.
	Internal	
	Insufficient human resources.	Advocate for recruitment of appropriately qualified personnel.
	External	
	Inadequate/poor cooperation/insufficient human resources at municipal level.	Lobby stakeholders with high interests and high power to support the implementation at municipal level.

Programme Resource Allocations

Table 4.1 : Summary of payments and estimates by sub-programme: Programme 2: Intergrated Economic Development Services

R thousand	Outcome			Main appropriation	Adjusted appropriation 2021/22	Revised estimate	Medium-term estimates		
	2018/19	2019/20	2020/21				2022/23	2023/24	2024/25
1. Enterprise Development	12 458	13 073	40 686	12 930	11 575	38 800	-	-	-
2. Regional And Local Economic T	7 732	7 399	6 277	7 507	7 396	7 396	17 631	14 725	14 887
3. Economic Empowerment	5 596	5 621	5 155	5 616	5 966	5 966	18 478	18 852	19 321
4. Economic Growth And Develop	30 845	3 902	-	27 225	27 225	-	26 593	22 043	23 033
5. Office Of The Chief Director	8 411	5 922	5 870	5 333	6 704	6 704	6 176	6 455	6 745
Total payments and estimates	65 042	35 917	57 988	58 611	58 866	58 866	68 878	62 075	63 986

Table 4.2 : Summary of payments and estimates by economic classification: Programme 2: Intergrated Economic Development Services

R thousand	Outcome			Main appropriation	Adjusted appropriation 2021/22	Revised estimate	Medium-term estimates		
	2018/19	2019/20	2020/21				2022/23	2023/24	2024/25
Current payments	25 562	22 870	20 470	23 765	23 610	23 610	28 432	29 179	29 612
Compensation of employees	15 525	15 733	15 001	15 295	15 990	15 990	17 342	17 597	18 389
Goods and services	10 037	7 137	5 469	8 470	7 620	7 620	11 090	11 582	11 223
Interest and rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies to:	39 063	11 243	37 191	34 579	34 887	34 887	39 816	32 177	33 622
Provinces and municipalities	1 555	2 000	2 025	1 960	1 960	1 960	1 900	-	-
Departmental agencies and acc	7 310	5 006	35 166	5 394	5 694	32 919	-	-	-
Higher education institutions	600	89	-	-	-	-	-	-	-
Foreign governments and interr	-	-	-	-	-	-	-	-	-
Public corporations and private	29 597	3 902	-	27 225	27 225	-	37 916	32 177	33 622
Non-profit institutions	-	-	-	-	-	-	-	-	-
Households	1	246	-	-	8	8	-	-	-
Payments for capital assets	417	1 804	327	267	369	369	630	719	752
Buildings and other fixed structu	-	1 376	-	-	-	-	-	-	-
Machinery and equipment	417	428	327	267	369	369	630	719	752
Heritage Assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible as	-	-	-	-	-	-	-	-	-
Payments for financial assets	-	-	-	-	-	-	-	-	-
Total economic classification	65 042	35 917	57 988	58 611	58 866	58 866	68 878	62 075	63 986

Programme 2, in real terms, has twenty (20) personnel – higher than the average; but this is aggravated by the fact that four (4) of the personnel, in Programme 2, have been seconded elsewhere. This places extreme pressure on the programme to deliver on its mandate.

Sub-Programme: Regional and Local Economic Development

Purpose

To ensure the promotion of economic growth and development in local economies in partnership with key stakeholders

Outcomes, Outputs, Output Indicators and Targets

Outcome	Outputs	Output indicators	Annual Targets						
			Audited/ Actual Performance			Estimated Performance	MTEF Period		
			2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25
Improved levels of employment.	Catalytic projects supported that contribute towards employment creation.	2.1.1 Number of LED Projects developed in the Province.	-	-	New	3%	2	2	2
	Municipalities supported to develop plans to improve Local Economic Development that will contribute towards employment creation.	2.1.2 Number of economic development policies developed in the Province.	-	-	New	2	2	2	2
	Expanded Public Works Opportunities.	2.1.3 Number of LED forums established at local municipalities in the Province.	4	5	New	4	4	4	4
		2.1.4 Number of EPWP employment opportunities reported in the Province	381	325	166	150	150	150	150
	Skills deficit in diamond and jewellery beneficiation industry addressed.	2.1.5 Number of certificated diamond beneficiation graduates.	-	-	New	20	25	30	30
	Enhanced target group participation in the diamond and jewellery beneficiation industry.	2.1.6 Number of Jewellery Manufacturing SMMEs established at KDJI.	-	-	New	12	15	18	20

Output Indicators: Annual and Quarterly Targets

Indicator Number	Output Indicators	Annual Target 2022/2023	Q1	Q2	Q3	Q4
2.1.1	Number of LED Projects developed in the Province	2	-	-	-	2
2.1.2	Number of economic development policies developed in the Province.	2	-	-	-	2
2.1.3	Number of LED forums established at local municipalities in the Province.	4	1	1	1	1
2.1.4	Number of EPWP employment opportunities reported in the Province	150	-	-	-	150
2.1.5	Number of certificated diamond beneficiation graduates.	25	-	-	-	25
2.1.6	Number of Jewellery Manufacturing SMMEs established at KDJI.	15	-	-	-	15

Sub-Programme: Economic Empowerment, Preferential Procurement and BBBEE

Purpose

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.

Outcomes, Outputs, Output Indicators and Targets

Outcome	Outputs	Output indicators	Annual Targets						
			Audited/ Actual Performance			Estimated Performance	MTEF Period		
			2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25
Higher Economic Growth	Strengthen development finance towards SMME development	2.2.1 Percentage of contribution to SMME blended fund disbursed.	97.5%	13.05%	0%	0%	100%	100%	100%
	Non-financial support to enterprises.	2.2.2 Number of Enterprises assisted with non-financial support services.	125	197	165	100	175	200	220
	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.	-	-	New	3	3	3	3
		2.2.4 Number of interventions conducted to capacitate HDI's to	-	-	New	60	4	6	8

Outcome	Outputs	Output indicators	Annual Targets						
			Audited/ Actual Performance			Estimated Performance	MTEF Period		
			2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25
		access economic opportunities.							

Output Indicators: Annual and Quarterly Targets

Indicator Number	Output Indicators	Annual Target 2022/2023	Q1	Q2	Q3	Q4
2.2.1	Percentage of contribution to SMME blended fund disbursed.	100%	-	-	-	100%
2.2.2	Number of Enterprises assisted with non-financial support services.	175	45	45	45	40
2.2.3	Number of targeted groups upskilled to participate in the mainstream economy.	3	3	3	3	3
2.2.4	Number of interventions conducted to capacitate HDI's to access economic opportunities.	4	1	1	1	1

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.

Explanation of planned performance over the medium-term period

The pandemic had a significant impact on foreign direct investment (FDI) in Africa as flows to the continent declined by 16% in 2020, to \$40 billion, from \$47 billion in 2019.

Cascading economic and health challenges due to the pandemic combined with low prices of energy commodities weighed heavily on foreign investment to the continent, according to UNCTAD's World Investment Report 2021.

The report shows that commodity dependent economies were affected more severely than non-resource-based economies.

- The challenging environment affected all aspects of foreign investment.
- Greenfield project announcements, a measure of investor sentiment and future FDI trends, dropped by 62% to \$29 billion, from \$77 billion in 2019.
- Cross-border mergers and acquisitions (M&As), fell by 45% to \$3.2 billion, from \$5.8 billion in 2019.
- International project finance announcements, especially relevant for large infrastructure projects, plummeted by 74% to \$32 billion.
- FDI inflows to sub-Saharan Africa decreased by 12% to \$30 billion, with investment growing in only a few countries.
- FDI to Southern Africa decreased by 16% to \$4.3 billion even as repatriation of capital by multinational enterprises (MNEs) in Angola slowed down.
- Mozambique and South Africa accounted for most inflows in Southern Africa.

Although UNCTAD forecasted that FDI in Africa to grow in 2021, a lukewarm economic recovery and slow vaccine roll-out programme threaten the scale of the investment recovery. FDI to the continent is projected to grow by only 5% in 2021, lower than both the global and developing country projected growth rates.

Some mitigating factors persist:

- An expected rise in demand for commodities, especially in the energy sector as the global economy picks up steam in H2 2021, will result in higher resource-seeking investment. The NC is poised to become the green hydrogen mecca of SA and Africa.
- The reconfiguration of global value chains and the increasing importance of regional value chains will open new opportunities for African countries.
- The implementation of some key projects announced in 2021 and earlier, including those that were delayed due to the pandemic, may support FDI.
- The impending finalisation of the African Continental Free Trade Area (AfCFTA) agreement's Sustainable Investment Protocol could give impetus to intra-continental investment.

To this effect the following are important to address in order to improve investment climate in the Province:

- a. The Province must step up aggressive investment promotion programmes domestically and internationally with the focus on green energy, infrastructure development, agro-processing and mining beneficiation;
- b. Re-position the Northern Cape as a preferred and friendly investment destination; and
- c. Provide funding and incentives to stimulate investment by linking investors with projects and incentive programmes.

Due to the COVID-19 pandemic an opportunity arises for countries to re-enforce the import substitution strategy. Localisation has always been part of the South African industrial development basket of policy tools. It is an opportune time for customers to become more accustomed to buying locally produced goods.

The sub-programme (Trade and Investment Promotion) will drive economic transformation and increase participation in industrialisation by actively promoting high impact projects in the priority sectors, as identified in the PGDP, for domestic and foreign direct investment. Promoting the diversification of exports from the province to traditional and new markets by growing the export base of the province and providing market access for companies, products and services are also important deliverables.

The mandate of the sub-programme will be achieved by providing resources to the economic development, trade & investment promotion agency, NECDA, according to the NCEDA Act of

2008, Act No. 4 of 2008. This is to avoid the duplication of functions between DEDaT and NCEDA and also to re-direct resources to NCEDA to fulfil its mandate. NCEDA is a scheduled 3C entity whose mandate as stipulated in the Act is to:

- Planning and assistance with business enterprise and rural development;
- The provision of funding in respect of approved enterprise development;
- Project management, development and management of immovable property;
- To attract and facilitate foreign and domestic direct investment into the Northern Cape;
- Growing exports of products and services of the Northern Cape through the development of exporter capacity, demand and market access; and
- Marketing the Northern Cape as a competitive business destination within the national and international markets.

Investment Promotion

The focus will be on attracting domestic and foreign investment by promoting the region as an ideal investment location. Emphasis will be on improving the business environment for both local and foreign companies, as well as alignment with national initiatives to attract investment for new businesses or businesses that want to expand their current activities. This additional investment will result in an increase in GDP and potential job creation.

This will be done through the One-Stop Shop Investor Centre. Given its legislative mandate, to execute on provincial trade and investment promotion activities, the implementing agent of the One Stop Shop programme, InvestSA, has appointed NCEDA as the official managing partner of the Centre located in the Province.

Therefore, during this financial year the focus of DEDaT 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,
- oversight of NCEDA investment promotion with specific focus on the number of investment projects realized, and
- Update of the investment booklet
- Hosting of the Northern Cape Green Hydrogen Investment Conference

Trade Promotion

The Department, in collaboration with NCEDA, will 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. This will be achieved through the co-ordination and dissemination of trade intelligence, as well as promoting our products and offerings at domestic, international, and Africa wide events with industry stakeholders and other strategic partners from identified sectors.

Our focus for the financial year in terms of trade promotion are:

- *Exporter Development:* The aim is to develop emerging exporters in collaboration with stakeholders active in the export market, in order to grow the export base of the Province. Development includes training of emerging exporters
- *Exploiting Regional Integration Market opportunities:* exporters should take advantage of the African market, which will soon be expanded through the African Continental Free Trade Area (AfCFTA) which is scheduled to be effective in January 2021. AfCFTA is expected to provide South African exporters 90% duty free exports to a continental market of over 1.2 billion people.
- *Providing exposure for exporters to export markets:* This will be achieved through marketing of trade opportunities in print or electronic media. It will include publishing trade leads on departmental website.
- Provide necessary support to companies through outward selling missions and attending international trade shows.

Sector Development has, in the past financial years embarked on an Industrial Cluster Development Programme to stimulate manufacturing in the Province. The Clusters that were developed over this period are the Metals Industrial Cluster and the Clothing Cluster. The role of the Department has been to facilitate the establishment of these Clusters and that has been successfully achieved. The Department's role has now come to an end and it will only give guidance and non-financial support whenever it is required.

In the next MTEF period, the Sub-Programme will be expanding from the current manufacturing strategy by focussing its efforts on the industries identified in the manufacturing strategy such as Agro-Processing and Energy related industries. Agri-business market places

will be established throughout the province to provide space for emerging agri-businesses to display their produce and possibly capture new markets and increase their revenue.

Sector analysis will be taken further in the coming MTEF with a focus on exploring global market growth opportunities for the agro-processing sector in the Northern Cape economy. Policy dialogue forums will be attended the by the sub-programme on a regular basis to share with strategic partners and stakeholders some of the research conducted by the sub-programme. This will, among other things, serve to create awareness of the Northern Cape industries in policy platforms on industrial development.

In the past ten years, the province has seen the influx of Independent Power Producers (IPPs) into the various districts with significant spin-offs for socio-economic development of their beneficiary communities that reside within 50 kilometres of their area of operation. The sub-programme will continue to embark on a series of site visits to the IPPs beneficiary communities to conduct the socio-economic impact assessments and work closely with affected stakeholders who share common interests.

The sub-programme is working closely with aspiring SMMEs in the renewable energy sector to explore investment opportunities throughout the renewable energy value chain. These investment opportunities include but are not limited to the following: Rooftop solar systems and other renewable energy initiatives. To ensure the implementation of the rooftop solar programme, the Department has signed a cooperation agreement with the Northern Cape SMME trust to assist with such. The NC SMME Trust has thus far achieved the following deliverables: First, a business plan has been completed and submitted to SEDA to establish a virtual incubator¹⁰. Second, the eligible ¹¹SMMEs have been identified to access skills and ultimately take up renewable investment opportunities in renewable energy.

Last but not least, the technical¹² partner has been identified to partner with the SMMEs in implementing the rooftop solar programme. The renewable energy strategy 2021 will serve as the guide to ensure the implementation of the rooftop solar programme. Commandingly, the Integrated Resource Plan 2019 document will serve as the overarching framework for energy

¹⁰ The objectives of the incubation is to help SMMEs to identify and create business opportunities with the consumers and to ensure that the SMMEs adhere to good administrative processes when running their businesses.

¹¹ This is a pilot project to be implemented in Frances Baard District Municipality. The expression of interest were issued to invite the eligible SMMEs residing in Frances Baard District Municipality. Once this project is successful, it will be roll-out to the rest of the province.

¹² In terms of the business model, the power purchase agreement will be designed to operate and maintain the system over 20 years. In the 20 years, the technical partner and SMMEs will be the system's operators, which will include scheduled maintenance and monitoring of the equipment.

policy to reduce emission targets. An Integrated Resource Plan (IRP) comprises an assessment of the future electric needs and a plan to meet those future needs.

Key Risks

Outcome	Key Risk	Risk Mitigation
Higher Economic Growth	Internal	
	Inadequate investment identification to ensure inclusive growth	Development of an investment model where technological transfer and job creation will take priority by means of ratios.
	External	
	Duplication of departmental roles by entity (NCEDA)	Transfer of functions and resources to the entity (NCEDA) over the MTEF to fulfil mandate according to the Act governing NCEDA.
Outcome	Key Risk	Risk Mitigation
Improved levels of employment.	Internal Risk	
	Insufficient human resources	Offset by partnering with implementation partners i.e. the dtic, SEDA and IDC. Fill vacant funded posts with the prerequisite skills profiles.
	External Risk	
	Inadequate/poor support from industry players	Establish consultative forums to foster inclusivity and cooperation.

Programme Resource Allocations

Table 5.1 : Summary of payments and estimates by sub-programme: Programme 3: Trade And Sector Development

R thousand	Outcome			Main appropriation	Adjusted appropriation 2021/22	Revised estimate	Medium-term estimates		
	2018/19	2019/20	2020/21				2022/23	2023/24	2024/25
1. Trade And Investment Promotio	30 080	25 679	33 136	25 516	39 016	39 016	48 777	27 884	28 127
2. Sector Development	21 585	9 064	7 504	10 703	10 248	10 227	14 003	14 528	16 488
3. Strategic Initiatives	7 249	7 253	4 127	10 018	9 368	9 368	-	-	-
4. Office Of The Chief Director	5 361	8 858	6 470	11 195	6 821	6 842	9 846	10 590	11 066
Total payments and estimates	64 275	50 854	51 237	57 432	65 453	65 453	72 626	53 002	55 681

Table 5.2 : Summary of payments and estimates by economic classification: Programme 3: Trade And Sector Development

R thousand	Outcome			Main appropriation	Adjusted appropriation 2021/22	Revised estimate	Medium-term estimates		
	2018/19	2019/20	2020/21				2022/23	2023/24	2024/25
Current payments	32 461	27 868	17 169	28 526	22 997	22 997	27 028	26 263	27 750
Compensation of employees	11 342	11 433	10 447	11 132	10 825	10 825	8 023	8 570	10 263
Goods and services	21 119	16 435	6 722	17 394	12 172	12 172	19 005	17 693	17 487
Interest and rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies to:	31 624	22 804	33 898	28 591	42 115	42 115	45 393	26 523	27 705
Provinces and municipalities	-	-	-	-	-	-	-	-	-
Departmental agencies and acc	22 414	18 304	28 201	19 283	32 783	32 783	39 993	20 883	21 812
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and intern	-	-	-	-	-	-	-	-	-
Public corporations and private	9 210	4 500	4 643	9 308	9 308	9 308	5 400	5 640	5 893
Non-profit institutions	-	-	-	-	-	-	-	-	-
Households	-	-	1 054	-	24	24	-	-	-
Payments for capital assets	190	182	170	315	341	341	205	216	226
Buildings and other fixed structu	-	-	-	-	-	-	-	-	-
Machinery and equipment	190	182	170	315	341	341	205	216	226
Heritage Assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible as	-	-	-	-	-	-	-	-	-
Payments for financial assets	-	-	-	-	-	-	-	-	-
Total economic classification	64 275	50 854	51 237	57 432	65 453	65 453	72 626	53 002	55 681

Sub-Programme: Sector Development

Purpose:

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.

Outcomes, Outputs, Output Indicators and Targets

Outcome	Outputs	Output indicators	Annual Targets						
			Audited/ Actual Performance			Estimated Performance	MTEF Period		
			2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25
Improved levels of employment	Manufacturing and Renewable energy sectors supported.	3.1.1 Number of economic sectors supported.	2	3	2	2	2	2	2

Output Indicators: Annual and Quarterly Targets

Indicator Number	Output Indicators	Annual Target 2022/2023	Q1	Q2	Q3	Q4
3.1.1	Number of economic sectors supported.	2	1	1	1	1

Sub-Programme: Trade and Investment Promotion

Purpose:

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).

Outcomes, Outputs, Output Indicators and Targets

Outcome	Outputs	Output indicators	Annual Targets						
			Audited/ Actual Performance			Estimated Performance	MTEF Period		
			2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25
Higher Economic Growth.	Domestic and FDI flows into the Northern Cape.	3.2.1 Number of Investment projects realized by NCEDA	-	-	New	2	4	6	8
		3.2.2 Number of Investment projects marketed.	-	-	New	8	9	10	11
	Diversification of exports to traditional and new markets.	3.2.3 Number of provincial emerging exporters trained.	-	New.	22	20	50	50	50
		3.2.4 Number of entrepreneurs exposed to export opportunities.	-	New.	30	10	14	16	18

Output Indicators: Annual and Quarterly Targets

Indicator Number	Output Indicators	Annual Target 2022/2023	Q1	Q2	Q3	Q4
3.2.1	Number of Investment projects realized by NCEDA	4	-	-	-	4
3.2.2	Number of Investment projects marketed	9	2	3	2	2
3.2.3	Number of provincial emerging exporters trained.	50	15	20	15	-
3.2.4	Number of entrepreneurs exposed to export opportunities.	14	3	4	4	3

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.

Explanation of planned performance over the medium-term period

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.

In the PGDP's Vision for 2040, PILLAR 1: Economy, Economic growth, development and prosperity, Programme 4 falls under Priority 6, as the Programme works together with Small business, co-operatives and township and village economies and the Consumer Protection Authority is best placed under priority for **“a capable , ethical and developmental State”** as it has to:

- continue with consumer education programmes and workshops throughout the Province, to ensure that consumer and businesses are aware of their consumer rights and obligations in terms of the Consumer Protection Act;
- Increase accessibility of the Consumer Protection Authority and Consumer Court throughout the Province, through speedy redress; and
- by fulfilling its mandate through education and awareness, investigations, mediations and, adjudication and compliance inspections, it continues to work towards a compliant economy, which will in turn increase the tax collection of the fiscus.

The Office of the Consumer Protector has drafted and implemented an approved annual programme to improve education and awareness. This will include the education of our youth as Consumer Rights has become part of the curriculum in our schools. This will lead to more consumers being reached especially those in the rural areas who do not have the basic education that allows them to read and write.

There is still a need to appoint a prosecutor in order to ensure that the envisaged outputs of the Consumer Protector are achieved.

The Northern Cape Consumer Protection Authority deems it imperative to open regional offices in order to be more transparent and to service the greater part of the Province on a

daily basis, as its current location is not easily accessible to the public who live in the rural areas.

The Resolution of cases and adjudication of Court Cases are usually delayed by outside factors, such as attorneys' delaying tactics, respondent and witnesses' unavailability, the need for translators to be arranged and Appeal to full bench or High Court.

The regulation of the Consumer environment will allow for the levelling of the playing field and prevent the establishment of trading monopolies. These monopolies tend to hamstring the attempts by new business enterprises to enter the formal economy. The development of SMMEs is an enabler to developing the economy and reducing unemployment. These are the key strategic outcomes of the department as defined in the Departmental Strategic Plan for 2020-2025. Regulation Services will reduce the red tape to facilitate the establishment of SMMEs and create an enabling environment for small businesses to flourish.

By fulfilling our mandate and as result of our intervention, there is a saving for the consumers in the market place, which indirectly provides money for consumers to spend on household items and therefore contributes to the growth of the economy.

The new organogram of the Department has been approved and Business Regulation is now included in Programme 4. In order to make this sub-programme functional, we need resources to do so. We will therefore require a budget for appointment of vacant positions and to draft a new legislation to regulate the industry in the Province. Due to the fact that there are no warm bodies to perform this function, targets cannot be inserted for this financial year. The DPME recommends that "...the department should ensure that indicators are reflected in the Annual Performance Plan with measurable targets. If the indicator will not be implemented in the MTEF period, the department is advised to remove it from the Annual Performance Plan."¹³ Hence the indicators for Business Regulation has not been included in the APP 22/23.

¹³ DPME Assessment Report on the Draft APP 2022/2023, paragraph 3.1.1

Sub-Programme: Consumer Protection

Purpose

Implement coherent, predictable and transparent regulatory solutions that facilitate easy access to redress and efficient regulation for economic citizens.

Outcomes, Outputs, Output Indicators and Targets

Outcome	Outputs	Output indicators	Annual Targets						
			Audited/ Actual Performance			Estimated Performance	MTEF Period		
			2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25
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.	-	New	4	5	5	5	5
	Rapid economic redress	4.1.2 % of consumer complaints resolved per annum.	88.2%	93.6%	77.7%	89%	89%	90%	90%

Output Indicators: Annual and Quarterly Targets

Indicator Number	Output Indicators	Annual Target 2022/2023	Q1	Q2	Q3	Q4
4.1.1	Number of districts reached through Consumer Education and Awareness Campaigns in the Northern Cape Province.	5	1	1	1	2
4.1.2	% of consumer complaints resolved per annum.	89%	-	-	-	89%

Sub-Programme: Business Regulation

Purpose

To manage and facilitate the provision of business regulatory services

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 has not been included in the Annual Performance Plan 2022/2023.

Programme Resource Allocations

Table 6.1 : Summary of payments and estimates by sub-programme: Programme 4: Business Regulation And Governance

R thousand	Outcome			Main appropriation	Adjusted appropriation 2021/22	Revised estimate	Medium-term estimates		
	2018/19	2019/20	2020/21				2022/23	2023/24	2024/25
1. Corporate Governance	2 602	2 783	2 315	1 990	2 004	1 902	-	-	-
2. Consumer Protection	10 533	11 628	11 143	10 482	12 212	12 188	10 446	10 681	11 161
3. Liquor Regulation	12 652	13 360	13 695	13 932	14 060	14 122	14 445	15 088	15 765
4. Gambling And Betting	14 846	15 644	13 178	16 255	16 318	16 382	16 854	17 604	18 395
Total payments and estimates	40 633	43 415	40 331	42 659	44 594	44 594	41 745	43 373	45 321

Table 6.2 : Summary of payments and estimates by economic classification: Programme 4: Business Regulation And Governance

R thousand	Outcome			Main appropriation	Adjusted appropriation 2021/22	Revised estimate	Medium-term estimates		
	2018/19	2019/20	2020/21				2022/23	2023/24	2024/25
Current payments	13 149	14 266	13 452	12 339	14 274	14 270	10 446	10 681	11 161
Compensation of employees	10 082	10 618	9 874	9 291	9 739	9 739	7 786	7 903	8 258
Goods and services	3 067	3 648	3 578	3 048	4 535	4 531	2 660	2 778	2 903
Interest and rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies to:	27 299	28 927	26 416	30 187	30 187	30 187	31 299	32 692	34 160
Provinces and municipalities	-	-	-	-	-	-	-	-	-
Departmental agencies and acc	27 299	28 840	26 417	30 187	30 187	30 187	31 299	32 692	34 160
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and interr	-	-	-	-	-	-	-	-	-
Public corporations and private	-	-	-	-	-	-	-	-	-
Non-profit institutions	-	-	-	-	-	-	-	-	-
Households	-	87	1	-	-	-	-	-	-
Payments for capital assets	185	222	461	133	133	137	-	-	-
Buildings and other fixed structu	-	-	-	-	-	-	-	-	-
Machinery and equipment	185	222	461	133	133	137	-	-	-
Heritage Assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible as	-	-	-	-	-	-	-	-	-
Payments for financial assets	-	-	-	-	-	-	-	-	-
Total economic classification	40 633	43 415	40 331	42 659	44 594	44 594	41 745	43 373	45 321

KEY RISKS

Outcome	Key Risk	Risk Mitigation
Higher Economic Growth	Internal risk	
	Not being accessible to the public in all districts.	Lobby to have district offices established in all districts.
	External risk	
	Illegal trading/operations by service providers.	Facilitate education and awareness campaigns throughout the province. Functional education committee in place. Marketing conducted in collaboration with other stakeholders e.g. municipalities, SAPS, Radio Stations etc. Confirmation of education and awareness workshops with businesses. Invitations and engagements with business owners.
	Internal Risk	
	Insufficient human resources.	Lobby for funding Business Regulations
	External Risk	
	External stakeholders	To meet with stakeholders to identify barriers for business and try and resolve it

Programme 5: ECONOMIC PLANNING

Purpose

Support and facilitate the transformation, diversification and growth of the provincial economy by promoting integrated development planning and innovation through efficient research to further growth and development towards digital transformation

Explanation of planned performance over the medium-term period

This Programme seeks to support and facilitate the transformation of the economy by developing economic policies and strategies to support job creation informed by relevant economic 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 advent of Covid-19, the Northern Cape Economic Reconstruction and Recovery Plan was developed with the aim to resuscitate the Economy and create the much-needed jobs. Continuous monitoring and implementation of the plan remains the responsibility of the sub-programme. Stakeholder engagements are held to ensure alignment of municipal plans to National and Provincial economic priorities.

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 ERRP as captured in the Presidential Employment Stimulus will largely inform the departmental Research Agenda in 2021-22 and over the MTSF period. This is important in order to improve the employment creation potential of all government interventions to contribute to the ERRP.

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.

KEY RISKS		
MTSF Priority: Economic transformation and job creation.		
Outcome	Key Risk	Risk Mitigation
Improved levels of employment	Internal	
	Insufficient technical expertise	Outsourcing. Collaboration with other units. Fully capacitated Policy and Planning unit.
	External	
	Poor strategic cohesion between departments/stakeholders that inhibit the effective implementation of the MTSF priorities.	Meetings with delivery partners. Lobby Accounting Officer (AO) to request AO's of delivery departments to facilitate cooperation.
Higher Economic Growth <i>(Socio-economic research that enhances growth and development.)</i>	Internal	
	Insufficient Human Resources	Advocate the filling of vacant funded posts on approved organogram. Collaborate with other sub-programmes.
	External	
	Failure of 3rd parties (external stakeholders) to perform.	Annually renew IHS Markit licence to source data at sub-national levels.

Programme Resource Allocations

Table 7.1 : Summary of payments and estimates by sub-programme: Programme 5: Economic Planning

R thousand	Outcome			Main appropriation	Adjusted appropriation 2021/22	Revised estimate	Medium-term estimates		
	2018/19	2019/20	2020/21				2022/23	2023/24	2024/25
1. Policy And Planning	3 733	3 953	3 536	3 802	4 002	4 082	6 941	7 075	7 392
2. Research And Development	2 605	2 792	2 578	3 134	3 035	2 955	-	-	-
3. Knowledge Management	7 171	5 833	6 073	7 325	6 605	6 605	7 903	8 124	8 489
4. Monitoring And Evaluation	3 158	3 252	2 794	3 147	3 456	3 463	-	-	-
5. Office Of The Chief Director	4 495	5 054	4 832	4 570	5 403	5 396	4 614	4 892	5 111
Total payments and estimates	21 162	20 884	19 813	21 978	22 501	22 501	19 458	20 091	20 992

Table 7.2 : Summary of payments and estimates by economic classification: Programme 5: Economic Planning

R thousand	Outcome			Main appropriation	Adjusted appropriation 2021/22	Revised estimate	Medium-term estimates		
	2018/19	2019/20	2020/21				2022/23	2023/24	2024/25
Current payments	19 458	20 367	18 185	19 661	20 200	20 200	16 953	17 477	18 260
Compensation of employees	14 004	14 711	14 539	14 468	14 873	14 873	12 264	12 577	13 141
Goods and services	5 454	5 656	3 646	5 193	5 327	5 327	4 689	4 900	5 119
Interest and rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies to:	1 500	3	1 540	1 500	1 500	1 500	1 500	1 566	1 636
Provinces and municipalities	-	-	-	-	-	-	-	-	-
Departmental agencies and acc	-	-	-	-	-	-	-	-	-
Higher education institutions	1 500	-	500	1 500	1 500	1 500	1 500	1 566	1 636
Foreign governments and interr	-	-	-	-	-	-	-	-	-
Public corporations and private	-	-	1 040	-	-	-	-	-	-
Non-profit institutions	-	-	-	-	-	-	-	-	-
Households	-	3	-	-	-	-	-	-	-
Payments for capital assets	204	514	88	817	801	801	1 005	1 048	1 096
Buildings and other fixed structu	-	-	-	-	-	-	-	-	-
Machinery and equipment	198	514	88	567	651	651	1 005	1 048	1 096
Heritage Assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible as	6	-	-	250	150	150	-	-	-
Payments for financial assets	-	-	-	-	-	-	-	-	-
Total economic classification	21 162	20 884	19 813	21 978	22 501	22 501	19 458	20 091	20 992

Sub-Programme: Economic Research and Policy Development

Purpose

To promote integrated economic planning for faster economic development.

Outcomes, Outputs, Output Indicators and Targets

Outcome	Outputs	Output indicators	Annual Targets						
			Audited/ Actual Performance			Estimated Performance	MTEF Period		
			2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25
Improved levels of employment	Improved policy implementation to support job creation.	5.1.1 Number of economic policies reviewed.	4	New	2	4	4	4	4
	Engagement with stakeholders to ensure alignment of Economic Policies	5.1.2 Number of Socio-Economic engagements with stakeholders.	-	-	New	5	8	8	8
	Investment in research and development as % of the departmental budget	5.1.3 Number of Research reports compiled.	1	2	0	1	1	1	1
		5.1.4 Number of Economic intelligence reports developed.	4	4	4	4	4	4	4
		5.1.5 Number of Economic overviews compiled.	-	New	6	6	4	4	4

Outcome	Outputs	Output indicators	Annual Targets						
			Audited/ Actual Performance			Estimated Performance	MTEF Period		
			2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25
Higher economic growth.	Investment in research and development as % of the departmental budget	5.1.6 Number of Reviewed DEDaT research agendas.	1	1	1	1	1	1	1

Output Indicators: Annual and Quarterly Targets

Indicator Number	Output Indicators	Annual Target 2022/2023	Q1	Q2	Q3	Q4
5.1.1	Number of economic policies reviewed	4	1	1	1	1
5.1.2	Number of Socio-Economic engagements with stakeholders.	8	2	2	2	2
5.1.3	Number of Research reports compiled.	1	-	-	-	1
5.1.4	Number of Economic intelligence reports developed.	4	1	1	1	1
5.1.5	Number of Economic overviews compiled.	4	1	1	1	1
5.1.6	Number of Reviewed DEDaT research agendas.	1	-	-	-	1

Sub-Programme: Knowledge Economy Support

Purpose

To develop the knowledge economy through innovation to promote economic development.

Outcomes, Outputs, Output Indicators and Targets

Outcome	Outputs	Output indicators	Annual Targets						
			Audited/ Actual Performance			Estimated Performance	MTEF Period		
			2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25
Higher economic growth.	Knowledge Management Systems	5.2.1 Number of Knowledge Management Systems implemented.	2	1	1	1	1	1	1
	Broadband rollout	5.2.2 Number of Sites provided with access to broadband connectivity.	8	36	34	20	20	20	20
	Digital infrastructure initiatives	5.2.3 Number of Digital Infrastructure initiatives supported.	2	2	4	2	2	2	2
	Digital literacy and ICT entrepreneurship	5.2.4 Number of e-Skills development initiatives implemented.	12	9	5	4	4	4	4
	Economic development initiatives in the SKA regional municipalities	5.2.5 Number of Reports on localisation initiatives implemented in terms of the SKA.	-	New	4	4	4	4	4

Output Indicators: Annual and Quarterly Targets

Indicator Number	Output Indicators	Annual Target 2022/2023	Q1	Q2	Q3	Q4
5.2.1	Number of Knowledge Management Systems implemented	1	-	-	-	1
5.2.2	Number of Sites provided with access to broadband / WiFi connectivity	20	-	-	10	10
5.2.3	Number of Digital Infrastructure initiatives supported.	2	-	1	-	1
5.2.4	Number of e-Skills development initiatives implemented..	4	1	1	1	1
5.2.5	Number of Reports on localisation initiatives implemented in terms of the SKA.	4	1	1	1	1

Programme 6: TOURISM

Purpose

To lead tourism growth, development and destination promotion in the Northern Cape.

Explanation of planned performance over the medium-term period

The tourism industry is slowly recovering from the devastating effect of a prolonged global lockdown brought on by the COVID-19 pandemic. Furthermore, market conditions have changed and travellers now demand even more value-for-money, improved tourism experiences, a safe travel environment and prefer open space destinations to built-up destinations.

Taking into consideration that the foreign travel market will remain constrained for most of the 2022/23 financial year, the Northern Cape tourism development and marketing effort should focus on the domestic and business tourism market and especially on the six development thrusts of the Tourism Development unit – workforce skills development, enterprise development, visitor experience development, infrastructure development, enterprise compliance and destination marketing. The latter will also focus on market access support to especially black-owned tourism enterprises.

Tourism has been declared a national priority and the sector will contribute to the departmental vision in a number of ways – employment creation, tourism enterprise development, infrastructure development and township integration in the mainstream economy.

The Tourism Development unit in the department will continue to respond to the national and provincial tourism recovery strategies as we partner with other governmental entities and the private sector to deliver on a successful survival, recovery and once again thriving provincial tourism industry. Such partnerships will include the Northern Cape Tourism Authority, Northern Cape Economic Development Agency, relevant provincial departments, national department of Tourism and national department of Forestry, Fishing and the Environment.

The Tourism Development unit will also continue to implement development initiatives flagged in the provincial tourism master plan as well as national tourism strategies. However, budget and human resource capacity constraints impact on the number of projects selected, the scope of such projects and the time to complete. Such constraints raise the importance of creating effective partnerships to augment funding and implementation capacity while at the same time extending the impact of destination development and management initiatives.

DEDAT entered into an agreement to support tourism development on the back of opportunities presented by the SKA Carnarvon Exploratorium, a priority tourism infrastructure project. Furthermore, state-owned tourism assets such as the Mittah Seperepere International Convention Centre and Witsand Nature Reserve are prioritised too, while tourism incubator support dedicated to tourist routes and township tourism development will continue to realise the departmental vision for improved tourism enterprise support and integrating townships in the mainstream provincial economy. Improving the operational functioning of tourist routes will also be prioritised in the financial year.

The Tourism Development sub-programme will continue to work in partnership with the Northern Cape Tourism Authority and provide operational support to the entity as we work towards the development of an attractive and competitive destination Northern Cape.

The department adopted a new organisational structure and this created the need for a change in performance indicators. Industry skills development migrated to the Tourism Growth sub-programme. At the same time the requirement for partnership development migrated from the Tourism Growth sub-programme to the Tourism Development sub-programme. The structure change also required a change in the sub-programme performance indicator numbering.

The rebuilding of the tourism sector is a major priority for governments around the world in general and the Department of Economic Development and Tourism (DEDaT) in particular with efforts to ensure that it becomes more resilient and sustainable post the coronavirus pandemic.

A glimmer of hope has propelled the tourism sector into a positive mode especially when viewed in the context of easing restrictions and the discovery of vaccines to offset the negative impact of the pandemic.

The purpose of the Tourism Growth Directorate is to unlock the growth potential of the sector through integrated planning as well as to ensure inclusive participation and ensure that a safe environment is created for the sector to flourish.

Due to the implementation of the new organisational structure in DEDaT, the configuration of the directorate has assumed additional priorities to ensure that it achieve its purpose.

The Tourism Directorate has identified the township economy as one of the building blocks to diversify the tourism product offering in the province. Township tourism has always been in the plans of the Directorate but this time around research has become a priority to ignite the potential of the sector and therefore unlock the projects to be undertaken.

One of the challenges faced by DEDaT is the ability to accurately track the performance of its tourism industry due to the lack of readily available local tourism statistics and often conflicting information provided by different providers of tourism research. The Directorate will in the new financial develop and design an internet based visitor tracking system with one of its main objective being to monitor the performance of tourism sector on the one hand and to conduct tourism satisfaction surveys on the other to understand the perceptions of visitors towards our tourism product offerings in the province.

The Directorate will facilitate and develop an empowered tourist guiding sub-sector through skills development initiatives to ensure quality service offering. These interventions include mentorship programmes, tourist guiding workshop, tourism business registration and illegal tourist guiding inspections. Create enabling environment for a sustained tourist visitation through tourism safety awareness interventions which includes Covid-19 awareness campaigns and development of a tourism crisis management framework.

A sustained responsible tourism and awareness programme will be conducted to the sustainable development of tourism in the province through schools tourism campaigns with relevant stakeholders and partners.

KEY RISKS		
MTSF PRIORITY: Economic transformation and job creation.		
Outcome	Key Risk	Risk Mitigation
Higher economic growth	Internal	
	Insufficient Capacity to implement destination strategy.	Invest in building capacity of the human resource.
	External	
	Failure to secure buy-in and cooperation from public and private stakeholders due to a lack of common understanding and goals could negatively impact on co-delivery of the Tourism Strategy.	Regular focused engagements and formalised agreements with stakeholders that will ensure an integrated tourism strategy and achievable implementation plans.

Programme Resource Allocations

Table 8.1 : Summary of payments and estimates by sub-programme: Programme 6: Tourism

R thousand	Outcome			Main appropriation	Adjusted appropriation 2021/22	Revised estimate	Medium-term estimates		
	2018/19	2019/20	2020/21				2022/23	2023/24	2024/25
1. Tourism Planning	6 025	6 275	4 928	8 208	8 872	8 907	10 456	10 965	11 459
2. Tourism Growth And Developm	45 673	72 560	42 032	60 405	59 157	59 157	49 783	54 579	54 489
3. Tourism Sector Transformation	2 146	1 677	1 019	2 655	2 245	2 210	-	-	-
4. Office Of The Chief Director	5 007	8 030	6 495	8 951	7 927	7 927	7 447	8 947	9 377
Total payments and estimates	58 851	88 542	54 474	80 219	78 201	78 201	67 686	74 491	75 325

Table 8.2 : Summary of payments and estimates by economic classification: Programme 6: Tourism

R thousand	Outcome			Main appropriation	Adjusted appropriation 2021/22	Revised estimate	Medium-term estimates		
	2018/19	2019/20	2020/21				2022/23	2023/24	2024/25
Current payments	24 975	51 765	22 434	45 895	45 412	45 370	39 414	44 169	43 614
Compensation of employees	10 848	12 012	11 782	11 369	11 796	11 796	12 072	13 514	14 125
Goods and services	14 127	39 753	10 652	34 526	33 616	33 574	27 342	30 655	29 489
Interest and rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies to:	33 050	35 077	30 461	33 868	31 968	31 968	28 222	29 478	30 801
Provinces and municipalities	3 248	2 750	500	500	500	500	-	-	-
Departmental agencies and acc	26 358	27 736	26 134	28 618	28 618	28 618	27 172	28 381	29 655
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and interr	-	-	-	-	-	-	-	-	-
Public corporations and private	3 444	2 591	3 827	4 750	2 850	2 850	1 050	1 097	1 146
Non-profit institutions	-	-	-	-	-	-	-	-	-
Households	-	2 000	-	-	-	-	-	-	-
Payments for capital assets	826	1 700	1 579	456	821	863	50	844	910
Buildings and other fixed structu	-	1 423	1 282	-	516	516	-	-	-
Machinery and equipment	826	277	297	456	305	347	50	844	910
Heritage Assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible as	-	-	-	-	-	-	-	-	-
Payments for financial assets	-	-	-	-	-	-	-	-	-
Total economic classification	58 851	88 542	54 474	80 219	78 201	78 201	67 686	74 491	75 325

Sub-Programme: Tourism Development

Purpose

Support the development of an attractive and competitive destination Northern Cape.

Outcomes, Outputs, Output Indicators and Targets

Outcome	Outputs	Output indicators	Annual Targets						
			Audited/ Actual Performance			Estimated Performance	MTEF Period		
			2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25
Higher Economic Growth	Improved destination development stakeholder relationship support.	6.1.1 Number Of Destination Development Stakeholder Relationships Supported.	-	-	-	New	16	16	16
	Enhanced market offering of tourism enterprises.	6.1.2 Number of Tourism Enterprises Supported	-	-	-	New	20	20	20
	Enhanced provincial visitor experience.	6.1.3 Number of initiatives to enhance the provincial visitor experience.	-	New	3	2	10	10	10
	Improved provincial destination tourism infrastructure.	6.1.4 Number of Industry Enabling Tourism Infrastructure Development Interventions	-	New	5	5	3	3	3
	Tourism industry compliant with industry standards.	6.1.5 Number of Tourism Industry Compliance Interventions	-	New	90	75	20	20	20

Output Indicators: Annual and Quarterly Targets

Indicator Number	Output Indicators	Annual Target 2022/2023	Q1	Q2	Q3	Q4
6.1.1	Number Of Destination Development Stakeholder Relationships Supported.	16	4	4	4	4
6.1.2	Number of Tourism Enterprises Supported	20	5	-	-	15
6.1.3	Number of initiatives to enhance the provincial visitor experience	10	2	5	3	-
6.1.4	Number of Industry Enabling Tourism Infrastructure Development Interventions	3	-	-	-	3
6.1.5	Number of Tourism Industry Compliance Interventions	20	5	5	5	5

Sub-Programme: Tourism Growth

Purpose

To manage unlocking the economic potential of the provincial tourism industry through creating an enabling policy and planning environment.

Outcomes, Outputs, Output Indicators and Targets

Outcome	Outputs	Outputs Indicators	Annual Targets						
			Audited/Actual Performance			Estimated Performance	MTEF Period		
			2018/2019	2019/2020	2020/2021	2021/2022	2022/2023	2023/2024	2024/2025
Higher Economic Growth	Integrated planning.	6.2.1 Number of Tourism Industry Stakeholder consultations.	4	4	3	16	6	7	6
	Development and Up-skilling	6.2.2 Number of Interventions to support the tourist guiding sub-sector.	4	50	4	3	7	6	7
	A safer tourism experience.	6.2.3 Number of Tourism safety initiatives	-	-	7	8	6	6	7

Outcome	Outputs	Outputs Indicators	Annual Targets						
			Audited/Actual Performance			Estimated Performance	MTEF Period		
			2018/2019	2019/2020	2020/2021	2021/2022	2022/2023	2023/2024	2024/2025
Higher Economic Growth	An enhanced local community Based Tourism Programmes	6.2.4 Number of Community-Based tourism Programmes conducted.	-	New	2	5	8	10	10
	Create a tourism culture within the tourism industry.	6.2.5 Number of responsible tourism programmes conducted.	-	-	New	11	13	10	10

Output Indicators: Annual and Quarterly Targets

Indicator Number	Output Indicator	Annual Target 2022/2023	Q1	Q2	Q3	Q4
6.2.1	Number of Tourism Industry Stakeholder consultations.	6	1	1	1	3
6.2.2	Number of Interventions to support the tourist guiding sub-sector.	7	1	2	2	2
6.2.3	Number of Tourism safety initiatives	6	1	2	2	1
6.2.4	Number of Community-Based Tourism Programmes conducted.	8	2	3	2	1
6.2.5	Number of responsible tourism programmes conducted.	13	3	4	3	3

Updated key risks and mitigations from the SP

Outcomes	Key Risks	Risk mitigations
Higher Economic Growth	Departmental officials contracting the Corona-Virus (COVID-19).	Approved HR Policies which include Health and Safety, Wellness Management and Health and Productivity Management, Approved Standard Operating Procedures (SOP) for OHS and COVID-19 management, Operational COVID-19 / SHERQ Steering Committee, Appointed Compliance Officer, on-going OHS education and awareness including COVID-19, on-going collaboration and planning with external stakeholders e.g. GEMS, Dept. of Health, Integrated wellness management reporting, Personal Protective Equipment (PPE), COVID-19 risk assessments, Screening of all employees, Ensure compliance with all Covid-19 circulars and regulations.

Public Entities

Name of Public Entity	Mandate	Key Outputs	Current Annual Budget (R thousand)
Liquor Board	Northern Cape Liquor Act, 2008. Amendment to the Act 2010.	<ul style="list-style-type: none"> • Licence applications approved for adjudication. • License applications outcomes prepared. • Reduce non-compliance activities in the liquor industry. • Reduction in the negative effects of alcohol abuse and responsible trading. 	14 445
Gambling Board	Northern Cape Gambling Act, 2008.	<ul style="list-style-type: none"> • Regulate all forms of gambling activities in the Northern Cape Province. • Verification of levies paid to the Department of Economic Development and Tourism. • To adjudicate on all license and certificate applications in accordance with the prescribed legislative mandate in order to ensure that compliant applicants are duly licensed in terms of the Northern Cape Gambling Act. 	16 854
The Northern Cape Trade and Investment Agency (NCEDA)	NCEDA Act, 2008	<ul style="list-style-type: none"> • Attraction of both foreign and domestic investment and provision of value-added services. • New fixed-investment and enabling infrastructure. 	19 993

Name of Public Entity	Mandate	Key Outputs	Current Annual Budget (R thousand)
		<ul style="list-style-type: none"> Marketing. Align market with facilities available. Coordination of capital projects. Liaising tourism events and activities at ultimate level. 	
Northern Cape Tourism Authority (NCTA)	Northern Cape Tourism Act, 2008	<ul style="list-style-type: none"> Unqualified Audit opinion. Number of sustainable SMME businesses grown across the Northern Cape. % Growth in international arrivals annually and % growth in rand value of foreign tourist direct spend. % Growth in domestic trips undertaken annually and % growth in rand value of domestic direct spend. Increased number of business events and increased visitor attendance at leisure events hosted in the Northern Cape. 	26 076

Table 13.1 : Summary of departmental transfers to public entities

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2018/19	2019/20	2020/21				2021/22	2022/23	2023/24
Kalahari Kid Corporation	-	-	-	-	-	-	-	-	-
McGregor Museum (Kimberley)	-	-	-	-	-	-	-	-	-
Northern Cape Economic Develop	22 329	18 304	28 201	19 283	32 783	32 783	19 993	20 883	21 812
Northern Cape Gambling Board	14 704	15 531	13 071	16 255	16 255	16 255	16 854	17 604	18 395
Northern Cape Liquor Board	12 595	13 309	13 346	13 932	13 932	13 932	14 445	15 088	15 765
Northern Cape Tourism Authority	22 759	24 036	22 942	25 152	25 152	25 152	26 076	27 236	28 459
Total departmental transfers	72 387	71 180	77 560	74 622	88 122	88 122	77 368	80 811	84 431

The Department has no infrastructure projects.

The Department has no Public Private Partnerships

Part D: Technical Indicator Descriptions (TID) for Outcome Indicators

Programme: 1 Administration

Sub-Programme: Executive Support

Indicator Title (1.1.1)	% of recommendations accepted by the Economic Sectors Employment Investment and Infrastructure Development Cluster.
Definition	The recordings of proceedings of Technical Cluster meetings are provided. The ETCS also verifies the economic information from sector departments and DEDaT. Continuous consultations with sector departments are conducted. Resolutions taken by the ECTS are tracked and followed up. This includes the work done by the Think Tank.
Source of data	Memorandums and presentations. Agenda. Minutes. Action list. Emails. Invitations. Attendance registers – electronic and manual.
Method of Calculation/ Assessment	Number of submissions made to Economic Cluster measured against the number of recommendations accepted expressed as a %.
Assumptions	Data always available on provincial level; reliable and useful. Stakeholders attend the meetings. Meetings take place as per proposed EXCO calendar. Resourced and budgeted.
Disaggregation of Beneficiaries	Not Applicable
Spatial Transformation (where applicable)	Not applicable
Calculation Type	Non-Cumulative Year-End
Reporting Cycle	Bi-Annually
Desired Performance	80%
Indicator Responsibility	Executive Manager: Economic Technical Cluster Secretariat

Indicator Title (1.1.2)	Percentage of departmental planning documents that subscribe to the Treasury Regulations as stipulated in the PFMA 1 of 1999.
Definition	The planning documents are the Strategic Plan and the Annual Performance plan and the Annual Operational Plan. The Strategic Plan is produced once at the start of the MTSF cycle. Changes to the SP are indicated as an Annexure in the APP. The Annual Performance Plan and the Annual Operational Plan are produced every year.
Source of data	Strategic Plan. Annual Performance Plan. Annual Operational Plan. Delivery register. Memorandum signed by incumbent who takes delivery of planning documents.
Method of Calculation/ Assessment	Simple count of the number of planning documents expressed as a percentage against the number required by the PFMA 1 of 1999.
Assumptions	All managers submit inputs on time. All resources in place for compilation of the planning documents.
Disaggregation of Beneficiaries (where applicable)	Not Applicable
Spatial Transformation (where applicable)	Not Applicable.
Calculation Type	Non-Cumulative Year-End
Reporting Cycle	Annual
Desired Performance	100%
Indicator Responsibility	Manager: Strategy Management

Indicator Title (1.1.3)	Percentage of departmental reporting documents that subscribe to the Treasury Regulations as stipulated in the PFMA 1 of 1999.
Definition	The Strategic Plan (SP) and the APP must form the basis for the quarterly and annual reports of accounting officers as required by sections 40(1)(d) and (e) of the Act. The accounting officer is also expected to establish procedures for quarterly reporting to the executive authority to facilitate effective performance monitoring. In the case of Strategy Management it is the monitoring of non-financial performance information. This requires four quarterly reports and an annual report. The framework also requires and mid-term review.
Source of data	Departmental quarterly reports (4). Departmental Annual Report (1). Register. Memorandum signed by incumbent who takes delivery of planning document/s. Emails confirming electronic submission. Acknowledgement of submission from the office of the Director-General at OTP. (Note that not all of these documents need be presented to prove performance with the exception of the Quarterly Reports and the Annual Report.)
Method of Calculation/ Assessment	Simply count of the number of reporting documents delivered to the relevant stakeholders within the prescripts of the prescribed legislative framework/s as stipulated in the PFMA 1 of 1999 (five reports in total) – expressed as a percentage against the number of planning documents as required by the PFMA 1 of 1999.
Means of verification	Departmental quarterly reports. Departmental Annual Report. Register. Memorandum signed by incumbent who takes delivery of planning document/s. Emails confirming electronic submission. Acknowledgement of submission from the office of the Director-General at OTP. (Note that not all of these documents need be presented to prove performance with the exception of the Quarterly Reports and the Annual Report.)
Assumptions	All submissions by Executive Managers to the Quarterly Reports and Annual Performance Reports are quality assured and timeous. Evidence presented to prove non-financial performance during the verification process is safe-guarded by the appointed custodians in the different departmental programmes.
Disaggregation of Beneficiaries (where applicable)	Not Applicable
Spatial Transformation (where applicable)	Not Applicable
Calculation Type	Non-Cumulative
Reporting Cycle	Annual
Desired Performance	100%
Indicator Responsibility	Manager: Strategy Management

Indicator Title (1.1.4)	Number of Monitoring reports on the impact of economic development initiatives in the Province.
Definition	The monitoring of economic development initiatives to assess the impact on economic transformation and job creation.
Source of data	DEDAT Departmental database and archives, eQPR Reports
Method of Calculation/ Assessment	Simple count of monitoring reports produced.
Means of verification	DEDAT Departmental database and archives, eQPR Reports. Monitoring and Evaluation reports.
Assumptions	The data provided by the sources is accurate, reliable and useful.
Disaggregation of Beneficiaries (where applicable)	Not Applicable.
Spatial Transformation (where applicable)	Not Applicable.
Calculation Type	Cumulative year-end.
Reporting Cycle	Quarterly.
Desired Performance	4
Indicator Responsibility	Senior Manager: Monitoring and Evaluation

Indicator Title (1.1.5)	Number of Evaluation reports.
Definition	The monitoring of economic development initiatives to assess the impact on economic transformation and job creation.
Source of data	DEDAT Departmental database and archives, eQPR Reports
Method of Calculation/ Assessment	Simple count of evaluation reports produced.
Means of verification	DEDAT Departmental database and archives, eQPR Reports. Evaluation Reports.
Assumptions	The data provided by the sources is accurate, reliable and useful.
Disaggregation of Beneficiaries (where applicable)	Not Applicable.
Spatial Transformation (where applicable)	Not Applicable.
Calculation Type	Cumulative year-end
Reporting Cycle	Bi-Annually
Desired Performance	2
Indicator Responsibility	Senior Manager: Monitoring and Evaluation

Indicator Title (1.1.6)	Percentage of legislatively compliant entities reporting to the MEC for Economic Development and Tourism
Definition	<p>By submission of all documentation by statutory bodies required by regulatory obligation on a quarterly basis (and annual basis) and analysis of these documents creates an environment of accountability, transparency, efficiency within the entities. The documents to be submitted include Strategic Plans, Annual Performance Plans, Quarterly Reports, Annual Reports, Revenue and Expenditure reports as outlined in the Public Finance Management Act 1 of 1999 and relevant Treasury Regulations that apply to non-business Schedule 3 public entities.</p> <p>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.</p> <p>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.</p> <p>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.</p> <p>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.</p>
Source of data	DEDAT, NCTA, NCEDA, Liquor Board, Gambling Board. Strategic Plans, Annual Performance Plans, Quarterly Reports, Annual Reports, Revenue and Expenditure reports. Reports authored by the sub-programme "Governance."
Method of Calculation/ Assessment	$\frac{\text{Number of legislatively compliant entities reporting to the MEC for Economic Dev and Tourism}}{\text{Number entities reporting to the MEC for Economic Dev and Tourism}} \times \frac{100}{1}$
Means of verification	Strategic Plans, Annual Performance Plans, Quarterly Reports, Annual Reports, Revenue and Expenditure reports. Reports authored by the sub-programme "Governance."
Assumptions	The entities submit documentation as per legislative obligation as outlined in the Public Finance Management Act 1 of 1999 and relevant Treasury Regulations that apply to non-business Schedule 3 public entities. The documentation is submitted within required frameworks. The documentation is complete and the information is accurate, relevant and useful.
Disaggregation of Beneficiaries (where applicable)	Not applicable.
Spatial Transformation (where applicable)	Not applicable.
Calculation Type	Non-cumulative
Reporting Cycle	Quarterly.
Desired Performance	100%
Indicator Responsibility	Responsibility Manager: Governance

Indicator Title (1.1.7)	Number of Risk and Integrity Management Committee reports compiled.
Definition	Risk and Integrity Management Function reports to the Risk and Integrity Management Committee on the implementation of the approved risk and integrity management implementation plans. The quarterly risk and integrity management committee report records actual performance against planned performance. The Risk and Integrity Management Committee reports are compiled subsequent to the deliberations of the quarterly risk and integrity reports during a Committee meeting.
Source of data	Risk Register, Reports, Risk and Integrity Management Implementation Plan
Method of Calculation/ Assessment	Simple count (1 x Report per quarter)
Means of verification	Signed Risk and Integrity Management Committee Report
Assumptions	All or a quorum of the Risk and Integrity Management Committee members are available.
Disaggregation of Beneficiaries (where applicable)	Not Applicable
Spatial Transformation (where applicable)	Not Applicable
Calculation Type	Cumulative
Reporting Cycle	Quarterly
Desired Performance	4
Indicator Responsibility	Deputy Director: Risk & Integrity Management

Sub-Programme: Financial Management

Indicator Title (1.2.1)	% of expenditure within Vote 6
Definition	Monitoring and reporting on departmental budget spent for the financial year.
Source of data	NCPT Estimates of Provincial Revenue and Expenditure, Adjusted Appropriation, In-Year- Monitoring Tool, BAS Reports, Budget Tools.
Method of Calculation/ Assessment	Actual Expenditure vs Annual Adjusted Appropriation expressed as a percentage.
Means of verification.	Estimates of Provincial Revenue and Expenditure, Adjusted Appropriation, In-Year- Monitoring Tool, BAS Reports, Budget Tools.
Assumptions	Plans are aligned to the budget. In order for the budget to be spent. Completed Operational Plans. Vacant funded posts filled.
Disaggregation of Beneficiaries (where applicable)	Not applicable.
Spatial Transformation (where applicable)	Not applicable.
Calculation Type	Non-cumulative Year End.
Reporting Cycle	Annually
Desired Performance	98%
Indicator Responsibility	Chief Financial Officer.

Indicator Title (1.2.2)	% of departmental budget spent on procurement
Definition	This measures the % of the Goods and Services budget spent on procuring goods and services from enterprises in the Northern Cape as registered on the Central Supplier Database (CSD).
Source of data	NCPT. Invoices, CSD, Bas Reports and LOGIS Reports.
Method of Calculation/ Assessment	The total amount of goods and services budget procured locally over the total goods and services budget expressed as a percentage.
Means of verification	Invoices, CSD, Bas Reports and LOGIS Reports.
Assumptions	All local enterprises are registered on the CSD. All those registered on CSD offer the required services. All local enterprises within spend-threshold are tax compliant.
Disaggregation of Beneficiaries (where applicable)	All targeted groups.
Spatial Transformation (where applicable)	All five district in the province.
Calculation Type	Non-cumulative (year-end)
Reporting Cycle	Annually
Desired Performance	50%
Indicator Responsibility	CFO

Indicator Title (1.2.3)	% of procurement from women
Definition	This measures the amount of the Goods and Services budget spent on procuring goods and service from women in the Northern Cape.
Source of data	NCPT Invoices, CSD, Bas Reports and LOGIS Reports.
Method of Calculation/ Assessment	The total amount of goods and services budget procured locally from women over the total goods and services budget expressed as a percentage.
Means of verification	Invoices, CSD, Bas Reports and LOGIS Reports.
Assumptions	There are sufficient women-owned enterprises/businesses registered on the CSD.
Disaggregation of Beneficiaries (where applicable)	Women
Spatial Transformation (where applicable)	All districts in the province.
Calculation Type	Non-cumulative (Year-end)
Reporting Cycle	Annually
Desired Performance	35%
Indicator Responsibility	Chief Financial Officer

Indicator Title (1.2.4)	% of procurement from youth
Definition	This measures the amount of the Goods and Services budget spent on procuring goods and service from youth in the Northern Cape.
Source of data	NCPT Invoices, CSD, Bas Reports and LOGIS Reports.
Method of Calculation/ Assessment	The total amount of goods and services budget procured locally from youth over the total goods and services budget expressed as a percentage.
Means of verification	Invoices, CSD, Bas Reports and LOGIS Reports.
Assumptions	There are sufficient women-owned enterprises/businesses registered on the CSD.
Disaggregation of Beneficiaries (where applicable)	Youth
Spatial Transformation (where applicable)	All districts in the province.
Calculation Type	Non-cumulative (Year-end)
Reporting Cycle	Annually
Desired Performance	35%
Indicator Responsibility	Chief Financial Officer

Indicator Title (1.2.5)	% of procurement from people with disabilities
Definition	This measures the amount of the Goods and Services budget spent on procuring goods and service from people with disabilities in the Northern Cape.
Source of data	NCPT Invoices, CSD, Bas Reports and LOGIS Reports.
Method of Calculation/ Assessment	The total amount of goods and services budget procured locally from people with disabilities over the total goods and services budget expressed as a percentage.
Means of verification	Invoices, CSD, Bas Reports and LOGIS Reports.
Assumptions	There are sufficient people with disabilities -owned enterprises/businesses registered on the CSD.
Disaggregation of Beneficiaries (where applicable)	people living with disabilities
Spatial Transformation (where applicable)	All districts in the province.
Calculation Type	Non-cumulative (Year-end)
Reporting Cycle	Annually
Desired Performance	2%
Indicator Responsibility	Chief Financial Officer

Indicator Title (1.2.6)	% of invoices paid within 30 days.
Definition	This measures the number of invoices paid within 30 days of receipt and then expressed as a percentage. These are the invoices that refer to suppliers/service providers
Source of data	NCPT Invoices, CSD, Bas Reports and LOGIS Reports.
Method of Calculation/ Assessment	The total amount of invoices paid within 30 days of receipt versus the total amount of invoices received from service providers, expressed as a percentage. m
Means of verification	Invoices, CSD, Bas Reports and LOGIS Reports.
Assumptions	There invoices are accompanied by the relevant documentation required to effect payment within 30 days of receipt.
Disaggregation of Beneficiaries (where applicable)	N/A
Spatial Transformation (where applicable)	N/A
Calculation Type	Non-cumulative (Year-end)
Reporting Cycle	Bi-Annually
Desired Performance	100%
Indicator Responsibility	Chief Financial Officer

Sub-Programme: Corporate Services

Indicator Title (1.3.1)	Number of departmental Employment Equity Reports completed.
Definition	The report seeks to monitor gender mainstreaming targets as set out in employment equity plan and policies.
Source of data	PERSAL Race and Gender Report (7.6.13).
Method of Calculation/ Assessment	Simple count of the number of employment equity reports.
Means of verification	PERSAL Race and Gender Report (7.6.13).
Assumptions	The information on PERSAL is accurate and up-to-date.
Disaggregation of Beneficiaries (where applicable)	Not Applicable
Spatial Transformation (where applicable)	Not Applicable
Calculation Type	Cumulative Year-End
Reporting Cycle	Quarterly
Desired Performance	4
Indicator Responsibility	Employment Equity Manager.

Indicator Title (1.3.2)	Number of departmental SMS financial disclosures submitted.
Definition	These are the disclosures of SMS members as prescribed in the Financial Disclosure Policy and SMS Handbook
Source of data	DPSA e-Disclosure System
Method of Calculation/ Assessment	Simple count of the number of SMS financial disclosures.
Means of verification	DPSA e-Disclosure System report.
Assumptions	All SMS posts are filled. All SMS members submit disclosures. Information of the DPSA e-Disclosure System is accurate. The DPSA e-Disclosure System does not experience downtime.
Disaggregation of Beneficiaries (where applicable)	Not Applicable
Spatial Transformation (where applicable)	Not Applicable
Calculation Type	Non-cumulative
Reporting Cycle	Annually
Desired Performance	22
Indicator Responsibility	H R Manager

Indicator Title (1.3.3)	Percentage of completed PMDS documentation signed
Definition	This measures compliance in terms of the prescripts of the Performance Management System.
Source of data	PERSAL
Method of Calculation/ Assessment	Number of Performance Agreements signed expressed as a percentage against the number of performance agreements that need to be signed.
Means of verification	Persal report. Performance Agreements.
Assumptions	All employees submit signed Performance Agreements within the required timeframe. Persal is accurately updated.
Disaggregation of Beneficiaries (where applicable)	Not Applicable
Spatial Transformation (where applicable)	Not Applicable
Calculation Type	Non-cumulative
Reporting Cycle	Annually
Desired Performance	100%
Indicator Responsibility	H R Manager

Indicator Title (1.3.4)	Number of departmental Social Responsibility, Diversity & Health and Wellness initiatives held.
Definition	This complies with EHW framework in the public service which seeks to ensure to ensure the health and wellbeing of the staff compliment.
Source of data	PERSAL
Method of Calculation/ Assessment	Simple count of initiatives geared at promoting health and wellness.
Means of verification	PERSAL reports, attendance registers, memoranda, invitations, reports.
Assumptions	Employees attend the Health and Wellness initiatives.
Disaggregation of Beneficiaries (where applicable)	All targeted groups.
Spatial Transformation (where applicable)	Not Applicable.
Calculation Type	Cumulative
Reporting Cycle	Quarterly
Desired Performance	4
Indicator Responsibility	Responsibility Manager: EHW&D

Indicator Title (1.3.5)	Number of departmental Information dissemination initiatives implemented.
Definition	These are initiatives that seek to inform stakeholders about the department. The initiatives also seek to inform staff about their rights and responsibilities as well as to communicate the various HR/Legal policies to staff.
Source of data	DEDAT Departmental Newsletters (printed and/or electronic). Invitations to attend Information Sessions (emails/Memoranda); Attendance Registers. Presentations.
Method of Calculation/ Assessment	Simple count of the Newsletters issued and the number of Information Sessions held by the department.
Method of verification	Departmental Newsletters (printed and/or electronic). Invitations to attend Information Sessions (emails/Memoranda); Attendance Registers. Presentations.
Assumptions	Service providers deliver Newsletters within prescribed timeframes. The intranet does not experience any downtime. Officials attend the Information Sessions.
Disaggregation of Beneficiaries (where applicable)	All targeted groups.
Spatial Transformation (where applicable)	Not Applicable.
Calculation Type	Cumulative
Reporting Cycle	Quarterly
Desired Performance	4
Indicator Responsibility	Chief Operations Officer

Indicator Title (1.3.7)	Percentage of Local Area network Uptime maintained.
Definition	The intent is to provide departmental information communication technology support on the LAN. ICT support provides a means of communication that enables information sharing with both internal and external stakeholders. .
Source of data	SETA Reports. NMS Reports
Method of Calculation/ Assessment	The downtime versus uptime is calculated daily and reported monthly. The result is expressed as a percentage.
Means of verification	SETA Reports. NMS Reports, Reports by DEDAT.
Assumptions	Information provided by SETA and NMS is accurate and reliable.
Disaggregation of Beneficiaries (where applicable)	Not Applicable.
Spatial Transformation (where applicable)	Not Applicable.
Calculation Type	Non-Cumulative
Reporting Cycle	Quarterly
Desired Performance	95%
Indicator Responsibility	Government Information Technology Officer (GITO)

Indicator Title (1.3.8)	Percentage of Wide Area Network uptime maintained.
Definition	The intent is to provide departmental information communication technology support on the LAN. ICT support provides a means of communication that enables information sharing with both internal and external stakeholders. .
Source of data	SETA Reports. NMS Reports.
Method of Calculation/ Assessment	The downtime versus uptime is calculated daily and reported monthly and expressed as a percentage.
Means of verification	SETA Reports. NMS Reports. Reports by DEDAT
Assumptions	Information provided by SETA and NMS is accurate and reliable.
Disaggregation of Beneficiaries (where applicable)	Not Applicable.
Spatial Transformation (where applicable)	Not Applicable.
Calculation Type	Non-Cumulative
Reporting Cycle	Quarterly
Desired Performance	95%
Indicator Responsibility	Government Information Technology Officer (GITO)

PROGRAMME: Integrated Economic Development Services**Sub-Programme: Regional and Local Economic Development**

Indicator Title (2.1.1)	Number of LED Projects developed in the Province.
Definition	Assistance refers to rendering project implementation advice for priority provincial and district projects through the Provincial and District LED officials. This includes concept development and/or pre – feasibility study combined with stakeholder coordination. The NDP sectors are: - Infrastructure, mining, manufacturing, agriculture and green economy. There are 32 prefeasibility studies done – One has been approved. One in ZFM and 1 JTG.
Source of data	DEDAT, RaLed, Municipalities, Stakeholders. Concept document; Concept note, Letters and projects proposals, Pre-feasibility and feasibility studies, Business plan, Proof of stakeholder meetings i.e. invite, agenda, attendance register and presentations. Council resolution at municipal level.
Method of Calculation/ Assessment	Simple count of the number of local economic development projects approved
Means of verification	DEDAT, RaLed, Municipalities, Stakeholders. Concept document; Concept note, Letters and projects proposals, Pre-feasibility and feasibility studies, Business plan, Proof of stakeholder meetings i.e. invite, agenda, attendance register and presentations. Council resolution at municipal level. (The supporting documentation can consist of either one or more elements.)
Assumptions	Data is reliable, useful and accurate. Municipalities are resourced to implement projects. Projects are bankable.
Disaggregation of Beneficiaries (where applicable)	Not Applicable.
Spatial Transformation (where applicable)	All five districts
Calculation Type	Cumulative-Year End
Reporting Cycle	Annually
Desired Performance	2
Indicator Responsibility	Senior Manager: RALED

Indicator Title (2.1.2)	Number of economic development policies developed in the Province.
Definition	Interventions can consist of LED component for the IDP, LED strategy development or supporting LED strategy development, municipal statistics profile, investment profile, Red Tape Reduction proposal and research on township development. The intention is to develop one local economic development policy per district for approval. The strategic intention is to get one Economic Development policy approved for each of the five districts in the Northern Cape Province.
Source of data	DEDAT reports, Municipal LED plans, Municipal LED Strategies, Municipal LED components for IDP inclusion, Red Tape analysis and report/s. Council resolution/s.
Method of Calculation/ Assessment	Simply count of the approved LED policies
Means of verification	Municipal LED plans, Municipal LED Strategies, Municipal LED components for IDP inclusion, Red Tape analysis and report/s. Council resolutions.
Assumptions	The data is useful and reliable. Full cooperation from municipalities. Municipalities are fully resourced.
Disaggregation of Beneficiaries (where applicable)	Not Applicable
Spatial Transformation (where applicable)	All five districts
Calculation Type	Cumulative year-end
Reporting Cycle	Annually
Desired Performance	2
Indicator Responsibility	Senior Manager: RaLED

Indicator Title (2.1.3)	Number of LED forums established at local municipalities in Province.
Definition	The LED Forum membership consist of public and private partners that share information, planning and projects to ensure local economic development. The meetings can also be conducted on virtual platforms.
Source of data	LED Forum related letters and proposals, LED Forum TOR, LED Forum invite, LED Forum agenda, LED Forum attendance register, Minutes and presentations.
Method of Calculation/ Assessment	Simple count of LED forums established at local municipalities in Province.
Means of verification	LED Forum related letters and proposals, LED Forum TOR, LED Forum invite, LED Forum agenda, LED Forum attendance register, Minutes and presentations.
Assumptions	Fully capacitated and cooperative municipalities.
Disaggregation of Beneficiaries (where applicable)	Not applicable.
Spatial Transformation (where applicable)	All districts
Calculation Type	Cumulative Year End
Reporting Cycle	Quarterly
Desired Performance	4 (one per quarter)
Indicator Responsibility	Senior Manager: RaLED

Indicator Title (2.1.4)	Number of EPWP employment opportunities reported in the Province
Definition	EPWP is a mandated reporting responsibility of the Department. The Sub-program must report all Work Opportunities created in the Department by all units and implement the DORA EPWP allocation in line with the Environmental Sector.
Source of data	DEDAT, DORA grant agreement, Transfer Agreement to implementing agent, Project proposal, Employee contract, attendance register and ID, Payroll.
Method of Calculation/ Assessment	Simple count of the number of EPWP employment opportunities created in the Province.
Means of verification	DORA grant agreement, Transfer Agreement to implementing agent, Project proposal, Employee contract, attendance register and ID, Payroll.
Assumptions	EPWP system is up to date and data is accurate. EPWP system does not experience downtime. Reaching all targeted groups and districts is dependent on the applications received and approved. All data sources are timeously received and are accurate.
Disaggregation of Beneficiaries (where applicable)	All targeted groups.
Spatial Transformation (where applicable)	All five districts in the Province.
Calculation Type	Cumulative Year End
Reporting Cycle	Annually
Desired Performance	150
Indicator Responsibility	Senior Manager: RaLED

Indicator Title (2.1.5)	Number of certificated diamond beneficiation graduates.
Definition	The trainees are enrolled at KIDJA who is supported by the department who ensures that the institution is financially resourced, ensures the development of a feasible business plan and plays a proactive role in identifying strategic partners to ensure the sustainability of the institution. The actual training is the responsibility of the KIDJA. KIDJA is an implementing platform for the department's objective to diversify the economy.
Source of data	DEDAT reports. KIDJA reports. Attendance registers of trainees. Certificates issued to graduates.
Method of Calculation/ Assessment	Simple count of certificated diamond beneficiation graduates.
Means of verification	DEDAT reports. KIDJA reports. Attendance registers of trainees. Certificates issued to graduates
Assumptions	KIDJA is financially resourced. Business plan is implemented. Governance and management of the institution is functional. Candidates apply for enrolment. Candidates complete the course. Strategic partners fulfil their obligations.
Disaggregation of Beneficiaries (where applicable)	All targeted groups.
Spatial Transformation (where applicable)	Not Applicable.
Calculation Type	Cumulative year end
Reporting Cycle	Annually
Desired Performance	25
Indicator Responsibility	Senior Manager: Strategic Initiatives

Indicator Title (2.1.6)	Number of Jewellery Manufacturing SMMEs established at KDJI.
Definition	A Jewellery Manufacturing SMME is the incubate that is housed at KDJI. In order to mature these incubates into self-sustaining SMMEs the Department ensures that KDJI is financially resourced, has a sound business plan and implementation plan and that the governance structure is in place and optimally functioning. The support from the department includes the identification of strategic partners for the supply of raw product supplies, providing incubates that is housed at KDJI with exposure to local and international exhibitions and markets; and seeking strategic partners to explore the manufacturing of other industrial gems.
Source of data	DEDAT reports. KDJI reports. Registers of SMMEs supported. CPIC registration details.
Method of Calculation/ Assessment	Simple count of the Number of Jewellery Manufacturing SMMEs established by KDJI.
Means of verification	DEDAT reports. KDJI reports. Registers of SMMEs supported. CPIC registration details.
Assumptions	The Diamond and Jewellery manufacturing initiatives are sustainable. Identified stakeholders are keen to support the initiatives. Jewellery Manufacturing SMMEs are committed to participate in the capacity development programmes that are offered. The SMME registers on CIPC.
Disaggregation of Beneficiaries (where applicable)	All targeted groups
Spatial Transformation (where applicable)	Not applicable
Calculation Type	Cumulative year end
Reporting Cycle	Annually.
Desired Performance	15
Indicator Responsibility	Senior Manager: Strategic Initiatives

Sub-Programme: Economic Empowerment, Preferential Procurement and BBBEE

Indicator Title (2.2.1)	Percentage of contribution to SMME blended fund disbursed.
Definition	It is the financial support provided by the DEDaT, in collaboration with the National Empowerment Fund (NEF) to enterprises in the Northern Cape. An enterprise encompasses a recognized enterprise trading entity as per the Companies Act and the Cooperatives Act. This includes a PTY Ltd, CC and Co-operative. The fund is a blended fund with the DEDaT providing a grant portion.
Source of data	DEDaT approved budget and IYM from DEDaT Management Accounting, Enterprise development administration. Transfer agreements. Monitoring and evaluation reports generated by Programme 2 as per transfer agreements with Memorandum of Understanding with the NEF.
Method of Calculation/ Assessment	The amount of funds disbursed, as a grant portion, against the financial contribution from the DEDaT expressed as a percentage.
Means of verification	DEDaT approved budget and IYM from DEDaT Management Accounting, Disbursement reports received from the NEF. Transfer agreements. Monitoring and evaluation reports received from the NEF as per transfer agreements and MoU with the NEF.
Assumptions	Data and information received will be accurate. Timeous processing of documents before the end of the financial year. Budget to effect disbursement is received. Sufficient applications for financial aid is and are compliant with criteria as of the NEF. All documentation from enterprises seeking funding is attached and the information is accurate. All funded enterprises will act according to expectation as expressed in the Transfer agreement with the NEF.
Disaggregation of Beneficiaries (where applicable)	All enterprises including the targeted groups.
Spatial Transformation (where applicable)	All districts in the province.
Calculation Type	Non-cumulative Year End
Reporting Cycle	Annually
Desired Performance	100%
Indicator Responsibility	Executive Manager: IEDS

Indicator Title (2.2.2)	Number of Enterprises assisted with non-financial support services.
Definition	<p>An enterprise can be either formal or informal or have the intent to initiate a trade or service venture with the intent of generating a profit. The informal sector refers to businesses that are operating yet are not registered with the CIPC. A formal enterprise encompasses a recognized trading entity as per the Companies Act and Co-operatives Act including new and existing enterprises. The assistance will range from entity registration, marketing, training, provision of information and providing support to enterprises to access markets. Assistance can also be provided with the aid of virtual platforms.</p> <p>The access to services rendered includes assistance ranging from entity registration, marketing, business planning, training and provision of information and the service point can be either virtual or a physical measure. The support can entail developing a proposal, supporting the development of a proposal, business plan, sourcing funding support, contributing towards or implementing an initiative. This can include the Library contact point initiative, the USSD project, NIBUS and access to enterprise development support and access to markets, access to services of Productivity SA, Proudly South Africa and South African Bureau of Standards (SABS), collaboration with stakeholders in the enterprise development ecosystem and facilitating the establishment of incubators and shared economic infrastructure facilities.</p>
Source of data	DEDaT reports generated by Enterprise development. Electronic forms of communication (although not exclusively). Referral letters, Invitations. Agendas, presentations, reports and attendance registers (where applicable.)
Method of Calculation/ Assessment	Simple count of the number of enterprises assisted.
Means of verification	DEDaT reports generated by Enterprise development. Electronic forms of communication (although not exclusively). Referral letters, Invitations. Agendas, presentations, reports and attendance registers (where applicable.)
Assumptions	Data received will be accurate. Invitees accept invitations and sign registers accurately and completely. Resources are in place for virtual assistance to be provided.
Disaggregation of Beneficiaries (where applicable)	All enterprises including targeted groups.
Spatial Transformation (where applicable)	All districts in the province.
Calculation Type	Cumulative Year End.
Reporting Cycle	Quarterly
Desired Performance	175
Indicator Responsibility	Executive Manager: IEDS

Indicator Title (2.2.3)	Number of targeted groups upskilled to participate in the mainstream economy.
Definition	These are the empowerment interventions implemented for target groups. Implementation of interventions include information sessions, training, workshops and identification of opportunities for targeted groups in the province. The intention is to implement these interventions in all districts across the province. It is not the number of people trained but the number of targeted groups represented by those trained. The targeted groups are youth, women and people living with disabilities.
Source of data	Reports, attendance registers, presentations, and programmes.
Method of Calculation/ Assessment	Simple count of the number of targeted groups upskilled to participate in the mainstream economy.
Means of verification	Reports, attendance registers, presentations, programmes. And training content for training interventions
Assumptions	The data received is accurate, useful and reliable. Targeted groups take up the opportunities provided.
Disaggregation of Beneficiaries (where applicable)	<ul style="list-style-type: none"> • Youth • Women • People with disabilities.
Spatial Transformation (where applicable)	All districts.
Calculation Type	Non-cumulative
Reporting Cycle	Quarterly
Desired Performance	3 targeted groups (women, youth and people living with disabilities)
Indicator Responsibility	Senior Manager: Economic Empowerment

Indicator Title (2.2.4)	Number of interventions conducted to capacitate HDI's to access economic opportunities.
Definition	Broad-Based Black Economic Empowerment (B-BBEE) aims to ensure that the economy is structured and transformed to enable the meaningful participation of the majority of its citizens and to further create capacity within the broader economic landscape at all levels through skills development, employment equity, socio economic development, preferential procurement, enterprise development, especially small and medium enterprises, promoting the entry of black entrepreneurs into the mainstream of economic activity, and the advancement of co-operatives. Interventions include information sessions, training, workshops and identification of opportunities for BBBEE uptake.
Source of data	Reports, Attendance registers, presentations programmes and Invitations.
Method of Calculation/ Assessment	Simple count of HDI's capacitated access economic opportunities.
Means of verification	Reports, Attendance registers, presentations, programmes and invitations
Assumptions	Data in documents is accurate, useful and reliable. HDI candidates participate in the interventions. Candidates provide accurate and current information.
Disaggregation of Beneficiaries (where applicable)	All HDIs
Spatial Transformation (where applicable)	<ul style="list-style-type: none"> All districts in the Province (over the MTSF)
Calculation Type	Cumulative Year-end
Reporting Cycle	Quarterly
Desired Performance	4
Indicator Responsibility	Senior Manager: Economic Empowerment

Programme: Trade and Sector Development**Sub-Programme: Sector Development**

Indicator Title (3.1.1)	Number of Economic Sectors supported.
Definition	Key contributing economic sectors of the Province supported: <ul style="list-style-type: none"> • Manufacturing and • Renewable energy
Source of data	DEDAT, StatsSA, CSIR, SARS, CIPRO/ Businesses within the sector
Method of Calculation/ Assessment	Simple count of the number of sectors supported.
Means of verification	StatsSA, CSIR, SARS, CIPRO/ Businesses within the sector publications. Reports.
Assumptions	The data received from sources is accurate and reliable.
Disaggregation of Beneficiaries (where applicable)	<ul style="list-style-type: none"> • Women • Youth • People with disabilities
Spatial Transformation (where applicable)	All districts within the province.
Calculation Type	Non-cumulative
Reporting Cycle	Quarterly
Desired Performance	2
Indicator Responsibility	Responsibility Manager: Sector Development

Sub-Programme: Trade and Investment Promotion

Indicator Title (3.2.1)	Number of Investment projects realized by NCEDA
Definition	The investment projects are linked to NCEDA's Trade and Investment APP for 2022/2023
Source of data	NCEDA quarterly reports. Investment project reports.
Method of Calculation/ Assessment	Simple count of Investment projects realized by NCEDA.
Means of verification	Signed NCEDA reports and Investment project reports. Letter of Intent or commitment.
Assumptions	NCEDA is fully resourced. Investment projects are bankable. Investors take up the investment opportunities. NCEDA reports are accurate and timeously submitted.
Disaggregation of Beneficiaries (where applicable)	All targeted groups
Spatial Transformation (where applicable)	Namakwa District, ZFM, JTG and PKS: <ul style="list-style-type: none"> • Namakwa SEZ • Boegoebaai Port • Upington Industrial Park • Kathu Industrial Park • De Aar Logistics Hub • Green Hydrogen
Calculation Type	Cumulative Year-End
Reporting Cycle	Annual
Desired Performance	4
Indicator Responsibility	Senior Manager: Trade & Investment Promotion

Indicator Title (3.2.2)	Number of Investment projects marketed
Definition	The aim is to actively market the Northern Cape as an ideal investment location to prospective investors both locally and abroad. This will be done through participation in local and international investment seminars and exhibitions OR through print and electronic media.
Source of data	Development of project templates or profiles. Copies of advertisements of investment projects in print or the electronic media.
Method of Calculation/ Assessment	Simple count of investment projects marketed.
Means of verification	Project templates or profiles. Copies of advertisements of investment projects in print or the electronic media. Investment publications.
Assumptions	Information on projects from companies or project owners must be reliable and accurate.
Disaggregation of Beneficiaries (where applicable)	All targeted groups.
Spatial Transformation (where applicable)	All districts in the Northern Cape Province.
Calculation Type	Cumulative Year-End
Reporting Cycle	Quarterly
Desired Performance	9
Indicator Responsibility	Senior Manager: Trade & Investment Promotion

Indicator Title (3.2.3)	Number of provincial emerging exporters trained.
Definition	The aim is to train emerging exporters in the Province in collaboration with the Department of Trade, Industry & Competition and other stakeholders. The training includes export awareness and export development.
Source of data	Departmental training reports and attendance registers of enterprises trained. Training materials. Invitations.
Method of Calculation/ Assessment	Simple count of emerging enterprises trained.
Means of verification	Departmental training reports and attendance registers of enterprises trained. Invitations. Attendance registers.
Assumptions	Data provided by SEDA, Business Chambers and other stakeholders is accurate, reliable and useful. Emerging exporters take up the training opportunities and complete the course. DTIC provides the facilitator and course material.
Disaggregation of Beneficiaries (where applicable)	<ul style="list-style-type: none"> • Youth • Women • People with disabilities.
Spatial Transformation (where applicable)	All districts
Calculation Type	Cumulative Year-end.
Reporting Cycle	Quarterly
Desired Performance	50
Indicator Responsibility	Senior Manager: Trade & Investment Promotion

Indicator Title (3.2.4)	Number of entrepreneurs exposed to export opportunities.
Definition	The aim is to assist emerging exporters and established exporters to compete on international trade platforms by participating in local and international exhibitions and trade fairs, physical or virtual participation. Marketing of trade opportunities in print or electronic media. Exposing the exporters to of trade leads posted on the departmental website.
Source of data	Media platforms and publications. E-mails send to emerging and established exporters on applications for export incentives. Reports of exhibitions attended. Copies of adverts of trade opportunities in print or electronic media. Departmental reports.
Method of Calculation/ Assessment	Simple count of entrepreneurs exposed to export markets.
Means of verification	E-mails sent to emerging and established exporters on applications for export incentives and e-mail invitations to exhibitions/trade fairs. Reports of exhibitions attended. Copies of adverts of trade opportunities in print or electronic media. Reports of exhibitions attended and registers of attendance.
Assumptions	Data and reports provided by sources such as dti, exporters and potential exporters are accurate, reliable and useful. Entrepreneurs take up the opportunities.
Disaggregation of Beneficiaries (where applicable)	All targeted groups.
Spatial Transformation (where applicable)	All districts
Calculation Type	Cumulative Year-end.
Reporting Cycle	Quarterly.
Desired Performance	14
Indicator Responsibility	Senior Manager: Trade & Investment Promotion

Programme 4: Consumer Protection and Business Regulation

Sub-Programme: Consumer Protection

Indicator Title (4.1.1)	Number of districts reached through Consumer Education and Awareness Campaigns in the Northern Cape Province.
Definition	The intention is to target the five districts in the Northern Cape Province. This will ensure that consumers are educated with regards to their rights when purchasing in the marketplace. The intention is that informed citizens will lead to more responsible economic activities on the part of the suppliers and address reckless spending by consumers and reduce exploitation of consumers.
Source of data	Reports generated by the Consumer Protector with attached evidence, which includes registers, media releases (print and audio) and examples of publications.
Method of Calculation/ Assessment	Simple Count of the number districts reached through Consumer Education and Awareness Campaigns in the Northern Cape Province.
Means of verification	Reports generated by the Consumer Protector with attached evidence, which includes registers, media releases (print and audio) and examples of publications.
Assumptions	COVID 19 Pandemic regulations allow for travelling and accommodation. All districts have operational community radio stations. The Office of the Consumer Protector is adequately resourced.
Disaggregation of Beneficiaries (where applicable)	All targeted groups
Spatial Transformation (where applicable)	The spatial referencing seeks to cover the following districts in each financial year: <ul style="list-style-type: none"> • Pixley Ke Seme • Frances Baard • John Taolo Gaetsewe • Namakwa • ZF McGawu
Calculation Type	Cumulative year-end
Reporting Cycle	Quarterly
Desired Performance	5
Indicator Responsibility	Consumer Protector

Indicator Title (4.1.2)	% of consumer complaints resolved per annum.
Definition	The Office of the Consumer Protector and Consumer Court provides redress to consumers through mediation, investigations, inspections and adjudication of consumer related complaints of the consumers in the Northern Cape Province. This does not include the last three months of the financial year in order to provide a three month period to resolve matters. The complaints will thus be calculated as of April until December in the specific financial year under review. Compliance inspections are subject to complaints received and cannot be arbitrary in nature, as the legislative mandate does not allow for it. Matters can also only be adjudicated after mediation and investigations fail, or if a matter is referred directly to the Court by a consumer or regulator.
Source of data	Complaints- and court Registers, complaint forms and letters to complainants.
Method of Calculation/ Assessment	$\frac{\text{number of complaints received}}{\text{number of complaints resolved}} \times \frac{100}{1}$
Means of verification	Complaints- and court Registers, complaint forms and letters to complainants.
Assumptions	Registers are accurate and current. Complaint forms are completed and submitted. That mediation and investigations take place. Complainants are open to mediation. Suppliers are co-operative. Attorneys are available for court sittings. Resources are available to guarantee travel and accommodation for attorneys and complainants/ suppliers.
Disaggregation of Beneficiaries (where applicable)	Not applicable
Spatial Transformation (where applicable)	All districts in the province.
Calculation Type	Non-Cumulative
Reporting Cycle	Annually
Desired Performance	89%
Indicator Responsibility	Consumer Protector

Sub-Programme: Business Regulation

The organogram of the Department has been approved and Business Regulation is now included in Programme 4. Regulation Services has been included (although it is unstaffed and unfunded) in the Annual Performance Plan because it is part of the generic structures for similar units in the whole country. In order to make this sub-programme functional, to manage and facilitate the provision of business regulatory services, we need resources to do so. We will therefore require a budget for appointment of vacant positions and to draft a new legislation to regulate the industry in the Province. Due to the fact that there are no warm bodies to perform this function, no targets can be inserted for this financial year.

Programme 5: Economic Planning**Sub-Programme: Economic Research and Policy Development**

Indicator Title (5.1.1)	Number of economic policies reviewed
Definition	Economic policies reviewed to ensure alignment of provincial plans to national strategic priorities to ensure effective economic planning. These are national policies developed by and implemented by DSDB, NDT, DTIC, DSI, DMRE amongst others.
Source of data	National and provincial economic strategies; StatsSA data, IHS Global Insight data, IMF data; reviewed reports. DEDAT
Method of Calculation/ Assessment	Simple count of the number of economic policies developed.
Means of verification	National and provincial economic strategies; StatsSA data, IHS Global Insight data, IMF data; reviewed reports. Reviewed economic policies.
Assumptions	Data in sources is accurate, reliable and useful.
Disaggregation of Beneficiaries (where applicable)	Not Applicable.
Spatial Transformation (where applicable)	Not Applicable.
Calculation Type	Cumulative year end.
Reporting Cycle	Quarterly
Desired Performance	4
Indicator Responsibility	Responsibility Manager: Policy and Planning

Indicator Title (5.1.2)	Number of Socio-Economic engagements with stakeholders.
Definition	Consult different stakeholders at municipal level to ensure alignment of their plans to Economic Imperatives and to gather inputs towards the development of Provincial Economic policies. (ERRP, DDM etc.) Coordinate quarterly engagement across three spheres of government to ensure implementation and report of MTSF chapter on Economic Development and Tourism
Source of data	Municipalities, Business government departments, private sector, SOEs.
Method of Calculation/ Assessment	Simple count of the Socio-economic engagements with stakeholders.
Means of verification	Engagement reports.
Assumptions	The data provided by sources is accurate, reliable and useful.
Disaggregation of Beneficiaries (where applicable)	Not Applicable.
Spatial Transformation (where applicable)	Not Applicable.
Calculation Type	Cumulative year end.
Reporting Cycle	Quarterly
Desired Performance	8
Indicator Responsibility	Responsibility Manager: Policy and Planning

Indicator Title (5.1.3)	Number of Research reports compiled.
Definition	The target will assist the department to come with intervention measures to improve provincial economic performance and for economic planning.
Source of data	World Bank, HSRC, OECD. Research and Development. DEDAT.
Method of Calculation/ Assessment	Simple count of research reports compiled
Means of verification	Research reports.
Assumptions	The data provided in the statistical publication is accurate.
Disaggregation of Beneficiaries (where applicable)	Not Applicable.
Spatial Transformation (where applicable)	Not Applicable.
Calculation Type	Cumulative year end.
Reporting Cycle	Annually
Desired Performance	1
Indicator Responsibility	Responsibility Manager: Economic Research & Development

Indicator Title (5.1.4)	Number of Economic intelligence reports developed.
Definition	The target entails a thorough analysis of global, national and provincial economic performance and advising the department on economic trends.
Source of data	Stats SA, Quantec, SARB. Research and Development
Method of Calculation/ Assessment	Simple Count of economic intelligence reports developed.
Means of verification	Stats SA, Quantec, SARB. Research and Development reports.
Assumptions	The data provided in the statistical publication is accurate, reliable and useful.
Disaggregation of Beneficiaries (where applicable)	Not Applicable.
Spatial Transformation (where applicable)	Not Applicable.
Calculation Type	Cumulative year-end.
Reporting Cycle	Quarterly
Desired Performance	4
Indicator Responsibility	Responsibility Manager: Economic Research & Development

Indicator Title (5.1.5)	Number of Economic overviews compiled.
Definition	The target entails a thorough analysis of global, national and provincial economic performance and advising the department on economic trends.
Source of data	Stats SA, Quantec, SARB. Research and Development
Method of Calculation/ Assessment	Simple count of economic overviews.
Means of verification	Economic overviews compiled.
Assumptions	The data supplied in the sources is accurate, reliable and useful.
Disaggregation of Beneficiaries (where applicable)	Not Applicable.
Spatial Transformation (where applicable)	Not Applicable.
Calculation Type	Cumulative year-end.
Reporting Cycle	Quarterly.
Desired Performance	4
Indicator Responsibility	Responsibility Manager: Economic Research & Development

Indicator Title (5.1.6)	Number of Reviewed DEDaT research agenda.
Definition	The target entails outlining the prioritisation of research areas to provide necessary economic intelligence/guidance for decision making.
Source of data	Mandatory Documents, e.g. SONA, SOPA etc. current Global, National, and provincial economic priorities (Primary and Secondary sources). Research and Development.
Method of Calculation/ Assessment	Simple count of reviewed research agendas.
Means of verification	Reviewed research agenda/s.
Assumptions	Data supplied in the sources is accurate, reliable and useful.
Disaggregation of Beneficiaries (where applicable)	Not Applicable.
Spatial Transformation (where applicable)	Not Applicable.
Calculation Type	Cumulative year-end.
Reporting Cycle	Annually.
Desired Performance	1
Indicator Responsibility	Responsibility Manager: Economic Research & Development

Sub-Programme: Knowledge Economy Support

Indicator Title (5.2.1)	Number of Knowledge Management Systems implemented
Definition	Develop and maintain systems for information processing and publishing.
Source of data	DEDAT Reports
Method of Calculation/ Assessment	Simple count of Knowledge Management Systems implemented.
Means of verification	DEDAT Reports. Knowledge Management systems.
Assumptions	The data in the report is accurate, reliable and useful.
Disaggregation of Beneficiaries (where applicable)	Not Applicable.
Spatial Transformation (where applicable)	Not Applicable
Calculation Type	Cumulative year-end
Reporting Cycle	Annually
Desired Performance	1
Indicator Responsibility	Manager: Knowledge Economy Support

Indicator Title (5.2.2)	Number of Sites provided with access to broadband / Wi-Fi connectivity
Definition	Provide access to broadband connectivity to communities in rural areas that will enable them to form part of the information age / Digital Era. It includes connectivity via Wi-Fi.
Source of data	Department of Telecommunications and Postal Services (DTPS); National Broadband Policy; Broadband Infracore Reports; State IT Agency Reports.
Method of Calculation/ Assessment	Simple count of sites with access to broadband connectivity.
Means of verification	Department of Telecommunications and Postal Services (DTPS); National Broadband Policy; Broadband Infracore Reports; State IT Agency Reports. Afrovention Foundation reports.
Assumptions	Delivery partners deliver as mandated.
Disaggregation of Beneficiaries (where applicable)	All targeted groups.
Spatial Transformation (where applicable)	<ul style="list-style-type: none"> • Pixley Ka Seme (PKSDM) • JTG • FB • Namakwa District • ZFM
Calculation Type	Cumulative year-end.
Reporting Cycle	Bi-Annually
Desired Performance	20
Indicator Responsibility	Responsibility Manager: Knowledge Economy Support

Indicator Title (5.2.3)	Number of Digital Infrastructure initiatives supported.
Definition	ICT e-Infrastructure development.
Source of data	Information Source: NCISS; .Collection Method, Research and Consultation. Knowledge Economy and Innovation; Reports; Invitations; registers; correspondence (hard and soft copy); Website design/s;
Method of Calculation/ Assessment	Simple count of Digital Infrastructure initiatives supported.
Means of verification	Information Source: NCISS; .Collection Method, Research and Consultation. Knowledge Economy and Innovation; Reports; Invitations; registers; correspondence (hard and soft copy); Website design/s;
Assumptions	The data supplied by sources is accurate, reliable and useful.
Disaggregation of Beneficiaries (where applicable)	All targeted groups.
Spatial Transformation (where applicable)	<ul style="list-style-type: none"> • Frances Baard • JTG
Calculation Type	Cumulative year-end.
Reporting Cycle	Bi-Annually
Desired Performance	2
Indicator Responsibility	Director: Knowledge Economy Support

Indicator Title (5.2.4)	Number of e-Skills development initiatives implemented.
Definition	A strong skills base developed for the Northern Cape to be a proficient and globally competitive knowledge economy
Source of data	Stats SA; DTPS; WSIS (World Summit on Information Society). Knowledge Economy and Innovation; invitations; correspondence (hard and soft copy); attendance registers; presentations; reports; training material;
Method of Calculation/ Assessment	Simple Count of e-skills development initiatives implemented
Means of verification	Stats SA; DTPS; WSIS (World Summit on Information Society). Knowledge Economy and Innovation; invitations; correspondence (hard and soft copy); attendance registers; presentations; reports; training material;
Assumptions	Data supplied by sources is accurate, reliable and useful. Delivery partners deliver as mandated. Sufficient resources available.
Disaggregation of Beneficiaries (where applicable)	All targeted groups.
Spatial Transformation (where applicable)	All districts in the province.
Calculation Type	Cumulative year-end.
Reporting Cycle	Quarterly
Desired Performance	4
Indicator Responsibility	Director: Knowledge Economy Support

Indicator Title (5.2.5)	Number of Reports on localisation initiatives implemented in terms of the SKA.
Definition	Consultations in local municipalities raising awareness on opportunities arising around and in the SKA project
Source of data	SARAO Reports, Compliance Reports. Minutes of meetings. Knowledge Economy and Innovation
Method of Calculation/ Assessment	Simple count of Reports on economic development initiatives in the SKA regional municipalities
Means of verification	SARAO Reports, Compliance Reports. Minutes of meetings. Knowledge Economy and Innovation reports.
Assumptions	The data received in accurate, reliable and useful.
Disaggregation of Beneficiaries (where applicable)	All targeted groups.
Spatial Transformation (where applicable)	<ul style="list-style-type: none"> N/A
Calculation Type	Cumulative year-end.
Reporting Cycle	Quarterly
Desired Performance	4
Indicator Responsibility	SKA Co-ordinator

Tourism**Sub-Programme: Tourism Development**

Indicator Title (6.1.1)	Number Of Destination Development Stakeholder Relationships Supported.
Definition	Meet with tourism industry stakeholders to provide support for relationships with stakeholders impacting destination development where support may include advice, taking up a seat on project steering committees and project progress monitoring.
Source of data	Attendance registers. Minutes of meetings.
Method of Calculation/ Assessment	Simple count of number of stakeholder relationships supported.
Assumptions	Stakeholder availability. Resource availability.
Disaggregation of Beneficiaries (where applicable)	-
Spatial Transformation (where applicable)	All districts.
Calculation Type	Cumulative.
Reporting Cycle	Quarterly
Desired Performance	16
Indicator Responsibility	Director: Tourism Development

Indicator Title (6.1.2)	Number of Tourism Enterprises Supported.
Definition	Enhance the market offering or market access of tourism enterprises through financial and non-financial support.
Source of data	Approved spending authorisations or signed transfer agreements. Project reports.
Method of Calculation/ Assessment	Simple count of tourism enterprises supported.
Assumptions	Sufficient number of youth and female owned tourism enterprises available and compliant at the time of the support deadline and making available documentation as required.
Disaggregation of Beneficiaries (where applicable)	25% youth 50% female
Spatial Transformation (where applicable)	All districts.
Calculation Type	Cumulative.
Reporting Cycle	Bi-annually
Desired Performance	20
Indicator Responsibility	Director: Tourism Development

Indicator Title (6.1.3)	Number of Initiatives To Enhance Provincial Visitor Experience.
Definition	Enhance the provincial visitor experience.
Source of data	Approved spending authorisations or signed transfer agreements. Project reports.
Method of Calculation/ Assessment	Simple count of the initiatives to enhance provincial visitor experiences.
Assumptions	Beneficiaries available and compliant at the time of the support deadline and making available documentation on time as required.
Disaggregation of Beneficiaries (where applicable)	-
Spatial Transformation (where applicable)	All districts.
Calculation Type	Cumulative.
Reporting Cycle	Quarterly.
Desired Performance	10
Indicator Responsibility	Director: Tourism Development

Indicator Title (6.1.4)	Number of Industry Enabling Tourism Infrastructure Development Interventions
Definition	Support the development initiatives of industry enabling tourism infrastructure.
Source of data	Approved spending or transfer authorisations. Project reports.
Method of Calculation/ Assessment	Simple count of tourism infrastructure development initiatives.
Assumptions	Beneficiaries available and compliant at the time of the support deadline and making available documentation as required.
Disaggregation of Beneficiaries (where applicable)	-
Spatial Transformation (where applicable)	Pixley ka Seme District. Z.F. McGawu District. Frances Baard District.
Calculation Type	Cumulative year-end.
Reporting Cycle	Annually
Desired Performance	3
Indicator Responsibility	Director: Tourism Development

Indicator Title (6.1.5)	Number of Tourism Industry Compliance Interventions
Definition	Launch an intervention or multiple interventions per client to support and maintain and improve compliance with required industry standards and/or support funding criteria and/or grant management requirements. An intervention is an act of engagement with a specific client to provide support to achieve compliance in a specific matter.
Source of data	Minutes of meetings.
Method of Calculation/ Assessment	Simple count of individual business owners and / or grant beneficiaries supported to maintain or improve compliance with required industry standards and/or support funding criteria and/or grant management requirements.
Assumptions	Sufficient number of beneficiaries available and cooperating to allow access for properties to be inspected and/or sufficient number of beneficiaries providing documentation for DEDAT to assist with compliance.
Disaggregation of Beneficiaries (where applicable)	-
Spatial Transformation (where applicable)	All districts.
Calculation Type	Cumulative.
Reporting Cycle	Quarterly
Desired Performance	20
Indicator Responsibility	Director: Tourism Development

Sub-Programme: Tourism Growth

Indicator Title (6.2.1)	Number of Tourism Industry Stakeholder consultations.
Definition	These sessions with stakeholders in tourism are held to improve the development of tourism in the province through integrated planning. Tourism industry performances are included which include Visitor tracking system, customer satisfaction surveys, knowledge management and actual Tourism Industry Performance Reports and the Marine Coastal Strategy Reports.
Source of data	Invites, agenda, presentations, minutes of sessions. Attendance Registers, Industry performance report and Marine and Coastal Strategy Report (note that not all of the above sources are required to prove that consultation sessions took place)
Method of Calculation/ Assessment	Simple count of the number of Stakeholder consultative sessions.
Assumptions	Stakeholders accept the invites to the sessions and attend them. Relevant Covid-19 regulations allow sessions to transpire. Sufficient resources are available.
Disaggregation of Beneficiaries (where applicable)	Not Applicable.
Spatial Transformation (where applicable)	All districts within the Northern Cape Province.
Calculation Type	Cumulative (Year-end)
Reporting Cycle	Quarterly.
Desired Performance	6
Indicator Responsibility	Responsibility Manager: Tourism Growth.

Indicator Title (6.2.2)	Number of Interventions to support the tourist guiding sub-sector.
Definition	Facilitate and develop an empowered tourist guiding sub-sector through skills development initiatives to ensure quality service offering. These interventions include mentorship programmes, tourist guiding workshop, tourism business registration and illegal tourist guiding inspections.
Source of data	Attendance registers, certificate of attendance and/or certificate of qualification and/or close-out report.
Method of Calculation/ Assessment	Simple count of tourist guide trained, and mentored, up-skilled
Assumptions	Maintain professional standards within the tourist guiding sub-sector and enhance the guiding skills of tourist guides in order to offer quality service to the tourist market
Disaggregation of Beneficiaries (where applicable)	All targeted groups
Spatial Transformation (where applicable)	JTG, PKS, FB, ZFM
Calculation Type	Cumulative (Year-end)
Reporting Cycle	Quarterly
Desired Performance	7
Indicator Responsibility	Responsibility Manager: Tourism Growth.

Indicator Title (6.2.3)	Number of Tourism safety initiatives.
Definition	Create enabling environment for a sustained tourist visitation through tourism safety awareness interventions which includes Covid-19 awareness campaigns and development of a tourism crisis management framework.
Source of data	Tourism – safety material distribution register. Crisis Management Concept Document. Covid-19 promotional material distribution register. Radio slots (audio clip, written proof from community radio station)
Method of Calculation/ Assessment	Simple count of tourism safety initiatives
Means of verification	Community radio stations are viable. Sufficient resources are in place. Recipient signs distribution register.
Assumptions	Community radio stations are viable. Sufficient resources are in place. Recipient signs distribution register.
Disaggregation of Beneficiaries (where applicable)	All targeted groups
Spatial Transformation (where applicable)	All five districts with the Northern Cape
Calculation Type	Cumulative (Year-end)
Reporting Cycle	Quarterly
Desired Performance	6
Indicator Responsibility	Provincial Registrar of Tourist Guides.

Indicator Title (6.2.4)	Number of Community-Based tourism Programmes conducted.
Definition	These advocacy programmes with stakeholders in tourism are conducted to enhance local awareness of Indigenous, heritage, culture and rural tourism.
Source of data	Awareness Programmes Recordings, Reports. Minutes of sessions. Attendance Registers. Presentations made at the sessions.
Method of Calculation/ Assessment	Simple count of local tourism awareness advocacy programmes.
Means of verification	Awareness Programmes Recordings, Reports. Minutes of sessions. Attendance Registers. Presentations made at the sessions.
Assumptions	Stakeholders agree to the awareness specifications and methodology. Stakeholders attend programmes. Sufficient resources. Covid-19 regulations allow programmes to transpire.
Disaggregation of Beneficiaries (where applicable)	All targeted groups
Spatial Transformation (where applicable)	All districts in the Northern Cape
Calculation Type	Cumulative Year end
Reporting Cycle	Quarterly.
Desired Performance	8
Indicator Responsibility	Responsibility Manager: Tourism Sector Transformation

Indicator Title (6.2.5)	Number of responsible tourism programmes conducted
Definition	Conduct responsible tourism awareness programmes.
Source of data	Awareness Programmes Recordings, Reports. Minutes of sessions. Attendance Registers. Presentations made at the sessions.
Method of Calculation/ Assessment	Simple count of support tourism initiatives.
Means of verification	Awareness Programmes Recordings, Reports. Minutes of sessions. Attendance Registers. Presentations made at the sessions.
Assumptions	Stakeholders agree to the awareness specifications and methodology. Sufficient resources are available. Covid-19 regulations allow for the initiative to transpire.
Disaggregation of Beneficiaries (where applicable)	All targeted groups
Spatial Transformation (where applicable)	All districts in the Northern Cape
Calculation Type	Cumulative Year end
Reporting Cycle	Quarterly.
Desired Performance	13
Indicator Responsibility	Responsibility Manager: Tourism Sector Transformation

ANNEXURES TO THE ANNUAL PERFORMANCE PLAN

ANNEXURE A: Amendments to the Strategic Plan

The following additions were made to “Institutional Policies and Strategies 2020 -2025.”

National Infrastructure Plan

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

Bi-lateral Agreements

The two priorities, and subsequent impacts and outcomes that resonate with the dual roles of the Department of Economic Development and Tourism are:

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

Changes to Annual Performance Plan

Programme 1: Administration

Office of the HOD

Original Indicator	Revised Indicator
1.1.1 Technical cluster support.	1.1.1 Proceedings of the Technical Economic Sector, Investment, Employment and Infrastructure Development Cluster.
1.1.2 Economic Policy Advocacy initiatives	Economic Technical Advisory Committee (Think Tank) narratives.
1.1.3 Economic Cluster Stakeholder support	1.1.3 Progress on Economic Cluster Resolutions.
-	1.1.4 Analysis of High impact projects.

Programme 2: IEDS

Enterprise Development

Original Indicator	Revised Indicator
2.1.1 Financial support provided to enterprises.	2.2.1 Percentage of EGDF disbursed.

Programme 3: Trade and Sector Development

Trade and Investment Promotion

Original Purpose	Revised Purpose
Support export development and promote exports through targeted strategies. Support foreign direct investment flows and promote domestic investment.	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).

Original Indicator	Revised Indicator
3.1.1 High impact project investment recruitment	3.1.1 Investment projects realized by NCEDA
3.1.3 Existing investor aftercare.	3.1.5 Trade enquiries facilitated by NCEDA.

Strategic Initiatives

Original Indicator	Revised Indicator
3.3.1 Diamond and Jewellery skills development agencies capacitated.	3.3.1 Diamond and Jewellery skills development agency capacitated.

Programme 5: Policy Research and Innovation

Economic Policy Development

Original Indicator	Revised Indicator
5.1.4 Economic Policy briefs.	5.1.4 Socio-economic engagements with stakeholders.

Knowledge Economy and Innovation

Original Indicator	Revised Indicator
5.3.4. E-Skills development initiatives.	5.3.4. E-Skills development initiatives implemented.
5.3.5 Reports on economic development initiatives in the SKA regional municipalities.	5.3.5 Reports on localisation initiatives implemented in terms of the SKA.

Programme 6: Tourism

Tourism Growth

Original Indicator	Revised Indicator
6.1.1 Tourism Industry Stakeholder consultation.	6.1.1 Tourism Industry Stakeholder consultation.
6.1.2 Awareness campaigns.	6.1.2 Interventions to support the tourist guiding sector.
6.1.3 Tourism Industry interventions.	6.1.3 Indigenous, heritage, culture and rural tourism awareness programmes.
6.1.4 Tourism guiding sector interventions.	Removed from Revised APP 2020/2021.
6.1.5 Illegal tourism guide campaigns.	Removed from Revised APP 2020/2021.
<p>Output indicators reduced. Indicator 6.1.3 changed the original "Output" (Increased indigenous, rural and township Tourism Awareness) into an indicator. The "Output" was replaced with "Tourism Awareness and Advocacy Programmes."</p>	

CHANGES TO APP 2021/2022

The following change/s were effected address the DPME Assessment Report finding on the Draft APP 2021/2022 under paragraph 2.1.1 that reads “*The department must present programme outputs and related performance information according to the approved budget programme structure.*”

Name of Programme/Sub-Programme	Change effected in APP 2021/2022
Regional Economic Development Support (REDS)	Regional and Local Economic Development (RaLED)

Outlook Indicator Changes to APP 2021/2022

The following change/s were effected address the DPME Assessment Report finding on the Draft APP 2021/2022 under paragraph 2.1.3, 2.1.4, 2.1.5, 2.1.6 and 2.1.7

Indicator in APP 2020/2021	Change/s effected
2.1.2 Enterprises assisted with non-financial support services.	Number of Enterprises assisted with non-financial support services.
2.1.3 Enterprise support initiatives.	Deleted
2.1.4 Enterprise procurement opportunities.	Deleted
2.2.1 Municipal Economic Development Projects supported	% of LED Projects approved in the Province.
2.2.2 Municipalities' plans aligned to economic development policies.	Number of districts in which an LED policy is approved.
2.2.3 EPWP Work opportunities.	EPWP employment opportunities created in the Province
2.2.4 Number municipalities assisted to establish a LED Forum.	Number of LED forums established at local municipalities in Province.
2.3.1 Target groups interventions.	Number of targeted groups upskilled to participate in the mainstream economy
2.3.2 BBBEE interventions.	Number of HDI's capacitated to access economic opportunities.
3.1.1 Investment promotion oversight reports	Investment projects realized by NCEDA
3.1.2 Investment Facilitation	Investment projects marketed
3.1.3 Existing investor aftercare	Number of provincial emerging exporters trained
3.1.4 Emerging exporter development	Number of entrepreneurs exposed to export opportunities.
3.1.5 Trade and promotion oversight reports	Deleted
3.3.1 Diamond and Jewellery skills development agencies capacitated.	Number of certificated diamond beneficiation graduates.
3.3.2 Diamond and Jewellery incubation agency capacitated.	Number of Jewellery Manufacturing SMMEs established by KDJI.
4.1.1 Legislatively compliant entities.	Percentage of legislatively compliant entities reporting to the MEC for Economic Development and Tourism
4.3.1 Expanded Consumer Protector reach.	Number of districts reached through Consumer Education and Awareness Campaigns in the Northern Cape Province.

Outlook Indicator Changes to APP 2022/2023

Indicator in APP 2021/2022		Change/s effected in 2022/2023
1.1.1	Proceedings of the Technical Economic Sector, Investment, Employment and Infrastructure Development Cluster.	Indicators 1.1.1 - 1.1.4 has been replaced with: “% of recommendations accepted by the Economic Sectors Employment Investment and Infrastructure Development Cluster.” The former indicators now resonate in the Annual Operational Plan
1.1.2	Economic Technical Advisory Committee (Think Tank) narratives.	
1.1.3	Progress on Economic Cluster Resolutions.	
1.1.4	Analysis of High impact projects.	
1.3.1	Employment equity reports.	Number of departmental employment equity reports completed.
1.3.2	SMS financial disclosures	Number of departmental SMS financial disclosures completed.
1.3.3	Performance Agreements	Number of departmental Performance Agreements signed.
1.3.4	Employee Health and Wellness initiatives.	Number of departmental Employee Health and Wellness initiatives implemented.
1.3.5	Information dissemination initiatives	Number of departmental Information dissemination initiatives implemented.
1.3.6	Legal sessions	Number of departmental Legal Sessions conducted.
2.1.1	Percentage of EGDF disbursed.	Percentage of contribution to SMME blended fund disbursed.
2.1.2	% of LED projects approved in the Province.	Number of economic development policies developed in the Province.
2.2.4	EPWP employment opportunities created in the Province.	Number of EPWP employment opportunities reported in the Province.
2.3.2	Number of HDI's capacitated to access economic opportunities.	Number of interventions conducted to capacitate HDI's to access economic opportunities.
3.3.2	Number of Jewellery Manufacturing SMMEs established by KDJI.	Number of Jewellery Manufacturing SMMEs established at KDJI.
5.1.2	Reviewed economic policies.	Number of economic policies reviewed
5.1.3	MTSF priority implementation monitoring.	Deleted.
5.1.4	Socio-Economic engagements with stakeholders	Number of Socio-Economic engagements with stakeholders.
5.2.1	Research reports compiled.	Number of Research reports compiled.
5.2.2	Research-and-development initiatives supported.	Number of Research-and-development initiatives supported.
5.2.3	Economic intelligence reports developed.	Number of Economic intelligence reports developed.
5.2.4	Economic overviews compiled.	Number of Economic overviews compiled.
5.2.5	Reviewed DEDaT research agenda.	Number of Reviewed DEDaT research agendas.
5.3.1	Knowledge Management Systems implemented.	Number of Knowledge Management Systems implemented.
5.3.2	Sites with access to broadband connectivity.	Number of Sites provided with access to broadband connectivity.
5.3.3	Digital Infrastructure initiatives supported.	Number of Digital Infrastructure initiatives supported.
5.3.4	E-Skills development initiatives implemented.	Number of e-Skills development initiatives implemented.
5.3.5	Reports on localisation initiatives implemented in terms of the SKA.	Number of Reports on localisation initiatives implemented in terms of the SKA.
5.4.1	Monitoring reports	Number of Monitoring reports on the impact of economic development initiatives in the Province.
5.4.2	Evaluation reports	Number of Evaluation reports.
6.1.1.	Tourism Industry Stakeholder consultation	Number of Tourism Industry Stakeholder consultations.
6.1.2	Interventions to support the tourist guiding sub-sector.	Number of Interventions to support the tourist guiding sub-sector.
6.1.3	Tourism Safety awareness and campaign against illegal tourist guiding	Number of Tourism safety initiatives.
6.1.4	Indigenous, heritage, culture and rural tourism awareness programmes.	Deleted
6.1.5	Support tourism initiatives.	Deleted.

Indicator in APP 2021/2022		Change/s effected in 2022/2023
6.2.1	Upskill Tourism Industry Workforce	Number Of Destination Development Stakeholder Relationships Supported.
6.2.2	Black tourism entrepreneurs supported.	Deleted
6.2.3	Initiatives to enhance provincial visitor experience.	Number of initiatives to enhance the provincial visitor experience.
6.2.4	Tourism infrastructure development interventions.	Number of Industry Enabling Tourism Infrastructure Development Interventions
6.2.5	Tourism Industry compliance interventions.	Number of Tourism Industry Compliance Interventions
6.2.6	NCTA Operational Support Initiatives	Deleted.

Changes to “Purpose” APP 2022/2023*

Programme/Sub-programme Purpose in APP 2021/2022		Change/s effected in 2022/2023
Corporate Services	Provide strategic, leadership, management and support services to the department that include human resource management, legal matters, communication and e-governance.	Provide strategic, leadership, management and support services to the department that include Human Resources Management i.e. administration, recruitment and development, Communications, ICT Management, Employee Health and Wellness, Labour and Legal Services.
Integrated Economic Development Services	Promote the development of small businesses and cooperatives that contribute to inclusive economic growth and job creation.	The purpose of IEDS is to promote economic and small business development through shared partnerships
Regional and Local Economic Development	To provide support to municipalities in terms of LED planning, alignment and implementation in partnership with key stakeholders in order to support development and economic growth by 2025.	To ensure the promotion of economic growth and development in local economies in partnership with key stakeholders
Business Regulation and Governance	Develop and implement coherent, predictable and transparent regulatory solutions that facilitate easy access to redress and efficient regulation for economic citizens.	To remove barriers which inhibit business development and to ensure regulation of Consumer Protection in the Northern Cape Province.
Economic Planning	Improve government service delivery through integrated planning, monitoring and evaluation.	Support and facilitate the transformation, diversification and growth of the provincial economy by promoting integrated development planning and innovation through efficient research to further growth and development towards digital transformation
Economic Research and Policy Development	Align economic development policies aimed at broadening participation in the economy to create work opportunities	To promote integrated economic planning for faster economic development
Knowledge Economy Support	Innovate and modernise the provincial economy by facilitating the development, protection and utilization of intellectual property, technology transfer and technological commercialization to enable entrepreneurs to benefit along the entire innovation value chain.	To develop the knowledge economy through innovation to promote economic development.
Tourism	Promote and support the growth and development of an equitable, competitive and sustainable tourism sector, enhancing its contribution to national priorities.	To lead tourism growth, development and destination promotion in the Northern Cape.
Tourism Growth	Monitor the tourism’s sector performance and enable stakeholder relations.	To manage unlocking the economic potential of the provincial tourism industry through creating an enabling policy and planning environment.

Programme/Sub-programme Purpose in APP 2021/2022		Change/s effected in 2022/2023
Tourism Development	Facilitate and coordinate tourism destination development. Enhance transformation, increase skill levels and support the sector to ensure that South Africa is a competitive tourist destination.	Support the development of an attractive and competitive destination Northern Cape.

** The changes to “purpose” were consequential to the revision of the departmental organogram as per the directive from the DPSA.*

Organogram Changes to APP 2022/2023

The departmental organogram was changed from Diagram A to Diagram B. The new organogram is effective 1 April 2023.

Diagram A

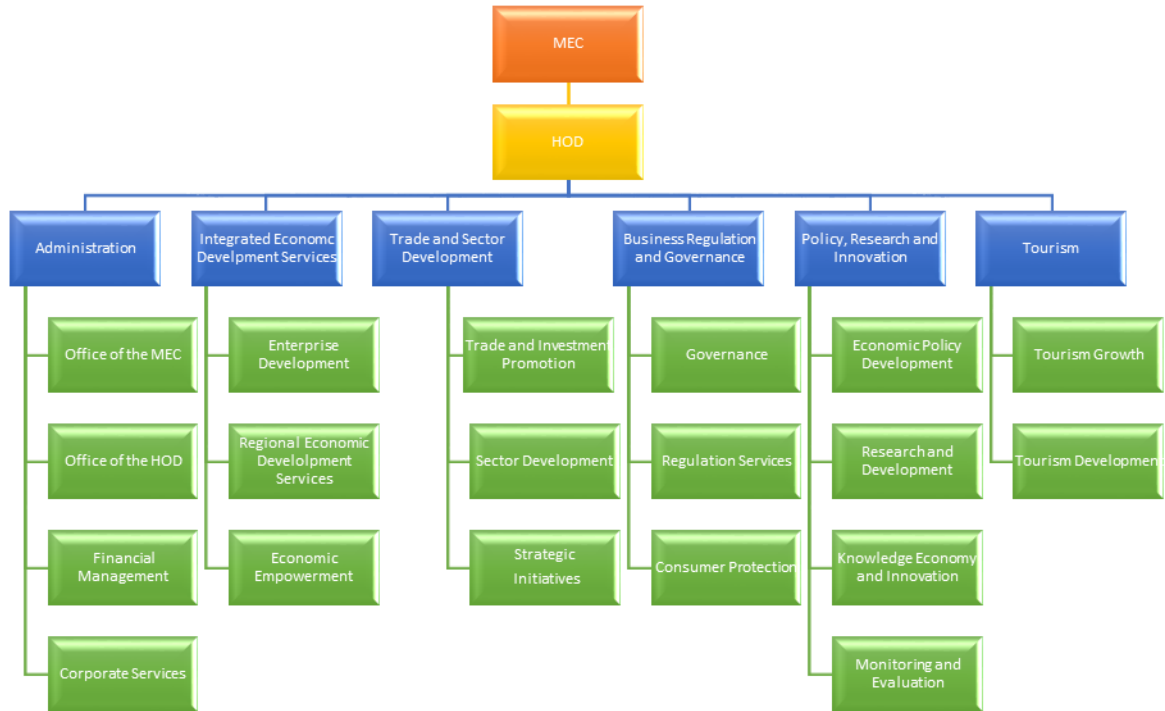
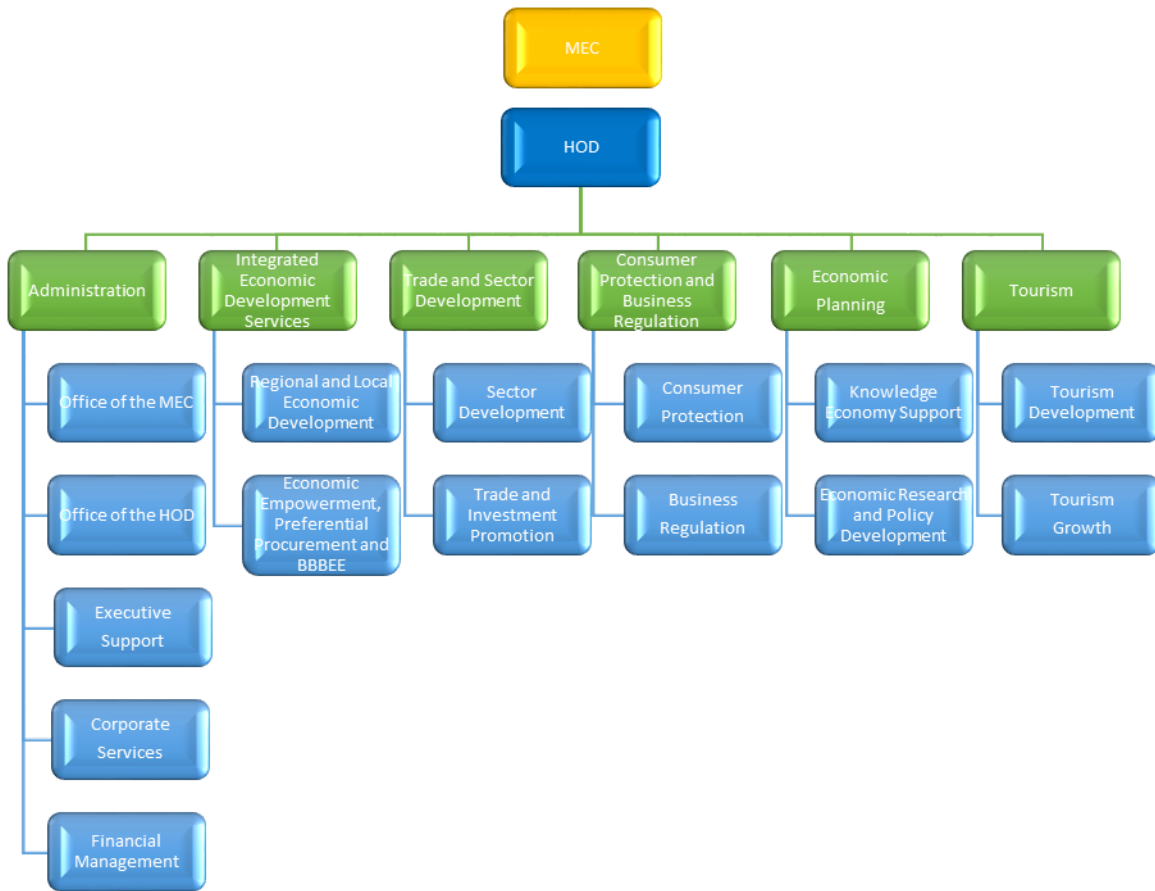


Diagram B



Narrative on the changes to the Organogram

As per a directive from the DPSA, the department had to review its organisational structure. The department embarked on this process and received concurrence on its proposed organisational Structure from the Minister of Public Service and Administration in December 2021. It is envisaged to commence with the implementation of this new structure from 1 April 2022.

The rationale for the new structure:

- To comply with the DPSA directive on structuring that came into effect on 1 September 2015
- To create a functional organogram for the department as per the DPSA requirements (previous structure did not comply).
- To align the structure to new strategic developments in order to be in a better position to carry out its strategic mandate.

- To accommodate the sub-programmes, directorates and sub-directorates created by means of ad-hoc arrangements and submissions
- To accommodate the return of Consumer Authority as part of departmental establishment
- To eliminate the situation where posts of same level report to each other or reside in the same directorate

The changes and impact of the new structure

The new structure is informed by the strategic priorities of government as well as departmental priorities. From the internal consultations, it was proposed that Department retains the existing 6 Programme Structure, with minor changes which includes the following:

- The span of control (reporting lines) will be improved and this will improve the workflow
- Instances where Senior Managers reporting to other Senior Managers will be corrected in order to ensure proper accountability of Directorates/units.
- Renaming of certain existing positions e.g. renaming HR Practitioners to Personnel Officers
- Renaming of certain Chief Directorates, Directorates and Sub – Directorates.
- Staff members will be shifted to other positions if required based on current skills where posts will be abolished.

Changes per programme:

Programme 1: ADMINISTRATION

- Chief Economist Unit and functions will be abolished in an effort to effect savings and integrates into the fact that the department is combining and abolishing positions according to its strategic mandate and operations. The functions of this unit consisted mainly of research and analysis of economic data and is duplicate of that of Programme 5 Economic Planning, where this function is carried out more comprehensively.
- The Chief Operations Officer post will be retained in the proposed structure and will be renamed, Chief Director: Corporate Services in order to comply with the generic

functional structure, it was also recently vacated and is identified as a critical vacant post.

- HRD, OMF AND OD are clustered together because of budgetary constraints to create separate sub-directorates, so the three functions are combined under one sub-directorate. Early Retirements also played a role in this clustering as savings needed to be effected.
- Social Responsibility and Outreach Programmes will be located in the EHW and Diversity Management unit. This function is also a responsibility of the Office the MEC but combining it with EHW makes sense as it also encompasses special and wellness Programmes, thus it will not duplicate any EHW Functions.
- Legal Services will be combined with Labour Relations and will function with a Deputy Director and two Assistant Directors.
- The Economic Cluster is retained in the new structure but renamed to Executive Support.
- Intergovernmental Relations will combine with the Economic Cluster Secretariat to form the Directorate: Economic Cluster Secretariat and IGR in order to comply with the Generic structure, improve reporting lines and aiding in the achievement of the strategic objectives of the department.
- Strategy Management will be combined with Monitoring and Evaluation from Programme 5 to create the Directorate of Strategic Management, Monitoring and Evaluation under Executive Support. This is done in order to ensure compliance with the Generic Structure and to ensure proper reporting lines
- Risk Management will be combined with Governance from Programme 4 to form the Directorate: Governance and Risk Management. This is done in order to ensure compliance with the Generic Structure and to ensure proper reporting lines.
- The sub – directorates of Security and Records Management remain combined to form the Sub – directorate: Security and Records Management which will now form part of the Governance and Risk Management Directorate in order to improve reporting lines and improve the quality of record keeping and security as they are risk factors.
- The Security and Registry unit remains clustered together because separating the two functions would make neither of them a sub-directorate as both Deputy Director posts would not make level 11 on JE. But keeping the functions combined ensures that it

retains its status as sub-directorate, headed by one Deputy Director and supported by two Assistant Directors: Security and Records and Facilities.

- Posts created additional to the establishment will be included in the new structure, amongst these posts are the Security Guards that were on contract and absorbed into the department and appointed additional to the establishment, the new structure makes provision for them in the Security and Records Sub – Directorate.

Programme 2: INTEGRATED ECONOMIC DEVELOPMENT SERVICES

- The EPWP sub-directorate that previously reported directly to the Chief Director will now report to Director: RALED, this is done to ensure that proper reporting lines are effected. Township Revitalization is now renamed Township Development and combined with EPWP as a sub-directorate under Regional and Local Economic Development.
- Economic Empowerment, Preferential Procurement and BBBEE will be a Directorate. Economic Empowerment and Enterprise Development and Preferential Procurement & BBBEE are now its sub-directorates to ensure proper re alignment of the Programme and to improve reporting lines.
- Economic Empowerment with Enterprise Development support and Co-operatives under this Directorate are also combined. This is aimed at creating a fully functional Directorate and Sub-Directorate. The two Assistant Director posts were moved to the sub-directorate Mining and Mineral beneficiation, this will enable the sub-directorate to function optimally.

Programme 3: TRADE AND SECTOR DEVELOPMENT

The Programme retains two of the three Directorates as previously structured; Sector Development, Trade and Investment Promotion will be retained and Strategic Initiatives functions will move to Programme.

Sector Development:

- Now comprises only of Manufacturing and Renewable Energy (CDM Desk) as sub-directorates.
- The Fishing and Mariculture posts are abolished. Functions remain the same in the Sector Development Directorate. This was done to effect proper reporting lines.

- The post of Senior Manager Mining and Mineral Beneficiation will be abolished and Preferential Mining Procurement functions will now move to Programme 2 under the sub directorate Preferential Procurement & BBBEE sub directorate in order to avoid duplication of the functions.

Strategic Initiatives:

- The sub- directorates' Mining and Mineral Beneficiation under Strategic initiatives will be combined and moved to Programme 2 under RALED as a sub-directorate so as to save costs in terms of vacancies and still function effectively. The two Assistant Director posts from Empowerment and Enterprise Development will be moved to the sub-directorate Mining and Mineral beneficiation, this will enable the sub-directorate to function optimally.
- The post of Senior Manager Diamond Projects (Mining and mineral beneficiation) is abolished. However, the functions will be retained under the Trade and Investment sub-directorate. This is done to effect proper reporting lines, to achieve strategic objectives and effect savings. Renewable energy (CDM) will move as a sub – directorate to Sector Development.
- Abolished posts are in line with the effort to effect savings and linking positions according to their strategic mandate and operations in the department.
- The Secretary post of Strategic Initiatives will be utilised in the RALED Directorate under Programme 2. This post will perform a support function to the Director of RALED. The Director post of Strategic Initiatives will be utilised in Governance and Risk Management under Executive Support in Programme 1. This will ensure that the functions of the Governance and Risk Management Directorate are performed effectively.

Trade and Investment Promotion:

- Will comprise of Trade Promotion Sub-Directorate and Investment Promotion sub-directorates. The Trade and investment sub-directorates are combined. Vacant and unfunded posts were removed as per the requirement of the DPSA, but at the same time ensuring that the functions will be performed optimally.

Programme 4: CONSUMER PROTECTION AND BUSINESS REGULATION

In Programme 4, the following changes will be effected:

- Renaming Programme 4 to Consumer Protection and Business Regulation (from Business Regulation and Governance.)
- Previously, the Consumer Protector was part of the department, however at one stage it became a stand- alone authority and operated as an Entity. It will now once again form part of the Department.
- Governance will be moved to Executive Support in Programme 1 in order to comply with the generic structure, improving reporting lines and to carry out the mandate of the department more efficiently.
- Therefore the Business regulation sub – directorate will consist only of one Deputy Director.
- There are some anomalies regarding reporting lines in the Consumer Protection Directorate, furthermore Consumer Protection legislation needs to be reviewed.

Programme 5: ECONOMIC PLANNING

The programme was formerly known as “Policy, Research and Innovation.”

This Programme will retain two of its previous four Directorates namely:

- Economic Research and Policy development, which is a result of the combination of Research Development and Policy and Planning. This will ensure effective and efficient functioning of the directorate.
- Knowledge Management which will be renamed Knowledge Economy and Support.
- The post of Director Research and Development was vacant and has been abolished. The secretary post will move to Knowledge Management in order to provide a support function to the Director.
- Monitoring and Evaluation is combined with Strategy Management to create the Directorate of Strategic Management, Monitoring and Evaluation under Executive Support in Programme 1. This is done in order to ensure compliance with the Generic Structure and to ensure proper reporting lines.

- The posts and functions of Information Management and Support Systems have been moved to Programme 1 under Corporate Affairs in order to comply with the generic functional structure.

Programme 6: TOURISM

- The sub- directorates under both Tourism Development and Tourism Growth will be combined to ensure that functions are performed effectively and efficiently.
- The Tourism Industry Development and Tourism Partnerships units under Tourism Development are combined to form one sub-directorate i.e. Tourism Industry and destination development. It will be the best option given the rule that the structure be linked with current warm bodies.
- Domestic Tourism Policy, Tourist guiding and business administration and Tourism Industry Standards under Tourism growth will be combined into one sub-directorate namely Tourism Industry Administration, Partnerships and Domestic Policy.

ANNEXURE B: Conditional Grants

Name of grant	Purpose	Outputs	Current Annual Budget (R thousands)	Period of grant
EPWP	The Programme's objectives are to use existing government and public entity budgets to reduce and alleviate unemployment and increase the ability of workers to earn an income, either through the labour market or through entrepreneurial activity.	150 WO	1900 000	2022/23

ANNEXURE C: Consolidated indicators.

There are no consolidated indicators.

R

ANNEXURE D: District Development Model

	2020-2025					
	Project Description	Budget Allocation	District Municipality	Location GPS coordinates	Project Leader	Social Partners
Financial support to enterprises	EGDF	-	Frances Baard	-	D Christians	Municipalities
			Z F McGawu	-		
			John Taolo Gaetsewe	-		
			Namakwa	-		
			Pixley Ka Seme	-		
	Informal Sector (NIBUS and IMEDP)	130 000	Frances Baard	-	D Christians	Municipalities
			Z F McGawu	-		
			John Taolo Gaetsewe	-		
			Namakwa	-		
			Pixley Ka Seme	-		
Non-financial support to enterprises	Business Advice; Information sharing; Coaching; Outreach programmes CIPC Services	500 000	Frances Baard	-	D Christians	Municipalities
			Z F McGawu	-		
			John Taolo Gaetsewe	-		
			Namakwa	-		
			Pixley Ka Seme	-		
Economic Empowerment						
Financial and Non-Financial support for target groups	Training for SMME's in the clothing and textile(Covid 19 intervention)	50 000	Frances Baard	-	A Ntidisang	Municipalities
				-		
	Entrepreneurship training	30 000	Frances Baard	-	A Ntidisang	Municipalities
		30 000	Pixley ka Seme	-		
	Cleaning and Hygiene training (Covid 19 intervention)	100 000	All districts	-	A Ntidisang	Municipalities
	Verification training	30 000	Frances Baard		A Ntidisang	Municipalities
	Enterprise and supplier development training	30 000	Frances Baard	-	A. Ntidisang	Municipalities
			-			
				-		

	2020-2025					
	Project Description	Budget Allocation	District Municipality	Location GPS coordinates	Project Leader	Social Partners
Sector Development						
Electricity (not direct)	A metals industrial cluster that aims at promoting value addition in the steel industry and other metals-related products. (The project will enhance the level/rating of the municipality by ESKOM to increase capacity allocation from the current level.)	R2.8 million	JTG – specifically the Ga-Segonyane Municipality along the N14, 1 kilometre east of Kuruman.	-	Y. Gqabaza.	Mining Houses, IPPs, Community structures, Business, Organised labour, Institutions of higher learning and NGOs.