

2003-2005 STRATEGIC PLAN OF THE KWAZULU-NATAL DEPARTMENT OF ECONOMIC DEVELOPMENT AND TOURISM

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PART 1 STRATEGIC OVERVIEW

1.1 STATEMENT OF POLICY AND COMMITMENT BY THE MEC

During the past MTEF period our Department has focused on working with all the relevant stakeholders to establish and forge relationships with institutions, national and local government, business, the labour movement, NGO's and consular representatives with an intention of promoting partnerships in efforts aimed at accelerating economic development in the province. We have tried to find new and more effective ways in which to bring alive our slogan "*Building a Winning Province through Growth Coalition*". In all areas of the work of this Department , we have strengthened a partnership-based approach to the promotion of economic development, empowerment and tourism. This is because we are very keenly aware of the fact that we, as a single department, and we as Government, are one part of the orchestra. There are partners who have access to ideas, resources and energies, all of which are required to convert the enormous economic potential of this province into the fruits of sustainable quality jobs, empowerment for those previously and presently excluded from the economic mainstream and a consistently rising standard of living for all our people. In the coming MTEF period, we will not move away from this commitment to a partnership-based approach to development, but instead will re-double our efforts in this approach.

To ensure improved service delivery and to embrace change, the department's strategic plan was continuously reviewed and this has had positive results. Through honest introspection and extensive consultation with our stakeholders and the communities we serve, we have come to the conclusion that should we continue to try to be all things to all people, or claim to provide offerings which we cannot, we will soon lose the support and credibility we need to be an effective agent of change in the economy. This strategic plan and its corresponding budget therefore reflects a new determination on our part to be focused. We have chosen to do less but do it more effectively. We have selected areas for intervention and use of the resources voted to us, and have further started to put in place the performance measures in each area so that we can constantly review and assess the correctness of the choices we have made and adjust accordingly. We thus commit ourselves to a new openness to assessment and criticism as to the effectiveness of what we do and the value we add through use of the public resources made available to this Department. This is in any event what the Public Finance

Management Act requires and which the Constitution and policies of Government encourage.

The five line function programmes (that is, excluding the Administration Programme) therefore reflect the focus areas and work we have laid out for the coming three year period.

The first of these is “Spatial Economic Coordination”. In this programmes we focus on three areas of activity :

- (a) Local Economic Development : where the Department seeks to support local government and its partners in efforts to rejuvenate their local economies by identifying, scoping and packaging sustainable income-generating opportunities.
- (b) Agri-business Development : where the Department facilitates the development of new opportunities for beneficiation of agriculture and new economy niche market products, and takes these to implementation stage with respective stakeholders and communities;
- (c) Community Project Development : where the Department works with communities to identify and implement community based economic projects which are based on market related business plans and actual supply agreements with various sectors.

The second programme is “Business and Sector Development”. This programme houses two of the key core devolved service areas of the Department, namely the administration of liquor licensing, and the administration of consumer protection services. In addition this is the programme that seeks to provide meaningful support for the growth development of the small business sector in the province. This programme also addresses the need for Government to play a value-adding role in improving the competitiveness of selected economic sectors, as alluded to in the Provincial Growth and Development Strategy (PGDS). But a new critical element of this programme is that of Black Economic Empowerment (BEE). It must be noted that although BEE is inserted as a special focus area in one of the programmes of the Department, BEE is a central requirement and indeed one of the performance measures in each and every aspect of the Department’s activities, from internal procurement to agri-business, from research to tourism promotion. The rationale for having BEE as a specific element of this programme is to give specific attention and resources to selected interventions which we believe will enable us to provide a “boost” to specific BEE strategies in the province. These strategies are described in greater detail in this strategic plan. Suffice to say here that we see the aggressive promotion of Black Economic Empowerment as an imperative for a

growing sustainable economy. BEE is not and cannot be an “add-on” in our economic development strategy – it must instead be the heart of our drive for a globally competitive and equitable economy.

The third programme is “Tourism, Trade and Investment” and the programme essentially outlines what we will achieve through our funding of the public entities of the KwaZulu-Natal Tourism Authority, Ithala, Trade and Investment KwaZulu-Natal, the Natal Sharks Board and the KwaZulu-Natal Philharmonic Orchestra. These public entities are our specialized implementing agencies as regards these outcome areas, and we have developed very specific targets and performance measures for each of their business areas. Tourism remains a key sector for delivery of growth and empowerment in KwaZulu-Natal and we have exciting plans for further development of the sector, as detailed in the stratplan and its annexure relating to the tourism strategy. Similarly the promotion of trade and investment, through the activities of Trade and Investment KZN (TIK), and of Ithala, tops our list of priorities, since increasing investment and exports are the economic drivers of KwaZulu-Natal. It is therefore fitting that this programme consumes more than 50% of the Department’s total budgetary allocation – tourism, investment and exports will remain the core thrusts of the strategy to place KwaZulu-Natal onto the high road of economic growth and development.

The Department’s fourth programme is “Policy Development”. This is a new programme in our strategic plan and structure. It essentially reflects our belief that ours is not, strictly speaking, a delivery department in the sense that the Department is not expected to itself take responsibility for all major infrastructure development and funding. Our role is to lead the development and implementation of coordinated policy and strategy as regards economic development. Thus one of our core competencies must be that of policy development – where “policy” is used in the broader sense – to refer to the specific approaches we as Provincial Government should take around matters that have an impact on economic growth, development and empowerment. Having a policy competence requires a matching information management capacity, and thus this programme incorporates research and economic information management functions. This research and information capacity will support all areas of decision-making in the organization.

The fifth and final line-function programme of the Department is “Special Projects”. Special projects are those high-impact and pervasive economic initiatives of the province which require extraordinary management and coordination due to their scale, and usually

require a fair amount of championing and coordination at the inter-governmental political level. They are thus qualitatively different from the many other economic projects championed by the Department, and most often the role of the Department is to nurture the initiation and early development of a special project until all stakeholders and resources have been mobilized around an implementation plan, whereafter the project develops momentum and may then be managed outside of the Department. For the MTEF period, the most critical special project for the Department will remain the *Dube TradePort*.

In conclusion, this strategic plan of our Department reflects a new focus and drive for effective delivery around those interventions which we believe :

- a) will make a meaningful **impact** in terms of economic growth,
- b) will lead to greater levels of **empowerment and job creation**,
- c) will build a stronger partnership between the public and private sectors around specific economic strategies.

Our strategic plan has been developed with our eyes firmly fixed on the vision of the province as outlined in our Provincial Growth and Development Strategy. The successful implementation of this strategic plan, I believe, will take us many strides towards the attainment of that vision, and I commit myself, as MEC, to play a value-adding role in the implementation of this plan.

1.2 OVERVIEW BY THE ACCOUNTING OFFICER

The Department of Economic Development and Tourism has the enormous responsibility of leading the partnership between Provincial Government and its social partners in the quest to achieve the economic development vision of the Province set out in the PGDS. This task is particularly difficult because of the massive gap between the demand and the supply of resources with respect to promoting and facilitating economic and tourism development. The Department has committed itself to specific targets with regard to facilitating the creation of large numbers of jobs, of securing specific amounts of fixed investments, of achieving specific targets as regards Black Economic Empowerment and of increasing tourist arrivals, to mention just a few key areas. Yet we know at the outset that achieving these targets is going to be an extremely difficult journey, mainly due to resource constraints.

The Department, and more specifically the people working in the Department (and its public entities), must therefore be extraordinarily resourceful in finding and implementing strategies to achieve our targets. Innovativeness and an ability to leverage intellectual and physical/financial resources will have to be the hallmark of the Department (and its public entities) if we are to even come close to the targets we have set. Simultaneously the Department must become increasingly conscious of the need to implement best practice in corporate governance and financial management and accountability. In my view, engineering a synergy between these two core characteristics, (i.e. building a learning, innovative organization focused on delivery and one which is obsessed with following best governance and financial management) is the heart of the job of the Accounting Officer. It is hoped that readers of this document see at least some of this attempt to bring this synergy alive in the Department's strategy.

In the coming three years, the Department will focus on five key core business areas, as outlined above in the commentary of the MEC. The sixth programme not described above, that of Administration, is where the Department plans to build the support, tools and capacity to increasingly professionalise the way we do our business, so that indeed we can be innovative whilst running a tight financial ship as required by the PFMA and its regulations. The strategic plan speaks to our core business goals, namely creating jobs and empowering people, but also highlights the skills development, leveraging of resources and building of internal and external partnerships which are as important as the economic strategy itself. Very importantly, the organizational structure approved by the MEC can now be said to be aligned to the strategy, so that specific people are focused on specific business areas and correspondingly, this allows us to implement and use a more effective performance management system. Performance management and performance measurement will be critical tools which we will use to make this strategic plan meaningful. Failure to achieve performance targets will be seen as a positive, since it will highlight where we need to analyse the organization, its people, its strategy and its resources more closely. Through this strategic plan and in the course of implementing it, we are trying to build a "learning organization" within a transforming public sector. Our goal in this strategic plan is therefore not just to say what we want to do in relation to tourism, investment, smme development, agri-business, LED or Black economic empowerment. Our goal is also to transform our thinking and way of doing things, so that we are continuously improving our service delivery for the community.

This strategic plan will be reviewed annually in order to improve on it, rather than completely re-write it. As Accounting Officer I encourage all stakeholders and partners to

freely give us your views on this strategic plan and your assessments of how the Department is implementing this plan, so that we may improve on it and again provide better service to the people of the province.

1.3 VISION

To ensure that by the year 2020 KwaZulu-Natal will be a thriving, globally competitive economy that will house dynamic industrial and service sectors, with a world class tourism destination characterized by excellent service standards. There will be a high level of employment, raising the quality of life and an economic environment supporting empowerment and creating prosperity for all.

1.4 MISSION AND STRATEGIC GOALS

To formulate and facilitate the implementation of strategies which create an environment conducive to sustainable economic growth and development in KwaZulu-Natal by:

- a) Promoting technological innovation and increasing competitiveness in key sectors of the economy
- b) Championing initiatives which improve the province's logistics capabilities and enhance key supply chains
- c) Providing integrated economic project support for selected categories of projects;
- d) Facilitate the creation of sustainable jobs and empowerment through flagship projects
- e) Promoting industrial development and stimulating the international competitiveness of the KZN economy,
- f) Providing meaningful support to the regeneration of small town economies,
- g) Supporting SMME development,
- h) Rural economic development.

1.5 VALUES

- a) Truth, integrity and honesty
- b) Development of a learning organization
- c) Communication, transparency and consultation
- d) Managing diversity
- e) Service excellence, managing change and innovation.

1.6 LEGISLATIVE AND OTHER MANDATES

The legislative mandate of the Department of Economic Development and Tourism arises from the Constitution of South Africa, specifically section 125, which addresses the executive authority of provinces, as well as Schedules 4 and 5 of the Constitution.

Schedule 4 sets out the “*Functional Areas of Concurrent National and Provincial Legislative Competence*” and specifically includes :

1. Consumer Protection
2. Industrial Promotion
3. Provincial Public enterprises
4. Regional planning and development
5. Tourism
6. Trade
7. Urban and rural development.

Schedule 5 sets of the “*Functional Areas of Exclusive Provincial Legislative Competence*” and specifically includes :

1. Liquor licenses, and
2. Provincial planning.

It is primarily from these sections of the National Constitution that the Department has been able to more fully articulate its mandate :

- a) Contribute to the formulation of economic policy development and articulate the economic development strategy for KZN;
- b) Develop tourism as a key sector of the economy;
- c) Facilitate the increase in trade between the province and other economic regions;
- d) Promote fixed investment into the province;
- e) Promote economic development through the championing of public-private-partnerships;
- f) Promote and facilitate economic empowerment programmes;
- g) Promote SMME development;
- h) Provide an effective and efficient consumer protection service;
- i) Ensure effective and prudent business regulation in the province.

Support Functions

In order to ensure that the above-mentioned core functions are attained, the Department upholds the principle of:

- a) Enhancing effective and efficient business processes within the Department;
- b) Effective management and co-ordination of those public entities which report to the Department as instrument of delivery and economic co-ordination;
- c) Facilitating the appropriate participation of relevant public and private institutions in implementation of the strategies of the Department.

1.7 DESCRIPTION OF THE STATUS QUO

1.7.1 *Summary of the service delivery environment and challenges*

We are relatively familiar with the strengths, weaknesses, opportunities and threats of KwaZulu-Natal as regards economic development. There are numerous issues within each category, but key ones which stand out include:

Black Economic Empowerment: Despite the development of a range of policy positions on BEE intended to increase the participation of blacks in the mainstream economy, the implementation of these policies has become a major and urgent challenge for all spheres of government.

Financing of emerging black SMME: The criteria required by financial institutions to fund and loan capital to black SMME and entrepreneurs are too rigid. Such policies impact negatively on our programmes and strategies to harness the development and growth of SMME's in the province

In addition, the threat and impact of HIV/Aids on the economy will adversely affect human and intellectual capital. A stronger partnership between business and government is critical to ensure reduce the effects of HIV/AIDS.

Nevertheless, there are positive factors that provide a fertile environment for economic growth to take place. They are:

- Unprecedented growth in domestic tourism
- Impressive national financial fundamentals which attract investment to the province
- A greater understanding of government policies by business, leading to business and consumer confidence
- Rich and diverse cultural heritage which boast tourism industry
- Geographical location of the province and the economic infrastructure related to transport and logistics due to two big harbours

1.7.2 *Summary of organizational environment and challenges*

The underlying implication of having a dynamic and increasingly effective strategic plan is that the structures of the organization will be constantly reviewed to assess their synergy with the organizational objectives and implementation strategies.

Consequently the Department has completed the process of reviewing its organizational structure and the deployment of skills. The new structure was finalized in October and costed, and is clearly aligned to the strategic plan. The new high order organizational structure is presented below. Secondly, the department is currently implementing the tenets of Resolution 7 of 2002 which seeks to restructure and transform the public service.

1.8 Description of the Strategic Planning Process

At the centre of organizational effectiveness, the department adopts the principles of inclusiveness and participatory democracy. The values mentioned earlier are key drives in the planning and the execution of strategy. The strategic planning process is divided into three phases. The first phase is called the scene setting phase with the MEC setting his/her outcomes or strategic thrust for the department. All managers participate in this phase. The MEC then addresses staff on the achievements of the previous year as well as on the key areas he/she will be pursuing in the coming year.

The second phase is the determining of outputs to meet the strategic thrust of the MEC. The outputs are determined by the executive management. This phase is preceded by chief directorate workshops held to assist executive management to determine the outputs for the financial year.

The third phase consists of a workshop to decide on final outputs. The workshop is attended by all managers [senior and middle management]. The executive management allocated resources to each output. The responsibility managers and their teams work together to cost each output and develop a detailed project plan with performance indicators and timeframes. Detailed project plan form the basis for the performance agreements with all staff.

PART 2: PROGRAMME AND SUB-PROGRAMME PLANS

2.1 STRATEGIC OBJECTIVES

In order to achieve our core functions, the following objectives constitute the strategies we employ to meet our constitutional mandate:

- a) Be a one-stop economic information shop;
- b) Contribute to the formulation of economic policy development and articulate the economic development strategy for KZN;
- c) Develop tourism as a key sector of the economy;
- d) Facilitate the increase in trade between the province and other economic regions;
- e) Promote economic development through the championing of public-private-partnerships;
- f) Promote and facilitate economic empowerment programmes;
- g) Promote technological innovation and increasing competitiveness in key sectors of the economy;
- h) Champion initiatives which improve the province's logistics capabilities and enhance key supply chains;
- i) Provide integrated economic project support for selected categories of projects;
- j) Provide an effective and efficient consumer protection service;
- k) Ensure effective and prudent business regulation in the province.

2.2 PERFORMANCE TARGETS

Through the implementation of the strategies of the Department, the following targets would have been achieved by the year 2005.

- a) KwaZulu-Natal will be attracting at least R1billion of fixed direct investment per annum;
- b) The value of exports from the province will have increased by more than 30% off the base in year 2000;
- c) We will be at an advanced stage in the construction of King Shaka International Airport and the establishment of a world-class multi-modal logistics platform;
- d) KwaZulu-Natal will be attracting international and domestic tourists in line with targets set by Tourism Authority KZN;
- e) The Department will be recognized as the leading institution in successfully supporting the establishment, growth and development of SMME's;

- f) The Department will have developed a framework for black economic empowerment and facilitated the first phase of the implementation of that framework;
- g) The Department will be recognized as having the most effective, efficient and successful services in the country as regard consumer protection and business regulation;
- h) The Department would have facilitated the implementation of substantial economic development initiatives in all key District Council (DC) areas of the province;
- l) The Department and its partners will have facilitated the development of a functional and successful Industrial Development Zone (IDZ) as Richards Bay;
- j) The Department will have played a lead role in the economic development strategies, initiatives, and processes that would have resulted in the creation of 100 000 sustainable jobs between 2000 and 2005.

2.2.1 Criteria in Deciding On Programmes for Achieving the Objectives and Targets

The strategies and programmes which the Department will use to achieve the key objectives will be selected on the basis that they offer the best opportunity for making the **maximum impact** as regards:

- a) economic value added
- b) the creation of sustainable employment and income generating opportunities;
- c) the economic empowerment of those historically disadvantaged or marginalized;
- d) the building of an increasingly high local skills base;
- e) the development of a relevant economic information management capacity
- f) The strengthening of a socially and environmentally responsible approach to economic development.

2.3. Measurable Objectives, Performance Measures and Performance Targets

PROGRAMME 1: ADMINISTRATION

Sub-Programme 1: Ministry

Output 1 MEC Support	Performance Measure	MTEF Target
Provide Administrative, Secretarial and Policy Development support in the office of the MEC	Fully operational office of the MEC	Ongoing

Sub: Programme 2: Finance Management and Administration

Output 1 Budget Control	Performance Measure	MTEF Target
To ensure that expenditure of the Department is accordance with the vote of the Department and the main divisions within the vote. To prepare financial statements for financial year in accordance with GRAP	Compliance with annual budget circulars issued by Provincial Treasury.	Yearly – (June – January)
	Accurate and easy to understand reports to primary functions before the MTEF Target date.	Monthly – 10 th of each month.
	Submission to Treasury of reliable management account.	Monthly – 15 th of each month.
	FMS reports which reflects the budget of the Department at any period.	One month after approval of the Departmental Budget – updated on a monthly basis as changes occur.
	An adjusted budget reflecting all variations to the budget that could have occurred from the period of approval of the Departmental budget.	Date set by Treasury –.
Well informed managers regarding budgetary issues.	Quarterly	
Output 2 Account Control	Performance Measure	MTEF Target
To ensure that only valid transactions are accurately and completely recorded in the Department's Books of Accounts. To ensure that all the transactions of the Department are supported by authentic and verifiable source documents, clearly indicating the approved accounting allocation	Incurrence of interests on overdue accounts	To pay accounts in 30 days to avoid unauthorised irregular, fruitless and wasteful expenditure
	Payments for goods and services falling out of the required specification	Ensure that all orders issued are paid timorously
	Updated batch and payment register	All valid invoices received will be captured
	Zero balance in S&T account	Ensure that officers are

		claiming immediately after a trip to avoid long outstanding advances
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Output 3 Procurement	Performance Measure	MTEF Target
To provide a procurement and provisioning system which is fair, equitable, transparent, competitive and cost effective	Compliance with Provincial Procurement Act 3 of 2001, Treasury regulations and Tender Board delegations.	Daily/continuously
Output 4 Fleet Management	Performance Measure	MTEF Target
To provide effective and efficient transport management system for the Department	<p>A well maintained fleet::</p> <p>Ensure that vehicles are serviced in accordance with manufacturer's specified intervals.</p> <p>Availability of fleet in terms of the requirements of the Department</p> <ul style="list-style-type: none"> - Regular inspections to state vehicles - License disk and decals are displayed. - Vehicles are only used for official purposes by authorized uses. - Issue of appropriate vehicles against intended use. 	<p>Daily</p> <p>Yearly</p> <p>Continuously</p> <p>Monthly</p> <p>Continuously/daily</p> <p>Daily</p> <p>Continuously</p>
OUTPUT 5 Asset Management	PERFORMANCE MEASURE	MTEF TARGET
<p>Stores Maintain Stores suppliers at optimum levels</p> <p>Ensure daily effective management control of inward and outward mail as well as the management of the filing system and to render faxing, photocopying and franking services including telephone services</p> <p>Maintain and control the effective use of departmental assets including disposal.</p> <p>Maintenance and development of asset register</p>	<p>Optimum levels of stores</p> <p>Un-interrupted collection of mail from the Post Office and distribution thereof to the components</p> <p>Satisfactory telephone service</p> <p>Effective utilisation of departmental assets</p> <p>Physical location of assets at correct workstations</p>	<p>Daily</p> <p>Daily</p> <p>Daily</p> <p>Daily</p> <p>Quarterly</p>

Sub-Programme:3 Human Resource Management and Development

Output 1 HR Management	Performance Measure	MTEF Target
Enhance HR management and development	Monitor and evaluate the workplace skills plan (wsp) for the Department	Annually
Development and implemented of legislature framework in management and HR development	Review and monitor the implementation of HR policies and plans to ensure effective service delivery.	Annually
Output 2 HR and Organisational Development	Performance Measure	MTEF Target
Review and update performance management system	Performance Management System in place	Annually
Establishment of Employer Assistance Programme		

Sub-Programme 4: Communication, Publicity and Information

Output 1 Communication and Publicity	Performance Measure	MTEF Target
Publication of Newsletters	Informed staff about corporate issues and promotion of information exchange on personal or group achievements	Monthly printing of +- 150 copies for 3 years
Production of corporate Magazine (IBAMBENI), Annual reports and Brochures	Public awareness, enquiries & demand for copies	Quarterly distribution of +-5 000 copies for 3 years
Production of generic & specific promotional material (shirts, caps),	Favourable publicity & strengthened public awareness, Level of interactive publicity to showcase DEDT's services	Annually
Issuing of media statements,	Extent of media coverage and public awareness, Media attitude to DEDT – preferably favourable relations.	At least a statement every week for 3 years,

Output 2 Information Management and Development Strategy	Performance Measure	MTEF Target
Implement the information system plan Establish an economic desk Develop comprehensive database on investors, BEE business, SMME, PPP, etc. Warehouse/Information Systems and facilitation of research and economic intelligence service	Effectiveness of service delivery and timeous response to general public enquiries	2003/4
Maintenance and update the website	Well maintained up to date Website Availability of economic information	October 2004

Programme 2: Integrated Planning & Economic Development
Overall Objective: To facilitate and co-ordinate integrated economic planning and development with urban and rural areas of the Province of KZN
Sub-Programmes: Local Economic Development (LED), Community Development and Agri-business

Sub-programme 1 LED Output 1	Performance Measurement	2001/2 Actual	2002/3 Estimate	2003/4 Target	2004/5 Target	2005/6 Target
Formulating and coordinating the implementation of provincial LED strategies	Amount of leverage Number of Projects	<ul style="list-style-type: none"> Leverage and Co-ordination of R11m of National LED Funds Carried out 7 LED Studies 	<ul style="list-style-type: none"> Leverage and Co-ordination of R12m of National LED Funds Carried out 6 LED Studies Prepared Township Regeneration Strategy 	<ul style="list-style-type: none"> Leverage and Co-ordination of R13m of National LED Funds Provincial LED Strategy Twenty Business Plans 5 Township Regeneration Plans 	<ul style="list-style-type: none"> Leverage and Co-ordination of R14m of National LED Funds Twenty Five Business Plans 8 Township Regeneration Plans 	<ul style="list-style-type: none"> Leverage and Co-ordination of R15m of National LED Funds Thirty Business Plans 10 Township Regeneration Plans
Sub-programme 2 Agri-business Output 1	Performance Measurement	2001/2 Actual	2002/3 Estimate	2003/4 Target	2004/5 Target	2005/6 Target
The promotion of black economic empowerment in the Agri-business Sub-sector	Number of Projects Number of Business Plans	<ul style="list-style-type: none"> Not in Existence 	<ul style="list-style-type: none"> Six Niche Sub-Sector Sector Studies 5 Niche Sector Projects: <ul style="list-style-type: none"> BioDiesel Cut Flower Peanuts Organic Vegetables Honey 	<ul style="list-style-type: none"> Seven Business Plans 5 Niche Sector Projects: <ul style="list-style-type: none"> PTMO Honey Organic Sugar Essential Oils Muti Plants 	<ul style="list-style-type: none"> Eight Business Plans 7 Niche Sector Projects: <ul style="list-style-type: none"> Forestry Privatization Honey Organic Sugar Essential Oils Muti Plants Macadamia Permaculture 	<ul style="list-style-type: none"> Nine Business Plans 10 Niche Sector Projects: <ul style="list-style-type: none"> Forestry Privatization Honey Organic Sugar Essential Oils Muti Plants Macadamia Permaculture Mushrooms Natural Dyes Silk
Sub-programme 3 Community Development Output 1	Performance Measurement	2001/2 Actual	2002/3 Estimate	2003/4 Target	2004/5 Target	2005/6 Target
Develop the economic potential of rural communities through community projects	Number of Projects Number of Business Plans	<ul style="list-style-type: none"> Three Sewing Projects Economic Framework for R66 (Zululand) Three Community Tourism Business 	<ul style="list-style-type: none"> Four Sewing Projects Four Business Plans 	<ul style="list-style-type: none"> Three Sewing Projects Three Poultry Projects One Economic MPC Rural Commercialization 	<ul style="list-style-type: none"> Four Sewing Projects Four Poultry Projects Two Economic MPC Commercialization Projects (Four) Six Business Plans 	<ul style="list-style-type: none"> Five Sewing Projects Five Poultry Projects Three Economic MPC Commercialization Projects (Five) Seven Business Plans

		<ul style="list-style-type: none"> Plans One Agro-Processing Study 		<ul style="list-style-type: none"> Strategy Five Business Plans 		
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Programme 3:
Sub-Programmes:
Objective:

Sector & Business Development
 Business Development, Liquor Licencing Administration, Consumer Affairs, Black Economic Empowerment and Sector Development

- Creation of an environment conducive to development of SMMEs and providing strategic direction and effective coordination to SMME Support programmes to stimulate economic growth in KwaZulu-Natal
- To ensure the proper control and regulation of the distribution and consumption of alcohol in KwaZulu-Natal
- To protect, promote, and further the interests of consumers in KwaZulu-Natal
- Significantly increase participation of previously disadvantaged individuals (PDI) in the main stream economy of KwaZulu-Natal
- Development of small businesses around key sectors of the KwaZulu-Natal economy

Sub-programme 1 Business Development Output 1	Performance Measurement	2001/2 Actual	2002/3 Estimate	2003/4 Target	2004/5 Target	2005/6 Target
Development of youth owned businesses	At least 20 youth operated businesses; youth business incubator	Facilitated the establishment of 16 youth operated businesses	A forum for youth enterprise development has been established	Facilitate the development of some 10 youth-owned enterprises	Facilitate the development of some 15 youth	Facilitate the development of some 20 youth
Sub-programme 1 Business Development Output 2	Performance Measurement	2001/2 Actual	2002/3 Estimate	2003/4 Target	2004/5 Target	2005/6 Target
Programmes to facilitate or improve SMME access to finance	Model for village banking; No. of SMME loans approved	<ul style="list-style-type: none"> • Facilitated the establishment of 5 village banks in Maphumulo, Nongoma, Mahlabathini, Dundee and NewCastle, creating up to 20 jobs • 30 applicants to the KZN Business Rehabilitation Trust Fund received loans from the Banks • 84 applicants received trade credit guarantees for the purchase of stock 	<ul style="list-style-type: none"> • Development of a viable model for micro-financing • 3 applicants to the KZN Business Rehabilitation Trust Fund received loans from the Banks • 145 applicants received trade credit guarantees for the purchase of stock 	<ul style="list-style-type: none"> • Develop new schemes / fund to facilitate or improve SMME access to finance 		

Sub-programme 1 Business Development Output 3	Performance Measurement	2001/2 Actual	2002/3 Estimate	2003/4 Target	2004/5 Target	2005/6 Target
Improved performance and effectiveness of Local Business Support Centre (LBSCs)	Implementation of sustainable operational model for LBSCs	Completed study on the assessment of the effectiveness of the LBSC programme in KZN	Implementation of sustainability plan for 13 LBSCs in the province	<ul style="list-style-type: none"> • Implementation of a new business management system to ensure sustainability and effectiveness of LBSCs • Implementation of a capacity building plan to improve performance and sustainability of LBSCs • Facilitate the establishment of Tender Advice Centres (TACs) in Port Shepstone & Ladysmith 	<ul style="list-style-type: none"> • Facilitate the establishment of 2 Tender Advice Centres (TACs) • Maintenance of a management information system within the LBSCs 	<ul style="list-style-type: none"> • Facilitate the establishment of 2 Tender Advice Centres (TACs) • Maintenance of a management information system within the LBSCs
Sub-programme 1 Business Development Output 4	Performance Measurement	2001/2 Actual	2002/3 Estimate	2003/4 Target	2004/5 Target	2005/6 Target
Effective coordination and synergy in SMME service provision Through Service Providers Forums	Effective coordination. & synergy in SMME service provision in KZN	10 SMME SPF meetings were convened during the period under review	4 SMME SPF meetings to be convened during the period under review	4 provincial SPF meetings and district council meetings	4 provincial SPF meetings and district council meetings	4 provincial SPF meetings and district council meetings
Sub-programme 1 Business Development Output 5	Performance Measurement	2001/2 Actual	2002/3 Estimate	2003/4 Target	2004/5 Target	2005/6 Target
Improved international competitiveness of local manufacturing firms	Effective operational centres in targeted towns/ regions of KZN	A total of 319 company diagnosis/assessment was conducted by the MACs	A total of 340 company diagnosis/assessment was conducted by the MACs	Increase number of Black firms assisted by the MAC	Increase number of Black firms assisted by the MAC	Increase number of Black firms assisted by the MAC

Sub-programme 1 Business Development Output 6	Performance Measurement	2001/2 Actual	2002/3 Estimate	2003/4 Target	2004/5 Target	2005/6 Target
Efficient and effective support services to emerging micro and informal businesses	Effective operational centres in targeted towns/ regions of KZN	Facilitated training and capacity building programmes in partnership with SABS and Natal Portland Cement for 5 associations involving some 75 emerging entrepreneurs located in various parts of the province	Facilitated training and capacity building programme for 60 entrepreneurs who received contract work in 4 regions within the eThekweni Municipality	<ul style="list-style-type: none"> • Ensure efficient and effective support services to emerging micro and informal businesses • Facilitate access by emerging entrepreneurs to SMME support services • Provide business counselling and advice services to emerging businesses • Formulate and implement strategies and mechanisms to develop the micro and informal sector 	<ul style="list-style-type: none"> • Ensure efficient and effective support services to emerging micro and informal businesses • Facilitate access by emerging entrepreneurs to SMME support services • Provide business counselling and advice services to emerging businesses • Formulate and implement strategies and mechanisms to develop the micro and informal sector 	<ul style="list-style-type: none"> • Ensure efficient and effective support services to emerging micro and informal businesses • Facilitate access by emerging entrepreneurs to SMME support services • Provide business counselling and advice services to emerging businesses • Formulate and implement strategies and mechanisms to develop the micro and informal sector
Sub-programme 2 Liquor Administration and Business Regulation Output 1	Performance Measurement	2001/2 Actual	2002/3 Estimate	2003/4 Target	2004/5 Target	2005/6 Target
To contribute to policy formulation regarding liquor licence applications and administrative procedure Facilitate and expedite liquor licence applications for adjudication by the KZN Liquor Board	Number of applications processed	<ul style="list-style-type: none"> • 1 026 applications processed 	<ul style="list-style-type: none"> • 497 400 • 1 128 applications processed 	<ul style="list-style-type: none"> • 913 360 • 1 197 applications processed 	<ul style="list-style-type: none"> • 1 004 696 • 1 556 applications processed 	<ul style="list-style-type: none"> • 1 105 165 • 1 945 applications processed

Sub-programme 2 Liquor Administration and Business Regulation Output 2	Performance Measurement	2001/2 Actual	2002/3 Estimate	2003/4 Target	2004/5 Target	2005/6 Target
To promote and facilitate promotion of the new Act an to facilitate the entry of disadvantaged liquor operators into the mainstream liquor industry in accordance with the new Liquor Act	Number of unlicensed traders integrated	<ul style="list-style-type: none"> New proposed legislation not yet enacted 	<ul style="list-style-type: none"> 308 000 Nil. Programme not implemented 	<ul style="list-style-type: none"> 338 800 1 000 	<ul style="list-style-type: none"> 372 680 1 500 	<ul style="list-style-type: none"> 409 948 2 000
Sub-programme 2 Liquor Administration and Business Regulation Output 3	Performance Measurement	2001/2 Actual	2002/3 Estimate	2003/4 Target	2004/5 Target	2005/6 Target
Develop legislation to regulate street trading, business licensing and trade hours in the Province To harmonize the legislation relating to street trading, business licensing and trading hours	<ul style="list-style-type: none"> Consultation process Draft Bill Further consultation and amendments Promulgation 		<ul style="list-style-type: none"> 255 500 Consultation processes 	<ul style="list-style-type: none"> 358 000 Drafting of the Bill and further consultation and amendments 	<ul style="list-style-type: none"> 393 800 Promulgation of the Act 	<ul style="list-style-type: none"> 433 180 Implementation of the Act

Sub-programme 2 Liquor Administration and Business Regulation Output 4	Performance Measurement	2001/2 Actual	2002/3 Estimate	2003/4 Target	2004/5 Target	2005/6 Target
Inspections in terms of the Liquor Act, Credit Agreements Act, the Usury Act and Sales & Services Matters Act	<ul style="list-style-type: none"> • Appointment of inspectors and • Number of inspections conducted 	•	• 99 200	<ul style="list-style-type: none"> • 123 840 • 2 000 	<ul style="list-style-type: none"> • 136 224 • 2 500 	<ul style="list-style-type: none"> • 148 846.4 • 3 000
Sub-programme 3 Consumer Affairs Output 1	Performance Measurement	2001/2 Actual	2002/3 Estimate	2003/4 Target	2004/5 Target	2005/6 Target
Consumer Education	Number of marketing instruments produced and consumers reached (approx 5 million consumers) Program runs throughout the year.(ongoing) monitor and measure levels of consumer literacy	<ul style="list-style-type: none"> • Workshops: 18 • Area of Reach: 9 DC Areas. • Influenced 2,531,319 consumers. • Cost. R900 000 	<ul style="list-style-type: none"> • 1 Partnership Agreement (NCBPA) • 45 Schools • 2 Trade Union W/Shoips • 9 Road Shows • 12 Radio interviews • 20 Consumer Info Clinics • 24 Workshops. • One WCRD Seminar • One National Consumer Exhibition. 	<ul style="list-style-type: none"> • 1 Partnership Agreement (NCBPA) • Two Trade Union Workshops • 18 Roadshows • 60 ed.prog with schools • 10 consumer info clinics • 12 Radio Programs • Design and produce 100 000 brochures, • Two training and capacity building programs. 	<ul style="list-style-type: none"> • One Partnership Agreement with the NCBPA, • Two Trade Union Workshops, • 24 Roadshows, • 20 Consumer Info Clinics • Produce 200 000 Info pamphlets 	<ul style="list-style-type: none"> • One Partnership Agreement with the NCBPA. • To introduce mobile clinics in the 9 DC Areas. • 30 Roadshows • Produce 200 000 pamphlets.

Sub-programme 3 Consumer Affairs Output 2	Performance Measurement	2001/2 Actual	2002/3 Estimate	2003/4 Target	2004/5 Target	2005/6 Target
Consumer Information	<p>Quantity Measure:</p> <ul style="list-style-type: none"> No of advertorials/workshops and networking with print and electronic media to promote consumer information. <p>Quality Measure:</p> <ul style="list-style-type: none"> To gauge levels of awareness amongst communities after programme is completed. Programme runs throughout the year. 	<ul style="list-style-type: none"> Project: World Consumer Rights Day. 500 000 consumers influenced Developed 100 000 info brochures on Credit Agreement Act etc to promote information program. Interacted with Radio Kwezi, Radio Lotus and influenced 5,5 m consumers Figures obtained from SABC and Sunday Times. 	<ul style="list-style-type: none"> 116 Advertorials. 500 participants in World Consumer Rights Day. Influenced 5,5 m listeners. 29 Coaches and 6 busses. 	<ul style="list-style-type: none"> 116 Advertorails. 500 participant at World Consumer Rights Day Advertisement on 29 Coaches (trains) and 6 busses (New Info Training Programme: Trade Union Research Project) To empower workers on their rights and responsibilities Educate approx. one million workers (Trade Union Research Prog 	<ul style="list-style-type: none"> 116 Advertorails: Advertising on 40 Coaches and 10 Busses. Continue Trade Union Research Project. Educate 1.5 m workers 	<ul style="list-style-type: none"> 116 Advertorials: Advertise on 40 Coaches and Ten Busses. Continue Trade Union Research Project Educate 2m workers
Sub-programme 3 Consumer Affairs Output 3	Performance Measurement	2001/2 Actual	2002/3 Estimate	2003/4 Target	2004/5 Target	2005/6 Target
To Act for and on behalf of aggrieved Consumers and to provide a complaints handling service.	<p>Quantity:</p> <ul style="list-style-type: none"> No of Complaints Received. No Cost Measure (Persal) <p>Quality:</p> <ul style="list-style-type: none"> Success rate of resolving complaints And compliance with the Consumer legislation. 	<ul style="list-style-type: none"> 37 164 75% resolved. 1 700 complaints closed. 12 monthly reports. 75% resolved R 4,199 624 saved for consumers. 	<ul style="list-style-type: none"> 39 000 78% resolved 1 800 resolved R 4,9M saved for consumers. 	<ul style="list-style-type: none"> 39 000 77% 1 900 resolved. R 5,4M saved for consumers. 	<ul style="list-style-type: none"> 41 000 75% 1 950 resolved R 5,5M saved for consumers 	<ul style="list-style-type: none"> 41 000 75% 1 950 resolved R5.5M saved for consumers

Sub-programme 3 Consumer Affairs Output 4	Performance Measurement	2001/2 Actual	2002/3 Estimate	2003/4 Target	2004/5 Target	2005/6 Target
To Finalize Consumer Legislation and to Administer this piece of legislation	Quantity Measure: • One piece of legislation. Quality Measure: • Compliance with the Act. Costs. • Appointment of Assessors, • Salary for Consumer Protector. • Throughout the year	<ul style="list-style-type: none"> • Consulted with DTI. • National bill unconstitutional. • R 371 000 	<ul style="list-style-type: none"> • Engaged Law Review Project to Review current legislation. • Second Draft to be completed by March 2003. • R371000 	<ul style="list-style-type: none"> • Bill will be passed. Province to receive its own Consumer Legislation. • Appointment of Consumer Protector. • R528 936 	<ul style="list-style-type: none"> • Same. • Legislation enforced. • R 650 000 	<ul style="list-style-type: none"> • Same. • Legislation enforced. • R650 000
Sub-programme 4 Black Economic Empowerment Output 1	Performance Measurement	2001/2 Actual	2002/3 Estimate	2003/4 Target	2004/5 Target	2005/6 Target
Develop Policy/Legislative instruments to promote BEE Effective strategies to promote BEE around the province	Framework/ model for BEE for the province; Policy documents	Convened a workshop to assess the status and develop strategies in the province	Conduct research on different models of BEE	<ul style="list-style-type: none"> • Provide strategic direction to BEE initiatives around the Province • Develop position paper on black economic empowerment 	Provide strategic direction to BEE initiatives around the Province, by facilitating at least 2 major BEE deals	Provide strategic direction to BEE initiatives around the Province, by facilitating at least 2 major BEE deals
Sub-programme 4 Black Economic Empowerment Output 2	Performance Measurement	2001/2 Actual	2002/3 Estimate	2003/4 Target	2004/5 Target	2005/6 Target
Increased BEE opportunities in various large scale development initiatives around the province	Increased number of black entrepreneurs accessing business opportunities in key/ strategic initiatives around the province	New programme	Identify opportunities for BEE in large scale development initiatives around the province	<ul style="list-style-type: none"> • Develop comprehensive database of key investment & procurement opportunities • Identify & package opportunities for BEE • Negotiate & facilitate private-public partnership (PPP) protocols & agreements with 	<ul style="list-style-type: none"> • Develop comprehensive database of key investment & procurement opportunities • Identify & package opportunities for BEE • Negotiate & facilitate private partnership (PPP) protocols & 	<ul style="list-style-type: none"> • Develop comprehensive database of key investment & procurement opportunities • Identify & package opportunities for BEE • Negotiate & facilitate private partnership (PPP) protocols & agreements with

				<ul style="list-style-type: none"> relevant players Establish management structure for identification of appropriate BEE participants Facilitate the creation of viable BEE enterprises around key projects/ investment initiatives Coordinate research, training and other capacity building programmes to ensure sustainability of BEE initiatives 	<ul style="list-style-type: none"> agreements with relevant players Facilitate the creation of viable BEE enterprises around key projects/ investment initiatives Coordinate research, training and other capacity building programmes to ensure sustainability of BEE initiatives 	<ul style="list-style-type: none"> relevant players Facilitate the creation of viable BEE enterprises around key projects/ investment initiatives Coordinate research, training and other capacity building programmes to ensure sustainability of BEE initiatives
Sub-programme 4 Black Economic Empowerment Output 3	Performance Measurement	2001/2 Actual	2002/3 Estimate	2003/4 Target	2004/5 Target	2005/6 Target
Increased access of emerging Black entrepreneurs to procurement opportunities	Effective mechanism for monitoring compliance to BEE policy & targets	New programme	Research models for effective monitoring of affirmative procurement policies/ strategies	<ul style="list-style-type: none"> Assess progress in implementation of government's affirmative procurement policies and their impact on BEE Design and develop mechanisms for measuring and monitoring compliance to affirmative procurement policies both within the public and private sector Implement an Affirmative Procurement Monitor Develop a management information system to support the implementation of an 	<ul style="list-style-type: none"> Assess progress in implementation of government's affirmative procurement policies and their impact on BEE Design and develop mechanisms for measuring and monitoring Implement an Affirmative Procurement Monitor 	<ul style="list-style-type: none"> Assess progress in implementation of government's affirmative procurement policies and their impact on BEE Design and develop mechanisms for measuring and monitoring Implement an Affirmative Procurement Monitor

				Affirmative Procurement Monitor		
Sub-programme 5 Sector Development Output 1	Performance Measurement	2001/2 Actual	2002/3 Estimate	2003/4 Target	2004/5 Target	2005/6 Target
Development of the Arts And Craft Industry in KwaZulu-Natal	<ul style="list-style-type: none"> Increased access to markets Improved product design & quality 	<ul style="list-style-type: none"> 30 crafters attended arts & craft exhibitions 	<ul style="list-style-type: none"> Coordinated KZN Craft Fair – 200 crafters attended Supported 7 crafters to exhibit their products at World Summit on Sustainable Development Assisted 11 groups to improve quality and product design 	<ul style="list-style-type: none"> Facilitate the establishment of a Craft Emporium in Durban Facilitate access by at least 300 craft producers to market opportunities through participation at the following exhibitions: <ul style="list-style-type: none"> SAITEX Royal Show in Pietermaritzburg Major international & local events/ conferences Provincial KZN Craft Expo Facilitate 3 training and capacity building programmes in partnership with ESKOM, SABS, & CSIR 	<ul style="list-style-type: none"> Facilitate access by at least 300 craft producers to market opportunities through participation at exhibitions 	<ul style="list-style-type: none"> Facilitate access by at least 350 craft producers to market opportunities through participation at exhibitions
Sub-programme 5 Sector Development Output 2	Performance Measurement	2001/2 Actual	2002/3 Estimate	2003/4 Target	2004/5 Target	2005/6 Target
Development of SMME opportunities in the aluminium, metalwork, engineering and related sectors	<ul style="list-style-type: none"> Increased number of new small business involved in value-adding manufacturing activities 	<ul style="list-style-type: none"> Acquired premises for the aluminium wheelchair manufacturing project in Richards Bay 	<ul style="list-style-type: none"> 2 entrepreneurs already involved in the manufacture of the aluminium wheelchairs. An additional 4 entrepreneurs will be engaged in the project by March 2003 	<ul style="list-style-type: none"> Facilitate development of SMME opportunities in the downstream processing of aluminium Mentorship programme to support 10 small entrepreneurs within the sector 	<ul style="list-style-type: none"> Mentorship programme to support 10 small entrepreneurs within the sector 	<ul style="list-style-type: none"> Mentorship programme to support 12 small entrepreneurs within the sector

Sub-programme 5 Sector Development Output 3	Performance Measurement	2001/2 Actual	2002/3 Estimate	2003/4 Target	2004/5 Target	2005/6 Target
Development of SMME opportunities in the furniture sector	<ul style="list-style-type: none"> Increased number of new small business involved in value-adding manufacturing activities 	<ul style="list-style-type: none"> 5 full time SMMEs operating from the furniture cluster premises with the balance of 7 entrepreneurs operating from their own premises 	<ul style="list-style-type: none"> Secured bigger premises for the furniture cluster in Richards Bay Exhibited products at SAITEX 2002 	<ul style="list-style-type: none"> Facilitate the development of 12 new SMME opportunities in the Furniture sector 	<ul style="list-style-type: none"> Facilitate the development of 12 new SMME opportunities in the Furniture sector 	<ul style="list-style-type: none"> Facilitate the development of 15 new SMME opportunities in the Furniture sector
Sub-programme 5 Sector Development Output 4	Performance Measurement	2001/2 Actual	2002/3 Estimate	2003/4 Target	2004/5 Target	2005/6 Target
Development of SMME opportunities in the leather and footwear sector	<ul style="list-style-type: none"> Increased number of new small business involved in value-adding manufacturing activities 	<ul style="list-style-type: none"> Identification and selection of 5 participants for the Umlazi Footwear Hub 	<ul style="list-style-type: none"> Secured premises for the Hub at Umlazi Industrial Park Secured machinery and equipment; Factory lay-out was completed; The Hub started producing shoes and other leather goods this financial year 	<ul style="list-style-type: none"> Facilitate the development of 6 SMME opportunities/ mini factories in the Leather & Footwear sector 	<ul style="list-style-type: none"> Facilitate the development of 10 SMME opportunities/ mini factories in the Leather & Footwear sector 	<ul style="list-style-type: none"> Facilitate the development of 15 SMME opportunities/ mini factories in the Leather & Footwear sector
Sub-programme 5 Sector Development Output 5	Performance Measurement	2001/2 Actual	2002/3 Estimate	2003/4 Target	2004/5 Target	2005/6 Target
Development of SMME opportunities in the automotive components sector	Increase in number of small businesses supplying to various tiers of the automotive components industry	<ul style="list-style-type: none"> Completed study to identify opportunities for SMME development within the automotive components industry in KZN 	<ul style="list-style-type: none"> Developed business plan for the establishment of a training centre 	<ul style="list-style-type: none"> Support initiatives to improve quality of product & services of SMMEs in the sector Research, training, capacity-building & development facilitation services 	<ul style="list-style-type: none"> Support initiatives to improve quality of product & services of SMMEs in the sector 	<ul style="list-style-type: none"> Support initiatives to improve quality of product & services of SMMEs in the sector

Sub-programme 5 Sector Development Output 6	Performance Measurement	2001/2 Actual	2002/3 Estimate	2003/4 Target	2004/5 Target	2005/6 Target
Development of SMME opportunities in the entertainment sector Music/Film Industry	Creation of viable small business opportunities around the entertainment industry	<ul style="list-style-type: none"> • Establishment of partnerships with University of Natal, Durban Institute of Technology, BAT Centre in promoting the development of SMMEs within the music industry • Establishment of a business development centre 	<ul style="list-style-type: none"> • Provided training and work placement for 24 music technicians • Leveraged additional resources from the National Lottery Fund to develop archive of indigenous music in KZN 	<ul style="list-style-type: none"> • Facilitate the development of at least 5 new SMME opportunities in the entertainment (music; film) industry 	<ul style="list-style-type: none"> • Facilitate the development of at least 10 new SMME opportunities in the entertainment (music; film) industry 	<ul style="list-style-type: none"> • Facilitate the development of at least 15 new SMME opportunities in the entertainment (music; film) industry

**Programme 4:
Objective**

Tourism, Trade and Investment
Promotion of tourism, fixed direct investment and import & export trade in KwaZulu-Natal.

Programme	Objectives	Implementing Agent	MTEF Target
Sub-programme 1 Tourism Development and Promotion	The development, promotion and marketing of tourism in KZN and to market the province as the premier tourist destination both nationally and internationally.	KZN Tourism Authority	As per public entities approved strategic plan
Sub-programme 2 Beach Tourism Protection Services	Approving, controlling and initiating measures for the safeguarding bathers against shark attack	Natal Sharks Board	As per public entities approved strategic plan
Sub-Programme 3 Cultural Tourism Protection	Contributing and playing a promotional and significant role in economic development and tourism on KZN province and in South Africa by: <ul style="list-style-type: none"> • Providing, through the medium of music cultural entertainment, education and development. • Identifying and nurturing local talent and skills. • Creating platforms within the communities for the experience of live music. 	KZN Philharmonic Orchestra	As per public entities approved strategic plan
Sub-Programme 4 Trade and Investment Promotion	<ul style="list-style-type: none"> - To identify and package investment and export trade opportunities in KwaZulu-Natal; - To provide professional and comprehensive service to potential and current investors and exporters; - Ensure easy access to investment and export trade opportunities and sustained aftercare; and - To brand and market provincial investment opportunities and link opportunities to the developmental needs of our people through the facilitation of partnerships. 	Trade and Investment KwaZulu-Natal	As per public entities approved strategic plan
Sub-programme 5 Trade and Investment Project Financing	<ul style="list-style-type: none"> - To act as government's agent for performing any development-related task and responsibilities that the government considers may be more efficiently or effectively performed by a corporate entity. - To mobilise financial resources and to provide financial supportive services to the people of KZN - To plan, execute and monitor implementation of development projects and programmes in the province. - To promote, assist and encourage the development of the Province's human resources and its social, economic, financial and physical infrastructure. - To promote, encourage and facilitate private sector investment in the Province and the participation of the private sector and community organisations in the development projects and programmes and in contributing to economic growth and development. 	KZN Ithala Development Corporation	As per public entities approved strategic plan

Programme 5: Policy Development
Sub-Programmes: Policy Development and Economic Information and Research Services
Objective: To provide policy requisites for economic frameworks

Sub-programme 1 Policy Development Output 1	Performance Measurement	2001/2 Actual	2002/3 Estimate	2003/4 Target	2004/5 Target	2005/6 Target
Inter Provincial co-ordination	Development of qualitative partnership with Gauteng and Eastern Cape	<ul style="list-style-type: none"> MEC's partnership of strategic areas of economic development 	<ul style="list-style-type: none"> Six monthly meeting held Key areas of strategic partnership identified Steering committee at official level to be set 	<ul style="list-style-type: none"> Identify projects Facilitate co-operation charters and agreement 	<ul style="list-style-type: none"> Implement 2 projects that have been identified Review projects and steering committee Develop an operational plan 	<ul style="list-style-type: none"> Implement the second phase of inter provincial projects Review progress and produce a report
Sub-programme 1 Policy Development Output 2	Performance Measurement	2001/2 Actual	2002/3 Estimate	2003/4 Target	2004/5 Target	2005/6 Target
Develop institutional links	Develop partnership with HE institution to assist DEDT in research	<ul style="list-style-type: none"> Not yet conceptualized 	<ul style="list-style-type: none"> Institutional link developed with HSRL, University of Natal, CSIR Five reports produced on trade trends in KZN 	<ul style="list-style-type: none"> Determine DEDT research needs Establish multi-stakeholder forum Identify specific projects Sign MOU to formalize partnerships 	<ul style="list-style-type: none"> Implement the agreement First phase of research undertaken Review MOU 	<ul style="list-style-type: none"> Implement second phase of research Identify further research areas
Sub-programme 1 Policy Development Output 3	Performance Measurement	2001/2 Actual	2002/3 Estimate	2003/4 Target	2004/5 Target	2005/6 Target
Trade and Investment Strategy	Create a conducive environment for national and international direct investment	<ul style="list-style-type: none"> A study to review investment trends and institutions dealing with this area, was completed The establishment of a new institution was identified Business plan for new institution completed 	<ul style="list-style-type: none"> New institution called Trade and Investment KwaZulu-Natal established Investment atlas developed 	<ul style="list-style-type: none"> Investment strategy to be developed Ongoing assessment of trade and investment trends in KZN 	<ul style="list-style-type: none"> Developing an operational plan for the implementation of the strategy Establish a committee to monitor the implementation of the strategy 	<ul style="list-style-type: none"> Implement the first phase of the strategy

Sub-programme 2 Economic information and Research Services Output 1	Performance Measurement	2001/2 Actual	2002/3 Estimate	2003/4 Target	2004/5 Target	2005/6 Target
Production of Economic Statistics Bulletin	Availability of Economic Statistics Bulletin	<ul style="list-style-type: none"> New Sub-programme 	<ul style="list-style-type: none"> New Sub-programme 	<ul style="list-style-type: none"> Monthly 	<ul style="list-style-type: none"> Monthly 	<ul style="list-style-type: none"> Monthly

Programme 6:
Overall Objective:
Sub-Programme
Objective:

- Special Projects
Initiate high impact projects and leveraging funding through PPP in the implementation of these projects
Special Projects
- To unlock key investment projects and strengthen investment, industrial promotion and job creation initiatives
 - To leverage resources through public-private partnerships,
 - To ensure that projects have a strategic impact in developing a new global platform for growth,
 - To facilitate implementation mechanisms for targeted projects.

Sub-programme 1 Special Projects Output 1	Performance Measurement	2001/2 Actual	2002/3 Estimate	2003/4 Target	2004/5 Target	2005/6 Target
Facilitation and co- ordination of the Dube Trade Port	Relocation of the Durban International Airport and building of a global competitive port in La- Mercy	<ul style="list-style-type: none"> Revised feasibility study completed Funding structure submitted to national government for consideration and approval 	<ul style="list-style-type: none"> National government approved the relocation of Durban International and construction of Dube Trade Port 	<ul style="list-style-type: none"> Appointment of Transaction advisors Undertake detail design, costing & master planning Undertake the commissioning plan with ACSA 	<ul style="list-style-type: none"> Construction: Bulk infrastructure Investment promotion & marketing Strategic business development 	<ul style="list-style-type: none"> Second phase investment process: Anchor tenants, operators <ul style="list-style-type: none"> Cyberport and Telcom infrastructure IDZ operator Human resource venture Establishment of zone management company

Sub-programme 1 Special Projects Output 2	Performance Measurement	2001/2 Actual	2002/3 Estimate	2003/4 Target	2004/5 Target	2005/6 Target
Integrated Freight & Logistic Strategy	Support by national and provincial department, public entities and Gauteng government of the IFRL recommendations emerging from the study.	<ul style="list-style-type: none"> R2.4 million secured from USA-Trade and Development Agency to undertake the multi modal logistic assessment 	<ul style="list-style-type: none"> The study will be completed in March 2003 	<ul style="list-style-type: none"> Establish a multi stakeholder committee including NDDT and DTI, Public Entities, Unicity to address the recommendation of the study. Facilitate a process to secure more funds if further studies are required 	<ul style="list-style-type: none"> Implement study recommendation Bulk transport infrastructure 	<ul style="list-style-type: none"> Further implementation bulk infrastructure
Sub-programme 1 Special Projects Output 3-	Performance Measurement	2001/2 Actual	2002/3 Estimate	2003/4 Target	2004/5 Target	2005/6 Target
Pilot Freight Village	Development of a framework for establishment of a pilot Freight Village in KZN to support the Dube Trade Port	<ul style="list-style-type: none"> Revised feasibility was completed of the entire Dube Trade Port Project 	<ul style="list-style-type: none"> Proposals for an in-depth study has been completed but not awarded due to delays 	<ul style="list-style-type: none"> Establish a project team Develop terms of reference Identify targets areas and time-critical products 	<ul style="list-style-type: none"> Develop implementation plan Develop a BEE plan for the target area 	<ul style="list-style-type: none"> Exploration of fund partnership/ventures for establishment of warehouses
Sub-programme 1 Special Projects Output 4	Performance Measurement	2001/2 Actual	2002/3 Estimate	2003/4 Target	2004/5 Target	2005/6 Target
Lamontville Multi-media Centre	Establish a township regeneration project	<ul style="list-style-type: none"> Not yet conceptualized 	<ul style="list-style-type: none"> Not yet conceptualized 	<ul style="list-style-type: none"> Develop an operational plan Formalize partnership between DEDT and Ethekwini Review recommendation of detail feasibility 	<ul style="list-style-type: none"> Identify training areas Secure training service providers 	<ul style="list-style-type: none"> Assess success of pilot project Develop a roll-out plan to other townships

Sub-programme 1 Special Projects Output 5	Performance Measurement	2001/2 Actual	2002/3 Estimate	2003/4 Target	2004/5 Target	2005/6 Target
A U Festival	Development and implementation of a world class African festival to commemorate the launch of AU in KZN	<ul style="list-style-type: none"> Not yet conceptualized 	<ul style="list-style-type: none"> Concept paper developed Proposals for funding submitted to donors and funders 	<ul style="list-style-type: none"> Joint steering committee with Ethekwini, P.E., national department established Appointment of company to run the event 	<ul style="list-style-type: none"> Staging of the Festival throughout the province Review of the 1st year Securing more funding 	<ul style="list-style-type: none"> Planning for 2007 for a second staging of the festival Brining partners for infrastructure development
Sub-programme 1 Special Projects Output 6	Performance Measurement	2001/2 Actual	2002/3 Estimate	2003/4 Target	2004/5 Target	2005/6 Target
Establishment of viable Bed & Breakfast, Guest Houses and hospitality industry in the townships	Project plans to establish physical bed and breakfast operators in targeted townships	<ul style="list-style-type: none"> Assessment of the environment and feasibility study completed 	<ul style="list-style-type: none"> Proposal for funding completed and submitted to funders and donors Steering committee established Pilot areas identified 	<ul style="list-style-type: none"> Implementation of the pilot Review of the pilot Leveraging more funding Developing a strategy to encourage other sectors to invest in township` 	<ul style="list-style-type: none"> Development of a roll-out plan Implementation of Phase 2 Review of Phase 2 	<ul style="list-style-type: none"> Implementation of Phase 3 Implementation of pilot on sector investment

2.4 Reconciliation of Budget with Plan by Programme

Summary of MTEF Budget by Programme

Programmes	2002-2003	2003-2004	2004-2005	2005-2006
R000	Adj. Budget	Budget	MTEF	MTEF
Pgm 1: Administration	28,910	28,921	31,538	33,540
Pgm 2: Spatial Economic Co-ordination	23,486	16,725	18,237	19,395
Pgm 3: Business & Sector Development	20,904	31,648	34,510	36,703
Pgm 4: Tourism, Trade & Investment	87,663	96,028	102,824	108,028
Pgm 5: Policy Development	-	3,789	4,130	4,393
Pgm 6: Special Projects	12,445	13,731	14,973	15,924
Sub-Total	173,408	190,842	206,212	217,983
Statutory Payment	502	550	600	638
Total	173,910	191,392	206,812	218,621

Summary of Programme Budget by Sub-Programme

Programme 1 Administration

Programmes	2002-2003	2003-2004	2004-2005	2005-2006
R000	Adj. Budget	Budget	MTEF	MTEF
Sub-Pgm 1: Ministry	6,189	3,528	3,847	4,091
Sub-Pgm 2: Finance & General Administration	14,052	16,957	18,492	19,666
Sub-Pgm 3: Human Resource Management	4,666	3,681	4,014	4,269
Sub-Pgm 4: Communication, Publicity & Information	4,003	4,755	5,185	5,514
Total	28,910	28,921	31,538	33,540

Summary of Programme Budget by Sub-Programme

Programme 2 Spatial Economic Co-ordination

Programmes	2002-2003	2003-2004	2004-2005	2005-2006
R000	Adj. Budget	Budget	MTEF	MTEF
Sub-Pgm 1: Local Economic Development	13,692	5,591	6,097	6,484
Sub-Pgm 2: Agri-business	9,794	7,753	8,454	8,991
Sub-Pgm 3: Community Projects	-	3,381	3,686	3,920
Total	23,486	16,725	18,237	19,395

Summary of Programme Budget by Sub-Programme

Programme 3 Sector and Business Development

Programmes	2002-2003	2003-2004	2004-2005	2005-2006
R000	Adj. Budget	Budget	MTEF	MTEF
Sub-Pgm 1: Business Development (SMME)	12,693	10,079	10,989	11,689
Sub-Pgm 2: Liquor Licencing Administration	3,492	4,558	4,971	5,286
Sub-Pgm 3: Consumer Affairs	4,719	6,565	7,159	7,613
Sub-Pgm 4: Black Economic Empowerment	-	3,797	4,141	4,404
Sub-Pgm 5: Sector Development	-	6,649	7,250	7,711
Total	20,904	31,648	34,510	36,703

Summary of Programme Budget by Sub-Programme**Programme 4 Tourism, Trade and Investment**

Name of Entity	2002-2003	2003-2004	2004-2005	2005-2006
R000	Adj. Budget	Budget	MTEF	MTEF
Sub-Pgm 1: Tourism Development and Promotion (KZN Tourism Authority)	34,000	45,000	49,070	52,186
Sub-Pgm 2: Beach Tourism Protection Services (Natal Sharks Board)	16,882	16,882	16,882	16,882
Sub-Pgm 3: Cultural & Tourism Promotion (KZN Philharmonic Orchestra)	4,000	4,000	4,000	4,000
Sub-Pgm 4: Trade and Investment Promotion (Trade and Investment KZN)	14,671	14,146	15,425	16,405
Sub-Pgm 5: Trade and Investment, Project Financing (Ithala)	18,000	16,000	17,447	18,555
Total	87,553	96,028	102,824	108,028

Summary of Programme Budget by Sub-Programme**Programme 5 Policy Development**

Programmes	2002-2003	2003-2004	2004-2005	2005-2006
R000	Adj. Budget	Budget	MTEF	MTEF
Sub-Pgm 1: Policy Development	-	2,808	2,061	3,256
Sub-Pgm 2: Economic Information and Research Services	-	981	1,069	1,134
Total	-	981	1,069	1,134

Summary of Programme Budget by Sub-Programme**Programme 6 Special Projects**

Programmes	2002-2003	2003-2004	2004-2005	2005-2006
R000	Adj. Budget	Budget	MTEF	MTEF
Sub-Pgm 1: Special Projects	12,445	13,731	14,973	15,924
Total	12,445	13,731	14,973	15,924

2.5 Co-ordination, Co-operation and Outsourcing Plans**2.5.1 Interdepartmental Linkages**

Being an economic development driver in the province, the department links with other government departments to ensure that economic growth takes place within the context of social, spatial and political framework. However, in the order of priority, the department has stronger links with the national departments of: Trade and Industry, Environmental Affairs and Tourism, Treasury, Transport and Public Enterprise.

2.5.2 Local Government Linkages

The nature of our mandates requires us to identify business opportunities throughout the province. This translates to us building a stronger partnership with local government at district council and local municipal levels. In particular, the economic

aspect of IDP require an overarching agency to ensure that economic growth is evenly spread, professional coordinated to attract relevant trade and investment, in both the urban and rural settings.

2.5.3 Public Entities

The implementation arm of key departmental strategies is public entities created by the department. Nevertheless, other national entities such as Telkom have a liaison and consultative relationship with the department.

2.5.4 PPP, Outsourcing

The procurement of Public/Private Partnerships (PPP) will be in accordance with the prescripts as laid down by National treasury and as entrenched in the Public Finance Management Act and the Treasury Regulations.

PART 3: BACKGROUND INFORMATION

3.1 Analysis of Service Delivery Environment

The environment within which the Department works is complex. As such, there are a multitude of factors that have to be taken into consideration in formulating the Department's strategic plan. It is not our intention to analyse each and every factor in the environment which impacts on our area of business in this document as such analysis would be a lengthy and complex exercise which may not help in us trying to define our core business in a concise way and in this time-bound process. Furthermore, in reality as soon as we have completed a document, it would be out of date, because the environment changes constantly. Analysis of the environment and adjusting our business accordingly should also be an on-going and dynamic process – built into the way we think, work and plan.

Notwithstanding this, it is important for the purposes of defining our strategic plan, to mention one or two of the most critical factors that influence our decision-making.

National Environment

Being part of the provincial sphere of Government, the biggest environmental factor for our Department is perhaps the macro-economic framework set mostly by national government. Our Government has decided to open the South African economy and pursue a policy of engagement with globalization. South Africa's "Growth, Employment and Redistribution" (*GEAR*) economic policy is therefore a key starting point in terms of what an Economic Development Department at provincial level should focus on. Amongst other things, *GEAR* adopts an investment-led economic growth strategy, where Government, in partnership with the private sector and other social partners:

- will seek to attract fixed local and foreign investment
- will encourage investment particularly in employment creating and beneficiating (value-adding) opportunities
- will encourage greater trade with world markets, especially exports from SA
- will support increasing international competitiveness of local industry and focus on sectors with competitive and comparative advantages, especially as regards trends in the "new economy"
- will encourage and support the development of the SMME sector and the development of the country's human resources to fit with the growth strategy.

Many of the tools for implementing this strategy rest at a national level (e.g. investment incentives managed by DTI, or skills development incentives managed by Department of Labour). However, there are a number of opportunities for provincial

government and its partners to be proactive in using these tools and strategies to facilitate accelerated economic development and empowerment within a province.

We are relatively familiar with the strengths, weaknesses, opportunities and threats of KwaZulu-Natal as regards economic development. There are numerous issues within each category, but key ones which stand out include:

Strengths:

- two leading harbours, good transport infrastructure, richly diverse economy, strong industrial and manufacturing base, significant agricultural sector, impressive tourism assets and leading domestic tourist destination, rich cultural heritage, large human resource base, growing small business sector, physical location (SADC) etc.

Weaknesses:

- high levels of poverty, enormous backlogs in basic services to people, low levels of competitiveness in some sectors, low skills base and high level of illiteracy, difficulties accessing capital, inappropriate spatial economic planning of the past, poor image as regards foreign investment, limited development in information technology and innovation, etc.

Opportunities:

- image of stable province (government), wide range of tourism opportunities, growing ability of some firms/sectors to compete and export, enormous potential for agri-processing, cultural richness and traditional knowledge systems (e.g. arts, culture, medicine), large and willing labour force, opportunities arising from international trade agreements and laws e.g. AGOA, etc.

Threats:

- HIV/Aids rate, poverty, imbalance in urban vs rural development, continuing image as “no-action” province as regards economic development, increasing unemployment rate, continuing decline in employment-intensive sectors, perceptions regarding crime and corruption, continuing gap between rich and poor – lack of visible empowerment, continuing problems with access to capital, skills development and resources (land, information, equipment, etc.), continuing lack of integrated service delivery by Government; etc.

These are just some of the key issues that have to be addressed to significantly improve economic development in the province.

Other important Factors to be considered

- The extent to which the DEDT is ready as an organization to deliver on the purpose etc, i.e the internal environment
- The need for a clear Provincial industrial strategy which will guide the Department's choices as to sectoral and spatial strategies and initiatives to be pursued.

Clearly as a single Department, we are not able to effectively resolve many of the problems ourselves, nor do we have the capacity or resources to ourselves to unlock all the opportunities. We have no choice but to prioritise what the Department can do as part of Government, which will have the most critical *impact* as regards promoting accelerated economic development and empowerment.

In making these choices we are influenced not only by the environment, but our own vision, mission, objectives, functions, targets and values.

3.2 Evaluation of current implementation performance

- Processes to transform Ithala to meet new challenges have been initiated. The newly appointed Board has been tasked with the responsibility of assisting management to transform Ithala into a vibrant developmental entity.
- Tourism – the KZNTA has developed many products to attract international tourists. The charter flight strategy has been completed. The partnership between the Unicity, Province and KZNTA has been strengthened through projects such as Suncoast and Waterfront.

Also notable is the increase in community-based tourism. The department and KZNTA launched the Lilani Hotsprings – a new destination run by the community in Greytown.

- Trade and Investment KwaZulu-Natal have strengthened its relationship with municipalities, with a view of identifying and facilitating trade and investment at local government levels.
- Business partnerships: The business community with its many organizations has been encouraged by the Ministry to either merge or work together on many common issues. There has been an amount of success since that was linked with the Economic Growth coalition that we have successfully implemented in the greater Durban region. The Ministry of Economic Development is the lead

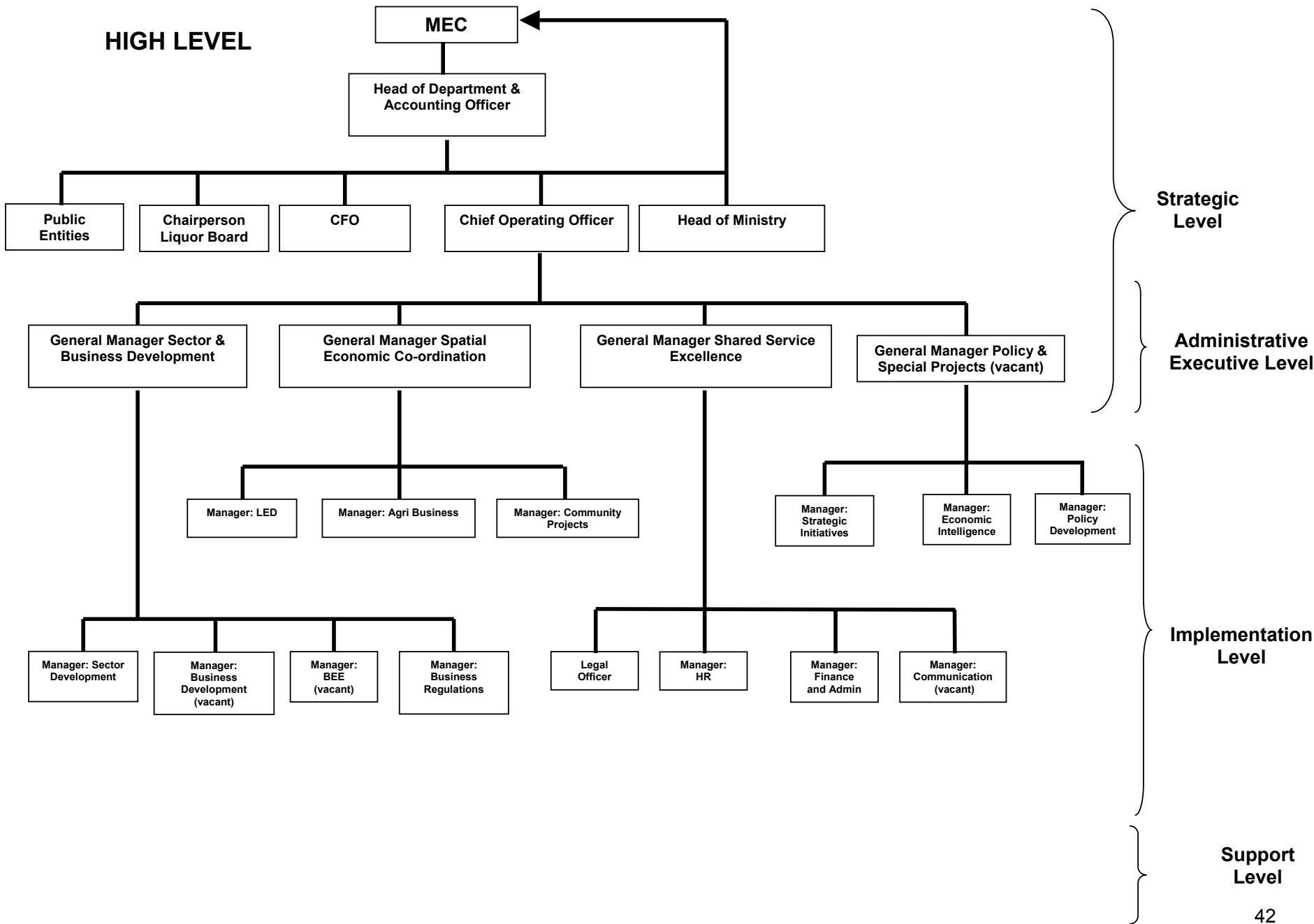
Ministry in this coalition and we plan to extend this model to other regions in the Province.

- Strategic Initiatives – the government has resolved to relocate Durban International Airport to La-Mercy by 2006. The construction of the Dube Tradeport next to King Shaka Airport is the new generation of global tradeport. The Dube Tradeport will provide sustainable economic growth in the province and attract fixed investment.
- Local Economic Development Initiatives have ensured that the department works with other key role-players such as the IDC, DTI, donor agencies local municipalities and district councils
- Support for SMME development: Significant achievements have taken place in the support and development of SMMEs in the province, through the participation their SMME's participation in SAITEX. The province won a Gold award for the best stand due to the quality of products exhibited. Some SMMEs such as the charcoal manufacturers Hluhluwe, Mtubatuba/ Richards Bay area are exporting their product to Asia and the UK. The constant improvement of the quality of SMME products has given them the urge to compete in world markets.

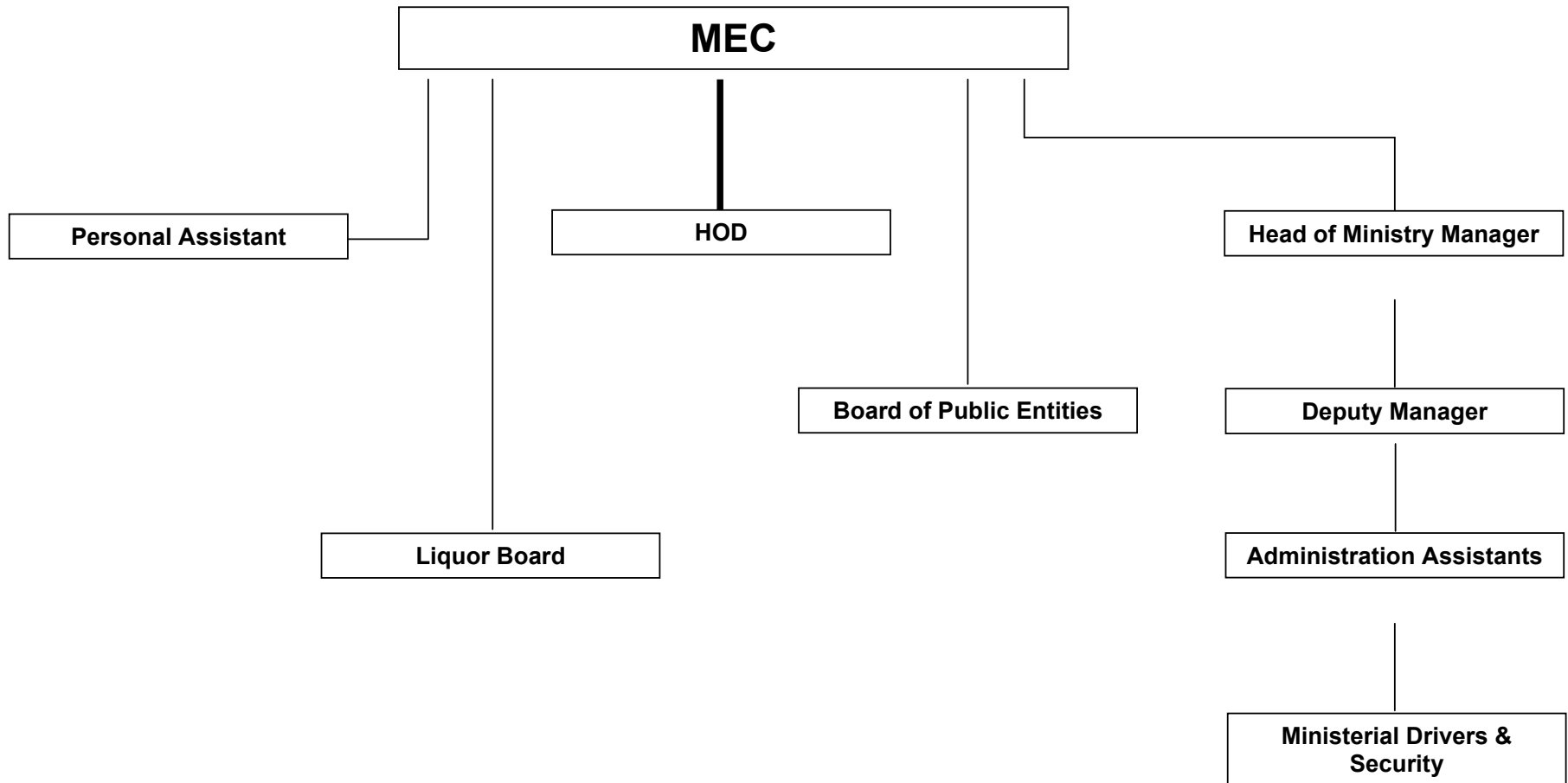
3.3 Organisational Information

The strategic planning process of 2001 kicked in a new era within the organisation. The new era consists of an approach to operate at a high level by driving economic development at strategic level. Consequently this suggests that the process of transforming the manner in which we operate was launched. At the centre of transformation is the acknowledgement that for economic development to make a difference in the lives of the people is must leverage resources from key stakeholders. Therefore the department needed to recruit high skilled personnel to conceptualise new initiative, leverage funding for these initiatives, and ensure the Black Economic Empowerment takes place. In implementing the high order strategic and dynamic plan that is flexible and adapting to new economic challenges, the department developed a human resource development plan and organogram that will articulate the new approach. Firstly, the department conducted a skills audit and completed personnel profile to identify existing skills and match it to the strategic plan. A plan for addressing scarce skills has been developed and is now being implemented.

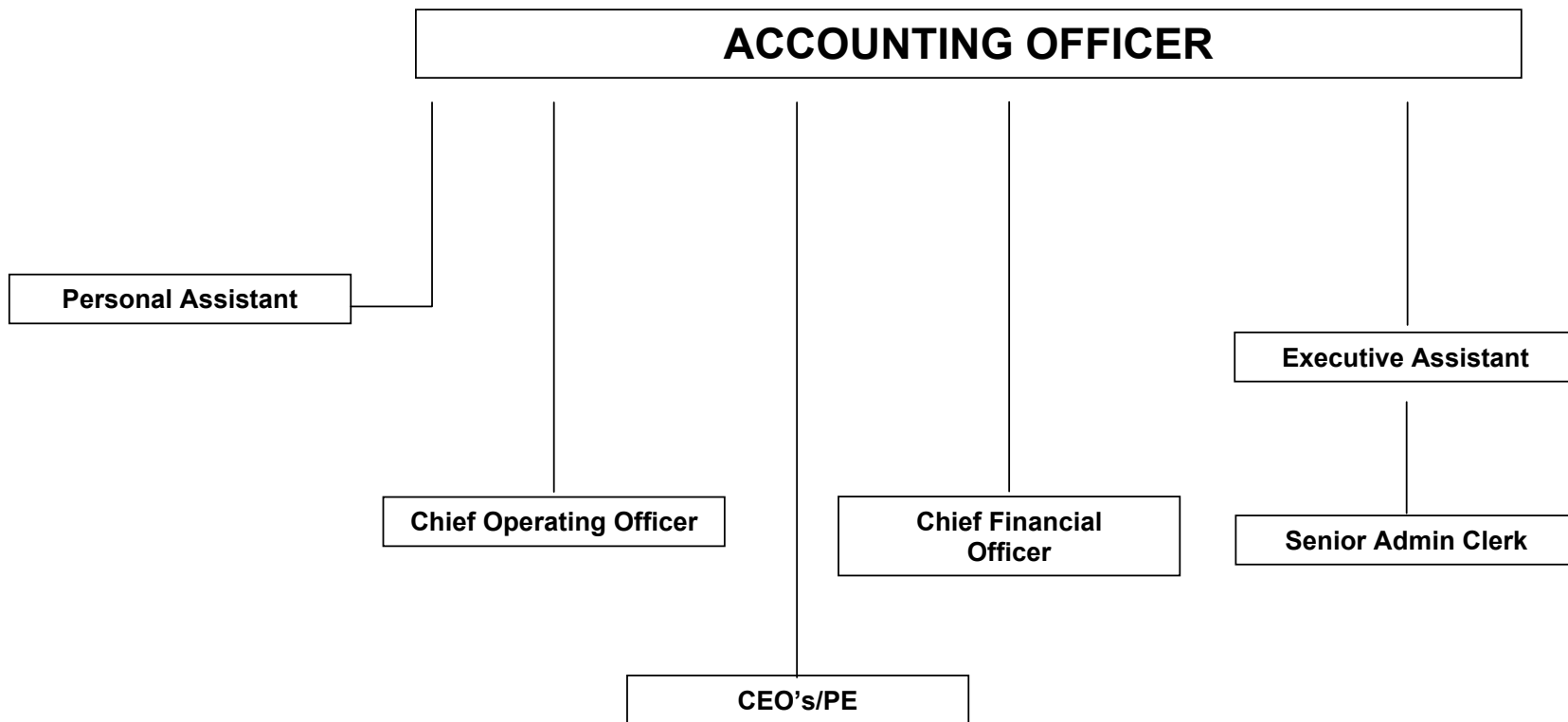
3.3.1 Organisational design



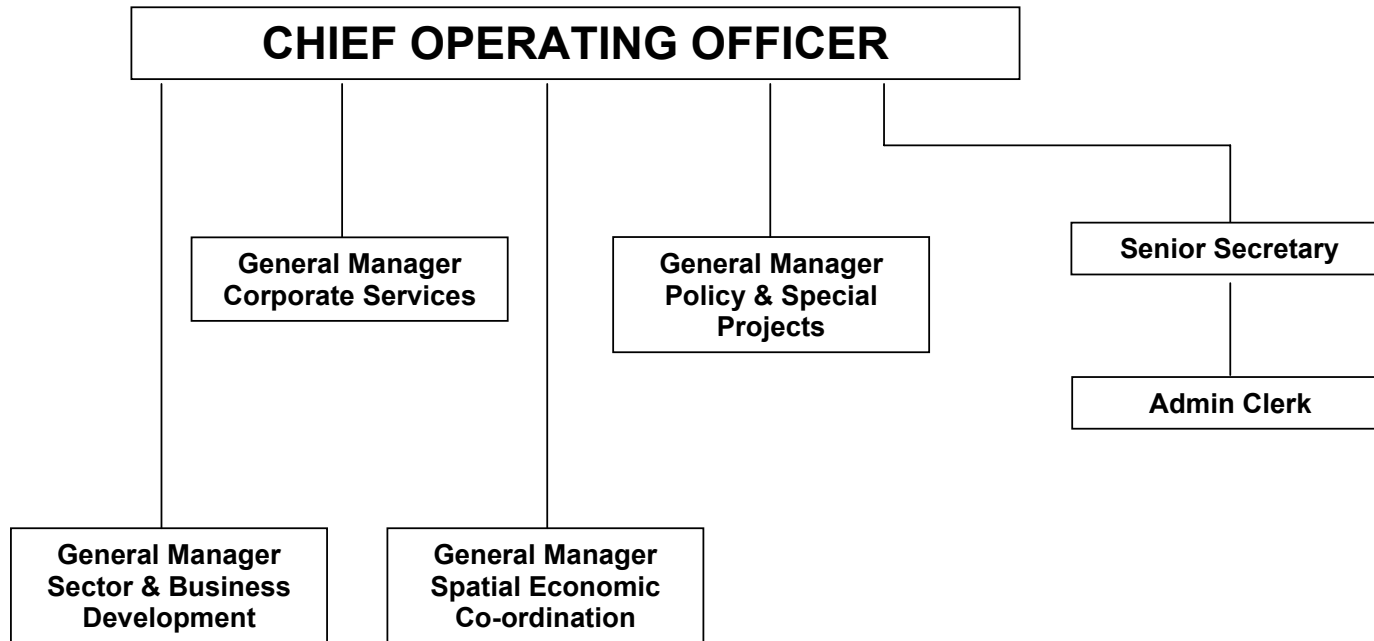
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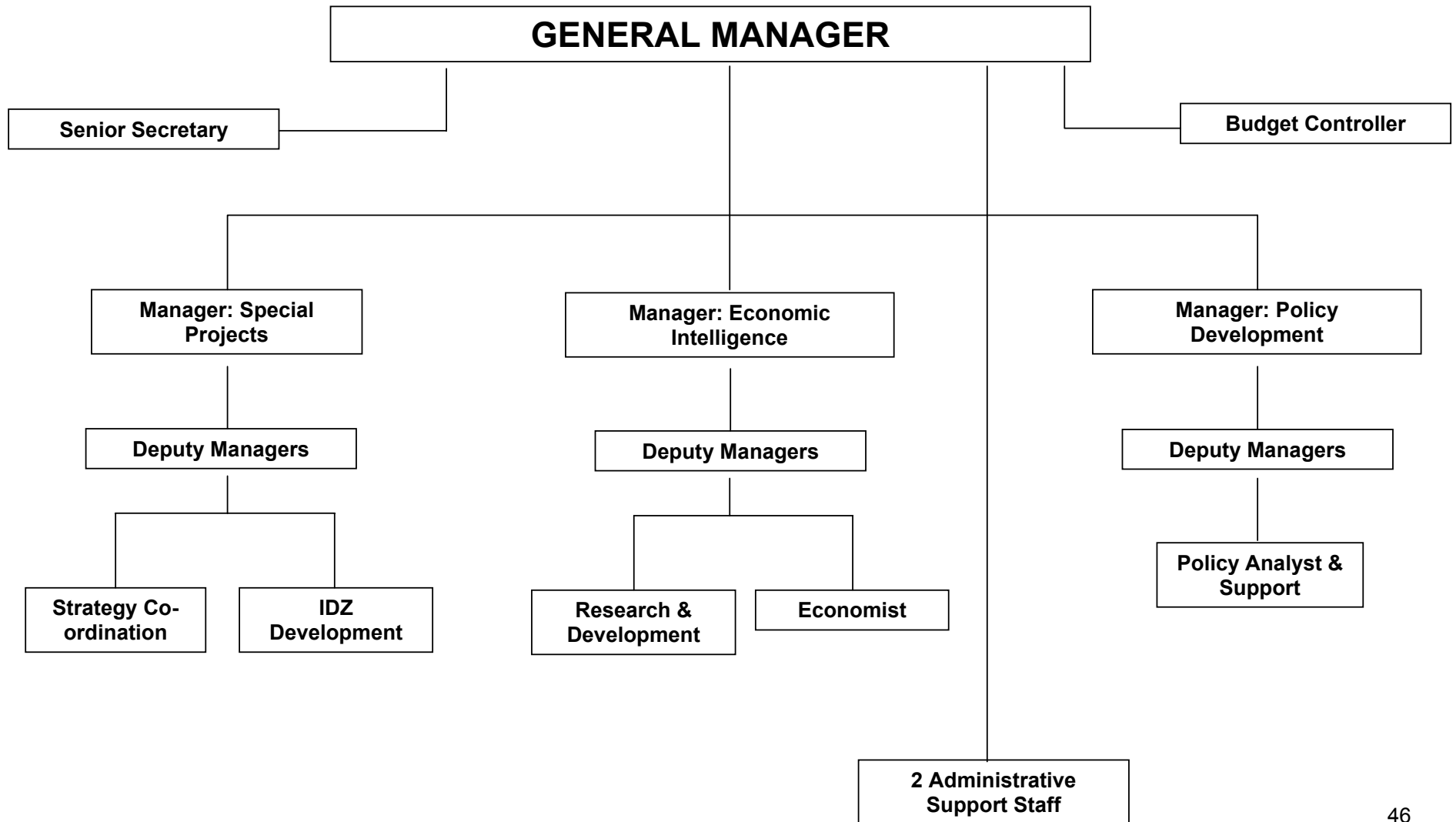
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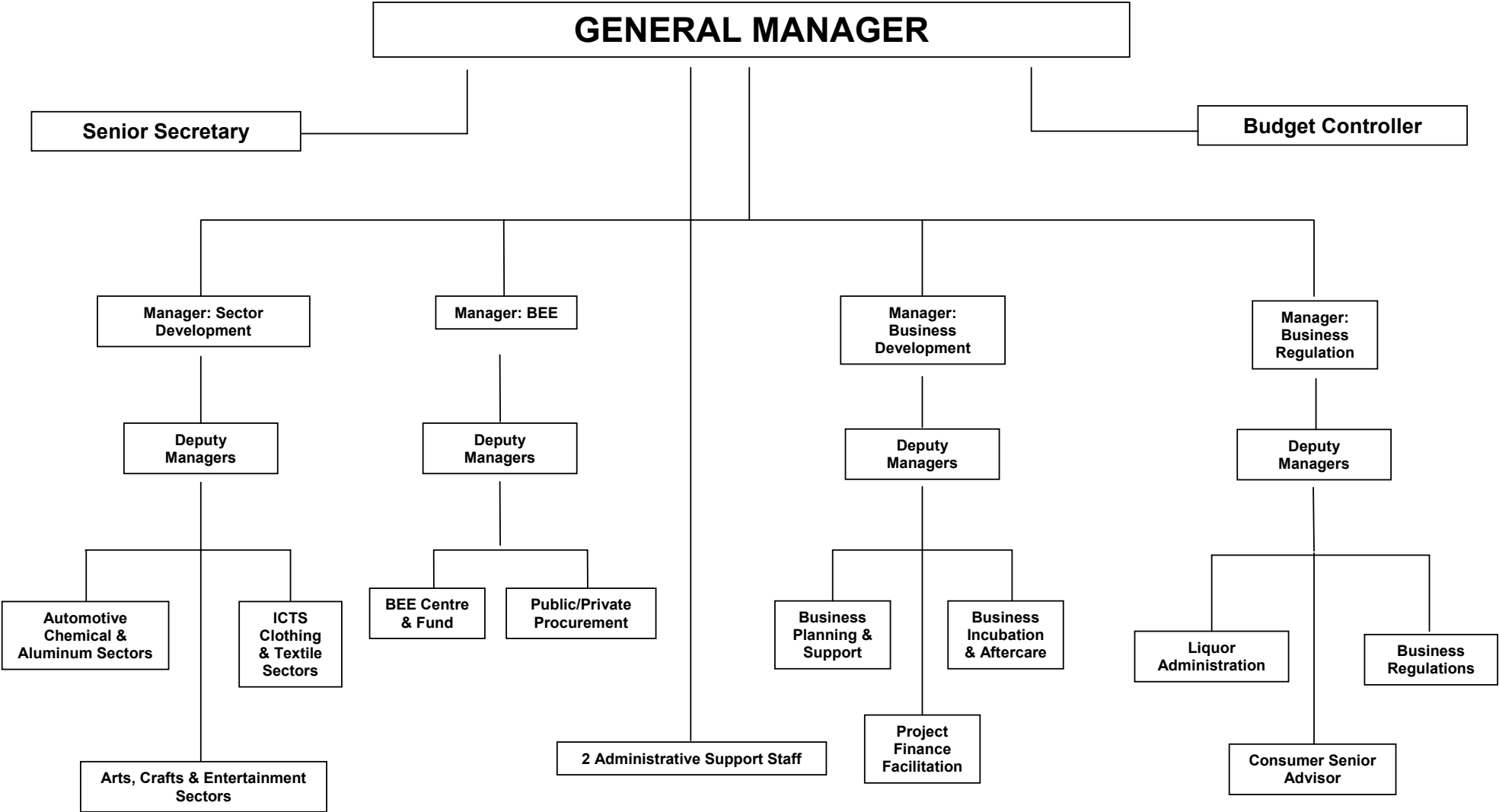
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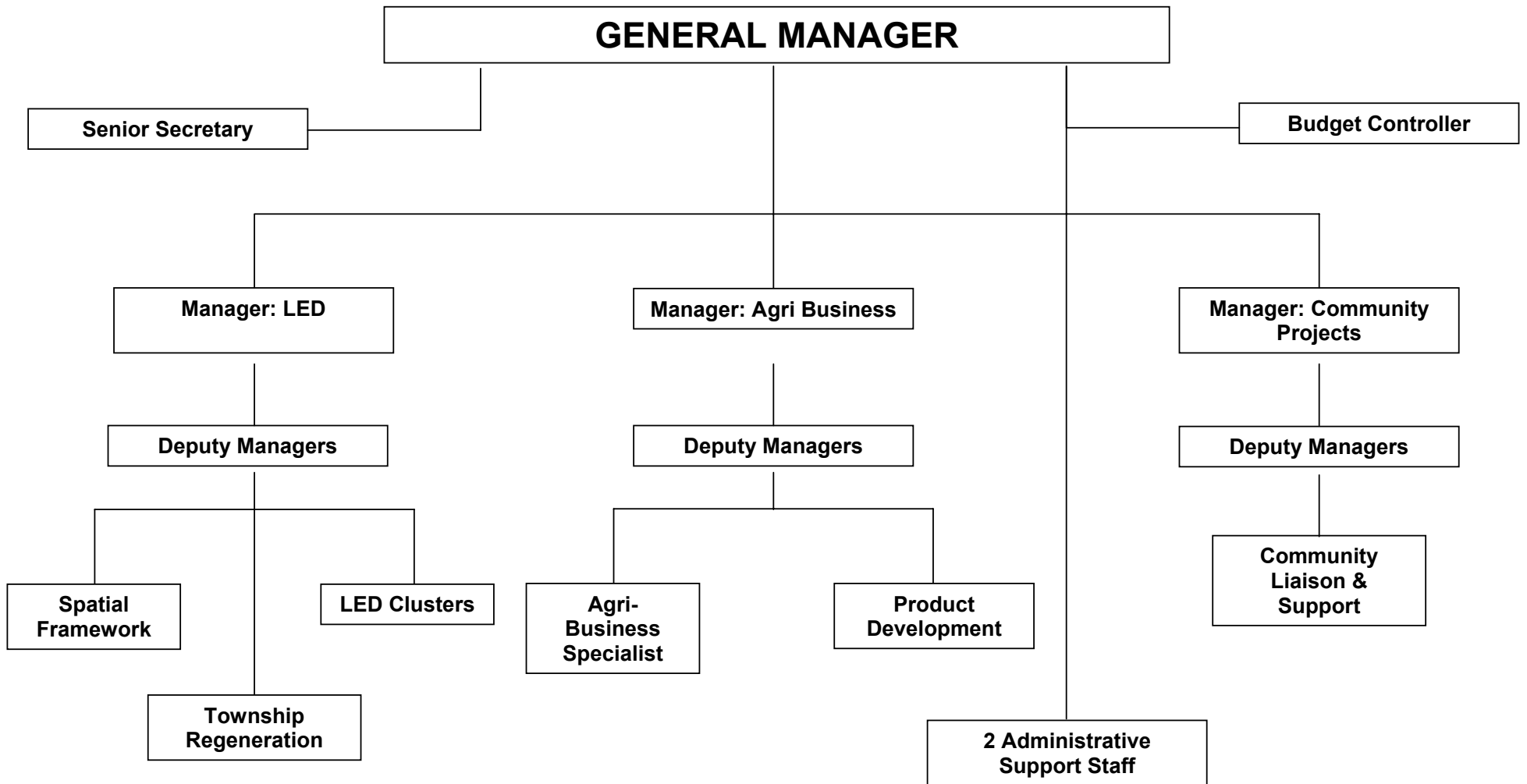
OFFICE OF THE GENERAL MANAGER: POLICY AND SPECIAL PROJECTS



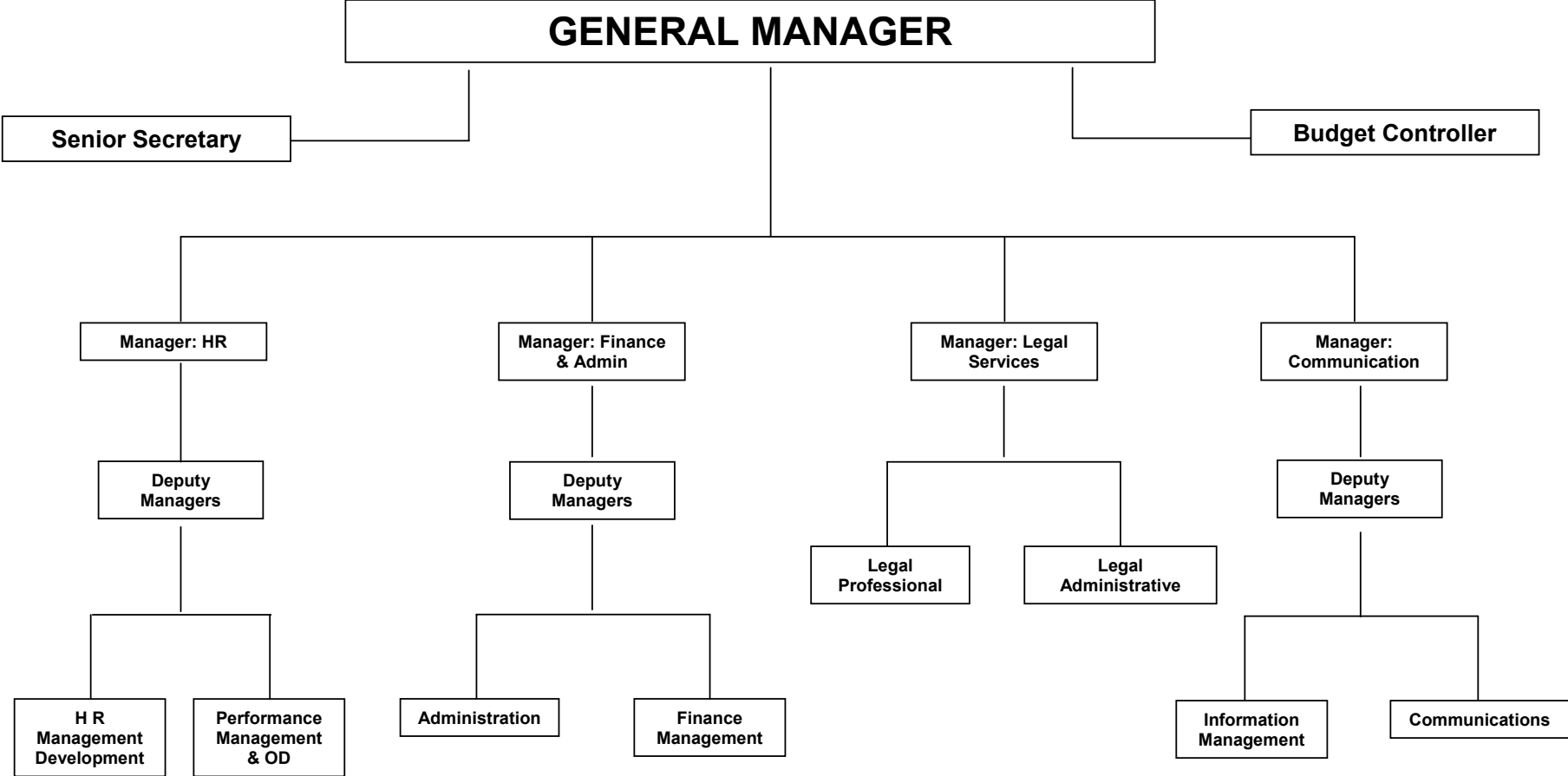
OFFICE OF THE GENERAL MANAGER: SECTOR & BUSINESS DEVELOPMENT



OFFICE OF THE GENERAL MANAGER: SPATIAL ECONOMIC CO-ORDINATION & DEVELOPMENT



OFFICE OF THE GENERAL MANAGER: CORPORATE SERVICES



3.3.2 Delegations

Delegations have been cascaded to deputy manager levels. The monitoring took place through the consultative condition attached to all delegations. Secondly monthly reports of managers indicate how and what delegation has been executed.

3.3.3 Asset Management Plans

During the course of the 2003 financial year the entire asset holdings of the department was systematically catalogued and recorded onto a fixed asset register in the form of an electronic database. This has laid the groundwork for more detailed asset management policy and application. The department will draft detailed usage and asset replacement policy, which will be applied to all departmental assets. Currently the department's asset holdings are limited to electronic equipment, furniture and motor vehicles.

3.4 Performance Management System

Principles underlying performance management

The department of Economic Development and Tourism has adopted a motto that says, it is a **Results-driven and Learning Organisation**. This assertion implies that the organisational and individual performance and development cannot be delinked. Therefore, our department performance system measures both the organisational effectiveness, as well as individual contribution in achieving the desired impact.

The underpinning approach to this system is the concept of principle-centred leadership which espoused the following values:

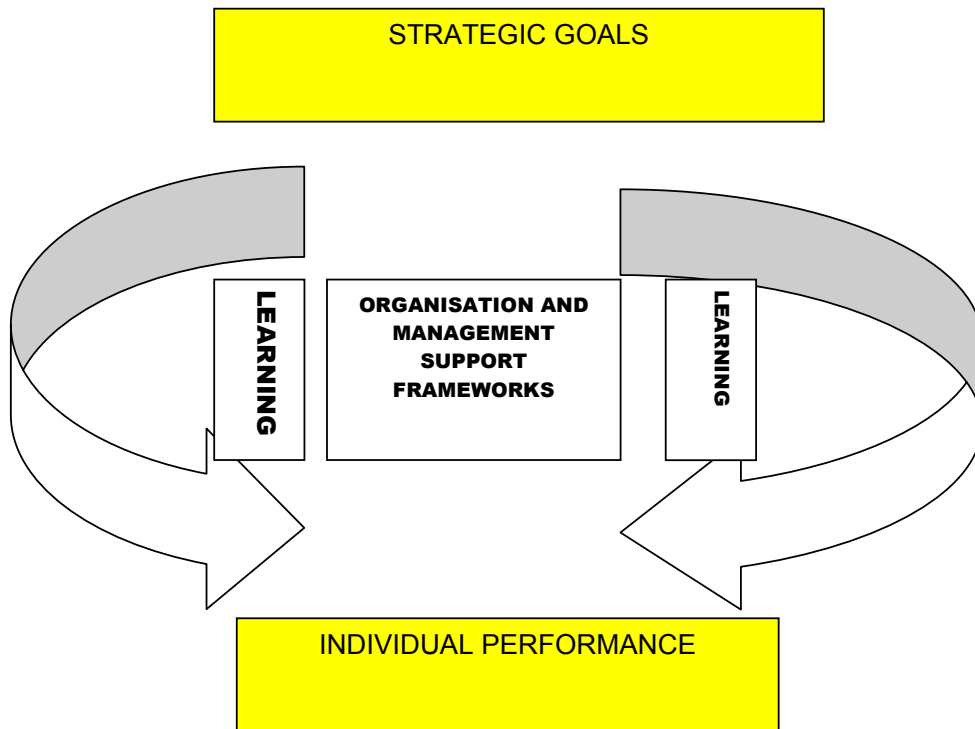
- Alignment [SYSTEM] each of the units and components of the organisation act in harmony with each other
- Empowerment [STYLE] [balancing management control with empowering release
- Trust [PEOPLE] the degree of trust drives organisational design, governs the conditions of empowerment and influence alignment
- Trustworthiness [SELF] organisational effectiveness is built on the foundation of individual maturity and effectiveness

In addition, the department has endorsed and adopted a performance management framework suggested by the Department of Public Service and Administration which:

- Focuses on achievement of goals and strategies based on public interests
- Prioritise transparency and accountability

- Recognised that policy, plan and strategy must be continuously assessed against all government policy
- Recognises that commitment stems from bottom up approaches
- Recognising the significance of delegating authority with responsibility to the lowest possible level consistent with requirements of co-ordination
- Promoting a share-sense of responsibility among all staff for the achievement of organisational effectiveness
- Promote ongoing learning on strategy and outputs
- Promote flexibility to allow adaptations and innovations
- Treat issues of organisation and management as means and not ends
- Empower managers to create an enabling environment for goals and strategies to be achieved

This set of principles makes performance development and management more than an appraisal system but rather a system that links broader systems and processes in the entire organisation in particular and the public sector generally. At the organisational level, it linked individual and team performance to strategic goals. At the individual level, it links all the people management and development processes to the strategic goals.



3.4.1 Framework for setting and assessing performance

The department has adopted a results-driven system: The mainstay of the system will be project and process based. This is essentially a project team model. It involves the determining of key strategic issues facing the department and forming project teams to work on them within specific budgetary and timeframes.

This model is suited for our mandate, vision, objectives and, as well as our human resource development strategy. Therefore the department has adopted a two-pronged performance measurement system, namely, the project team model and the cascading model.

The project team model is applied in business units that carry the primary mandates of the department. The cascading model is best suited for the support units such as corporate service. However there are instances where the models can be applied in both contexts depending on the nature of work that has risen in the unit. The principle of flexibility in this instance ensures that there is ongoing innovation, adaptation and modification.

The performance measurement for senior managers is determined by the Minister of Public Service and Administration. The department has modified the system to include the assessment of projects assigned to managers at level 13.

The managers at level 14 upwards will also include the overall performance of the organisation. This is directly linked to public accountability and the performance of managers in driving and setting pace for strategic goals.

The project team base models requires each member of the team to have a performance contract which will spell out the role and key performance indicators for each member. The KPI will be assessed on quarterly basis to determine progress and relevant intervention. KPI will have a greater weighting than generic performance standards. This is significant since KPI are directly linked to the overall strategy of the organisation.

The cascading model in corporate service will also include the KPI and generic standards. In similar breath the KPI will carry a heavy weighting than the generic standards. The department is piloting the system in this financial year.

3.5 Analysis of Changes to Programmes

Summary of Name Changes

Programme 2: Name change from Integrated Planning and Economic Development to Spatial Economic Co-ordination.

Name change of sub-programme 2 Rural Economic Development to Agri-business.

Programme 3: Name change from Small, Micro and Medium Size Enterprises (SMME) and Internal Trade now becomes Sector and Business Development.

Name change Sub-programme 1 Small, Mircro & Medium Size Enterprises (SMME) to Business Development.

Name change Sub-Programme

Programme 4: Name change from Auxiliary and Associated Services to Tourism, Trade and Investment.

Summary of Sub-Programme shifts

Programme 2/ Sub-Programme 3: Special Projects moved to Programme 6

