

ANNUAL PERFORMANCE PLAN 2007/2008



DEPARTMENT OF ECONOMIC DEVELOPMENT AND TOURISM





FOREWORD

The recent Provincial Economic Review and Outlook projects anticipated Regional Growth Domestic Product (GDPR) for 2006/2007 at 4 percent, which is a slight decline on the 4.3 percent achieved in 2006. However the Premier has challenged the Province to achieve an economic growth rate of 6 percent this year.

Nationally we have witnessed the emergence of catalytic interventions to achieve sustained, accelerated and shared growth. This is to ensure we achieve our Vision 2014 targets and contribute meaningfully to the socio-economic improvement of society.

At a recent national Cabinet Lekgotla it was resolved that ASGISA constraints should be addressed concretely as they arise. With this in mind, the Department has embarked on a robust drive to refocus our key programmatic areas, each of which is aligned with ASGISA initiatives.

It is against this national and provincial backdrop that the Department of Economic and Tourism and prioritised the following:

- a) Skills interventions: The department has identified skills development as the most vital component of its strategy to achieve the added growth trajectory expected through ASGISA. Existing skills interventions will be intensified and scaled up and specific interventions will be developed for each sector.
- b) Enterprise development: We will support the informal sector and promote the migration of entrepreneurs from the second to the first economy through facilitating access to financial services, training and business-related infrastructure. The expansion of our Red Door services offering, in partnership with SEDA, will be central to this, as will the intensification of our mentorship programme. We will use the opportunity of licensing (previously unlicensed) liquor establishments to train and equip these entrepreneurs. In all our interventions, we will ensure participation in the economy is broadened according to the Broad-based Black Economic Empowerment Act.
- c) Sector support: The MEDS process has identified priority and significant sectors which demonstrate the greatest potential to grow and to create jobs. The priority sectors are Tourism, BPO, ICT, and Oil and Gas, and significant sectors include Creative Industries, Clothing and Textile, and Metals and Engineering. The critical interventions for these sectors focus on supporting sector bodies, developing infrastructure to improve accessibility and increase competitiveness

and growth, and promoting downstream activities that broaden the base of economic participation.

- d) Spatial expression of economic development: It is necessary to translate the consolidated MEDS research into useful, geographically disaggregated information and support municipalities in developing LED strategies. An integrated programme like the Plek Plan aims to identify economic opportunities that municipalities can take up in their regions. Broadening participation and promoting shared growth will be further enhanced through the Real Economic Assistance Fund (REAF), which will support the economic opportunities identified.
- e) Fair business environment: The Department will implement the Consumer Affairs Act (including the Consumer Tribunal) and position the Office of the Consumer Protector as a provincial credit regulator in terms of National Credit Act, 2005. The Department will also establish the Office of the Consumer Protector and communicate its role through a comprehensive, integrated education and awareness campaign.
- f) Institutional review: We will assess the various implementation agents used by the Department so as to ensure that we have the appropriate institutional framework and vehicles for achieving our objectives. This will include a review of the trade and investment promotion activities supported by the Department, with a view to up-scaling and intensifying this area of work.

All of my Department's interventions will be informed by our recently adopted "open window" approach. We will engage with all our social partners in our priority sectors to gauge whether our programmes are addressing the constraints and challenges that they face on the ground.

These discussions will allow us to interrogate whether our interventions are meeting real needs and are achieving their intended objectives, and this feedback will be invaluable in increasing the impact of our programmes.



Ms Tasneem Essop

**MINISTER OF ENVIRONMENTAL AFFAIRS, DEVELOPMENT PLANNING
AND ECONOMIC DEVELOPMENT**



FOREWORD

Tourism is a sector with the potential to significantly deliver on the promises made in terms of job creation and poverty alleviation. In the Western Cape, about 9.6% of our workforce, or 150 000 people, are employed in the tourism sector. The importance of the sector has been confirmed by AsgiSA, which identifies Tourism and the BPO sector as two priority sectors for intervention.

Domestic arrivals have shown significant increases, with the Western Cape enjoying a 10 percent share of the national trade. The domestic market continues as a focus market for future growth. The 2010 World Cup will inject new impetus into the international sector, resulting in arrivals of an estimated 3 million visitors to the Western Cape.

From the 2nd Quarter of 2006 to date, the Tourism component conducted a comprehensive exercise to determine what the department should be doing from the perspective of all the social partners and consumers to have a genuine impact on the sector.

In our plans to meet the national and provincial priorities of accelerated and shared growth for our Province, we propose the following priorities for 2007/08

- a) The development of tourist attractions, routes and infrastructure. This will be guided by a reworked version of the Integrated Tourism Development Framework, which will emphasize a wider distribution of tourists within the Province.
- b) We will pursue a vigorous Tourism Human Resource Development programme to develop an appropriately skilled and highly productive workforce. This will include the implementation of skills development programmes and insuring that employees maximise opportunities for employment development.
- c) Through the up-scaling of the Tourism Enterprise Development programme, we will intensify our participatory interventions by implementing a Tiered Support Strategy that addresses the needs of the full spectrum of entrepreneurs. These interventions will also promote local tourism development and will be linked to other departmental and provincial intervention strategies such as Die Plek Plan. There will be a strong emphasis on the development of an economic empowerment programme that will focus particularly on women, the youth, rural residents, and persons living with disabilities.

- d) We will establish an array of interventions to ensure the competitiveness of tourist destinations. These will include the promotion of service excellence and the monitoring of intervention in pricing issues.
- e) And finally the role of Cape Town Routes Unlimited as a provincial destination-marketing organization in producing a 2010 Tourism Accelerated Development Plan.

The above priority interventions will be facilitated and enhanced through the following mechanisms:

- a) The Western Cape Tourism Development Framework will set targets and define an outcome that needs to be achieved over a ten-year timeframe.
- b) The Western Cape Tourism Development Partnership (WCTD) will be the co-operative governance body that will ensure that the partners act in an aligned manner to achieve cost-effective use of our collective resources. The WCTD Partnership will consist of high level representatives of Government, Business, Labour, Civil Society and the education sector.

This budget vote aims to build a strong and competitive sector that achieves the key tourism objective of growth with transformation.



Lynne Brown

MINISTER OF FINANCE AND TOURISM



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PART A: OVERVIEW OF STRATEGIC PLAN

1. Overview of Strategic Plan

Economic growth in the Western Cape is projected to be 4% for 2006/07. However the Premier has challenged the Province to achieve an economic growth rate of 6 percent.

Nationally we have witnessed the emergence of catalytic interventions to achieve sustained, accelerated and shared growth. This is to ensure we achieve our Vision 2014 desired targets to halve unemployment and poverty and to build a sustainable, productive and broad-based economy.

The draft Provincial Growth and Development Strategy highlights the following economic imperatives:

- Accelerated economic growth rate through regionally specific sectors with considerable focus on ASGISA identified sectors;
- Becoming a meaningful economic player as a province in the global arena;
- Ensuring the urban spatial concentration of economic growth potential (sectors);
- Accelerating 2nd economy interventions to facilitate the absorption of unemployment, intervene meaningfully to formalise 2nd economy economic activity and remove government disincentives, excessive regulations and overbearing enforcement ;
- Incorporating poor, women and people with disabilities into the economic mainstream.
- Tackling unemployment through upscaling SMME development and focusing on entrepreneurial and life skills development.
- Providing sufficient and adequate skills to match the growth potential of economy through re-skilling the current workforce and ensuring that a well skilled workforce meets the requirements of the MEDS priority sectors.

With this in mind, the Department has refocused its priorities to ensure alignment with the national and provincial economic priorities. The following are the Department's priorities going forward.

- a) Skills interventions: The Department has identified skills development as the most vital component of its strategy to achieve the added growth trajectory expected through ASGISA. An all encompassing – skills strategy will be

developed, existing skills interventions will be intensified and scaled up, and specific interventions will be developed for each sector.

- b) Enterprise development: We will focus on the acceleration of migration of entrepreneurs from the second to the first economy through facilitating access to financial services, training, and business-related infrastructure. The expansion of our RED Door service offering, in partnership with SEDA, will be central to this, as will the intensification of our mentorship programme. We will use the opportunity of licensing (previously unlicensed) liquor establishments to train and equip these entrepreneurs. In all our interventions, we will ensure that participation in the economy is broadened according to the Broad-based Black Economic Empowerment Act.
- c) Sector support: The MEDS process has identified priority and significant sectors which demonstrate the greatest potential to grow and to create jobs. The priority sectors are Tourism, Business Processing Outsourcing (BPO), Information Communication Technology (ICT), and Oil and Gas, and significant sectors include Creative Industries, Clothing and Textiles, and Metals and Engineering. The critical interventions for these sectors focus on developing infrastructure to improve accessibility and improve competitiveness and growth, and promoting downstream activities that broaden the base of economic participation.
- d) Spatial expression of economic development: It is necessary to translate the consolidated MEDS research into useful, geographically disaggregated information and support municipalities in developing LED strategies. The Plek Plan programme aims to identify economic opportunities that municipalities can take up in their regions. Broadening participation and promoting shared growth will be further enhanced through the Real Economic Assistance Fund (REAF), which will support the economic opportunities identified.
- e) Fair business environment: The Department will implement the Consumer Affairs Act (including the Consumer Tribunal) and position the Office of the Consumer Protector as a provincial credit regulator in terms of National Credit Act, 2005. The Department will also establish the Office of the Consumer Protector and communicate its role through a comprehensive, integrated education and awareness campaign.
- f) Institutional reform: We will assess the various implementation agents used by the Department so as to ensure that we have the appropriate institutional framework and vehicles for achieving our objectives.

In 2014, the economic landscape of the Western Cape has to display a thriving, productive globally competitive economy. Our interventions will be measured by:

- The number of sustainable jobs created within the priority and significant sectors.
- The number of 2nd economy entrepreneurs migrating to the formal economy.
- The number of sustainable enterprises created.
- The number of growing sectors migrating from the sector watch list to significant and priority sectors.
- The number of target beneficiaries contributing meaningfully to formal economic activity.

Our reprioritised catalytic interventions provide us with a platform to respond to the needs, interests and most importantly the views of our people. In the “Age of Hope” we are confident that the Western Cape’s economic growth and development trajectory will realise the department’s vision of a shared, sustainable, growing, labour-absorbing and globally competitive economy.



Dr Hildegard Fast
ACCOUNTING OFFICER

2. Strategic plan update analysis

The Department of Economic Development and Tourism's vision is encapsulated in the vision of the National Growth and Development Strategy, Home for All vision and the strategy of iKapa Elihlumayo.

National Growth and Development Strategy Vision – a South Africa, which is:

- The leading emerging market and destination of first choice for investors while retaining and expanding social equity and fair labour standards.
- A productive economy with high levels of service, a highly skilled workforce, and modern systems of work organisation and management.
- A society in which there are economic opportunities for all, poverty is eradicated, income inequalities are reduced and basic services are available to all.
- A society in which our people, our most precious resource, are given the opportunity and support to develop to their fullest potential.
- A society that promotes the values of social equity, fairness, and human dignity in the global economy.

iKapa Elihlumayo Strategy:

Our vision is one of a Western Cape which offers dignity, equity and prosperity to all those who make it their home.

In essence, the Department's vision is one of a shared, sustainable, growing, labour-absorbing, and globally competitive economy.

The Department 's mission is a commitment to drive key economic sectors that will grow the economy in a manner that will create decent work for entrants into the labour market and to ensure that we reduce the number of people dependent on social welfare. We aim to grow and transform our economy through micro-economic interventions and to ensure we meet social, economic and environmental equity outcomes.

The Macro Framework

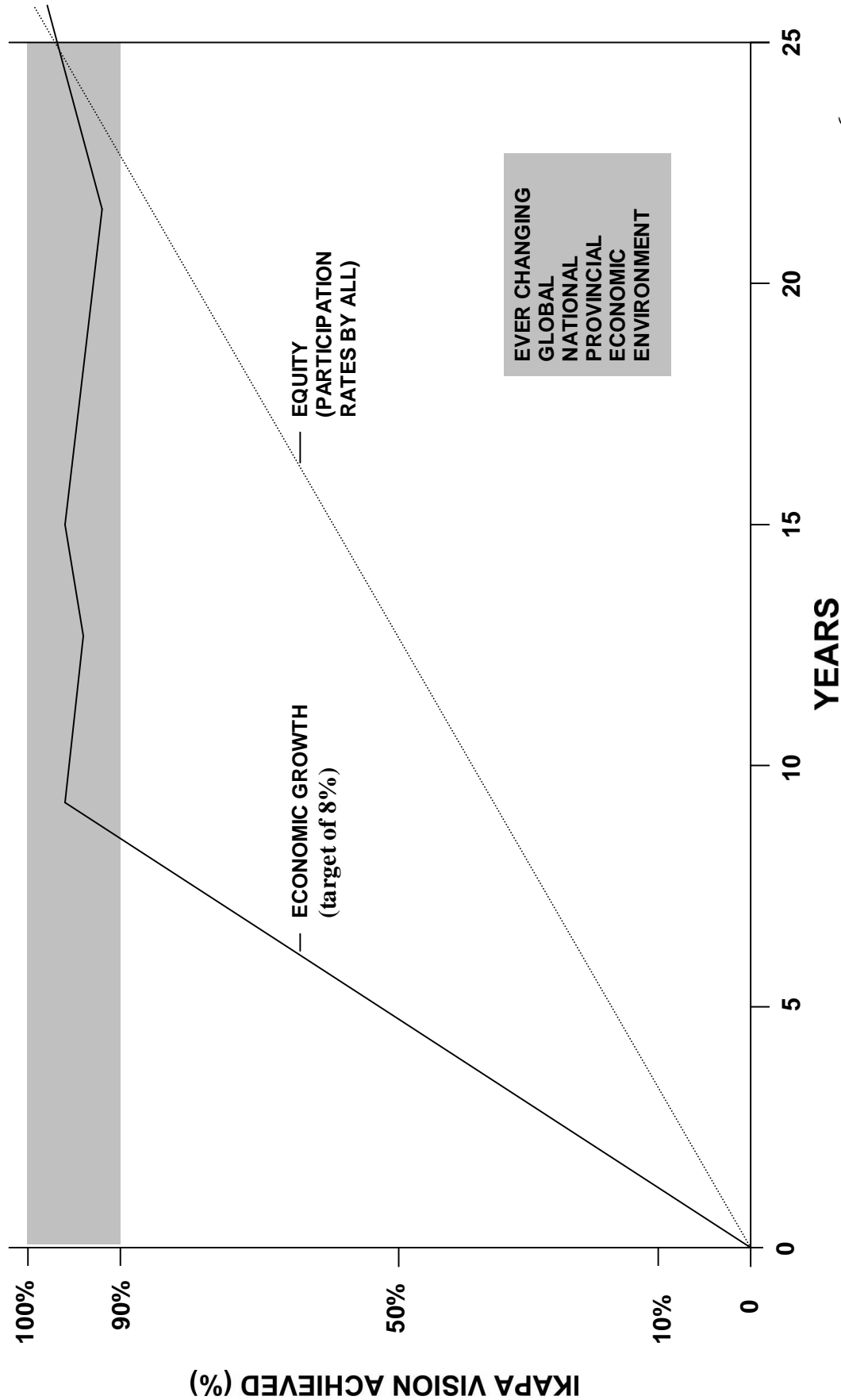
The Department of Economic Development and Tourism (DEDT) operates in an environment characterised by the following *two distinguishing framework conditions* that shape the scope, form and direction of its work:

- President Mbeki, in his 2004 State of the Nation Address, highlighted the necessity for state intervention in economic affairs of the country while emphasising the specifically developmentalist nature of our state formation and function.
- The new Constitution and post 1994 Legislation make provision for 3 spheres of government – National, Provincial and Local – each with specific powers, competencies and responsibilities.

The substantive content and modalities of state intervention are determined by constitutional and policy imperatives of poverty reduction, inequality reduction, and equitable development growth.

The Western Cape's strategy, iKapa Elihlumayo (also refer to **Figure 1**), captures these macro policy imperatives and sets the stage for the Department's role as a Provincial organ of the developmentalist state.

Figure 1: Vision for achieving growth and equity over the next 25 years



In the light of the vision, the Department examined national policies, strategies, mandates, Cabinet Lekgotla outcomes, and speeches of the President and National Ministers, and combined these with the Provincial political imperatives of iKapa Elihlumayo.

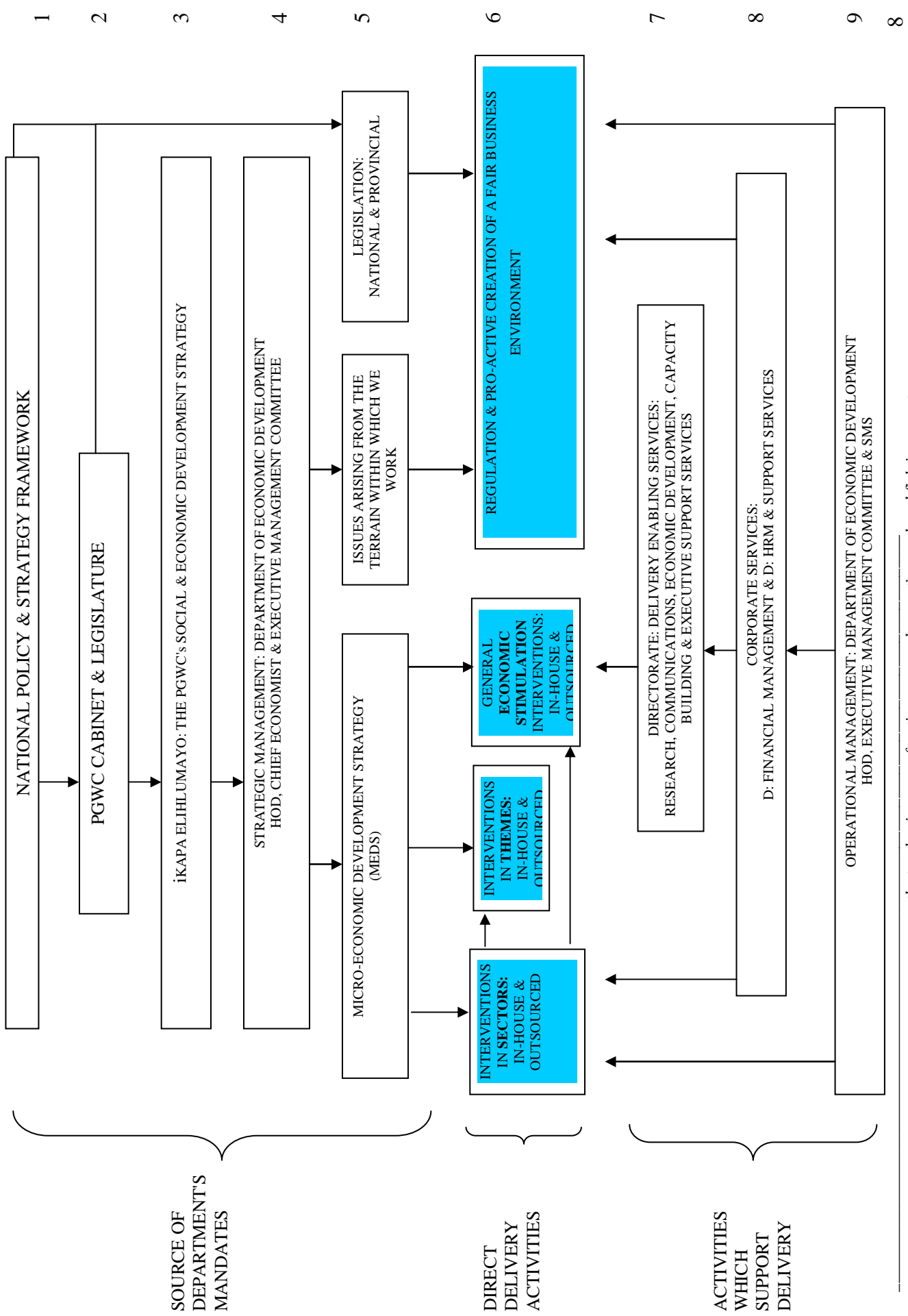
The Department, over the next five years, will focus on the following overall strategic goals:

- Promoting and mobilising investment and creating decent work for all
- Ensuring economic empowerment for all, especially for black people, people with disabilities, women and youth
- Eradicating poverty and addressing the legacy of under-development.
- Strategically engaging globalisation to the best advantage of the Province.

These strategic goals will be underpinned by the following six strategic objectives, which are:

- To ensure good **corporate governance** within the Department.
- To **enhance** the delivery of services provided by the Department
- To **grow** the economy in a sustainable manner, for the benefit of all who make the Western Cape their home.
- To create **employment**, especially for the presently unemployed.
- To make **ownership** of the economy representative of the demography of the Province.
- To increase levels of **participation** in the economy by all, especially by the previously excluded and presently marginalised.
- To make citizens and their enterprises effective players in the **global** economy.
- To create a fair, effective and conducive **business environment** for enterprises and consumers.

Figure 2: Structure of the reorganised Department to meet delivery against set mandates



... the two key issues confronting our people: creating work and fighting poverty

Service Demand

The following dimensions and features of the Western Cape's socio- economic landscape impact significantly on the interventionist and servicing challenges:

- Traditional, low skills absorbing economic sectors and sub-sectors are shedding labour and/or resorting to the "casualisation" of employment contracts.
- Intra-sectoral, value chain fragmentation – agriculture/agri-business; clothing/textiles; and steel/metals – result in diseconomies which impact adversely on optimising resource use of potentials and global competitiveness.
- Mis-alignment, poor integration and blunt targeting of HRD service providers impact adversely on the supply of intermediate and high-end labour market skill bands required in niche market growth sectors and sub-sectors.
- The Provincial economy lacks a robust, innovative, middle layer of SMMEs to support broad based economic growth, job creation, and BBBEE.
- The Western Cape is one of the few provinces, which is a "net importer" of labour (mainly low skill labour from the Eastern Cape).
- The Western Cape is the second least poor province in South Africa.
- The Western Cape heads-up the provincial inequality league in the country with an embedded, racially skewed distribution of enterprise ownership, management, employment, and unemployment profile.

In addition, socio-spatial marginalisation, information asymmetries, and capacity deficits create vicious circles of inequitable growth that fuel migration, skills mismatches and heightened inequalities, while constraining optimal utilisation of local resources or potentials.

The menu of challenges highlighted above is indicative of structural fault lines endemic to the landscape. The scale, scope and intensity of these economic fault lines are suggestive of demand side impulses that will remain over the medium to long term since they are structurally embedded and not cyclic swings.

To achieve the mandate of the Department, the Department based its rationale for delivery of services on the following:

- Increased growth, facilitating employment and enhancing equity

- Basing strategies on the province's current and emerging competitive strengths
- Identifying knowledge intensity as a Western Cape fundamental characteristic
- Focus on strategic priority sectors, and
- Building strategic institutional relationships between government and industry.

The first goal is to identify sectors where growth can be significantly enhanced through government assistance. But a singular focus on growth does not suffice. The Department is cognisant of inherited inequality that characterises and shapes economic and social life in the Western Cape. Hence it sought to focus policy initiatives on the goal of spreading the gains of economic growth, more especially through employment growth. In addition, the Department sought policies that would facilitate the entry of new firms, and especially black and female owned firms. So where possible, also prioritised equity considerations and especially employment creation in seeking to identify key sectors and strategies for sectoral development.

A significant and rising share of economic activity in the Western Cape rests on this knowledge base and underlies the comparative advantage of a number of sectors. However, this resource is also very limited and still racially constrained. A major theme that was reported in all of the MEDS research undertaken was emerging skill shortages. These shortages are likely to increase given the forecast of higher growth. Skill shortage is a significant constraint on further growth and policy to address this issue is accordingly of high priority.

The Department must avoid creating unrealistic expectations. Instead the foundation of the implementation mechanisms is to create public-private institutions - either as 'sector forums' or independent 'special purpose vehicles' to bring together government and industry.

The above highlights the strategic and integrative leadership function, where the Department is required to expeditiously facilitate, manage and monitor pro-active and interventionist servicing of programmes. Strategic leadership, smart organisation, effective resource pooling efficient, appropriate and inclusive institutional delivery are all primary requirements of the new brand of pro-active servicing which includes building empowering partnerships with end-users.

Service delivery and intervention capabilities of the type required are not readily available on the market. It is imperative that intra-departmental institutional learning be cultivated as a conscious, regular and formalised practice in order to

develop the Department's institutional memory and knowledge base as mechanisms to enhance service efficacy and efficiency as well as extra departmental sustainability of service offerings.

Strategic Plan Process

The Department's strategic planning process can be separated in three distinct but interlinked phases.

The first phase of the strategic planning process can best be described as the "setting the scene" phase, where the Provincial cabinet along with the MEC, set broad strategic goals for the Province. These goals were then communicated to the Department, via the MEC.

The second phase of the Strategic Planning process setting of broad strategic goals by the Accounting Officer and Top Management of the Department. These goals were aligned to the vision of creating a Home for All, the iKapa Elihlumayo strategy as well as recommendations arising through processes such as the MEDS.

The third phase in the process was the breakaway session of the management echelon where the focus was on developing a 10-year vision and the strategy to achieve the said vision. In this phase, specific plans and measurable objectives were discussed and agreed upon by the full compliment of the Top Management. It must be noted that within certain programmes, the measurable objectives of some units as the specific sector interventions have not yet been finalised by the Micro-economic Development Strategy (MEDS).

The Department's mandate is derived from the context within which it operates, both at a national and a provincial level. This mandate guides the MEDS process, and implementation of strategic interventions arises from the MEDS (refer to **Figure 4**). Furthermore, both sector- and theme-based interventions are derived from the MEDS. At a municipal level, these interventions are aimed at informing and strategically impacting on Municipal IDPs (refer to **Figures 5 & 6**).

Figure 4: Critical path to successful economic development interventions

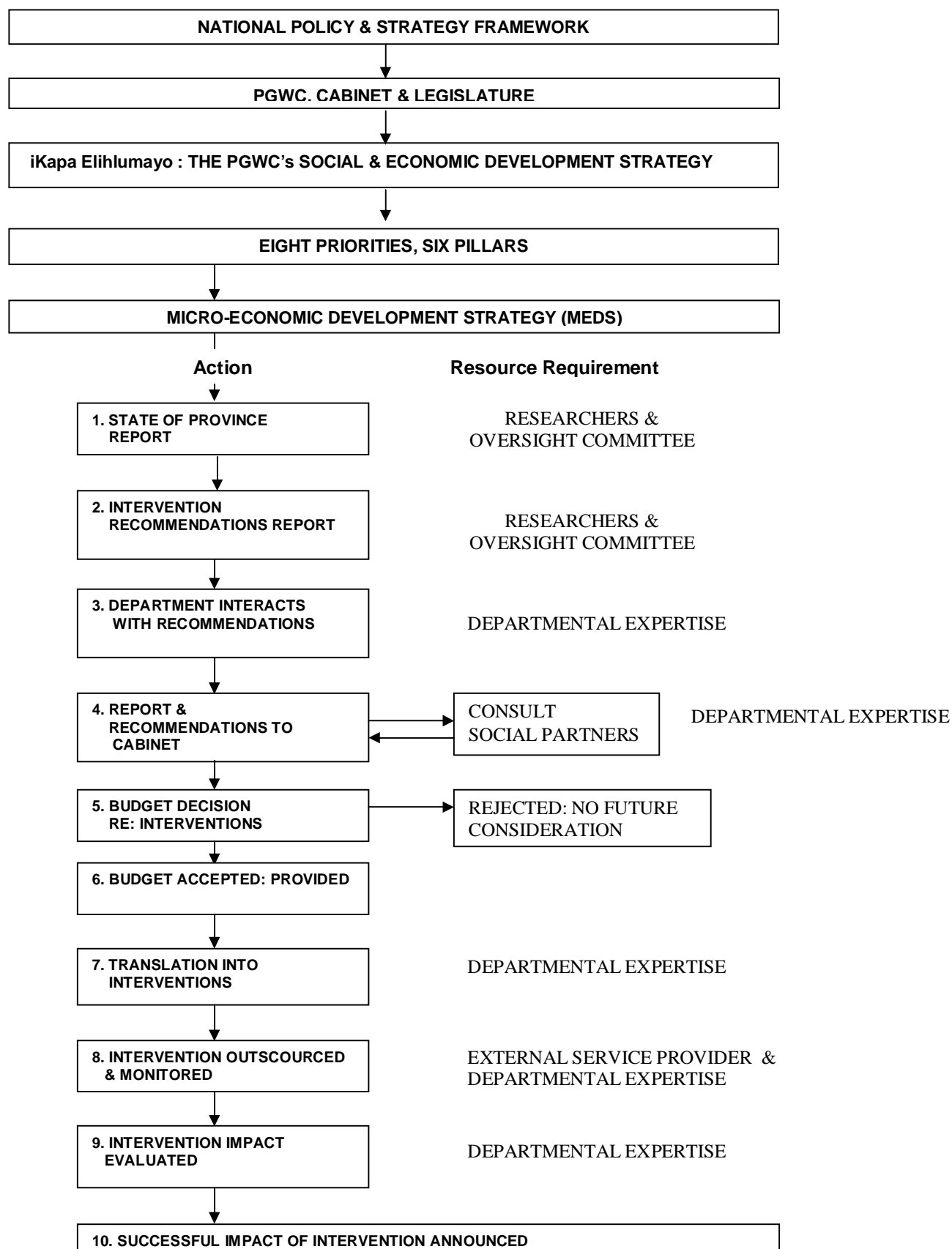


Figure 5: Matrix representation of sector- and theme-based interventions

Summary Sheet 1									
Year One	Municipality 1	Municipality 2	Municipality 3		Municipality 24	Unicity District 1	Unicity District 2	District 1	All Localities
Sector 1	See Summary Sheet 2								
Sector 2									
Theme 1									
Theme 2									



PART B: PROGRAMME AND SUB-PROGRAMME PLANS

3. Programme 1: Administration

The main aims of Administration are to conduct the overall management of the Department; to provide support to the Executive Management of the Department; and to provide economic statistics and research to inform policy development.

The programme has been structured as follows:

- Office of the Head of Department
- Financial Management
- Corporate Services

i. Specified policies, priorities and strategic objectives

The Programme's mandate is derived directly from chapters 10 and 13 of the Constitution of the Republic of South Africa (Act 108 of 1996), which compels all spheres of government to ensure that the principles of a high standard of ethics is promoted and maintained, efficient economic use of resources is promoted, encourage the state to be development-orientated, ensure transparency, and accountability.

To give effect to the above-mentioned principles, the Public Finance Management Act, 1999 (Act 1 of 1999) was enacted. The aim of the PFMA is to modernise the system of financial management within the public sector and represents a break from the past where financial management was characterised by opaqueness, poor information and virtually no accountability.

This said, the above mentioned acts provides for and challenges all public sector departments to continuously search for improvement in service delivery and the achievement of outputs that will forever transform the landscape of the new South Africa and thereby build a better future.

The mandate of the Sub-programme: Financial Management is directly derived from the Public Finance Manage Act, 1999 (PFMA). This act challenges the Department to adopt an approach to financial management that focuses on outputs and responsibilities rather than the "rule-driven" approach of the old exchequer acts. Key to the performance of good financial governance is the implementation of proper financial management systems,

appropriation control and accountability arrangement. A secondary, but not of less significance, is the development of efficiency and effectiveness programmes, projects and “best practice financial management systems.

The mandate of the Corporate Services Sub-programme is informed, in the first instance, by the Public Service Act, the Public Service Regulations and provincial and national Collective Agreements. These provide the foundation for further strategy and implementation guidelines to ensure that the progressive management of human resources and support services.

The aforementioned mandates the Department to develop, implement and monitor and evaluated practices, which enhances the management of human resources and support services within the Public Service.

The mandate provides for the development of strategies which addresses:

- The employment and retention of competent staff
- Staff development and training
- Service delivery improvement
- Transformation of human resources and human resource practices
- Effective and efficient maintenance of the employer-employee relationship
- Improving the quality of work life of employees
- Ensuring a healthy and safe work environment
- Ensuring good governance practices (e.g. fair administrative processes, efficient records management, etc.).

Stemming from the need to ensure the efficient, effective and economical management of resources within the Department, the Programme will also undertake and implement a monitoring and evaluation unit. This unit will endeavour to ensure that services rendered by the Department, not only meets the targets as set, but also meets specified quality and effectiveness standards. The unit will also challenge other Departmental programmes and units to always have the end goals as set in the core mandate in mind.

A further function of the Programme is to ensure that the services rendered by the Department are effectively communicated to both the Public and other internal government sources.

ii. Analysis of constraints and measures planned to overcome them

Departmental policies will be reviewed regularly in an attempt to not only streamline the Financial and HR processes, but also to enhance services such as accounting services; supply chain management; budgeting; recruitment and selection; and human resource development.

Middle Management capacity within the sub-programmes will also be increased. Line function managers will continue to be capacitated to ensure they take responsibility for their roles within the sub-programme deliverables.

In certain units, the necessary information management systems must be developed to ensure:

- The appropriate management of relevant information; and
- That reliable, accurate and up-to-date information is available for reporting and decision-making.

iii. Description of planned quality improvement measures

Amongst other factors, the following quality improvement measures are planned for the Programme:

- **Focus:** The bulk of resources available to the Programme will be focussed on general operations as well as the implementation of various improvement measures identified by the Programme.
- **New Human Resource capacity:** The current personnel management practices will be reviewed to ensure that:
 - Sufficiently competent staff are appointed;
 - Appointments support the Department's transformation agenda; and
 - Personnel management processes are flexible enough to address the challenges of an ever-changing environment in which the Department is expected to deliver.
- **Training and development of existing staff:** The Development of a structured service delivery improvement strategy will include the following interventions:
 - Increase staff capacity;
 - Identify and address training needs of all staff;
 - Assess staff performance and address under-performance; and
 - Assess clients' perception of service delivery.
- **Shareholder relations/ partnerships:** Service Level Standards will be entered into with all units in the Department. The Department will also

seek to work closely with all Government institutions as well as other organisations linked to the Department in an effort to improve services and ensure best practices.

- **Communication:** With regard to Communications, external designers will design the standards for departmental events and all related materials (corporate imaging). In addition, staff will be trained to manage events.
- **Monitoring and evaluation:** The Strategic Co-ordination Unit will implement systems to ensure improvement with regard to quality of service especially in the areas of Executive Management of the Department, research, monitoring and evaluation, and communications and corporate image management. Essentially, the Strategic Co-ordination Unit will provide strategic support services to ensure that key transversal service oriented departmental outputs are delivered.

In terms of the **Departmental Operations Performance Management (DOPM)** monitoring and evaluation unit, a gap analysis will be undertaken with regard to the terrain being covered by the Department and the terrain to be outsourced to ensure that the Department obtains an objective view when assessing the higher level results based performance. This is also to ensure that the Department meets the evaluation requirements as set by the Provincial Wide Monitoring and Evaluation system.

The above planning, monitoring and evaluation methodology is firmly based in the context of the DOPMS (Departmental Operations Performance Management System), which is the current database used as a reporting mechanism to log all projects/services/initiatives undertaken by the Department and to fully describe the impact on the economy.

Furthermore, for effective implementation, monitoring and evaluation of all the interventions identified by the Micro-economic Development Strategy, the Department is in the process of finalising the development of a planning, monitoring and evaluation system which will incorporate a standardised framework for the Department in terms of planning, monitoring and evaluation of all projects. This system will include the development of departmental indicators, and matrices for stakeholder analysis and indicator protocol that will feed into an integrated monitoring and evaluation plan for the Department. The Department's Monitoring and Evaluation system includes alignment to the Provincial Wide Monitoring and Evaluation System (PWMES) and the development of high-level transversal indicators. In addition, the Department's monitoring and evaluation system aims to monitor project development, implementation, and progress; and evaluate (at various levels), the effectiveness, efficiency, impact and sustainability of all interventions.

- **Institutional Review Process:** The Strategic Sector Co-ordination unit will also facilitate the project management of the Institutional Review process on behalf of the Economic Cabinet Committee cluster. The institutional review process is currently driven as one of the Economic cabinet cluster's key priorities and aims to provide the provincial government with recommendations for an institutional framework for economic development.
- **Micro-Economic Development Strategy (MEDS):** the research of sectors/themes as identified in the 3rd Round of the Micro-economic Development Strategy (MEDS) will take place in this fiscal year. In addition, the development of the MEDS Implementation Plan will ensure the identification of key interventions across the sectors and themes which will inform 90% the Department's work.

iv. Progress Analysis:

Financial Management, continues to be highly successful in the implementation of systems surrounding its core functions of budget administration; the rendering of a departmental accounting service; the management of a provisioning and procurement section; and the management of an internal and risk management unit.

Successes for the unit are:

- An unqualified audit report received for the 2005/06 financial year;
- Successfully rollout a financial training programme to all staff within the Department;
- Develop a "Guide to Procurement" for both service providers to and internal staff of the Department
- Reduce the payment turn-around time to 15 days, and
- Develop a fully implementable Fraud Prevention Plan.

In terms of **Human Resource Management**, the implementation of the reorganised departmental structure has been challenging:

- There has been progress with the capacitating line functionaries with regards to prioritised human resource management operational practices
- Progress has been made with regards to managing staff performance.
- Processes to identify staff development needs are improving on a continuous basis.

In terms of **Research Support** the following progress has been made with regard to the Micro-economic Development Strategy (MEDS):

MEDS entails a number of sector-specific and theme-based studies, with the first phase being concluded in December 2004. The key sectors and themes researched during the first phase included: agriculture and aquaculture; fishing and mari-culture; clothing and textiles; metals and engineering; tourism; ICT; SMMEs; and human resources development. The desired positioning of the sectors and themes, with an identification of major policy implications has been completed.

Aligned to the first phase of the MEDS, was a MEDS training programme that addressed the racial and gender composition of the research teams engaged in the MEDS. The MEDS training programme intended to restore a more equitable and broader based skills-pool of researchers equipped to engage in strategic socio-economic work of the MEDS. The purpose of the MEDS training programme was to provide selected trainees with practical experience in the formulation of provincial economic development interventionist strategies.

The second phase of the MEDS included research of the following identified sectors and themes: oil and gas; electronics; biotechnology; crafts; cultural industries; film; financial services; call centres/BPO; energy; and transport. The second phase of the MEDS was completed in June 2005.

The third phase of the MEDS included research of the following identified sectors and themes: the informal sector; agro and food processing; boat building; wholesaling, retailing and franchising; chemicals; construction; and printing and packaging. The research for this phase was completed in June 2006.

Terms of References are currently being formulated for sectors and themes that have been identified for the fourth phase of the MEDS, which research will commence at the beginning of 2007.

The ultimate product of the MEDS is an important tool for the Department, as this forms the initial point of reference from which all projects and programmes are evaluated. The MEDS is part of a set of provincial strategies, which are being developed simultaneously as a common point of departure for provincial government and will assist in providing a common understanding of the regional economic context. The MEDS provides a broad depiction of the critical factors and the important trends, which affect our economy in its regional, national and global milieu. It also guides and directs provincial involvement and engagement with the private sector.

The newly formed **Departmental Operations Performance Management** unit houses the monitoring and evaluation of the Department's programmatic work, which, facilitates the monitoring and evaluation of all programmes, services and initiatives as reflected on the Departmental Operations Performance Management System (DOPMS).

Effective Monitoring and Evaluation has become a necessity to ensure that the Government of the day is able to report on progress on high-level objectives.

The Departmental Planning, Monitoring and Evaluation System framework emanates from both the Government-Wide Monitoring and Evaluation system (GWMES) and the Province-Wide Monitoring and Evaluation System (PWMES) which focus primarily on a results based M & E approach.

The date DOPMS (operational) meetings have been held on a continuous four to eight weekly basis with the Chief Directorates and Divisions within the Department. These meetings ensure that projects, services and initiatives are continuously monitored and evaluated to ensure that the department is on track with regard to set deliverables as reflected in the Annual Performance Plan and to achieve its higher level strategic objectives.

For the first time the Department is able to quality control its events, communications and corporate image branding through **Communications**. To date systems in the form of internal circulars and extensive quality control mechanisms with regard to any form of external communication to ensure professional and standardised imaging have been implemented. For example, interim measures have been put in place with regard to standardised business cards, letterheads, etc.

For the first time, there is a pre-determined strategy with regard to an annual Calendar of Events and integrated media campaigns for the Department's programmatic work, thereby contributing to a continued external awareness of projects, services or initiatives offered by the Department. In addition, Events Management has been outsourced to a single Events Management Service Provider (for a 12-month period, whereafter services will once again be sourced from the market place) in order to ensure consistent, efficient and co-ordinated management, presentation and oversight of all events run by the Department.



PART B: PROGRAMME AND SUB-PROGRAMME PLANS

3.1 Sub-programme 1.1: Office of the HOD

i. Specified policies, priorities and strategic objectives

This Sub-programme will provide support to the **Office of the HoD**, which will include:

- Managing administrative and operational functions of the Office of the HoD;
- Managing the HoD's strategic and operational work programme, including: strategic and operational work agenda; secretariat support to meetings chaired by HoD and meetings attended by the HoD;
- Undertaking specific projects related to the HoD's work at strategic level, including management of the Ministerial Projects Portfolio;
- Managing the External Relations Portfolio, including: High level communication and interaction on behalf of the HoD with Premier/ Ministers/ Members of the Standing Committee/ Senior Government officials/ etc; strategic partnership management targeting key role-players; and funding recruitment management.

Institutional Review Process will be conducted to assess the various implementation agencies and Special Purpose Vehicles used by the Department so as to ensure that we have the appropriate institutional framework and vehicles for achieving our strategic objectives.

ii. Measurable objectives, performance indicators and targets

Strategic Objective:		To enhance the delivery of services provided by the Department.							
Measurable Objective	Performance Measure Indicator	Base Year 2006/07	Year 1 2007/08	Quarter 1	Quarter 2	Quarter 3	Quarter 4	Year 2 2008/09	Year 3 2009/10
To develop and implement the Department's Time for Work	A fully implemented time for work volunteerism campaign	Conceptualisation of the Time for Work volunteerism campaign	Implementation of Time for Work volunteerism campaign, including successful sourcing of volunteers, and the development of different scenarios for the manner in which expertise is provided.	Finalise the Conceptualisation of Time for Work campaign	Launch and implementation of Time for Work campaign	Implementation of Time for Work campaign.	Implementation of Time for Work campaign.	Review	Review

Strategic Objective:		To enhance the delivery of services provided by the Department.							
Measurable Objective	Performance Measure Indicator	Base Year 2006/07	Year 1 2007/08	Quarter 1	Quarter 2	Quarter 3	Quarter 4	Year 2 2008/09	Year 3 2009/10
To assess the various implementation agents and spvs used by the Department so as to ensure that we have the appropriate institutional framework and vehicles for achieving our objectives.	Findings presented to cabinet for further consideration.			Conduct institutional Review	Conduct institutional review	Complete institutional review	Submit recommendations to cabinet		



PART B: PROGRAMME AND SUB-PROGRAMME PLANS

3.2 Sub-programme 1.2: Financial Management

i. Specified policies, priorities and strategic objectives

The sub-programmes mandate is derived directly from chapters 10 and 13 of the Constitution of the Republic of South Africa (Act 108 of 1996), which compels all spheres of government to ensure that the principles of a high standard of ethics is promoted and maintained, efficient economic use of resources is promoted, encourage the state to be development-orientated, ensure transparency, and accountability.

To give effect to the above-mentioned principles, the Public Finance Management Act, 1999 (Act 1 of 1999) was enacted. The aim of the PFMA is to modernise the system of financial management within the public sector and represents a break from the past where financial management was characterised by opaqueness, poor information and virtually no accountability.

To streamline financial governance and provide uniformity between Government institutions, The National Treasury legislated a set of Regulations termed the National Treasury Regulations. The purpose thereof was to set a basis of ground rules all Departments should follow as well as to set minimum standards for the framework that was put in place by the enactment of the PFMA in 1999.

This said, the above mentioned acts provides for and challenges all public sector departments to continuously search for improvement in service delivery and the achievement of outputs that will forever transform the landscape of the new South Africa and thereby build a better future.

ii. Measurable objectives, performance indicators and targets

Strategic Objective:		To ensure good corporate governance within the Department							
Measurable Objective	Performance Measure Indicator	Base Year 2006/07	Year 1 2007/08	Quarter 1	Quarter 2	Quarter 3	Quarter 4	Year 2 2008/09	Year 3 2009/10
Rendering an effective budget management system	Strategic plan and budget approved by the Executive Authority (EA) and tabled in the Provincial Legislature	Annual revision and alignment to changing needs of the Department Measurable objectives for each programme were also developed	Approved Strategic Plan for Department	Planning for Strategic Planning process	Submission of first draft APP to Provincial treasury	Submission of second draft APP to Provincial treasury	Approval of coming financial years APP by executive authority and in legislature	Approved Strategic Plan for Department	Approved Strategic Plan for Department
	Monthly IYM reports submitted to Treasury	IYM reports submitted to Provincial Treasury on a monthly basis.	Monthly budget meetings held with programme managers and other management staff	3 meeting with each programme	3 meeting with each programme	3 meeting with each programme	3 meeting with each programme	12 meetings	12 meetings
	Submission to PT of Quarterly and	Annual report submitted to	Timeous submission	Preparation of	Submission of	Submission of 2 nd	Submission of 3 rd	Submission to PT of Quarterly	Submission to PT of Quarterly and

Strategic Objective:		To ensure good corporate governance within the Department							
Measurable Objective	Performance Measure Indicator	Base Year 2006/07	Year 1 2007/08	Quarter 1	Quarter 2	Quarter 3	Quarter 4	Year 2 2008/09	Year 3 2009/10
	annual performance reports published	Provincial Treasury on prescribed timeframe and format. Approved by Legislature. Quarterly Performance Reports submitted to Provincial Treasury in prescribed format and timeframe	of Quarterly Performance Reports and Annual Report	Previous years Annual Report and submission of previous years 4 th Quarterly Performance Report	Annual Report to Provincial Treasury and Legislature and the 1 st Quarters Performance Report	Quarterly performance Report	Quarterly performance Report	and annual performance reports published	annual performance reports published
To provide and maintain a procurement and provisioning system in the Department	Compliance with the AO system	Updated AO System	100% compliance to AO System	100% compliance to AO System	100% compliance to AO System	100% compliance to AO System	100% compliance to AO System	Compliance with the AO system	Compliance with the AO system
To provide assurance that financial risks are minimised	Number of cases addressed in Internal Audit reports	Reduction in cases	Reduction in cases	Conducting inspections of	Conducting inspections of	Conducting inspections of	Conducting inspections of	Reduction in cases	Reduction in cases

Strategic Objective:		To ensure good corporate governance within the Department							
Measurable Objective	Performance Measure Indicator	Base Year 2006/07	Year 1 2007/08	Quarter 1	Quarter 2	Quarter 3	Quarter 4	Year 2 2008/09	Year 3 2009/10
and managed effectively				various units in line with inspection plan and instituting corrective action	various units in line with inspection plan and instituting corrective action	various units in line with inspection plan and instituting corrective action	various units in line with inspection plan and instituting corrective action		
	Auditor-General and Internal Audit reports dealt with and remedial steps initiated	Audit reports Internal audit findings Inspection reports	Auditor-General and Internal Audit reports dealt with and remedial steps initiated					Auditor-General and Internal Audit reports dealt with remedial steps initiated.	Auditor General and Internal Audit reports dealt with and remedial steps initiated.
To deliver of an efficient and effective financial accounting service in the department and the alignment of financial	Annual reporting: Annual Financial Statements submitted timeously for audit purposes Unqualified audit report	Annual reporting: Annual Financial Statements submitted timeously for audit purposes	Annual reporting: Annual Financial Statements submitted timeously for audit purposes					Annual reporting: Annual Financial Statements submitted timeously for audit purposes	Annual reporting: Annual Financial Statements submitted timeously for audit purposes

Strategic Objective:		To ensure good corporate governance within the Department							
Measurable Objective	Performance Measure Indicator	Base Year 2006/07	Year 1 2007/08	Quarter 1	Quarter 2	Quarter 3	Quarter 4	Year 2 2008/09	Year 3 2009/10
prescripts to achieve sustainable service delivery by the public sector		Unqualified audit report	Unqualified audit report						



PART B: PROGRAMME AND SUB-PROGRAMME PLANS

3.3 Sub-programme 1.3: Corporate Services

i. Specified policies, priorities and strategic objectives

Human Resource Management and Support Services

The mandate of the Directorate: Human Resource Management and Support Services is informed, in the first instance, by the Public Service Act, the Public Service Regulations and provincial and national Collective Agreements. These provide the foundation for further strategy and implementation guidelines to ensure that the progressive management of human resources and support services.

The aforementioned mandates the Department to develop, implement and monitor and evaluated practices, which enhances the management of human resources and support services within the Public Service.

The mandate provides for the development of strategies which addresses:

- The employment and retention of competent staff
- Staff development and training
- Service delivery improvement
- Transformation of human resources and human resource practices
- Effective and efficient maintenance of the employer-employee relationship
- Improving the quality of work life of employees
- Ensuring a healthy and safe work environment
- Ensuring good governance practices (e.g. fair administrative processes, efficient records management, etc.).

ii. Measurable objectives, performance indicators and targets

Strategic Objective:		To ensure good corporate governance within the Department							
Measurable Objective	Performance Measure Indicator	Base Year 2006/07	Year 1 2007/08)	Quarter 1	Quarter 2	Quarter 3	Quarter 4	Year 2 2008/09	Year 3 2009/10
To render effective and efficient Employee Services in the department, by ensuring the appointment of suitable staff, managing the implementation of service benefits and managing employer-employee relations, within the legislative and regulatory framework	Manage the filling of vacancies through Recruitment and Selection	60% of vacancies filled	65 % of vacancies filled	60% of vacancies filled.	60% of vacancies filled.	60% of vacancies filled.	60% of vacancies filled.	70% of vacancies filled.	80% of vacancies filled
				Facilitate the delivery of competency-based assessment for SMS positions, as the need arises.	Facilitate the delivery of competency-based assessment for SMS positions, as the need arises.	Facilitate the delivery of competency-based assessment for SMS positions, as the need arises..	Facilitate the delivery of competency-based assessment for SMS positions, as the need arises.		
				Competency-based interviewing capacity building sessions to line managers	Competency-based interviewing capacity building sessions to line managers	Competency-based interviewing capacity building sessions to line managers.	Competency-based interviewing capacity building sessions to line managers.		

Strategic Objective:		To ensure good corporate governance within the Department							
Measurable Objective	Performance Measure Indicator	Base Year 2006/07	Year 1 2007/08)	Quarter 1	Quarter 2	Quarter 3	Quarter 4	Year 2 2008/09	Year 3 2009/10
	Manage the capacitating line functions regarding service conditions.	Ensure awareness of service benefits, i.t.o. legislative, regulatory and directive frameworks. Facilitate the delivery of at least one capacity building session regarding service benefits.	Ensure awareness of service benefits, i.t.o. legislative, regulatory and directive frameworks	Capacity building regarding recruitment and selection.	Capacity building regarding recruitment and selection.	Capacity building regarding recruitment and selection.	Capacity building regarding recruitment and selection.		
				Regular assessment of vacancies to be filled.	Regular assessment of vacancies to be filled.	Regular assessment of vacancies to be filled.	Regular assessment of vacancies to be filled.		
				Facilitate the delivery of job evaluations, as the need arises.	Facilitate the delivery of job evaluations, as the need arises	Facilitate the delivery of job evaluations, as the need arises	Facilitate the delivery of job evaluations, as the need arises		

Strategic Objective:		To ensure good corporate governance within the Department							
Measurable Objective	Performance Measure Indicator	Base Year 2006/07	Year 1 2007/08)	Quarter 1	Quarter 2	Quarter 3	Quarter 4	Year 2 2008/09	Year 3 2009/10
	Manage the capacitating line functions regarding service conditions.	Ensure awareness of service benefits, i.t.o. legislative, regulatory and directive frameworks. Facilitate the delivery of at least one capacity building session regarding service benefits.	Ensure awareness of service benefits, i.t.o. legislative, regulatory and directive frameworks.	Effective implementation of prescripts. Development of material for capacity building sessions.	Effective implementation of prescripts. Delivery of at least one capacity building session regarding service benefits.	Effective implementation of prescripts. Delivery of at least one capacity building session regarding service benefits. Assess the effectiveness of capacity building sessions Initiate audits of service benefits.	Effective implementation of prescripts. Delivery of at least one capacity building session regarding service benefits.	Ensure awareness of service benefits, i.t.o. legislative, regulatory and directive frameworks.	Ensure awareness of service benefits, i.t.o. legislative, regulatory and directive frameworks.

Strategic Objective:		To ensure good corporate governance within the Department							
Measurable Objective	Performance Measure Indicator	Base Year 2006/07	Year 1 2007/08)	Quarter 1	Quarter 2	Quarter 3	Quarter 4	Year 2 2008/09	Year 3 2009/10
	Management of personnel salary administration system	60% correctly updated Persal system	80% correctly updated Persal system	60% correctly updated Persal system.	65% correctly updated Persal system.	75% correctly updated Persal system.	80% correctly updated Persal system.	90% correctly updated Persal system.	90% correctly updated Persal system
				Assessment of correctness of information on PERSAL.	Confirmation of information received from staff members.	Confirmation of information received from staff members.	Confirmation of information received from staff members.	Confirmation of information received from staff members	
				Manage the staff establishment on PERSAL.	Correct staff details on system. Manage the staff establishment on PERSAL.	Manage the staff establishment on PERSAL.	Manage the staff establishment on PERSAL.		

Strategic Objective:		To ensure good corporate governance within the Department							
Measurable Objective	Performance Measure Indicator	Base Year 2006/07	Year 1 2007/08)	Quarter 1	Quarter 2	Quarter 3	Quarter 4	Year 2 2008/09	Year 3 2009/10
				Request reports as the need arises. Validate exception reports.	Request reports as the need arises. Validate exception reports.	Request reports as the need arises. Validate exception reports.	Request reports as the need arises. Validate exception reports.		
				Deliver at least one capacity building session to users.	Deliver at least one capacity building session to users.	Deliver at least one capacity building session to users.	Deliver at least one capacity building session to users.		

Strategic Objective:		To ensure good corporate governance within the Department							
Measurable Objective	Performance Measure Indicator	Base Year 2006/07	Year 1 2007/08	Quarter 1	Quarter 2	Quarter 3	Quarter 4	Year 2 2008/09	Year 3 2009/10
	Compliance with Performance Management Framework(s)	Incentives allocated within 1.5% as prescribed.	Incentives allocated within 1.5% as prescribed	Submission of Performance Agreements and IPDPs. Collection of Quarterly Performance Reviews and Performance Assessments for previous performance cycle.	Moderation of Performance Assessment of previous cycle.	Collection of Quarterly performance Reviews. Provide capacity building sessions to line management on performance management.	Prepare line management for final assessment for current performance cycle.	Incentives allocated within 1.5% as prescribed	Incentives allocated within 1.5% as prescribed

Strategic Objective:		To ensure good corporate governance within the Department							
Measurable Objective	Performance Measure Indicator	Base Year 2006/07	Year 1 2007/08	Quarter 1	Quarter 2	Quarter 3	Quarter 4	Year 2 2008/09	Year 3 2009/10
	Management of misconduct and grievances	Misconduct and grievances below 15%	Misconduct and grievances below 15%	Training of Designated Officers. Regular interaction with organised labour. Proactive measures implemented on continuous basis to keep misconduct and grievance low	Regular interaction with organised labour. Proactive measures implemented on continuous basis to keep misconduct and grievance low	Regular interaction with organised labour. Proactive measures implemented on continuous basis to keep misconduct and grievance low	Training of Designated Officers. Regular interaction with organised labour. Proactive measures implemented on continuous basis to keep misconduct and grievance low	Misconduct and grievances below 10%	Misconduct and grievances below 10%

Strategic Objective:		To ensure good corporate governance within the Department							
Measurable Objective	Performance Measure Indicator	Base Year 2006/07	Year 1 2007/08)	Quarter 1	Quarter 2	Quarter 3	Quarter 4	Year 2 2008/09	Year 3 2009/10
Rendering effective and efficient Development and Transformation Services	Manage the assessment and implementation of human resource development interventions.	WSP drafted and submitted to PSETA / DPSA – at least 1% allocated for HRD.	WSP drafted and submitted to PSETA / DPSA – at least 1% allocated for HRD. At least 15 Interns accommodated. At least 10 annual bursaries awarded to staff. Placement of one learner within the Department.	Submission of WSP to SETA. Submit Quarterly WSP implementation. Capacity building of mentors. Facilitate the placement of Intern within departmental units.	Implementation of WSP. Submit Quarterly WSP implementation. Capacity building of mentors. Facilitate the placement of Intern within departmental units.	Implementation of WSP Submit Quarterly WSP implementation. Capacity building of mentors. Facilitate the placement of Intern within departmental units. Initiate the processes for the awarding of annual bursaries.	Implementation of WSP Submit Quarterly WSP implementation. Capacity building of mentors. Facilitate the placement of Intern within departmental units.	Manage the assessment and implementation of human resource development interventions.	Manage the assessment and implementation of human resource development interventions.

Strategic Objective:		To ensure good corporate governance within the Department							
Measurable Objective	Performance Measure Indicator	Base Year 2006/07	Year 1 2007/08	Quarter 1	Quarter 2	Quarter 3	Quarter 4	Year 2 2008/09	Year 3 2009/10
	Manage the delivery of an Employee Assistance Programme	Service Provider Contracted. Awareness raising conducted. Initiated service delivery of EAP.	Improve the quality of EAP service. Assess the impact of EAP service.	Ensure that services are delivered by external service provider as per the contract.	Assessment of the services delivered as part of EAP. Ensure that services are delivered by external service provider as per the contract.	Consult on improvement of services delivered. Ensure that services are delivered by external service provider as per the contract.	If necessary liaise with service provider regarding service improvements. Ensure that services are delivered by external service provider as per the contract.	Improve the quality of EAP service. Assess the impact of EAP service.	Improve the quality of EAP service. Assess the impact of EAP service.

Strategic Objective:		To ensure good corporate governance within the Department							
Measurable Objective	Performance Measure Indicator	Base Year 2006/07	Year 1 2007/08	Quarter 1	Quarter 2	Quarter 3	Quarter 4	Year 2 2008/09	Year 3 2009/10
	Manage the delivery of the Department's internal Transformation Agenda.	Proper Constitution of HRFU. Celebrate commemorative events. Partner with provincial initiatives. Deliver mainstreaming workshops. Approval of Departmental I EE Plan.	Effective implementation of the Provincial and Department Transformation framework(s)).	Deliver mainstreaming workshops. At least one HRFU meeting. Monitor the implementation of the Departmental I EE Plan. Celebrate commemorative events. Partner with provincial initiatives.	At least one HRFU meeting. Monitor the implementation of the Departmental I EE Plan. Celebrate commemorative events. Partner with provincial initiatives.	At least one HRFU meeting. Monitor the implementation of the Departmental I EE Plan. Celebrate commemorative events. Partner with provincial initiatives.	At least one HRFU meeting. Monitor the implementation of the Departmental I EE Plan. Celebrate commemorative events. Partner with provincial initiatives.	Effective implementation of the Provincial and Department Transformation framework(s) .	Effective implementation of the Provincial and Department Transformation framework(s).

Strategic Objective:		To ensure good corporate governance within the Department							
Measurable Objective	Performance Measure Indicator	Base Year 2006/07	Year 1 2007/08)	Quarter 1	Quarter 2	Quarter 3	Quarter 4	Year 2 2008/09	Year 3 2009/10
To render an effective and efficient Support Services function, through an effective information and records management and ensuring a healthy and safe work environment.	Ensure appropriate record management	Drafting and submission of records management strategy for the Department	Approved records management and plan for Department	Implementation of departmental filing plan	Implementation of departmental filing plan	Implementation of departmental filing plan	Implementation of departmental filing plan	Implementation, monitoring, and review of records management strategy	Continuous updating of records management strategy



PART B: PROGRAMME AND SUB-PROGRAMME PLANS

3.4 Strategic Co-ordination

i. Specified policies, priorities and strategic objectives

In order to achieve its strategic goals and to be able to deliver on its essential mandate, the Department needs to have a clear understanding of the economy of the Western Cape. Its interventions need to be based on evidence and analysis. The research aims to identify the desired medium-term repositioning of the economic sector in the Western Cape. The MEDS will identify policy levers and projects to achieve such a repositioning and inform the work of the Department. This process will begin with research work that will identify key sectors of the economy and sketch the main regional, national and international developmental trends.

In developing the Micro-economic Development Strategy (MEDS), baseline data will be generated through research on the state of the key sectors of the province. The **Research Support** unit will be responsible for:

- Translating research outcomes into policy options with which decision-makers can engage;
- Research support for the development and ongoing review of the Provincial Micro-economic Development Strategy (MEDS);
- Providing in-house research;
- Developing departmental position papers; and
- Managing all matters related to the contractual agreements of the Chief Economist.

The **Departmental Operations Performance Management (DOPM)** unit is responsible for

- Oversight of M&E for the Department.
- The Departmental Operations Performance Management System (DOPMS), including:
 - Providing staff training on operating the system;
 - Managing the updating and extraction of reports;
 - Coordinating DOPMS (operational) meetings with the Chief Directorates and Divisions, providing a secretariat function and ensuring that follow-up actions are undertaken by the respective units; and

- Coordinating all technical matters related to the system.
- Delivery Impact Evaluation.
- Development of OD initiatives for discussion by Senior Management.
- Oversight of Organisational Systems Management.
- Compilation and publishing of departmental strategic documents (excluding the annual report, the strategic plan and the MEDS document).

Communications will provide a cohesive support service to all departmental units with regard to communication and corporate image enhancement. Communications will be responsible for managing the Department's communications, including a media briefing newsletter; general media briefings; internal newsletter; departmental events calendar, events management, and public exhibitions and stands. Corporate Image will be responsible for corporate image design; developing media plans per departmental unit; integrating and overseeing delivery on the total departmental media strategy and the design of the media strategy per event or campaign. This includes the monitoring and evaluation component of internal and external communications; corporate image; and events.

ii. Measurable objectives, performance indicators and targets

Strategic Objective:		To enhance the delivery of services provided by the Department.							
Measurable Objective	Performance Measure Indicator	Base Year 2006/07	Year 1 2007/08	Quarter 1	Quarter 2	Quarter 3	Quarter 4	Year 2 2008/09	Year 3 2009/10
To ensure the co-ordination of the Micro-economic Development Strategy (MEDS)	Completion of phased research across the identified sectors and themes	Completed Micro-economic Development Strategy (MEDS) (research outcomes of phases 1 through 3) Further MEDS research in identified sectors and themes for phase 4 Development and Implementation of MEDS 10-year Implementation Plan	Completed Micro-economic Development Strategy (MEDS) (research outcomes of 4) Commencement of 4 th Round of the MEDS. Development and Implementation of MEDS 10-year Implementation Plan	Appointment of researchers and oversight committee Coordination of 4 th Round of the MEDS.	Finalisation of research for 4 th Round.	Coordination of 4 th Round of the MEDS – includes Completion of Synthesis Report and Public Hearings.	Finalisation of 4 th Round of the MEDS. Commencement of 5 th Round of the MEDS	Updated MEDS Development and Implementation of MEDS 10-year Implementation Plan	Updated MEDS

Strategic Objective:		To enhance the delivery of services provided by the Department.							
Measurable Objective	Performance Measure Indicator	Base Year 2006/07	Year 1 2007/08	Quarter 1	Quarter 2	Quarter 3	Quarter 4	Year 2 2008/09	Year 3 2009/10
		on Plan							
Effective development and implementation of a departmental Communications and Corporate Image strategy	Implementation of Communication and Corporate Image strategy	Development of strategy	Refinement and implementation of strategy	Drafting and Completion of Action Plans	Implementation of Action Plans	Implementation of strategy	Implementation of strategy	Review of strategy	Review of strategy
Development and implementation of an M&E system for the Department	A fully implementable Monitoring and evaluation system.	Conceptualising the M&E framework for the Department	Implementation of the M&E framework for the Department, including capacitating all staff in applying a standardised framework for planning, monitoring	Conceptualisation of M&E system for the Department. Participation at the PWMES committee and inputs on the development of provincial	Conceptualisation of M&E system for the Department. Participation at the PWMES committee and inputs on the development of provincial	Development of departmental indicators for evaluation of performance.	Implementation of departmental M&E system, aligned to the DOPMS.		

Strategic Objective:		To enhance the delivery of services provided by the Department.							
Measurable Objective	Performance Measure Indicator	Base Year 2006/07	Year 1 2007/08	Quarter 1	Quarter 2	Quarter 3	Quarter 4	Year 2 2008/09	Year 3 2009/10
			and evaluation of departmental projects.	indicators. Conduct 1 capacity building workshop on M&E	indicators. Conduct 1 Capacity building workshop				



PART B: PROGRAMME AND SUB-PROGRAMME PLANS

3.5 Reconciliation of budget with plan

Programme 1: Programme budget by sub-programme (R '000)

Sub-programme	Year -2 2004/05 (actual)	Year -1 2005/06 (actual)	Base Year 2006/07 (estimate)	Year 1 2007/08 (budget)	Year 2 2008/09 (MTEF projection)	Year 3 2009/10 (MTEF projection)
Office of the HOD		3 914	2 708	1 736	3 596	4 596
Financial Management	8 943	5 971	7 862	10 688	12 456	13 456
Corporate Services	5 947	7 039	13 732	12 040	13 246	13 853
Total	14 890	16 924	24 302	24 464	29 298	31 905



PART B: PROGRAMME AND SUB-PROGRAMME PLANS

4. Programme 2: Integrated Economic Development Services

The purpose of Integrated Economic Development Services is to improve the economy and to entrench the participation of Historically Disadvantaged Individuals through enterprise development, local economic development and economic empowerment.

The unit has been structured as follows:

- Management: Integrated Economic Development Services
- Enterprise Development
- Local Economic Development
- Economic Empowerment

i. Specified policies, priorities and strategic objectives

Integrated Economic Development Services' objectives and strategies will be delivered in the context of iKapa Elihlumayo. In aligning its objectives and strategies with that of national government, it will base these on policy documents and programmes such as the National Small Business Act (amended 2004), the Broad Based Black Economic Empowerment Strategy, the ISRP, Urban Renewal Programme and the Micro Reform Strategy, the Co-operatives Act, ASGISA, JIPSA, NSDF. The Provincial Growth and Development Strategy and the Department's MEDS, will form the platform upon which the unit's objectives will be based.

The main aim of **Enterprise Development** is to create and maintain an environment conducive to the development and growth of small, medium and

micro enterprises (SMME's), both formal and informal. This will be accomplished through:

- Access to business information, opportunities and service offerings that is enhanced through the co-ordination of a reliable network of competent small business support service providers; and
- The inculcation of an entrepreneurial culture amongst the people of the Western Cape.

The main thrust of the Sub-programme's interventions is to provide tangible ways in which the economy of the Province may be accelerated and shared by its citizens. The delivery vehicle is a number of conveniently located single entry points across the Province.

Local Economic Development (LED) is committed to providing a coherent, integrated framework and environment in which to achieve local economic development, by focussing on HDI ownership and the geographic spread of economic activity in the province. The main aim of the unit's strategy will be strengthening support of local municipalities through interventions such as the DIE PLEK PLAN.

Economic Empowerment will provide a strategic direction for empowerment and transformation of the economy of the province. The process of empowerment of the Historically Disadvantaged Persons include elements of human resource development, employment equity, enterprise development, preferential procurement, as well as investment, ownership and control of enterprises and economic assets. The unit will focus on the key elements underpinning the targeted groups of women, the disabled, youth and the rurally located.

A review of 2006/07 financial year interventions will be conducted to assess impact. The assessment findings will inform the Programme on the gaps and enable devising of appropriate measures to customise and improve interventions resulting in accelerated delivery and achievement of desired impact.

ii. **Analysis of constraints and measures planned to overcome them**

A major constraint with **Enterprise Development** is that in most local authorities there exists little support for small businesses. A combination of

inadequate resources (both financial and human) and poor understanding of small business development has resulted in the stifling of enterprise development. These local authorities, especially those in the rural areas, look to national and provincial government to assume the responsibility for small business development. This “responsibility” on provincial government poses further significant challenges.

Support for small business, especially those owned by historically disadvantaged individuals, has thus far been inadequate. Commercial banks, clinging to lending criteria that discriminate against the resource-poor (typically black), have tacitly and explicitly “red lined” entrepreneurs who are unable to provide suitable collateral. Without access to finance, even the keenest entrepreneur has little chance of starting a business. Although banks have alluded to addressing the needs of the “unbankable”, real proof of their commitment has been slow.

The existence of a reliable network of competent service providers that offer the full range of advice, information and other services are key to an environment that stimulates and enhances enterprise development. Unfortunately, support services for small businesses has been fragmented, not comprehensive with about 80% of all services of a generic training nature, dispensed by poorly qualified and experienced service providers and severely biased towards the metropolitan areas resulting in little or no rural reach.

In dealing with identified constraints, the following will be undertaken by the Enterprise Development Sub-programme:

- The intensification of the sub-programme’s drive to cement significant partnerships with the private sector by leveraging government resources, especially with the banking sector. The intention is for the private sector to be “crowding in” investment in “unbankable” entrepreneurs; programmes resulting in the IKAPA/ABSA fund, ABSA R10 million fund and the R3 million rand for Siyabulela Deliverables Standard Bank.
- The active development and maintenance of a reliable network of competent service providers to ensure that services offered to entrepreneurs are comprehensive, affordable, relevant and accessible. The building of the network of competent service providers requires direct interventions in monitoring and maintaining quality and consistency of service provision.
- The continued establishment and maintenance of a network of single entry points for entrepreneurs, across the province. These centres are

located around potential and existing entrepreneurs and staffed by competent personnel. Mobile units will be complementing the centres by improving reach and accessibility.

- The unconventional initiative geared to address unemployment was constrained by largely spatial challenges. Within the rural areas particularly this meant that there were often huge distances between the intended places of business of the beneficiaries impacting on accessibility. Further, it was found that the target market of this initiative was characterised relatively high migration levels. The issues outlined above may be partially overcome by strengthening relations with local authorities and supporting the localisation of a business support network.

A major constraint faced by **Local Economic Development**, is the lack of resources and capacity of implementing partners and local municipalities, especially those located within the rural municipalities. This challenge can be overcome by the willingness and enthusiasm of partners to align their programmes with national and provincial programmes in order to maximise integrated government impact. The unit will focus on interventions targeted at local level to promote increased economic participation. This will require both a financial and human-resource capacity as indicated by the demand at municipal level. To address this, the unit will crowd in partnerships and ensure active alignment of provincial, national and local government programmes, which result in integrated government impact.

To overcome the above obstacles, intensive engagement with all partners will be required. This will assist us in both understanding the problems experienced by stakeholders and, in designing appropriate support measures to address these problems. Again, emphasis will be on providing sustainable support to rural municipalities. Implementing partners will be carefully selected on the basis of proven expertise. All projects and programmes will be subject to a system of monitoring and evaluation measures.

The **Economic Empowerment** Sub-programme is to a large degree dependent on national legislation for the effective implementation of BBBEE in the Province. The delay at the dti in finalising the Codes of Good Practice on BBBEE had a negative effect on the work of the Economic Empowerment unit. Implementation Strategy for the Western Cape and the review and redrafting of a new Provincial Preferential Procurement Policy.

The Codes of Good Practice on BBBEE were approved towards the end of the third quarter which will allow us to complete the BBBEE Implementation

Strategy and present the first draft of the new Provincial Preferential Procurement Policy.

iii. Description of planned quality improvement measures

Amongst other factors, the following quality improvement measures are planned for the Integrated Economic Development Services Programme:

Stakeholder relationships/ partnerships: For optimal success of Integrated Economic Development Services, it is essential to forge and maintain close links with both local and national government. There are definite synergies within programmes from both spheres of government.

On the local authority front, for its programmes to have impact, the support and assistance of the local authorities will be paramount. Ongoing and strong working relations will be maintained with local authorities through the Department's Economic Development Units (a Local Economic Development project).

Local Economic Development will provide strategic direction to municipalities on the development of LED strategies, and establish a key programme that will refine targeted interventions to promote greater economic participation across the geographic spread of the province.

The further support of Economic Development Units (EDUs) at District Municipal Level will ensure that municipalities, especially in the rural areas, are provided with quality information and assistance. The unit will also increase alignment of activities with other spheres of government.

Our ever-increasing relationship building and collaboration with municipalities should ensure selection of well-planned, appropriate interventions to deliver successful implementation. The key to identifying and designing LED strategies and targeted interventions will be a combination of:

- The Department's Micro-economic Development Strategy (MEDS); and
- The application of a "matrix" approach in tracking key economic variables; targeting key priority sectors; identifying theme-based interventions; and targeting specific regional locations given municipal data.

The matrix will allow a more strategic and integrated approach to local economic development, and will allow performance benchmarking of impacts.

Economic Empowerment, in fulfilling its facilitating, advisory and advocacy roles will form strong partnerships with organisations and agencies such as the National Empowerment Fund, Industrial Development Corporation, the **dti** and chambers of commerce.

In following this approach, the unit will achieve the following objectives:

- Align its policies and strategies with that of National Department of Trade and Industry;
- Obtain critical and important buy-in from the private sector, labour and civil society;
- Become a credible source of information, advice and a role-player of note; and
- Give direction to the strategies and policies of local authorities regarding the targeted groups.

Developing and implementing a monitoring and evaluation system: The measuring of the impact of programmes and projects has always been a challenge in not only determining the continuation of the intervention, but also the gaps that exist in the range of services that need to be provided. Since the single entry point will be the main delivery points for the sub-programmes offerings, a sophisticated system of tracking every entrepreneur that has been assisted, is currently implemented at each RED Door and is being refined to the specific needs of the Department. In this way the impact of all interventions on individual entrepreneurs, from basic advice and information to training to provision of finance, can be measured. In addition, the system will also measure the effectiveness and efficiency of all support service providers that are linked to these centres.

The application of a matrix approach by a local Plek Plan office will use the sector direction provided by the Micro Economic Development Strategy and a comprehensive economic municipal baseline study, to:

- Inform a local Plek Plan office in terms of economic opportunity identification
- Provide relevant inputs that will inform local municipal LED strategies and integrated development plans (IDPs) in a far more strategic and integrated fashion; and

- Allow for benchmarking of performance and impact.

Training and developing existing staff: For the Sub-programme Enterprise Development's single entry points to have impact, staff should be well qualified, competent and sensitive to needs of entrepreneurs. Staff at these centres undergo on-going training and capacity building to have a general understanding of programmes and projects undertaken by government, partner organisations and particularly the sector initiatives which offer specialized advice.

Focus: The establishment of the RED Initiative will provide single entry points that will ensure that a business support service is available to all entrepreneurs.

DIE PLEK PLAN programme, a priority for the Local Economic Development Sub-programme, aims to identifying economic opportunities that local people can take up in their regions. It also intends to assist the local municipalities to far more articulately define their local economic development strategies and the implementation plans. The unit will 'parachute' fully trained and equipped staff into municipalities, with a full 'head office' support to get high quality LED initiatives going in all municipalities over the next three years.

Efforts will be focused on pioneering pilot projects to establish and grow community-based business organisations and co-operatives.

The above interventions will be underpinned by the unit's efforts to assist local government in delivering effective services to communities, and in supporting community-based and owned enterprises to promote greater economic participation.

Amongst challenges facing many black enterprises is lack of access to capital. Economic empowerment Sub-programme is currently entering into partnerships with the private sector to unlock the capital market access to black enterprises. The unit 's quarterly newsletter will also provide information to black entrepreneurs on provincial government procurement spend in order to identify business opportunities. EE has also developed a substantial number of databases of Black Empowered Entrepreneurs in the different economic sectors of the Province. The databases also include existing and prospective black business owners that are Women; Youth; and People living

with Disabilities as well as Rural Communities. This information will result in the unit being a credible resource and source of, inter alia:

- Research;
- Advice and information (including facilitation); and
- Databases of black enterprises and enterprises seeking to be empowered (matchmaking role).

iv. Progress Analysis

The sub-programme **Enterprise Development** has made considerable progress toward realising its strategic objectives and this has been outlined below.

- The alignment of the sub-programme's strategy with that of the national small business strategy as well as significant partnerships with national government agencies (e.g. Khula, Umsobomvu Youth Fund, National Productivity Institute, CSIR, SEDA, SAMAF, DBSA, HSRC, SABS, SARS).
- At a provincial level, there have been sustained collaborative initiatives with other government departments (Transport and Public Works, Community Safety, Social Development).
- A close working relationships between Enterprise Development and local authorities exists, in the planning and implementation of the single entry points for small business. These single entry points have become institutional within their localities in supporting both new and existing businesses. Enhancing the physical structure of the single entry points within localities has seen the piloting of a mobile service to improve the accessibility of the services being offered by the sub programme. The success of this pilot has encouraged a roll out of the service to additional areas within the Province.
- There has been a continued building of linkages at a local level with private sector, NGOs and local authorities in an effort to support SMME's. These linkages have extended to organised business broadly and with tertiary institutions (CPUT, GSB) with the focus on sharing technical expertise.

- A comprehensive small business support programme providing both financial and non-financial services to ‘unbankable’ entrepreneurs has been undertaken by the Enterprise Development Sub-programme. This has required improved linkages with the province’s financial institutions and stimulating private public partnerships. Programmes such as the IKAPA/ABSA fund, which is based on a 50:50 model between the Department and ABSA for “unbankable” clients has been an outflow of these partnerships. A cardinal success factor to the program is the mentoring support that accompanies the funding of new and existing businesses.

- A fund for entrepreneurs who receive contracts from Government and related agencies has been established. This initiative is funded by ABSA bank and the beneficiaries may access the fund via the single entry points.

- A tender advice programme dealing with both public and private sector tenders is being offered at all the single entry points. This improves the entrepreneurs’ opportunity to access additional markets.

- The Sub-programme has facilitated improved access to business information through libraries. This has been further supported by access to the internet for research and development of business ideas and the enhancement of existing businesses. There has been continued support of the small business exhibitions where service providers, private sector institutions, finance institutions and parastatals, showcase opportunities and linkages for SMME’s;

- To encourage the conversion from the second to the first economy the sub programme Enterprise Development (1000x1000) embarked on unconventional initiatives geared to address unemployment and stimulate entrepreneurship amongst beneficiaries at the lower end of the economic spectrum. Beneficiaries received basic business training and assistance in developing business plans. Selected business plans are available on an open source website and are accessible to those wishing to open similar businesses. The initiative has also seen beneficiaries being exposed to the formal banking sector.

- In addition a project identified 60 youth and 80 women entrepreneurs across the Western Cape Province (Siyabulela) who will receive financial support and mentorship. In line with ASGISA and Ikapa

Elihlumayo, the project seeks to share and grow the economy of the Western Cape.

- With co-operative structures playing a major role in improving access to markets, the sub programme Enterprise Development Enterprise Development has undertaken a series of regional workshops aimed at informing the development of a co-operative strategy for the province.

The **Local Economic Development** sub-programme has achieved the following towards realising the larger programme's goals:

- To start addressing some of the challenges facing municipalities, the department has developed strategy and intervention to fast track support at local level. DIE PLEK PLAN programme is a comprehensive intervention programme to promote local economic development.
- The strategy to support local economic development has included targeting the lack of organisational skills and capacity in economic development within the municipalities. The department has assisted in establishing economic development units (EDU's) at district municipal level. The EDU's provide in-house capacity to municipalities in delivering on their regional economic responsibility. An EDU or LED division in a municipality will promote the increased alignment of, activities with the other spheres of government and the external environment, that impact on LED in a municipal region. To date funding constraints has allowed for the support of EDUs at district municipal level, only.
- The unit has embarked on road shows, which comprised a series of workshops throughout the province, through the course of the year. The workshops create awareness; build better participation; and assist the launch and roll-out of departmental programmes like Die Plek Plan, and national support programmes and benefits, for example, one-stop-shop advice and business support centres and co-operatives development. Further, the unit proactively supported increasing the alignment of departmental programme implementation with national and provincial objectives and programmes like, the ISRDP and URP and Project Consolidate.

- There is considerable alignment of the unit's strategy with the framework that has emerged from national government for LED. Further, the unit has taken the ASGI-SA programme of action and internalised its deliverables within its key performance areas.
- Local government is the primary client of this unit. Over this period close and credible working relationships with municipalities have been strengthened, through IDP assessments and reviews, local government MTEC sessions, LED roadshows and one-on-one engagements, local imbizos and technical support provided in the build-up to district growth and development summits. These engagements created awareness of departmental interventions and support; they built better participation and coordination between local and provincial around economic development plans; and they raised awareness on national support programmes and benefits like, the ISRDP and URP and Project Consolidate.
- There have been collaborative initiatives with other provincial government departments and agencies (e.g. Local Government and Housing) around capacity building for local municipalities and projects that will increase greater economic participation and ownership in a local area;
- This financial year saw the roll-out and establishment of the Plek Plan programme. The programme intends to, through identification and development of local economic and business opportunities, increase the number of local people and enterprises entering, participating and owning in the local economy. Further the programme was developed to support local government with the aim of improving the credibility of local economic development plans by municipalities, by building on the foundation laid by the economic development unit (EDU) support provided to district municipalities by the department. Die Plek Plan is seen as an intervention that speaks directly to the elements of the national framework to stimulate local economies.

The development and implementation of a broad based black economic empowerment strategy in the province has been completed. The following sets out the unit's progress thus far, and the measure that will be taken to achieve the identified strategic objectives:

- A final draft of the BBBEE implementation strategy has been completed and is undergoing a broad consultation process. The strategy will give

direction in addressing the inequalities resulting from the past policies. The strategy is aligned with the National BBBEE Strategy, the Codes of Good Practice on BBBEE, micro economic development strategy and Ikapa Elihlumayo.

- The unit strategy will further align with the programs of Enterprise Development, Co-operatives and Local Economic Development units. This will be achieved through jointly development and implement economic empowerment initiatives that are consciously targeting Women, People living with Disabilities, Rural Communities and youth. The unit will provision of BEE enterprises database that will partake in such economic empowerment initiatives.
- Through Local Economic Development unit, the Economic Empowerment unit will provide guidance to municipalities in the development of their procurement policies and economic empowerment programmes.
- Since November 2003, there has been intense consultation and co-operation with the partners of the provincial Growth and Development Summit, business, labour, government (local) and civil society. This engagement has laid a firm foundation for Provincial Government's efforts in not only obtaining buy-in and support from these important role-players, but also fully understanding the issues underlying economic empowerment of the targeted groups.
- Economic Empowerment unit has managed to establish economic advisory forums for all the targeted beneficiaries i.e. women, youth, organised businesses, rural communities and people living with disabilities. Terms of references for the above mentioned forums have been completed and a program of action formulated. The forums will feed the Economic Advisory council's implementation program. The unit is currently undertaking research in monitoring and evaluation system on the forums and council.
- The Economic empowerment unit continues to play an active role in Municipalities via the Red Door as economic empowerment needs to impact on those that mostly need it, the critical role of local municipalities cannot be over-emphasised. Currently, local municipalities have capacity problems in terms of enterprise development and economic empowerment. The unit needs to actively engage local municipalities on a more regular basis. Therefore, as a priority, the unit will embark on a pro-active campaign to capacitate local municipalities around economic empowerment issues.

In addition, the unit has started to play a leading role in facilitating BEE deals, as an evident gap exists in the need for an independent intermediary to broker

BEE deals between financial institutions, black entrepreneurs and white corporate. The unit has facilitated 10 BBBEE Deals leading to an increase in job creation and expanding economic participation amongst previously disadvantaged people.



i. Policies, priorities and strategic objectives

SMME development interventions include 6 key elements, which have been incorporated into the RED (Real Enterprise Development) Initiative of the Department. These are:

- Business support services should be spatially located to ensure accessibility,
- Business support services should be efficient and cost-effective,
- Entrepreneurs need access to market opportunities, through procurement opportunities and upward and downward business linkages,
- Entrepreneurs require access to finance and non-financial resources,
- Entrepreneurs require skills development at a variety of levels and
- Entrepreneurs require access to trading sites and infrastructure.

ii. Specification of measurable objectives and performance indicators

Strategic Objective:		To increase the levels of participation in the economy by all, especially the previously excluded and presently marginalized. To make citizens and their enterprises effective players in the global economy.							
Measurable Objective	Performance Measure Indicator	Base Year 2006/07	Year 1 2007/08	Quarter 1	Quarter 2	Quarter 3	Quarter 4	Year 2 2008/09	Year 3 2009/10
Establish the located SMME Service Support centres	Number of located SMME Support Service Centres including Mega support Centre.	3 SMME Support Service Centres	1 SMME Support Service Centre		Preparation to establish new centre.	Preparation to establish new centre.	Opening of the new centre	1 SMME Support Service Centre	1 SMME Support Service Centre
Maintain and monitor existing conveniently located SMME Service support centres.	Number of located SMME Support Service Centres including Mega Operating (additional to those newly established) and number assisting entrepreneurs with business support.	12 SMME Support Service Centres assisting 1500 entrepreneurs with business support.	13 SMME Support Service Centres assisting 1800 entrepreneurs with business support.	400 entrepreneurs assisted	425 entrepreneurs assisted	475 entrepreneurs assisted	500 entrepreneurs assisted	14 SMME Support Service Centres assisting 2000 entrepreneurs with business support.	15 SMME Support Service Centres assisting 2250 entrepreneurs with business support.
Establish awareness around	Number of stakeholders, clients, local		Develop & Implementation on marketing	Develop marketing strategy.	1 programs or initiatives implemented	1 programs or initiatives implemented	1 programs or initiatives implemented	Implement ation marketing	Implement ation marketing

Strategic Objective:		To increase the levels of participation in the economy by all, especially the previously excluded and presently marginalized. To make citizens and their enterprises effective players in the global economy.							
Measurable Objective	Performance Measure Indicator	Base Year 2006/07	Year 1 2007/08	Quarter 1	Quarter 2	Quarter 3	Quarter 4	Year 2 2008/09	Year 3 2009/10
programs and initiatives of the ED Unit (<i>Marketing & Communication</i>)	governments departments reached through awareness sessions, media, information programs and initiatives held		strategy through marketing initiatives and programs					strategy through marketing initiatives and programs	strategy through marketing initiatives and programs
Establishment new mobile SMME support services	Number of mobile RED Doors supporting 100 entrepreneurs with advice, information etc.	1 mobile/pilot satellite SMME Support Service Centre supporting 350 entrepreneurs	2 mobile SMME Support Service Centre supporting 1400 entrepreneurs with advice, information etc.	300 Entrepreneurs advised	325 Entrepreneurs advised	375 Entrepreneurs advised. Preparation to establish mobile.	400 Entrepreneurs advised. 2 X Additional mobile units established	2 mobile SMME Support Service Centre supporting 1500 entrepreneurs with advice, information etc.	2 mobile SMME Support Service Centre supporting 1600 entrepreneurs with advice, information etc.

Strategic Objective:		To increase the levels of participation in the economy by all, especially the previously excluded and presently marginalized. To make citizens and their enterprises effective players in the global economy.							
Measurable Objective	Performance Measure Indicator	Base Year 2006/07	Year 1 2007/08	Quarter 1	Quarter 2	Quarter 3	Quarter 4	Year 2 2008/09	Year 3 2009/10
Programmes and projects that address the needs of small businesses, business associations, and entrepreneurs in local areas and communities.	Number of entrepreneurs assisted via the Rural Business Development Voucher Programme.		Rural Business Development Voucher programmes assisting at least 240 entrepreneurs.	40 x business plans 20 business feasibility study 60 entrepreneurs mentored	40 x business plans 20 business feasibility study 60 entrepreneurs mentored	40 x business plans 20 business feasibility study 60 entrepreneurs mentored	40 x business plans 20 business feasibility study 60 entrepreneurs mentored	Rural Business Development Voucher programmes assisting at least 300 entrepreneurs	Rural Business Development Voucher programmes assisting at least 350 entrepreneurs
	Number of entrepreneurs assisted through the Co-operatives Mentorship Programme.		Co-operatives Mentorship programmes assisting at least 120 entrepreneurs.	30 co-operatives enterprises mentored	30 entrepreneurs mentored	30 entrepreneurs mentored	30 entrepreneurs mentored	Rural Mentorship programmes assisting at least 200 entrepreneurs.	Rural Mentorship programmes assisting at least 250 entrepreneurs.

Strategic Objective:		To increase the levels of participation in the economy by all, especially the previously excluded and presently marginalized. To make citizens and their enterprises effective players in the global economy.							
Measurable Objective	Performance Measure Indicator	Base Year 2006/07	Year 1 2007/08	Quarter 1	Quarter 2	Quarter 3	Quarter 4	Year 2 2008/09	Year 3 2009/10
Number of entrepreneurs receiving capacity building and training.		3 capacity building and training session per month for at least 500 entrepreneurs.	3 capacity building and training session per month for at least 600 entrepreneurs.	150 entrepreneurs assisted.	150 entrepreneurs assisted.	150 entrepreneurs assisted.	150 entrepreneurs assisted.	3 capacity building and training session per month for at least 650 entrepreneurs.	3 capacity building and training session per month for at least 700 entrepreneurs.
	The number of projects/programmes implemented in conjunction with SEDA.		Capacity Building programmes assisting at least 300 entrepreneurs.	30 x RED Door staff members trained on diagnostic tools usage by SEDA	100 x businesses diagnosed	100 x businesses diagnosed	100 x businesses diagnosed	Capacity Building programmes assisting at least 400 entrepreneurs.	Capacity Building programmes assisting at least 500 entrepreneurs.

Strategic Objective:		To increase the levels of participation in the economy by all, especially the previously excluded and presently marginalized. To make citizens and their enterprises effective players in the global economy.							
Measurable Objective	Performance Measure Indicator	Base Year 2006/07	Year 1 2007/08	Quarter 1	Quarter 2	Quarter 3	Quarter 4	Year 2 2008/09	Year 3 2009/10
	A number of programmes that provide financial and non financial support to youth and women owned enterprises	Launch and identification of 140 beneficiaries for provision of financial and non financial support	Provision of financial and non financial support to 140 beneficiaries (Siyabulela Deliverable)	Disbursement of funds and 120 beneficiaries mentored	Disbursement of funds and 120 beneficiaries mentored	Identification of 100 beneficiaries for provision of financial and non financial support	Screening of 100 x business plans and provision of business training to 50 identified beneficiaries	Identification and provision of financial and non financial support to 100 beneficiaries	Identification and provision of financial and non financial support to 100 beneficiaries
	Regular updated website and Resource Centre (LBC).	Provision of business information via a dedicated website and 12 physical locations.	Provision of business information via a dedicated.	Monthly review and update of resources.	Monthly review and update of resources.	Monthly review and update of resources.	Monthly updating of website and resource centre.	Provision of business information via a dedicated website and 12 physical locations.	Provision of business information via a dedicated website and 12 physical locations.

Strategic Objective:		To increase the levels of participation in the economy by all, especially the previously excluded and presently marginalized. To make citizens and their enterprises effective players in the global economy.							
Measurable Objective	Performance Measure Indicator	Base Year 2006/07	Year 1 2007/08	Quarter 1	Quarter 2	Quarter 3	Quarter 4	Year 2 2008/09	Year 3 2009/10
	Number of vouchers issued for business support.	400 vouchers issued	600 vouchers issued	125 vouchers issued	135 vouchers issued	165 vouchers issued	175 vouchers issued	800 vouchers issued	800 vouchers issued
Monitoring, Evaluation and Impact study of RED Initiative.	Annual report on the impact of Red initiative interventions. To inform us of our challenges and successes and inform amendments required.	Carry out independent research study (including monitoring and evaluation) into the Real Enterprise Development strategy regarding SMME Support Centres.	Monitoring and evaluation into the Real Enterprise Development strategy regarding SMME Support Centres.	Formulate terms of reference for study	Advertising for providers and appoint consultants	Study underway	Study complete and report finalized (and initiate next M&E Study) To review the strategy Identify gaps and use recommendations to effect changes where necessary.	Monitoring and evaluation into the Real Enterprise Development strategy. To inform us of our challenges and successes and inform amendments required.	Monitoring and evaluation into the Real Enterprise Development strategy. To inform us of our challenges and successes and inform amendments required.

Strategic Objective:		To increase the levels of participation in the economy by all, especially the previously excluded and presently marginalized. To make citizens and their enterprises effective players in the global economy.							
Measurable Objective	Performance Measure Indicator	Base Year 2006/07	Year 1 2007/08	Quarter 1	Quarter 2	Quarter 3	Quarter 4	Year 2 2008/09	Year 3 2009/10
Co-host an Annual collaborative event with private and public sector partners showcasing real business opportunities and linkages (Small Business Week & National Annual Small Business Summit).	Number of attendees, number of exhibitors and number of business linkages facilitated.	1 Small Business Week in partnership with City of Cape Town attracting at least 4500 attendees & 60 exhibitors.	1 Small Business Week in partnership with City of Cape Town attracting 4750 attendees & 65 exhibitors. 600 business linkages facilitated	Preparation for event	Event occurs.	Evaluation of impact.	Preparation for event of next year.	1 Small Business Week in partnership with City of Cape Town attracting 5000 attendees & 70 exhibitors & 650 business linkages	1 Small Business Week in partnership with City of Cape Town attracting 5000 attendees & 75 exhibitors & 700 business linkages
	Number of attendees, number of exhibitors @ National Small Business Summit	Co-host Annual Small Business summit	Co-host Annual Small Business summit			Prepare and Host Annual Summit		Number of attendees, number of exhibitors @ National Small Business Summit	Number of attendees, number of exhibitors @ National Small Business Summit
Design and implement outreach	Number of outreach programmes	9 outreach plans containing	11 outreach plans containing	3 x 11 outreach	3 x 11 outreach	3 x 11 outreach	3 x 11 outreach	13 outreach plans	13 outreach plans

Strategic Objective:		To increase the levels of participation in the economy by all, especially the previously excluded and presently marginalized. To make citizens and their enterprises effective players in the global economy.							
Measurable Objective	Performance Measure Indicator	Base Year 2006/07	Year 1 2007/08	Quarter 1	Quarter 2	Quarter 3	Quarter 4	Year 2 2008/09	Year 3 2009/10
activities from each SMME support centre (<i>RED Outreach</i>)	undertaken per month to introduce the notion of entrepreneurship and provide advice.	specific outreach programmes.	specific outreach programmes. 1 Outreach activity per month at each centre.	programmes	programmes	programmes	programmes	containing specific outreach programmes.	containing specific outreach programmes
Conceptualisation and identification of infrastructure for SMME trading and manufacturing (<i>RED Trading places</i>)	A fully implementable Implementation plan completed.	Conceptualisation and planning the project.	Identify and establish suitable sites in each municipal district & metro.	Identify a suitable site in a municipal area	Identify a suitable site in a municipal area	Identify a suitable site in a municipal area	Identify a suitable site in a municipal area	Expand identification of sites in the municipal districts & metro.	Expand identification of sites in the municipal districts & metro.
Design and Implement an initiative to improve the competitiveness of enterprises	A fully Implementable plan.	Design and plan for the implementation of a enterprise competitiveness	Implement an enterprise competitiveness intervention.	Implement an enterprise competitiveness intervention	Implement an enterprise competitiveness intervention	Implement an enterprise competitiveness intervention	Implement an enterprise competitiveness intervention.	Expand on the enterprise competitiveness intervention.	Expand on the enterprise competitiveness intervention

Strategic Objective:		To increase the levels of participation in the economy by all, especially the previously excluded and presently marginalized. To make citizens and their enterprises effective players in the global economy.							
Measurable Objective	Performance Measure Indicator	Base Year 2006/07	Year 1 2007/08	Quarter 1	Quarter 2	Quarter 3	Quarter 4	Year 2 2008/09	Year 3 2009/10
(C RED)		intervention.							
Establish and implement a structured curriculum of accredited business training courses available through the SMME support centres. (Red campus)	Design & implement accredited business-training curriculum.	Accredited training courses provided through SMME support centres.	Implement accredited training curriculum	Starting 2 courses - accredited training programmes	2 courses - accredited training programmes	2 courses - accredited training programmes	1 + 2 courses - accredited training programmes	Specialized accredited training curriculum linked to sectoral focus.	Specialized accredited training curriculum linked to sectoral focus.
Dedicated fund to assist entrepreneurs considered "unbankable.	Number of entrepreneurs assisted by fund.	Directly financing at least 150 entrepreneurs.	Directly financing at least 150 entrepreneurs.	20 entrepreneurs assisted.	30 entrepreneurs assisted.	40 entrepreneurs assisted.	60 entrepreneurs assisted.	Directly financing at least 150 entrepreneurs.	Directly financing at least 150 entrepreneurs.
Design and implement an	A fully Implementable	Design and plan for the	Establish the enterprise	Preparation	Preparation	Preparation of project in	Preparation of project in	Maintain and	Maintain and

Strategic Objective:		To increase the levels of participation in the economy by all, especially the previously excluded and presently marginalized. To make citizens and their enterprises effective players in the global economy.							
Measurable Objective	Performance Measure Indicator	Base Year 2006/07	Year 1 2007/08	Quarter 1	Quarter 2	Quarter 3	Quarter 4	Year 2 2008/09	Year 3 2009/10
intervention to construct business plans from viable business opportunities (Enterprise Shop)	plan.	implementation of a 'enterprise shop' intervention.	shop'	of project.	of project.	conjunction with LED	conjunction with LED	improve 'enterprise shop'	improve 'enterprise shop'
Design and implement a provincial Co-operatives development strategy.	A fully Implementable Provincial Strategy.	Co-operative Strategy document completed.	Co-operative Strategy implementation.	Completion of strategy consultation with stakeholders.	Consultation with stakeholders on input on draft Co-operatives strategy	Consultation with stakeholders on input on draft Co-operatives strategy	Finalise Co-operative Strategy, Begin with strategy implementation	Co-operative Strategy implementation	Co-operative Strategy implementation
Design, implement and maintain unconventional interventions	Identify a number of lower end of economic spectrum beneficiaries and provision of	Identification of 1000 beneficiaries, provision of financial support to	Identification of 300 beneficiaries and provision of financial and business	Review and refine the unconventional Intervention model and	Recruitment, Screening and selection of beneficiaries	Provision of pre-finance business support training to 300	Disbursement of funds and mentoring of 300 beneficiaries	Identification of 300 beneficiaries and provision of financial	Identification of 300 beneficiaries and provision of financial

Strategic Objective:		To increase the levels of participation in the economy by all, especially the previously excluded and presently marginalized. To make citizens and their enterprises effective players in the global economy.							
Measurable Objective	Performance Measure Indicator	Base Year 2006/07	Year 1 2007/08	Quarter 1	Quarter 2	Quarter 3	Quarter 4	Year 2 2008/09	Year 3 2009/10
geared towards promotion and supporting of informal sector	financial and non financial support to successful beneficiaries (1000 x 1000)	503 beneficiaries and provision of financial support to 800 beneficiaries	support assistance to successful beneficiaries	marketing of the refined intervention programme		successfully selected beneficiaries		and business support assistance to successful beneficiaries	and business support assistance to successful beneficiaries
Dedicated fund to assist Co-operatives enterprises for business start-up and/or expansion	Number of Co-operatives enterprises assisted by fund.	Development of Co-operatives Support Fund	Directly financing at least 20 co-operatives enterprises	5 co-operatives enterprises assisted	5 co-operatives enterprises assisted	5 co-operatives enterprises assisted	5 co-operatives enterprises assisted	Directly financing at least 150 co-operatives enterprises	Directly financing at least 150 co-operatives enterprises
Design and implement a Co-operatives mentorship programme aimed at improving the management	Number of Co-operatives accessing the mentorship voucher programme.	Design and Development of Co-operatives mentorship voucher programme	Implementation of Co-operatives mentorship voucher programme with a target of 50	10 vouchers issued	10 vouchers issued	15 vouchers issued	15 vouchers issued	100 vouchers issued	100 vouchers issued

Strategic Objective:		To increase the levels of participation in the economy by all, especially the previously excluded and presently marginalized. To make citizens and their enterprises effective players in the global economy.							
Measurable Objective	Performance Measure Indicator	Base Year 2006/07	Year 1 2007/08	Quarter 1	Quarter 2	Quarter 3	Quarter 4	Year 2 2008/09	Year 3 2009/10
of co-operatives enterprises, resulting in improvement in their sustainability			vouchers issued						
Design and implement a provincial SMME Research	Provincial Strategy Document.	SMME Research document	SMME Research document	Recruitment and appointment of Researchers.	Research Conducted	Research Conducted with first draft finalised	Research document Finalised	2008/09 SMME Research document	2008/09 SMME Research document



PART B: PROGRAMME AND SUB-PROGRAMME PLANS

4.2 Sub-programme 2.2: Local Economic Development

i. Specified policies, priorities and strategic objectives

For Local Economic Development (LED), the Municipal Structures and Systems Act (2000) has been the guiding legislation for the LED sub-programme. In 2006, this policy framework was further enhanced by the National Framework for Local Economic Development, developed by the Department of Local and Provincial Government; and by the Regional Industrial Strategy developed by the Department of Trade and Industry. These created a policy environment for the sub-programme that has allowed the unit to streamline its strategic focus and activities. Further, the unit has taken the ASGI-SA programme of action and internalised its goals within the sub-programme's key performance areas.

The Local Economic Development (LED) unit provides under the guidance of the above policy environment, a framework for: local municipalities to establish credible LED plans within IDPs; and for local people to achieve economic participation and empowerment by providing them access to an enabling economic environment.

The unit Local Economic Development is therefore committed to providing a coherent and integrated environment in which to achieve local economic development, by focusing on HDI ownership and geographic spread of economic activity in the province.

The key strategic objective is to provide through identifying and facilitating economic opportunities for local government and people, support in achieving and promoting local economic development.

Alignment and planning directs all strategies, plans, practices, procedures and resources in achieving the Department's core service delivery objectives. The following objectives developed for the unit, aims to deliver on the provincial growth and development path.

Local Economic Development intends to ensure the establishment of effective economic development at local (municipal) level, by:

- Providing guidance, support and capacity to municipalities in achieving economic development, through the EDUs; IDP assessments and reviews; and strengthening of the institutional capacity of municipalities.
- Providing verifiable municipal economic baseline data, through sources like the MEDS and GBIU, which will inform local LED strategies and plans; and will guide and support the performance of local government in achieving increased economic participation.
- Ensuring practical alignment of departmental programmes with national and provincial objectives (for example, the PGDS); through regional development initiatives (for example, ISRDP, URP, and Project Consolidate), and actively maximising provincial government's spending.

Furthermore, Local Economic Development intends to promote increased targeted economy activity, by:

- Assisting in the development of targeted interventions for local areas based on sector-specific profiles, theme-based interventions, global intelligence and partnerships that will link with departmental interventions like RED Doors, cooperatives, etc.
- Facilitating and implementing pioneering projects, through a rural economic assistance fund (REAF), with municipalities that will increase black ownership, women's participation, and opportunities for the disabled and the youth.

Finally, Local Economic Development will ensure that citizens of the province are fully informed of the offerings of all 3 spheres of government, by:

- Creating awareness and providing access for urban, rural and township communities to, departmental and national support programmes and benefits, this means, one-stop-shop advice and business support centres, co-operative development, and incentives programmes.

ii. Specifications of measurable objectives and performance indicators

Strategic Objective:										To increase the levels of participation in the economy by all who make the Western cape their home.									
Measurable Objective		Performance Measure Indicator		Base Year 2006/07		Year 1 2007/08		Quarter 1		Quarter 2		Quarter 3		Quarter 4		Year 2 2008/09		Year 3 2009/10	
Provide guidance, support and capacity to municipalities through the Plek Plan Programme (the economic development units & IDP assessments & reviews) to strengthening the economic development capacity of municipalities.		Number of local Plek Plan offices established & operational to assist with LG strengthening the credibility of LED strategy development and implementation plans.		5 Plek Plan offices rolled out, and operationalised at municipal level.		The next 5 Plek Plan offices established at municipal level.		Planning complete & negotiations to finalise MoAs underway to secure partnerships that supports the roll-out and establishment phase of the next level of the programme.		MoAs finalised and signed with delivery partners; Recruitment of 5 Plek Plan managers underway & office establishment initiated.		Plek Plan managers recruited with 1 st phase training underway, & office est. to be finalised.		First set of economic profiles done by the new PP managers in conjunction with the updated profiles of the 5 district regions.		Consolidation year for the first 10 offices of the Plek Plan Programme to support LG in LED strategy development and review processes of IDPs.		Rollout of 5 new offices to support in LED strategy development to Local Govt and assist in review processes of IDPs.	

Strategic Objective:		To increase the levels of participation in the economy by all who make the Western cape their home.							
Measurable Objective	Performance Measure Indicator	Base Year 2006/07	Year 1 2007/08	Quarter 1	Quarter 2	Quarter 3	Quarter 4	Year 2 2008/09	Year 3 2009/10
Through the Plek Plan programme inform local LED strategies & plans (IDP) that will guide & support the performance of LG in achieving increased economic participation.	No of municipal economic profiles established to inform LED plans by LG.	(Phase 1) Based on PER&O 2006, SEP-LG and 1 st Plek Plan regional profiles establish the foundations of the economic profiles of municipalities.	Review and update the 5-district regions economic profiles established, & include Spatial MEDS research to inform municipal LED strategies and plans.	Based on first district profiles completed by DPP in 0506, PERO 2007 & MEDS spatial research - identify if any gaps exist in LG economic profiling.	Planning initiated for compilation of any additional data required to establish economic profiles.	Economic profile studies completed and consulted upon for input to LG plans and strategies.	Distribution to all LG regions assisted with further economic profiling	Review and update district & local municipal economic profiles established, to inform the review processes of LG LED strategy & plans for the new IDP cycle.	Review and update district & local municipal economic profiles established, to inform the review processes of LG LED strategy & plans for the new IDP cycle.
	Number. of LG LED strategies supported for development through inputs provided (reports) to national, provincial & local processes (e.g. MTEC, IDP Hearings, etc)	Development of local tools, like matrices that will be used to inform municipal LED strategy.	Participate in provincial processes to support LG LED strategy development & implementation.	Refine the development of an LED assessment tool when assessing IDPs.	Produce input to provincial, national and local processes & feedback to LG on LED assessments and realism of IDP plans	Engage LG on the LED reviews on their LED strategies & plans.	Engage LG on the LED implementation through provincial processes and LG sessions.	Participate in provincial processes to support LG LED strategy development & implementation.	Participate in provincial processes to support LG LED strategy development & implementation.

Strategic Objective:		To increase the levels of participation in the economy by all who make the Western cape their home.							
Measurable Objective	Performance Measure Indicator	Base Year 2006/07	Year 1 2007/08	Quarter 1	Quarter 2	Quarter 3	Quarter 4	Year 2 2008/09	Year 3 2009/10
Implementation of pioneering pilot projects that will increase community-based ownership & participation in line with the vision of iKapa Elihlumayo.	Based on local Plek Plan economic opportunities identified – (a) No. of project opportunities <u>submitted to other departmental sub-directorates for further support</u>	Roll-out & establishment of the Plek Plan programme that will support the identification of a min. of 8 varied opportunities for referral.	Based on opportunities identified by DPP – a min of 10 opportunities identified, referred & submitted to other DEDT sub-directorates for further support.	Refine the development of an evaluation process for proposals submitted to identify a min. of 3 opp. that can be referred to other units (e.g. ED, EE Tourism or ESD).	Through an evaluation process identify 3 opp. that may be referred to, & followed through by other units for development.	Through an evaluation process identify 3 opp. that may be referred to, & followed through by other units for development.	Through an evaluation process identify 3 opp. that may be referred to, & followed through by other units for development.	Based on opportunities identified by DPP – a min of 12 opportunities identified, referred & submitted to other DEDT sub-directorates for further support.	Based on opportunities identified by DPP – a min of 15 opportunities identified, referred & submitted to other DEDT sub-directorates for further support.

Strategic Objective:		To increase the levels of participation in the economy by all who make the Western cape their home.							
Measurable Objective	Performance Measure Indicator	Base Year 2006/07	Year 1 2007/08	Quarter 1	Quarter 2	Quarter 3	Quarter 4	Year 2 2008/09	Year 3 2009/10
	Based on local Plek Plan economic opportunities investigation – (b) Number of. Projects, tested for viability, further developed & supported <u>as sourced from municipal project proposals</u>	Roll-out & establishment of the Plek Plan programme that will support the identification of a min. of 5 business projects for development in 0607.	Implement the Plek Plan programme that will support the sourcing of a min of 5 LG proposals for development in 07/08	Based on DPP est, source and evaluate proposals for each of the 5 regions.	Based on evaluation, select a min. of 2 proposals to support to project dev. Level. (fin or non-fin support) source & evaluate add. proposals from the regions.	Implement project planning & dev. of the feasible proposals. (fin or non-fin support) source & evaluate a min of 2 new proposals from the regions.	Implement project planning & dev. of feasible proposals & (fin or non-fin support) source & evaluate a min of 2 new proposals from the regions.	Through DPP support the sourcing of a min of 8 viable LG proposals for development in 08/09.	Implement the Plek Plan programme that will support the sourcing of a min of 12 viable LG proposals for development in 09/10.
	Based on local Plek plan economic opportunities identified – (c) No. of projects supported by the Rural Economic Assistance Fund.	Establish REAF 06/07 & implement the project dev of a min.of 2 viable opp.	Establish REAF 0708 & implement the project dev of a min. of 5 viable opp.	Finalise planning for REAF 0708 and negotiate an MoA with a delivery partner.	MoA finalised for REAF 0708 Start process to link opp identification. in DPP to project dev support.	Identify and test feasibility of a min. of 8 opp for project dev.	Approve project development and start preparatory work on the project dev roll-out.	Establish REAF 0708 & implement the project dev of a min. of 7 viable opp.	Establish REAF 0708 & implement the project dev of a min. of 9 viable opp.

Strategic Objective:		To increase the levels of participation in the economy by all who make the Western cape their home.							
Measurable Objective	Performance Measure Indicator	Base Year 2006/07	Year 1 2007/08	Quarter 1	Quarter 2	Quarter 3	Quarter 4	Year 2 2008/09	Year 3 2009/10
	Based on local Plek Plan economic opportunities identified – (d) The no. of community assistance referrals dealt with/ the number of engagements to provide expert advice & non-financial support.	Roll-out & establishment of the Plek Plan programme that will support a min. of 50 engagements around community assistance with LED issues.	DPP programme expanded & a min. of 75 engagements with local people & govt around assistance with LED issues & the provision of expert advice & non-fin support.	Evaluate community requests & facilitate a min. of 15 engagements with local people & govt around assistance with LED issues.	Evaluate community requests & facilitate a min. of 15 engagements with local people & govt around assistance with LED issues.	Evaluate community requests & facilitate a min. of 15 engagements with local people & govt around assistance with LED issues.	Evaluate community requests & facilitate a min. of 15 engagements with local people & govt around assistance with LED issues.	DPP expanded & a min. of 90 engagements with local people & govt around assistance with LED issues & the provision of expert advice & non-fin support.	DPP expanded & a min. of 120 engagements with local people & govt around assistance with LED issues & the provision of expert advice & non-fin support.

Strategic Objective:		To increase the levels of participation in the economy by all who make the Western cape their home.							
Measurable Objective	Performance Measure Indicator	Base Year 2006/07	Year 1 2007/08	Quarter 1	Quarter 2	Quarter 3	Quarter 4	Year 2 2008/09	Year 3 2009/10
Ensure practical alignment of departmental programs with national & provincial objectives (e.g. PGDS) through regional initiatives (e.g. ISRDP, URP, & Project Consolidate & ASGISA priorities),	Number of identified interventions that are economically viable & that can be supported- with specific impact on ISRDP, URP and Project Consolidate and ASGISA priorities).	Roll-out & establishment of the Plek Plan programme that will support the identification of local opp. that impact on prov & nat imperatives.	Through DPP expansion, source & support (fin or non fin) - 3 local projects that impact on prov & nat imperatives or programs.	Implement process to source and evaluated proposals submitted that can impact on prov & nat imperatives or programs	Evaluate feasibility of proposals sourced from the previous quarter & identify a min. of 3 for further project dev support (fin or non fin).	Utilise in-house expertise to provide non-fin support & submit to REAF 0708 for fin support. Source 3 more for evaluation.	Through cooperative governance source additional project proposals or opp. for further support.	Through DPP expansion, source & support (fin or non fin) - 4 local projects that impact on prov & nat imperatives or programs.	Through DPP expansion, source & support (fin or non fin) - 5 local projects that impact on prov & nat imperatives or programs.

To increase the levels of participation in the economy by all who make the Western cape their home.										
Strategic Objective:		Performance Measure Indicator	Base Year 2006/07	Year 1 2007/08	Quarter 1	Quarter 2	Quarter 3	Quarter 4	Year 2 2008/09	Year 3 2009/10
Measurable Objective	Through collaboration with other departments - Number of projects impacted on by skills development, job creation, etc).	Est. of Plek Plan to assist in identifying opp. for joint efforts.	Through cooperative governance support a min of 3 proposals that requires joint effort with other dept(s) for development.	Implement process to source and evaluated proposals that can be impacted on through joint effort.	Test feasibility of project proposals & det. if the financial or non-fin assistance is required.	Utilise in-house expertise to provide non-fin support & submit to REAF 0708 for fin support.	Utilise prov & local workshops & processes to report or feedback on joint efforts and future plans for development.	Through cooperative governance source a min of 5 proposals that requires joint effort with other dept(s) for further support.	Through cooperative governance source a min of 7 proposals that requires joint effort with other dept(s) for further support.	
Create/ build awareness and provide access to urban, rural and township communities to departmental, provincial & national support programmes	Number of provincial wide roadshows and workshops held and reports finalised and distributed.	Min of 2 roadshows (workshop format) held provincial-wide with LG.	Min of 2 provincial-wide engagements held with LG & local stakeholders (e.g. road-shows, workshops) to inform local LED plans.	Planning around strategic objectives, timeframes & content input for these workshops.	Planning, logistics & content finalisation for engagements / workshops, etc	Workshops held.	Workshops held.	Min of 2 provincial-wide engagements held with LG & local stakeholders (e.g. road-shows, workshops) to inform local LED.	Min of 2 provincial-wide engagements held with LG & local stakeholders (e.g. road-shows, workshops) to inform local LED.	

Strategic Objective: To increase the levels of participation in the economy by all who make the Western cape their home.									
Measurable Objective	Performance Measure Indicator	Base Year 2006/07	Year 1 2007/08	Quarter 1	Quarter 2	Quarter 3	Quarter 4	Year 2 2008/09	Year 3 2009/10
and benefits at local level For example, updates on MEDS, Die Plek Plan, Red Doors, etc.	Distribution of programme support material and engagement through the regions; No. of Imbizo requests and responses.	A min of 2 reports compiled on engagement on road-shows & workshops; to include recommendations made to programme drivers.	Min of 2 roadshow reports completed that speaks to spread of awareness of support programme s; to include recommendations made to programme drivers.	Planning around strategic objectives, timeframes & content input for these workshops. Ongoing updates on requests by LG.	Planning, logistics & content finalisation for engagements / workshops, etc. Ongoing updates on requests by LG.	Workshops held Report available on 1 st workshop. Ongoing updates on requests by LG.	Workshops held Report available on 2nd workshop. Ongoing updates on requests by LG.	Min of 2 roadshow reports completed that speaks to spread of awareness of support programmes; to include recommendations made to programme drivers.	Min of 2 roadshow reports completed that speaks to spread of awareness of support programmes; to include recommendations made to programme drivers.



PART B: PROGRAMME AND SUB-PROGRAMME PLANS

4.3 Sub-programme 2.3: Economic Empowerment

i. Specified policies, priorities and strategic objectives

The main aim of the Economic Empowerment is to provide strategic direction for empowerment and transformation of the Western Cape's economy. The process of the empowerment of Historically Disadvantaged Individuals (HDIs) include elements of human resource development, employment equity, enterprise development, preferential procurement, as well as investment, ownership and control of enterprises and economic assets. Empowerment is viewed as economic enablement of the targeted groups comprising black people, women, youth, the disabled and rural communities.

The three main documents, strategies and agreements that will be informing the objectives, strategies and activities of the unit are the National Broad-Based Black Economic Empowerment Strategy, the Provincial Micro-economic Development Strategy (MEDS), Sector Charters, Codes of Good Practise and the Provincial Growth and Development Summit Framework Agreement.

The empowerment charters of especially, the “seven strategic economic industries” will guide the unit’s interventions. These are the industries that government has encouraged to have empowerment charters because it views them as priority sectors that have a strategic influence in the country and could have a significant impact in the transformation of the economy. These sectors comprise agriculture, financial services, transport services, automobile, information and communications technology, engineering services and the construction sector. Also, special cognisance will be taken of the provincial priority sectors as identified at the Growth and Development Summit.

Economic Empowerment will collectively deliver on its strategic goals and objectives, in order to monitor, evaluate and report on interventions and activities.

The Provincial BBBEE framework will provide the overarching structure within which all economic empowerment issues are addressed. The unit's support in the implementation of the policy will ensure that economic empowerment is co-ordinated within the province. Also, this will ensure that the sector charters contribute to fulfilling the objectives of BBBEE.

The environment surrounding EE has hardly been conducive to the development of real economic empowerment. As part of its strategic role, the unit will be a key source of information, facilitation and advice regarding BBBEE. In fulfilling this role, it will build and co-ordinate a network of support structures (both financial and non-financial), and provides support to local government and business (small and large).

The role of provincial governments in giving meaning to BBBEE cannot be under estimated. The unit will:

- Ensure that EE policies of provincial departments are aligned with that of national government;
- Actively work with provincial departments on preferential procurement and human resources issues; and
- Monitor and evaluate the progress of provincial departments in delivering on BBBEE.

The targeted groups of women, youth, the disabled and the rurally located deserve special attention in ensuring that they substantially increase their contribution and participation in the economy. Therefore, the unit will facilitate and promote programmes that will facilitate and ease entry into the mainstream economy, and will increase the contribution and participation of all in the economy of the Western Cape.

ii. Specifications of measurable objectives and performance indicators

Strategic Objective:		To increase the levels of participation in the economy by all, especially the previously excluded and presently marginalized. To make citizens and their enterprises effective players in the global economy							
Measurable Objective	Performance Measure Indicator	Base Year 2006/07	Year 1 2007/08	Quarter 1	Quarter 2	Quarter 3	Quarter 4	Year 2 2008/09	Year 3 2009/10
Provide a strategic framework for the promotion of Economic Empowerment in the Western Cape.	Fully developed and implemented framework.	Completion of strategy document and launch.	Strategy implementation plan.	Publish Strategy Sensitization and awareness.	Implementation of BBBEE Strategy Sensitization and awareness	Implementation of BBBEE Strategy Sensitization and awareness	Critically evaluate and review strategy.	Implementation of BBBEE strategy.	Review, Assess and Consolidation of the strategy.
Ensure that the component is a credible source of information regarding Economic Empowerment issues.	Number of information sessions on BBBEE Charters and Scorecards.	To provide information and give advice on Charters and Scorecards.	To provide information on BBBEE Charters and Scorecards.	EE to host a workshop on BBBEE Scorecards with Supply Chain Managers of Provincial Govt. Departments	Host a wine charter workshop.	EE to Host a Property and Construction workshop.	EE to host a property and Construction workshop.	Monitor and evaluate to ensure compliance	Review and evaluate compliance.
Provide reports on Charters of Priority	Reports on Charters of Priority Sectors as identified by the		Monitoring and evaluation of priority sector	Planning and consultation with various stakeholders	Monitoring and evaluation of Charters.	Monitoring and evaluation of Charters.	Monitoring and evaluation of Charters.		

Strategic Objective:		To increase the levels of participation in the economy by all, especially the previously excluded and presently marginalized. To make citizens and their enterprises effective players in the global economy							
Measurable Objective	Performance Measure Indicator	Base Year 2006/07	Year 1 2007/08	Quarter 1	Quarter 2	Quarter 3	Quarter 4	Year 2 2008/09	Year 3 2009/10
Sectors as identified by the MEDS.	MEDS.		Charters.	in the different charters.					
Ensure that the component is a credible source of information regarding Economic Empowerment issues.	Edition of the published Economic Empowerment Newsletter.	Creation of newsletter.	Distribute Review and improve	Plan and distribute 1 st edition	Plan and distribute 2 nd edition	Publish and distribute 3 rd Edition of newsletter.	Publish and distribute 4 th edition of the newsletter	Newsletter Ongoing	Review and assess Publication ongoing
Facilitate access to finance for economic empowerment opportunities and the monitoring and evaluation thereof.	Number of economic empowerment opportunities assisted. To assist communities in identifying business opportunities.		Monitoring BBEE deals that have been funded and ensure compliance with scorecards.	2 economic empowerment opportunities	4 economic empowerment opportunities.	4 economic empowerment opportunities.	2 Economic empowerment opportunities.		
The	Increase in	Launch of	Operationalis	Drafting the	Consultation	Implementati	Implementati	Implement	Implement

Strategic Objective:		To increase the levels of participation in the economy by all, especially the previously excluded and presently marginalized. To make citizens and their enterprises effective players in the global economy							
Measurable Objective	Performance Measure Indicator	Base Year 2006/07	Year 1 2007/08	Quarter 1	Quarter 2	Quarter 3	Quarter 4	Year 2 2008/09	Year 3 2009/10
establishment and Operationalisation of advisory forums.	economic participation for targeted beneficiaries Fully operational forums	the advisory council	ation of the forums	Implementati on plan .	the Implementati on plan	on process	on process. Review and assess	ation on process Review and Assess	ation on process Review and Assess
Monitoring and evaluation of advisory forums	Quarterly reports on the advisory forums.		Monitor and evaluate	Conduct strategic sessions with the forum	Conduct strategic sessions with the forum.	Conduct strategic sessions with the forum.	Conduct strategic sessions with the forum.	Organise a Provincial BBBEE Advisory conference	Assess and Review implement ation of the conference resolution.
The establishment of the advisory council	Monitoring and evaluation of economic empowerment programs	Launch of the advisory council	Operationalis ation of the advisory council	Consultation with the key stakeholders	Consultation with the key stakeholders	Implementati on process	Implementati on process	Monitoring and evaluation of advisory council.	Implement ation of the program.
Ensure that the Provincial Government Policies (eg.	Preferential Procurement policy is aligned to BBBEE.	To have final Preferential Procurement	To ensure that all Provincial Government	Consultation with various departments regarding	Presentation of new Pref Proc Policy to CFO's and	Final draft of Pref Proc Policy to be presented to	Launch of the new Pref. Proc Policy	To ensure that all Provincial Governme	

Strategic Objective:		To increase the levels of participation in the economy by all, especially the previously excluded and presently marginalized. To make citizens and their enterprises effective players in the global economy							
Measurable Objective	Performance Measure Indicator	Base Year 2006/07	Year 1 2007/08	Quarter 1	Quarter 2	Quarter 3	Quarter 4	Year 2 2008/09	Year 3 2009/10
Procurement) contribute to the furthering of BEE in the Western Cape.		t Policy which is aligned to BBBEE framework and is implemented in all Provincial Government Departments.	Departments increase their Preferential Procurement by 10%.	implementation of new Preferential Procurement Policy.	HOD and the Minister	the Minister and to Cabinet.		nt Departments increase their Preferential Procurement by 10%.	



PART B: PROGRAMME AND SUB-PROGRAMME PLANS

4.4 Reconciliation of budget with plan

Programme 2: Programme budget by sub-programme (R '000)

Sub-programme	Year - 2 2004/05 (Actual)	Year - 1 2005/06 (Actual)	Base year 2006/07 (Estimate)	Year 1 2007/08 (Budget)	Year 2 2008/09 (MTEF projection)	Year 3 2009/10 (MTEF projection)
Management: Integrated Economic Development Services	2 766	1 210	2 463	3 631	4 640	5 230
Enterprise Development	17 098	23 838	29 595	37 665	38 234	39 504
Local Economic Development	8 941	5 856	13 324	18 395	20 171	21 227
Economic Empowerment	12 025	3 181	1 590	3 844	4 142	4 596
Total	40 830	34 085	46 972	63 535	67 187	70 557



PART B: PROGRAMME AND SUB-PROGRAMME PLANS

5. Programme 3: Trade and Industry Development

The purpose of the Programme is to seek to accelerate growth, create employment, increase pace of transformation of the industries and improve competitiveness.

The Programme is structured as follows:

- Management: Trade and Industry Development
- Sector Development
- Industry Development
- Wesgro

i. Specified policies, priorities and strategic objectives

Framed within the National Growth and Development Strategy vision and the iKapa Elihlumayo vision and goals, the Micro-economic Development Strategy underpins and is underpinned by the Department of Economic Development and Tourism's (DEDT) economic sectoral and thematic strategies. Contextualised by a stable macro-economic environment, the Micro-economic Development sector and thematic strategies within the Department seek to accelerate growth, create employment, increase ownership of the economy and ensure that industries are increasingly globally competitive in line with the overall goals of iKapa Elihlumayo.

In fulfilling the objectives of the Department through the development and growth of sectors, the overall approach includes the following components of the core sector framework brief:

- **Strategy Development:** Developing the overarching framework, vision and strategy as guided by iKapa Elihlumayo and informed by the MEDS sectoral research. This includes:
 - Global, national and provincial situation analysis of trends, policy alignment and delineation (including detailed analysis of trends, strengths, opportunities, constraints and blockages).
 - The information and outcomes stemming from the Micro-economic Development Strategy (MEDS).

- The development of a spatial-economic map across the Province, together with the specific sector industry architecture and institutions.
- **Prioritisation of Sectors:** Sectors have been prioritised based on the outcomes of the Micro-economic Development Strategy and selection of sectors will be guided and shaped by the objectives and goals of the Provincial Government and takes into account provincial stakeholders such as the Provincial Development Council. Principles of selection will include:
 - Regularly assessing sectors to ensure that the sectors and interventions are robust, flexible and able to adjust to global trends and opportunities.
 - Allocating resources appropriately and prudently to the sectors that afford stronger opportunities for growth and job creation.
- **Overarching policies and interventions:** developing and managing policies and interventions which include:
 - The identification, implementation and management of crosscutting interventions that impact on a number of sectors and industries.
 - The development and implementation of crosscutting policies in line with provincial and national objectives and strategies.
- **Sector and opportunity monitoring and watching:** Monitoring and evaluating sector developments, research, opportunities, policies, and interventions; and measuring these against the goals of the Department and iKapa Elihlumayo and with a view to alignment, periodically reviewed against sector strategies.

The Micro-economic Development Strategy research, which informs sector prioritisation the Programme, has assessed and prioritised sectors in accordance with the iKapa Elihlumayo growth strategy, and has evaluated the sectors against two sets of criteria. The first set attempts to evaluate the potential that particular sectors offer for growth, employment expansion and broad-based black economic empowerment. The second set looks at the relative cost and the likely impact of a combination of proposed interventions within a sector on the economy as a whole. Through a process of filters and using a variety of assessment models the MEDS has assessed and categorised each sector in terms of its potential impact on the Western Cape economy. These sectors fall within the following broad categories:

- **Priority sectors** which reflect sectors that have high impact in terms of growth and job creation, and in which the Department will initiate and implement proactive and significant interventions. Within Programme 3, these sectors include Oil and Gas, Information and Communication

Technology, Business Process Outsourcing and Outsourcing. Themes include Workforce Development.

- **Significant sectors** which reflect a range of sectors that have a medium impact on the provincial economy in terms of growth and job stabilisation and creation, and in which the Department will implement catalytic proactive measures and interventions to ensure realisation of potential or stability of the particular industry. Sectors falling within this tier include Clothing and Textiles, Creative Industries, Craft, Film, Metals and Engineering, and Agri-processing.
- **Watch-list sectors** which encompass a range of industries that currently do not offer significant impact in terms of growth and employment or where provincial government interventions will not have much of an influence. The Department's assistance and interventions in these industries will be reactive and within the confines of the budget. Mindful that opportunities may arise or the business environment may change, the Department will periodically review the 'watch-list sectors'. Sectors falling within this category are Fishing, Financial Services, and Electronics.

Given the integration of the Western Cape with respect to the world economy, the categorisation of sectors is subject to change, pending shifts in the regional, national and global markets, pending policy direction emanating from national via ASGISA, and pending shifts within sectors. The Department will also additionally focus and further analyse sectors which have been highlighted by ASGISA and the PGDS. These include Bio-fuels and a further analysis of the impact of the Creative Industries on the economy.

For each sector of focus, there will be a MEDS strategy that will include a long-term vision, long-term job targets and a set of interventions to realise the vision and targets. These interventions may be housed within the Department or be outsourced.

These sector strategies will in turn provide guidance and direction to other stakeholders such as the Special Purpose Vehicles and public entities in respect to their role in the value-chain and in terms of the implementation of the interventions.

Trade and Industry Development is structured in units. Each unit consists of industries that tend to share strong synergies along points in the value-chain and/or cross-cutting strategic input factors, and may share common constraints within their respective industries. For example, the need for robust, cost-effective telecommunications is pertinent to both the BPO and ICT industries within the services industries cluster. The clustering ensures maximum benefit can be obtained through co-ordination between affected

industries. New sectors within the clusters may be included as more information and new MEDS research becomes available.

Each cluster comprises sectors, and from each sector emanates an interventionist strategy. The MEDS provides the core information and guiding interventions to the sector strategies. Other stakeholders and partners such as the PDC and National Government will contribute and shape the sector strategies and interventions, and indeed, over the past year, changes and adaptations have been made to strategies through the process of consultations.

The following provides a list of industries of focus within the Programme, as well as the major thrusts of 2007/08:

Manufacturing industry Grouping

- Marine cluster, including oil and gas services, ship repair and boat-building.
- Metals and Engineering, including tooling and auto's
- Clothing and textiles.
- Boat-building
- Ship-repair
- Furniture

Growth within the Oil and Gas cluster has been curtailed by a lack of available skills. This has been identified by the industry as the most urgent impediment against growth and expansion. The Skills Development Priority seeks to significantly broaden and deepen the current skills programmes within the sector and introduce new initiatives. This will ensure an adequate supply of labour to allow for growth while simultaneously achieving our main objectives of increasing employment and addressing transformation imperatives.

Services Industries Grouping

- Information Technology and Communications.
- Business Process Outsourcing and Outsourcing.

Business Process Outsourcing (BPO) is one of the two most important sectors identified by ASGI-SA (the other sector been tourism) to spear-head the country's accelerated path to high growth, increased employment with a pro-poor focus. The Province's key priority sectors are not out of line with the National Imperatives, and BPO is considered one of the most critical sectors of the Western Cape. However, given the specific comparative advantage of the region, Information Communication Technology has also been identified as one of four high growth industries in the Provincial iKapa strategy.

For growth and transformation accessibility, both of these sectors are heavily dependant on a competitively-priced, robust telecommunications infrastructure. While telecommunication infrastructure does not fall within the mandated competency of the Department, the cluster unit will seek to provide a catalyst for the province to ensure that there is a provincial and municipality-specific telecommunication strategy and pro-active initiatives.

Creative Industries Grouping

- Film
- Craft
- Fashion
- Music
- Jewellery
- Visual arts
- Performing Arts

In investigating and analysing the value-chain of the creative industries, the key barrier for the growth and development of the indigenous creative industries is the lack of access to enabling infrastructure with which to develop markets – both local and international. This impediment has been identified across a broad range of creative sub-sectors - from film, where a detailed study has been conducted, to our initial investigations in music. Consequently, one of the key priorities within the creative industries will support the development of infrastructural nodes to allow the synergistic development and growth of the creative industries coupled with the informal sector and tourism needs.

Over and above this, a more detailed examination of economic impact of the creative industries will provide further direction in terms of Departmental interventions, partnerships and prioritisation.

Resource Beneficiation Industry Grouping

- Agri-processing and food-processing
- Aquatic industries

Within 2007/08, a major focus will include finalising an overarching study of the food-processing sector and the agriculture industry. Taking this substantial body of research forward in shaping a strategy, the Department will, within selected high-potential product categories, introduce initiatives which are strongly focused on enhanced efficiencies and communication networks along the value-chains.

Biofuels has been highlighted by Asgisa as a key medium priority sector, and there is significant national government activity in kick starting the industry. Taking the lead from national and propelled by energy challenges within the province. Consequently, the Department will be working closely with other relevant provincial Department, under the leadership of the Department of Agriculture, in developing a Bio-fuels Strategy and Implementation Plan.

These sector strategies are further strengthened by the **Workforce Development and Strategic Sector Support** Section, which underpins and supports the sectoral work with interventions of a cross-cutting nature, namely:

- Workforce Development
- Innovation and R&D

Lack of required skills has been identified as the most pressing inhibitor to growth of the private sector, and the Western Cape. If the Province is to achieve the added growth trajectory expected by ASGI-SA, the Department would have to address Workforce Development as the most vital component of its MEDS strategy.

The major imperative for human resource development strategies as an approach to education & training policy comes from the economic pressures of a globalised world. The link between economic development, employment, skills and knowledge is not a new idea. What is new is a shift from human capital theory and manpower planning practices that emphasize individual skills and performance, to an approach of skill formation that links political, economic and industrial strategies, and matters of work organization, technology, innovation, and so on. Such an approach coordinates HRD strategies with policies of demand-side issues.

There are three riders to this. First, all economies have multiple skill levels - low, intermediate and high skill - that occur concurrently, and the challenge is to increasingly up-skill with strategic and large scale interventions across these levels to meet the economic & social needs and opportunities. This indicates the importance of learning-at/from-work. The National Skills Development Strategy 2005 – 2010 is premised on a multiple level skills paradigm.

Second, skill formation takes place in a number of institutions e.g. GET is provided for through public and private schools, community centers, and special programmes; FET through public and private schools and colleges, workplaces, SETAs, SMMEs, communities, and so on. Most of these institutions are important sites for developing solid foundations that underpin all learning, what is often called “general education”, meaning the development of languages, mathematics, ICT, life skills. All of these institutions are involved in skills formation at different levels, whether at academic, vocational or pre-vocational levels.

Lastly, HRD goals are but one focus of an education & training system. Human resource development largely focuses on adult learning, training and re-training, un- and under-employment, developing skills and competencies valued by the economy, and so on. Education goals tend to be more developmental and focused on the long term, on goals not directly linked to current economic and societal issues. This is equally important. The issue therefore is not education or training, but rather, ensuring the educational component in training practices, and the training imperatives within educational development.

Therefore, the Workforce Development Initiative of the Department will be a critical and major component of the Human Capital Development Strategy (HCDS), focusing primarily on vocational / professional education & training wherever it is supplied. Success in the Workforce Development is critical for overall success in the Micro-Economic Development Strategy. Failure to undertake meaningful initiatives in Workforce Development will mean that the MEDS aimed achievements and goals will be severely compromised.

The strategies and the interventions within the sectors have been informed by the extensive MEDS research and through an ongoing 'open window' engagement with the relevant stakeholders and industries.

ii. Progress analysis

Significant progress towards fulfilling the Department's mandate have been achieved, namely:

- **Resource Beneficiation**

The resource beneficiation sectors were managed through interventions identified by our beneficiation component whereby the modus operandi was to develop networks with global entities that have common interests in beneficiation activities. The development and mobilisation of partnerships has further enabled specialised research to establish opportunities in e.g. agriculture, forestry, aquaculture, mining and associated value chains.

- **Manufacturing**

In terms of the manufacturing sectors, the Department played a leading role in developing strategies that would and have impacted on the labour-intensive industries, capital-intensive industries and the oil and gas and related downstream petrochemical industries.

The Department's involvement in manufacturing sectors determined which industry segments were to be supported so that the focus would be on industries in which gains in the areas of growth; employment; broadening of ownership are more likely, and in which there can be economic participation by the previously excluded and currently marginalised groups, as well as global competitiveness of firms.

However, it has also been proven that sector strategies do not yield equity and participation outcomes without direct agendas that pre-determine efforts toward these outcomes. In other words, prioritisation of sectors according to their potential was not enough. The Department also played an active role in determining and driving these goals within each sector.

- **Services**

The service industry sectors, which include, inter alia, call centres and business process outsourcing (BPO) operations focused primarily on development programmes of the various industry segments.

Interventions in segments such as BPO's and call centres, which are still fledgling industry segments in our economy, have been dominated by the development of growth strategies and plans to transform those sectors to best meet the demands of competing in an increasingly competitive global environment.

- **Creative Industries**

The entire creative sector represents diverse industries ranging from film to crafts, architecture to music, from heritage and museums to advertising. This broad range of sub-sectors is underpinned by the raw material – 'creativity' and is characterized by its knowledge-intensity, labour intensity, SME intensity, and the fact that it has both cultural and economic dimensions.

The Department has built and strengthened its relationship with relevant stakeholders as advocated by the 'open window' philosophy. High growth sub-sectors have been analysed with the objective of developing and implementing initiatives which unblock growth potential within the sectors and realise synergies between the various sub-sectors.

- **Strategic Sector Support**

The Department has developed interventions and strategies of a crosscutting nature, which have a significant impact on the Province's competitiveness as a global player. These interventions and strategies includes themes such as Broad-Based Black Economic Empowerment (BBBEE), Human Resource Development (HRD), Research and Development (R&D) in technologies and resources, New Technology development, Innovation and HIV/Aids.

iii. Analysis of constraints and measures planned to overcome them

With the completion of the MEDS reports and the prioritisation process, the current challenge that faces Trade and Industry Development is ensuring there

is sufficient financial and human capacity to develop and effect the sector strategies and sector interventions.

In the selection of the flagship and prioritised sectors, cognizance has been taken of existing industry-government co-operation and organizational structures, as this means that the sector can possibly leverage funds from sources other than the provincial government. However, even with external funding, the nature of the interventions will require significant additional financial input from government, and the process of seeking financial partners for interventions requires management capacity. The implementation of the sector strategies requires Programme 3 to develop a number of sector interventions, consult with the industries, local and national governments to ensure relevance and obtain buy-in, to initiate and leverage partnerships and financial resources for the interventions, and then to implement and manage the interventions primarily through the Sector Bodies. This requires significant management resources that are not reflected in the structure.

In short, the interventions require human resources to initiate, implement, and manage the programmes, and the current personnel gaps within the Department present a constraint in the refinement of strategies and their rapid implementation. Certain sector initiatives also require specialist knowledge, which will have to be brought into the Department on a short or medium-term basis, particularly if the specific intervention for which the specialist knowledge is required is of a short or medium-term nature.

Also, industry's expectations created by the MEDS and the imperatives of the Department's objectives and targets have meant that we have had to implement a number of initiatives as the sole funder. Emanating from the sector MEDS strategies, these projects have primarily revolved around transformation, skills development and innovation and technology. The shortage of personnel is insufficient capacity to form strategic relationships and leverage other stakeholder resources into the various projects which make up Programme 3's various deliverables and sector strategies. This often requires Departmental senior management intervention with counterparts who have the decision-making powers to allocate budget towards the Department's initiatives.

The domestic and international business environment is constantly changing. This may change growth prospects on sectors that the MEDS and stakeholders have analysed, assessed and ranked. In some cases the prospects of a high growth industry may experience a fundamental downturn in growth, while sectors that the MEDS has placed in the third tier ranking may begin to show considerable scope for growth and job creation. The Department will therefore be seeking to introduce a system to monitor and evaluate the sectors, to ensure that the province can rapidly respond to and take advantage of the changing environment.

iv. Description of planned quality improvement measures

As the Department is embarking on a new set of strategies, the first years will be used to verifying and developing interventions, consulting with the various stakeholders in the private sector and public sector to ensure relevance, and where applicable, implement the programmes. Amongst other factors, the following will be addressed:

New Human Resource Capacity: Filling the current vacancies in the divisions and identifying additional staff requirements will be prioritized as a matter of urgency. The appointment of experienced, specialised staff to the proposed positions would be a very important determinant in the quality of the services rendered by the unit. Rapid induction and training of new staff will ensure that we are able to implement the strategies as rapidly as possible. Interventions within each of the sectors are being implemented, and where relevant, are being refined. The challenge has been capacity, particularly with respect to managerial capacity and focus.

In order to accommodate the MEDS, the current human resources have been re-organised into sector groupings to allow for clearer definition and efficient delivery, improved synergies among sector groupings and across sector clusters, and streamlined, direct management capacity and focus.

The MEDS sectors and interventions have been grouped into the following broad sector cluster units: Resource beneficiation industry cluster, Manufacturing industry cluster, Services Industries Cluster, and Creative Industries Cluster

The new focus enhances the focused approach of the MEDS insofar as each sector grouping is led by a 'priority' sector and contains 'significant' sectors. The re-organisation allows for strategic management capability in each of the groupings and the structure allows for flexibility. If and should further sectors be identified by the MEDS process, the above structure allows for scalability and relatively easy absorption of additional workload. In addition, reporting is now streamlined and significantly easier to monitor and evaluate.

Interventions for each sector include growth enhancing initiatives, infrastructure development projects, transformation and SME programmes, competitiveness interventions and developing an enabling regulatory environment. As the Directors will be specialists within the sector clusters, they will also enhance the Department's ability to develop partnerships and partnership resources for the realisation of the interventions. A Cabinet Submission will be processed in this regard.

Communication with stakeholders within any particular industry: Communicating effectively the goals and the strategies of the Department to ensure an open window approach, where interventions are identified, verified,

and prioritised. The process also ensures buy-in from stakeholders, contributing towards managing the expectations of stakeholders and will enable officials to effectively execute their work commitments.

Focus: The bulk of available resources will be focused on the most important interventions and/or the sectors that offer the strongest growth and impact. Too many areas of involvement and too many objectives with too few resources significantly dilute influence and impact, leading to an inability to deliver in a scenario where external expectations have been heightened.

Training and developing existing staff: Staff in the unit may require training within the context of the MEDS sector strategies for example, training in facilitation and project management.

Utilisation of outsourced expertise and capacity: Using outside expertise to fast track critical initiatives and interventions that may be too time-consuming or expensive to develop in-house, or where the intervention requiring specialist expertise will have a short life span.

Stakeholder relationships/partnerships: Aligning the work of different role-players, such as national, provincial and local government, institutions, parastatals, business organisations, organised labour, civil society and communities toward a common vision and agreed plans for each sub-sector. Coupled with this, efforts to harness resources from other stakeholders will be critical for the continuation and expansion of successful projects.

Developing and implementing a monitoring and evaluation system: Developing a system where developments within sectors and the economy are regularly monitored and evaluated against which the prioritisation of the sectors can be verified.



PART B: PROGRAMME AND SUB-PROGRAMME PLANS

5.1 Sub-Programme 3.1: Sector Development

Resource-based Industries Development

i. Specified policies, priorities and strategic objectives

The Unit's goal is to promote key industries in the resource-based sector. Within Resource-based Industries are Agri-processing, Food-processing, Fishing and Aquaculture, and Bio-fuels. While Agri-processing are categorised as a 'significant' sector within MEDS, it has a particular focus within ASGISA, and includes an emphasis on food processing and bio-fuels. Given the declining fishing resources, Fishing and Aquaculture received a 'watch-list' ranking with the MEDS. However, socio-economic imperatives have demanded that the Department provide some proactive attention to this sector.

The unit's programmatic work is informed by the recommendations of the Micro-economic Development Strategy (MEDS) and the requirements of iKapa Elihlumayo. The sectors which have been thus far identified are agri-processing and fishing. The unit will utilise the vehicle provided by the Provincial Growth and Development Summit (PGDS) processes in terms of shaping sector strategies and interventions. In addition, the MEDS process will provide supplementary and complimentary interventions to reposition sectors to achieve growth and equity objectives.

The modus operandi will be to develop appropriate networks with global entities that have a common interest in beneficiation activities. The development and mobilisation of partnerships will further enable specialised research to establish new opportunities in, for example the Fynbos industry. The commitment of partners will be crucial to implement priority projects. Such partnerships will also enable the effective monitoring and evaluation of processes that will lead to growth and equity.

The MEDS gives a comprehensive description of the **fishing and aquaculture sectors** and their sub-sectors, providing data on catches, landings and value, imports and exports, income, employment and skills, regulation, allocations and transformation, and gives very good statistical information. There are some serious growth constraints for the industry, including a fixed or dwindling resource base and the fact that there are too

many people dependant on the industry, and as a result the MEDS suggests that alternative economic activities be introduced in order to reduce pressure on the industry. This last point suggests that for Economic Sector Development, more research is required to seek alternative means of employment and income for the communities and individuals who will never have access to fishing permits.

The establishment and growth of the **bio-fuels industry** is one possible solution to addressing both the economic and social challenges and is an important contributor to the Accelerated and Shared Growth Initiative of SA (ASGISA).

The value chain for bio-fuels will result in significant job creation opportunities. Most of these jobs can be created in the second economy. The primary focus will be to convert subsistence farmers into cash crop producers to supply the crops.

Biofuels include:

- Biodiesel from vegetable oils or animal fats; substitutes for diesel
- Biomethane from dairy manure or organic waste; substitutes for natural gas
- Ethanol from corn or other crops; substitutes for (or are blended with) petrol

Currently a task team commissioned by the DME is to submit a strategy for biofuels by the end of the calendar year. The strategy will highlight the identification of resource requirements (land, human capital, etc). Feasibility studies for plant constructions, land reform, feedstock supply and farm outreach programmes are being undertaken. In addition cost benefit analysis are also being undertaken in terms of farmer support during the conversion process, impact on food prices are being undertaken.

To initiate and develop the provincial biofuels strategy, a provincial task team will be established with the lead department being DEAT. The purpose of the team would be to develop a provincial strategy that will highlight the identification of resource requirements (land, human capital, etc). Feasibility studies for plant constructions, land reform, feedstock supply and farm outreach programmes to be undertaken.

Bio-fuels represent another potential source of clean and renewable energy and excellent work is being done in partnership with DME. The principle is that organic matter can be converted directly into liquid fuels. The two most common biofuels are Ethanol and Biodiesel. Work has been completed on the technical standards for biodiesel, and tests have been conducted on six candidate crops: soya, sunflower, canola, groundnut, cotton and jatropha.

Strategic Objective:		To grow the economy in a sustainable manner, for the benefit of all who make the Western Cape their home. To make citizens and the enterprises effective players in the global economy.							
Measurable Objective	Performance Measure Indicator	Base Year 2006/07	Year 1 2007/08	Quarter 1	Quarter 2	Quarter 3	Quarter 4	Year 2 2008/09	Year 3 2009/10
Support the growth and development of the Aquaculture sub-sector	Participation in the national government's Aquaculture policy development processes.	Liaise with MCM and the national Department of Agriculture with regard to their Aquaculture policy development processes	Participate in the development of the national Aquaculture policies	Liaise with national govt departments	Liaise with national govt departments	Liaise with national govt departments	Liaise with national govt departments	Liaise with national govt departments	Liaise with national govt departments
	A draft provincial policy and strategy.	Support the development of a provincial Aquaculture policy and strategy	Initiate the development of a provincial Aquaculture policy and strategy	Policy and strategy development process underway	Policy and strategy development process underway	Policy and strategy development process underway	Policy and strategy development process complete	Develop framework plan for interventions	AISA implementing framework plan

Strategic Objective:		To grow the economy in a sustainable manner, for the benefit of all who make the Western Cape their home. To make citizens and the enterprises effective players in the global economy.							
Measurable Objective	Performance Measure Indicator	Base Year 2006/07	Year 1 2007/08	Quarter 1	Quarter 2	Quarter 3	Quarter 4	Year 2 2008/09	Year 3 2009/10
		Visit the F.A.O. to obtain technical input which will assist the above-mentioned processes							
			Consult with provincial government departments, the PDC and other stakeholders	Consult with provincial government departments, the PDC and other stakeholders	Consult with provincial government departments, the PDC and other stakeholders	Consult with provincial government departments, the PDC and other stakeholders	Consult with provincial government departments, the PDC and other stakeholders		

Strategic Objective:		To grow the economy in a sustainable manner, for the benefit of all who make the Western Cape their home. To make citizens and the enterprises effective players in the global economy.							
Measurable Objective	Performance Measure Indicator	Base Year 2006/07	Year 1 2007/08	Quarter 1	Quarter 2	Quarter 3	Quarter 4	Year 2 2008/09	Year 3 2009/10
	A representative and expanded SPV for the industry (AISA) which: <ul style="list-style-type: none">• Supports DEDT and the other arms of the provincial govt• Supports the PDC• Makies input into the national and provincial Aquaculture policy		Develop, strengthen, build and increase the capacity and resources of AISA so that it can perform a co-ordinating role in developing and growing the sub-sector	Increase AISA's capacity and resources so that it can begin to perform a co-ordinating role.	Increase AISA's capacity and resources so that it can begin to perform a co-ordinating role.	Increase AISA's capacity and resources so that it can begin to perform a co-ordinating role.	AISA ready to begin performing a co-ordinating role	AISA assumes responsibility for co-ordinating the growth and development of the sector and initiates the implementation of the framework plan	AISA implementing framework plan

Strategic Objective:		To grow the economy in a sustainable manner, for the benefit of all who make the Western Cape their home. To make citizens and the enterprises effective players in the global economy.							
Measurable Objective	Performance Measure Indicator	Base Year 2006/07	Year 1 2007/08	Quarter 1	Quarter 2	Quarter 3	Quarter 4	Year 2 2008/09	Year 3 2009/10
	development processes <ul style="list-style-type: none">Supports the development of the industry generally including the development of a small scale community-based industry			(Note: the Framework Plan for interventions includes initiatives, projects, programmes and where appropriate and necessary, business plans.)	(Note: the Framework Plan for interventions includes initiatives, projects, programmes and where appropriate and necessary, business plans.)	(Note: the Framework Plan for interventions includes initiatives, projects, programmes and where appropriate and necessary, business plans.)	(Note: the Framework Plan for interventions includes initiatives, projects, programmes and where appropriate and necessary, business plans.)		

Strategic Objective:		To grow the economy in a sustainable manner, for the benefit of all who make the Western Cape their home. To make citizens and the enterprises effective players in the global economy.							
Measurable Objective	Performance Measure Indicator	Base Year 2006/07	Year 1 2007/08	Quarter 1	Quarter 2	Quarter 3	Quarter 4	Year 2 2008/09	Year 3 2009/10
Support the economic development of fishing villages and towns and their traditional fishing communities	Identification of ways to support the economic development of fishing villages and towns underway	Determine the scope of the investigation	Launch investigation	Investigation underway	Investigation underway	Investigation underway	Investigation complete	Develop a strategy and a Framework Plan for interventions	Implement the Framework Plan for interventions (Note: the Framework Plan for interventions includes initiatives, projects, programmes and where appropriate and necessary, business plans.)

Strategic Objective:		To grow the economy in a sustainable manner, for the benefit of all who make the Western Cape their home. To make citizens and the enterprises effective players in the global economy.							
Measurable Objective	Performance Measure Indicator	Base Year 2006/07	Year 1 2007/08	Quarter 1	Quarter 2	Quarter 3	Quarter 4	Year 2 2008/09	Year 3 2009/10
	No. of meetings and consultations with stakeholders and inputs from stakeholders into the policy and strategy	Consultation with government departments, communities and stakeholders	Consultation with government departments, communities and stakeholders	Consultation with government departments, communities and stakeholders	Consultation with government departments, communities and stakeholders	Consultation with government departments, communities and stakeholders	Consultation with government departments, communities and stakeholders	Consultation with government departments, communities and stakeholders	
Participate as a member of the Provincial Biofuels Task Team (Provincial Dept of Agriculture is the lead dept)	Attend and support the Task Team, consultations and sessions	Attend and support the Task Team, consultations and sessions	Attend and support the Task Team, consultations and sessions	Attend and support the Task Team, consultations and sessions	Attend and support the Task Team, consultations and sessions	Attend and support the Task Team, consultations and sessions	Attend and support the Task Team, consultations and sessions	Attend and support the Task Team, consultations and sessions	Attend and support the Task Team, consultations and sessions

Strategic Objective:		To grow the economy in a sustainable manner, for the benefit of all who make the Western Cape their home. To make citizens and the enterprises effective players in the global economy.							
Measurable Objective	Performance Measure Indicator	Base Year 2006/07	Year 1 2007/08	Quarter 1	Quarter 2	Quarter 3	Quarter 4	Year 2 2008/09	Year 3 2009/10
Develop and support the growth and development of the food-processing sector	Research needs identified	Liaise with Provincial Task Team regarding research needs	Undertake Economic Impact Assessment and/or cost benefit analysis	Liaise with Provincial Task Team regarding research needs	Identify research needs and appoint research service provider	Initiate research	Research underway	Complete research. Task Team develops a Provincial Biofuels Strategy	Task Team initiates implementation of Provincial Biofuels Strategy
	Strategy development	Initiate strategy development process	Strategy development process	Strategy development underway	Strategy development underway	Strategy development underway	Strategy development complete	Initiate development of a framework plan for interventions and begin implementing it	Implementation of framework plan underway

Strategic Objective:		To grow the economy in a sustainable manner, for the benefit of all who make the Western Cape their home. To make citizens and the enterprises effective players in the global economy.							
Measurable Objective	Performance Measure Indicator	Base Year 2006/07	Year 1 2007/08	Quarter 1	Quarter 2	Quarter 3	Quarter 4	Year 2 2008/09	Year 3 2009/10
	Food certification support investigation underway	Liaise with government and industry stakeholders	In consultation with other government depts & industry stakeholders, initiate a food certification support process	Liaise with stakeholders Liaise with stakeholders	Liaise with stakeholders	Liaise with stakeholders Begin food certification support scoping exercise	Liaise with stakeholders Complete scoping exercise	Liaise with stakeholders Develop food certification support programme	
	Liaise with WESGRO and industry stakeholders	Liaise with WESGRO and industry stakeholders and develop support strategy for the food export cluster	Liaise with WESGRO and industry stakeholders	Liaise with WESGRO and industry stakeholders	Initiate development of food export cluster support strategy	Strategy development continues	Complete Strategy and develop food export cluster support programme	Implement food export cluster support programme	

Strategic Objective:		To grow the economy in a sustainable manner, for the benefit of all who make the Western Cape their home. To make citizens and the enterprises effective players in the global economy.							
Measurable Objective	Performance Measure Indicator	Base Year 2006/07	Year 1 2007/08	Quarter 1	Quarter 2	Quarter 3	Quarter 4	Year 2 2008/09	Year 3 2009/10
Identification of agri-processing industries with the potential for high growth and development and initiate the development of strategies to facilitate the growth and development of these industries	Industries identified and strategy development underway	Identify industries	Identify industries and develop strategies	Liaise with the focus industries about the development of strategies	Liaise with the focus industries about the development of strategies	Initiate the development of industry strategies	Strategy development underway	Complete strategy development Develop a framework plan for interventions and begin implementing it	Implementation continues
	Liaison with the provincial Department of Agriculture	Liaise with Provincial Dept of Agriculture	Liaise with Provincial Dept of Agriculture	Liaise with Provincial Dept of Agriculture	Liaise with Provincial Dept of Agriculture	Liaise with Provincial Dept of Agriculture	Liaise with Provincial Dept of Agriculture	Liaise with Provincial Dept of Agriculture	

Strategic Objective:		To grow the economy in a sustainable manner, for the benefit of all who make the Western Cape their home. To make citizens and the enterprises effective players in the global economy.							
Measurable Objective	Performance Measure Indicator	Base Year 2006/07	Year 1 2007/08	Quarter 1	Quarter 2	Quarter 3	Quarter 4	Year 2 2008/09	Year 3 2009/10
Benchmarking study of the wine industry underway		Liaise with industry stakeholders and provincial Department of Agriculture about the study	Undertake benchmarking study of the wine industry	Liaise with industry	Develop scoping exercise	Conduct scoping exercise	Develop and implement study	Complete study	

Manufacturing Industries Development

i. Specified policies, priorities and strategic objectives

The Department's involvement in manufacturing sectors has been thoroughly researched through the MEDS. The reports indicate which industry segments should be supported in order to effect gains in the areas of growth; employment; broadening of ownership; economic participation by the previously excluded and presently marginalised groups; and where the global competitiveness of firms can be enhanced, as well as identifying strategies and interventions to best effect change.

The following manufacturing sectors were researched by the MEDS.

- Clothing and textiles sectors
- Metals and engineering sectors (Including boat building and ship repair).
- Tooling
- Oil and gas supply industry
- Electronics
- Furniture

Additional considerations regarding the manufacturing sectors, and impacting on the policies of the Department include: the Provincial Development Council process that has highlighted 12 sectors for intervention, the DTI's customised sector programme (CSP's) that is currently in process, the Provincial Advanced Manufacturing and Technology Strategy (PAMTS) that was completed in September 2005, and research that is being undertaken by the provincial treasury. The MEDS however provides the primary guidance to the Department's sectoral strategies.

In terms of priority, the MEDS has recommended that the **oil and gas supply industry**, while a high risk sector, has considerable potential for major job creation should certain conditions be met. This sector should therefore be included amongst the Department's "priority sector" projects. The support will

be aimed at developing a significant construction and servicing hub providing West Africa with linked specialised fabrication and repair facilities with related backward linkages through Saldanha Bay and Cape Town. The interventions include: funding and directing the South African Oil and Gas Alliance that was established by the Department in 2004; carrying out detailed feasibilities into key facilities, firm level interventions aimed at improving the capacity of Western Cape and particularly BEE firms and a focused marketing effort to attract business to the province.

In terms of the significant sectors the **clothing and textile industry** as a major employer in the province, and an industry under considerable stress should be supported in terms of retaining employment. The MEDS asserts that the industry could be largely eliminated within the next 10 years should no interventions be made. A three-pronged strategy is envisaged to stabilise the industry, and to refocus the clothing and textiles industries to deliver high quality and high priced locally designed exports.

- A major focus is firstly recommended to facilitate and fund the Cape Clothing and Textile Cluster that will enhance the inter and intra firm efficiencies and the competitiveness of the major clothing firms. This will include a range of sub-interventions including skills programmes, lobbying national government for incentives, encouraging capital upgrading and eliminating infrastructural blockages.
- Secondly, initiatives need to be put in place to develop the fashion component of the industry, and to draw the fashion and manufacturing sectors together. The Cape Town Fashion Council was established during 2006, and will be formally launched in 2007.
- The third leg of the strategy will be the reformalisation of the sector with the emphasis being on increasing the skills and capacity of the CMT sector. Clotex, as the skills and support body for CMT's will continue to

be supported, as will specific programmes such as the mentorship programme and the competitiveness clubs.

The **metals and engineering sector** is an important feeder sector into a wide range of industries such as the oil and gas, auto-components, ship repair, food processing and other manufacturing sectors and construction. The MEDS focuses on a number of distinct sub-sectors and strategies being:

- Saldanha Steel beneficiation cluster: Facilitating the development of a major beneficiation hub at Saldanha.
- Ship repair: Supporting and funding the ship-building industry through the recently formed Cape Shiprepair Initiative cluster, keeping in mind linkages with the oil and gas alliance, and embarking on a project to expand the ship repair infrastructure.
- Tooling industry: Funding and developing the Western Cape Tooling Initiative that was launched in 2006 to take forward the interests of the sector.
- Foundry sector: Initiating support for local firms against international competitors.
- Yacht building: Continuing funding and support to the sector through the Cape Town Boat Building and Technology Initiative established by the Department in 2004.
- Due to the small size of the **electronics sector** and its fragmented nature, it was not recommended that this be taken on as a priority sector, as it will never be able to compete in the major job-creating electronics product categories. The potential does however exist to support some form of industry collaboration, and this was encouraged as a small-scale intervention by the MEDS scientific committee.

ii. Specification of measurable objectives and performance indicators

Strategic Objective:		To grow the economy in a sustainable manner, for the benefit of all who make the Western Cape their home. To make citizens and the enterprises effective players in the global economy.							
Measurable Objective	Performance Measure Indicator	Base Year 2006/07	Year 1 2007/08	Quarter 1	Quarter 2	Quarter 3	Quarter 4	Year 2 2008/09	Year 3 2009/10
Develop and grow the oil and gas sector through marketing, promotion and facilitating investment recruitment and strengthening of clusters.	Amount of investment recruited, work opportunities created or sustained. Value of media / PR coverage of local industry by SPV Growth in membership	Ongoing support and guidance of the South African Oil and Gas Alliance to market, promote and facilitate opportunities for investment recruitment into Western Cape.	Expand support for The South African Oil and Gas Alliance (SAOGA) as the primary agent for the marketing, promotion and growth of local oil and Gas Supply industry. Finalisation of brand ownership with DTI	Manage the Offshore Technology Conference (OTC) in the US.	Ensure that the Ferrostaal investment process through A-berth is concluded, and project is initiated.	Intensive support for the Ferrostaal Saldanha Fabrication facility.	Consolidate membership and raise membership fees from the industry.	Manage OTC. Facilitate Oil Africa 2008 in Cape Town	Linked with progress evaluation, expand initiatives through increased support for SAOGA as the investment and marketing agent.
Develop and grow the Oil and Gas sector through enhancing	No of competitive interventions	Conclusion of the pre-feasibility for the Oil and	Initiating full feasibility study for the dry dock.	Full feasibility study process for the Dry dock initiated	Launch pre-feasibility study into the oil and gas supply hub	Launch website with accredited suppliers	Launch ISO Programme for 30 firms	Completion of feasibility for dry dock.	Initiate the bid process for construction of the oil and gas

Strategic Objective:		To grow the economy in a sustainable manner, for the benefit of all who make the Western Cape their home. To make citizens and the enterprises effective players in the global economy.							
Measurable Objective	Performance Measure Indicator	Base Year 2006/07	Year 1 2007/08	Quarter 1	Quarter 2	Quarter 3	Quarter 4	Year 2 2008/09	Year 3 2009/10
competitiveness initiatives'	developed in the sector as it relates to: <ul style="list-style-type: none">R&D and InnovationSkills Development,Regulatory issues and/orEnhancing Infrastructure	Gas Dry Dock. Appointment of committee and project manager for a comprehensive skills programme. Developing the framework for a comprehensive supplier development and certification programme.	Initiating pre-feasibility into oil and gas supply hub. First phase of delivery of comprehensive skills programme. Accredited database of 300 firms developed. ISO Programme launched to accredit 30 firms	Initiation of comprehensive skills programme across all levels				Ongoing support for programmes Launch full feasibility study into supply hub contingent on outcome of pre-feasibility.	dry dock. Finalise full feasibility study into oil and gas supply hub. Deepen programmes for supplier development and accreditation
Develop and grow the Oil and Gas sector through SME and transformation enhancement	Number of initiatives which contribute to SME development and	Establishing framework for matchmaking. Developing programme to strengthen	Launch programme for intensive support to 20 BEE companies	Launch of matchmaking programme	Complete initial profiling for all database registered companies	Finalisation of 20 BEE companies for intensive support	Finalise and validate BEE profiling and certification programme	Management of the initiatives and interventions. Evaluation of interventions'	Management of the initiatives and interventions. Evaluation of interventions'

Strategic Objective:		To grow the economy in a sustainable manner, for the benefit of all who make the Western Cape their home. To make citizens and the enterprises effective players in the global economy.							
Measurable Objective	Performance Measure Indicator	Base Year 2006/07	Year 1 2007/08	Quarter 1	Quarter 2	Quarter 3	Quarter 4	Year 2 2008/09	Year 3 2009/10
	transformation of sector. No of SMEs assisted.	previously disadvantaged companies through mentorship, business and technical support	BEE Profiling of members on database					effectiveness to improve, roll out or modify if relevant.	effectiveness to improve, roll out or modify if relevant.
Develop and grow the ship repair and boat-building industry through marketing, promotion and facilitating investment recruitment & strengthening of clusters.	Amount of investment recruited, work opportunities created or sustained. Value of media / PR coverage of local industry by SPV Growth in membership	Ongoing support and guidance of Cape Shiprepair and the Cape Town Boatbuilding and Technology Initiative (CTBi) to market, promote and facilitate opportunities for investment recruitment into Western Cape.	Expand support for Cape Shiprepair (CS) and the CTBi as the primary agents for the marketing, promotion and growth of the local ship repair and boat-building industries.	Managing the Larochele and Florida national boating pavilions	Facilitate the Cape Town Boat show	Manage the Amsterdam Ship Repair Expo	Consolidate membership and raise membership fees from the industry,	Deepening participation into the boat-shows Facilitate establishment of CT based Ship Repair Conference and Exhibition	Managing of CT based Ship Repair Conference and Exhibition

Strategic Objective:		To grow the economy in a sustainable manner, for the benefit of all who make the Western Cape their home. To make citizens and the enterprises effective players in the global economy.							
Measurable Objective	Performance Measure Indicator	Base Year 2006/07	Year 1 2007/08	Quarter 1	Quarter 2	Quarter 3	Quarter 4	Year 2 2008/09	Year 3 2009/10
Develop and grow the Ship repair industry through enhancing competitiveness initiatives	No of competitive interventions developed in the sector as it relates to: R&D and Innovation, Skills Development, Regulatory issues and/or Enhancing Infrastructure	Launch of Boat-building academy Completion of ship-repair skills report	Funding of bursaries for boat-building academy Initiate international cost and maintenance benchmarking study across the ship-repair industry.	Continued support for boat building academy Detailed TOR for benchmarking study	Appoint contractor for benchmarking study. Finalise marine induction skills project for ship repair industry	Finalise infrastructure catalogue and M&E system for maintenance schedules	Launch marine induction skills project for ship repair industry	Consolidate benchmarking information and feedback to industry. Implement action plan for maintenance and cost management based on benchmarking results	Benchmarking review
Develop and grow the Ship repair and boat-building industry through SME development and	Number of initiatives which contribute to SME development and	Establishing framework for matchmaking. Developing programme to strengthen	Launch programme for intensive support to 3 BEE companies in ship repair	Identification of 3 companies, and initiation of support programme	Launch of Jumpstart programme	Finalise boat-builders code of conduct.		Management of the initiatives and interventions. Evaluation of interventions'	Management of the initiatives and interventions. Evaluation of interventions'

Strategic Objective:		To grow the economy in a sustainable manner, for the benefit of all who make the Western Cape their home. To make citizens and the enterprises effective players in the global economy.							
Measurable Objective	Performance Measure Indicator	Base Year 2006/07	Year 1 2007/08	Quarter 1	Quarter 2	Quarter 3	Quarter 4	Year 2 2008/09	Year 3 2009/10
transformation enhancement	transformation of sector. No of SMEs assisted.	previously disadvantaged companies through mentorship, business and technical support	Support 5 BEE companies in boat-building as part of the Jumpstart programme Finalise code of conduct for boat-building sector and implement across industry.					effectiveness to improve, roll out or modify if relevant.	effectiveness to improve, roll out or modify if relevant.
Develop and grow the clothing sector through marketing, promotion and building local networking, and the support for the Cape Clothing and Textile Cluster	Increase in membership of the Cape Clothing and Textile Cluster (CCTC) from 25 to 35 firms, employing 50% of industry. Consolidate membership within Clotex.	Support the CCTC and Clotex to market, promote and facilitate opportunities in the Western Cape.	Expand support for The CCTC as the primary agent for the marketing, promotion and growth of the formal industry, Clotex for the CMT sector	Promotion workshop for full value chain on World class manufacturing	CCTC to hold Imbizo between clothing manufacturers and retailers. Training for industry to understand market requirements.			Ongoing deepening of membership of CCTC to encompass 40 firms or at least 60% of formal manufacturers employing more than 17,000.	Ongoing deepening of membership of CCTC to encompass 45 firms or at least 70% of formal manufacturers employing more than 20,000.

Strategic Objective:		To grow the economy in a sustainable manner, for the benefit of all who make the Western Cape their home. To make citizens and the enterprises effective players in the global economy.							
Measurable Objective	Performance Measure Indicator	Base Year 2006/07	Year 1 2007/08	Quarter 1	Quarter 2	Quarter 3	Quarter 4	Year 2 2008/09	Year 3 2009/10
(CCTC) and Clotex	Value of media / PR coverage of local industry by SPV								
Develop and grow the clothing sector through enhancing competitiveness initiatives' (-	No of competitiveness interventions developed in the sector as it relates to: <ul style="list-style-type: none">• R&D and Innovation• Skills Development, Regulatory issues and/or Enhancing Infrastructure	Foundations for skills interventions established through the CCTC and Clotex. Comprehensive benchmarking programme est. through the CCTC.	Skills interventions to be deepened across all sub-sectors. At least 1 significant intervention in each sub-sector. 400 CMT's trained Deepening of benchmarking programme to cover 30 firms.	Launch of updated training programme for CMT's	At least 1 skills workshop held across each sector, with implementable projects emerging. Training provided to 100 individuals per quarter	Productivity benchmarking club membership increased to 30 participants.		Deepening of all aspects of competitiveness, with tangible projects being developed.	Deepening of all aspects of competitiveness, with tangible projects being developed.

Strategic Objective:		To grow the economy in a sustainable manner, for the benefit of all who make the Western Cape their home. To make citizens and the enterprises effective players in the global economy.							
Measurable Objective	Performance Measure Indicator	Base Year 2006/07	Year 1 2007/08	Quarter 1	Quarter 2	Quarter 3	Quarter 4	Year 2 2008/09	Year 3 2009/10
Develop and grow the clothing and textile sector through SME and transformation enhancement	Number of initiatives which contribute to SME development and transformation of sector. No of SMEs assisted.	Establishing framework for matchmaking. Developing programme to strengthen previously disadvantaged companies through mentorship, business and technical support. 2 Pilot Competitive clubs run through Clotex.	Expand competitiveness clubs to 5, covering at least 50 SMME's employing at least 1000 people. and SMME designers. Mentorship programme through Clotex to be expanded to 50 companies.	Est. 1 new competitiveness club for CMT's	Est. 1 new competitiveness club for CMT's	Est. 1 new competitiveness club for CMT's		Management of the initiatives and interventions. Evaluation of interventions' effectiveness to improve, roll out or modify if relevant.	Management of the initiatives and interventions. Evaluation of interventions' effectiveness to improve, roll out or modify if relevant.
Develop and grow the metals and engineering industry through	No of enquiries handled. Increase in membership of the Cape	Launch of WC Tooling Initiative (WCTI) Establishment	Marketing of capabilities of tooling industry and to attract R10m of new orders to the	Expand membership of WCTI from 20 to 30 companies.	Expand membership of WCABC from 5 to 8 companies.	Expand membership of WCTI from 30 to 40 companies.		Ongoing deepening of membership of WCTI to encompass 40 firms.	Ongoing deepening of membership of WCTI to encompass 50 firms.

Strategic Objective:		To grow the economy in a sustainable manner, for the benefit of all who make the Western Cape their home. To make citizens and the enterprises effective players in the global economy.							
Measurable Objective	Performance Measure Indicator	Base Year 2006/07	Year 1 2007/08	Quarter 1	Quarter 2	Quarter 3	Quarter 4	Year 2 2008/09	Year 3 2009/10
marketing, promotion and building local networking, with a focus on tooling and auto-components.	Clothing and Textile Cluster (CCTC) from 25 to 35 firms, employing 50% of industry. Membership of the Western Cape Tooling Initiative (WCTI). Membership of the WC Auto-Benchmarking Club (WCABC) Value of media / PR coverage of local industry by SPV	of WCABC.	industry. Expand membership of WCTI from 20 to 40 members. Expand membership of the WCABC from 5 to 8 members. Obtain R50,000 equivalent advertising in the press. Feasibility of	Develop comprehensive marketing material for the WCTI.	The WTCI to go on one overseas mission to market the province.			Increase membership of WCABC to 10 firms	Increase membership of WC ABC to 12 firms
Develop and grow the metals and engineering sector through	No of competitiveness interventions developed in	Foundations for skills interventions established through WCTI.	Skills interventions to be deepened across all sub-sectors. At	Tooling Workshop held on the recapitalization programme,	At least 1 skills workshop held across each sector, with implementable	Workshop on infrastructure facilities and specifically the design house	Participate in RAPDASA conference, with feedback to tooling	Deepening of all aspects of competitiveness, with tangible projects being	Deepening of all aspects of competitiveness, with tangible projects being

Strategic Objective:		To grow the economy in a sustainable manner, for the benefit of all who make the Western Cape their home. To make citizens and the enterprises effective players in the global economy.							
Measurable Objective	Performance Measure Indicator	Base Year 2006/07	Year 1 2007/08	Quarter 1	Quarter 2	Quarter 3	Quarter 4	Year 2 2008/09	Year 3 2009/10
enhancing competitiveness initiatives'	the sector as it relates to: <ul style="list-style-type: none">R&D and innovationSkills Development,Regulatory issues, and/orInfrastructure	Comprehensive benchmarking programme est. through the WCABC.	least 1 significant intervention in each sub-sector. Deepening of auto-benchmarking programme to cover 8 firms. Participation in Cape Initiative in Materials and Manufacturing initiatives. At least 5 industry/academia projects to be initiated.	with the aim to assist in the recapitalisation of at least 5 companies.	projects emerging, and the funding of at least 2 projects in tooling. Tooling focus workshop held with academics and Institute of Advanced Tooling.	as a potential project.	industry.	developed.	developed.
To develop and grow the furniture industry through	Representative Furniture Steering Committee	Perform baseline study Strategic	Establishment of furniture initiative	Series of 4 Workshops to develop project proposals	Development of business plan.	Discuss the development of design and innovative courses with	Building the initiative	Implementation of new initiatives Appointment	Identification and implementation of new initiatives

Strategic Objective:		To grow the economy in a sustainable manner, for the benefit of all who make the Western Cape their home. To make citizens and the enterprises effective players in the global economy.							
Measurable Objective	Performance Measure Indicator	Base Year 2006/07	Year 1 2007/08	Quarter 1	Quarter 2	Quarter 3	Quarter 4	Year 2 2008/09	Year 3 2009/10
marketing, promotion and building local networking	Industry workshops	discussion for establishment of Furniture Initiative		Facilitation of 1 skills workshop	Run workshop on design and innovation for the industry	Tertiary Institutions		of CEO	

Services Industries Development

i. Specified policies, priorities and strategic objectives

The goal of the **Services Industry Cluster** is to develop, stimulate and promote key industries within the services sectors which have been identified by the MEDS, and within the context of the MEDS, explore additional opportunities within the services industries.

The MEDS research and process of prioritisation has placed ICT and BPO as priority sectors, and its emphasis within the Department is reaffirmed by its high ranking within ASGISA and PDGS. Given its high impact in terms of growth and employment potential. Consequently, the interventions for these two sectors, which are guided and prioritised by the MEDS research, will receive additional focus within the overall economic sector development.

Both priority sectors have Special Purpose Vehicles which are Section 21 companies comprising partnerships between private and public sector. Interventions identified by the MEDS may be outsourced to these entities or other relevant organisations or experts.

With respect to **BPO**, the Province will develop and implement interventions which seek to establish the region as the site of choice with a readily-available and appropriately skilled labour force, good spaces, low input costs and a good transport system to support round-the-clock operations. The Department will continue to support CallingtheCape (CtC) as the primary investment recruitment agent and the relocation facilitation agency; ensure a supportive and conducive business environment; and develop SME and BEE players in the young industry.

In **ICT**, the essential strategy includes facilitating the establishment of enabling ICT infrastructure to improve the competitiveness of enterprises and the industry in the province by supporting and monitoring transformation in the industry arising from its charter. The Cape IT Initiative (CITI) will be used as a vehicle for delivery to promote growth and development in the sector. In addition, the Department will support the development of high quality and innovative products that are design-led, and will support R&D projects. As per the MEDS, attention will also be focused on facilitating promotional marketing programmes for IT outsourcing as well as the export of established services and products.

ii. Specification of measurable objectives and performance indicators

Strategic Objective:		To grow the economy in a sustainable manner, for the benefit of all who make the Western Cape their home. To make citizens and the enterprises effective players in the global economy.							
Measurable Objective	Performance Measure Indicator	Base Year 2006/07	Year 1 2007/08	Quarter 1	Quarter 2	Quarter 3	Quarter 4	Year 2 2008/09	Year 3 2009/10
Develop and grow the ICT sector through marketing, promotion and facilitating investment recruitment & strengthening of clusters.	Development and initiation of investment and outsourcing strategy. 12 local and international initiatives conducted to position and promote WC ICT industry, to national and international target markets (trade fairs, hosting delegations etc)	Initiating the development of investment promotion and outsourcing strategy Supporting Cape IT Initiative (CITI) to market, promote and facilitate opportunities in Western Cape	Expand support for Cape IT Initiative (CITI) and/or WESGRO in their Industry Support and focused Marketing Programmes aimed at the development, marketing, promotion and growth of Western Cape ICT industry. 25% increase in new	Review, development and finalisation of Business and Programme Plans in accordance with departmental strategic objectives. 3 industry events hosted.	Consult, support and guide CITI in implementation of initiatives to realize success. 3 industry events hosted.	Consult, support and guide CITI in major implementation of initiatives to realize success. 3 industry events hosted.	Consult, support and guide CITI in finalising the implementation of initiatives to realize success. 3 industry events hosted.	Linked with progress evaluation, expand initiatives through increased support for CITI as the investment and marketing agent.	Linked with progress evaluation, expand initiatives through increased support for CITI as the investment and marketing agent.

Strategic Objective:		To grow the economy in a sustainable manner, for the benefit of all who make the Western Cape their home. To make citizens and the enterprises effective players in the global economy.							
Measurable Objective	Performance Measure Indicator	Base Year 2006/07	Year 1 2007/08	Quarter 1	Quarter 2	Quarter 3	Quarter 4	Year 2 2008/09	Year 3 2009/10
	Growth in membership of SPV. Quality and kind of media / PR coverage of local industry by SPV		membership and / or existing membership retention rate Operationalising the recommendations of the Investment Strategy into a focused ICT Marketing Programme of Action and initiation of investment promotion activities.						
Develop	No of	Consulting	Establish	If feasible	Manage	Ongoing	Consolidate	Management	Management

Strategic Objective:		To grow the economy in a sustainable manner, for the benefit of all who make the Western Cape their home. To make citizens and the enterprises effective players in the global economy.							
Measurable Objective	Performance Measure Indicator	Base Year 2006/07	Year 1 2007/08	Quarter 1	Quarter 2	Quarter 3	Quarter 4	Year 2 2008/09	Year 3 2009/10
and grow the ICT sector through enhancing competitive ness initiatives'	competitiveness interventions developed in the sector as it relates to: - Innovation and R&D, - Skills Development, Regulatory issues, &/or - Enhancing Infrastructure	relevant and key stakeholders regarding the need for and feasibility of initiatives Initiated study to identify telecom infrastructure needs, ICT specific skills projects etc.	terms of reference and framework for Benchmarking and Best practice initiative Initiate and manage benchmarking and best practice intervention within identified ICT hostspots.	and supported by stakeholders and industry, facilitate TOR for benchmarking / best practice initiative. Develop detailed programme plan.	appointment of project team and initiation of project.	project implementation.	benchmarking information and feedback from industry.	of the initiatives and interventions. Evaluation of interventions' effectiveness to improve, roll out or modify if relevant.	of the initiatives and interventions. Evaluation of interventions' effectiveness to improve, roll out or modify if relevant.
Develop and grow the ICT sector through SME and	Number of initiatives which contribute to SME development	SME development programmes funded and	Launch and manage programmes aimed at SMME and BBEE	Identify scope, nature, extent of business development required by	Recruitment and selection of appropriate industry participants, programme	Ongoing programmes' implementation.	Finalisation of all programmatic implementation and feedback to	Management of the initiatives and interventions.	Management of the initiatives and interventions.

Strategic Objective:		To grow the economy in a sustainable manner, for the benefit of all who make the Western Cape their home. To make citizens and the enterprises effective players in the global economy.							
Measurable Objective	Performance Measure Indicator	Base Year 2006/07	Year 1 2007/08	Quarter 1	Quarter 2	Quarter 3	Quarter 4	Year 2 2008/09	Year 3 2009/10
Transformation initiatives	and transformation of sector. No of SME/BEE assisted	implemented Ongoing monitoring for project progress and successes.	growth and transformation in ICT Industry, including Bandwidth Barn specific programmes. Three initiatives / programmes developed.	relevant industry stakeholders. Develop detailed project plans.	initiated. Two programmes initiated.		industry.	Evaluation of interventions' effectiveness to improve, roll out or modify if relevant.	Evaluation of interventions' effectiveness to improve, roll out or modify if relevant.
Develop and grow the BPO sector through marketing, promotion and facilitating investment recruitment &	Amount of investment recruited and jobs created. Percentage growth in membership of SPV.	Supporting Calling the Cape (CtC) to promote and facilitate foreign outsourcing and investment into the	Expand support for Calling the Cape (CtC) as investment and marketing agent.	Review, development and finalisation of Business and Programme Plans in accordance with departmental	Consult, support and guide CtC in implementation of initiatives to realize success.	Consult, support and guide CtC in major implementation of initiatives to realize success.	Consult, support and guide CtC in finalising the implementation of initiatives to realize success.	Linked with progress evaluation, expand initiatives through increased support for CtC as the investment	Linked with progress evaluation, expand initiatives through increased support for CtC as the investment

Strategic Objective:		To grow the economy in a sustainable manner, for the benefit of all who make the Western Cape their home. To make citizens and the enterprises effective players in the global economy.							
Measurable Objective	Performance Measure Indicator	Base Year 2006/07	Year 1 2007/08	Quarter 1	Quarter 2	Quarter 3	Quarter 4	Year 2 2008/09	Year 3 2009/10
strengthening of clusters.	Quality and kind of media / PR coverage of local industry by SPV	Western Cape	Three major investment projects hosted and facilitated. 25% growth in membership.	strategic objectives. 2 industry events hosted and /or participation in.	2 industry events hosted and / participation in.	2 industry events hosted and /or participation in.	2 industry events hosted and/or participation in.	and marketing agent.	and marketing agent.
Develop and grow the BPO sector through enhancing competitive ness initiatives'	No of competitiveness interventions developed in the sector as it relates to: • R&D and Innovation • Skills	Consulting relevant and key stakeholders regarding the need for and feasibility of initiatives, including incentives, telecomm	Identification and refinement of training requirements by BPO industry. Comprehensive	Development of detailed Business Plan / Programme Plan for BPO (call centre) Industry training.	Ongoing call centre training programme implementation.	Ongoing call centre training programme implementation.	Finalisation of call centre training programme implementation.	Management of the initiatives and interventions. Evaluation of interventions' effectiveness to improve, roll out or	Management of the initiatives and interventions. Evaluation of interventions' effectiveness to improve, roll out or

Strategic Objective:		To grow the economy in a sustainable manner, for the benefit of all who make the Western Cape their home. To make citizens and the enterprises effective players in the global economy.							
Measurable Objective	Performance Measure Indicator	Base Year 2006/07	Year 1 2007/08	Quarter 1	Quarter 2	Quarter 3	Quarter 4	Year 2 2008/09	Year 3 2009/10
	Development, Regulatory issues and/or Enhancing Infrastructure <ul style="list-style-type: none">Best Practice Centre	issues, Best Practice Centre, Developed skills development programme.	implementation of Call centre training programme.	Initiation of call centre training programme.	address competitiveness constraints in industry.	address competitiveness constraints in industry.	address competitiveness constraints in industry.	modify if relevant.	modify if relevant.
Develop and grow the BPO sector through SME and transformation enhancement	Number of initiatives, which contribute to SME development and transformation of sector. No of SMEs assisted.	SME programme (incl. BEE Procurement) funded and developed.	Identify the BPO specific SME & BEE industry opportunities and refine SME and BEE Business Plan, in terms of public sector business development	Development of detailed SME & BEE Business Development plan.	Initiation of SME / BEE development programme implementation.	Ongoing SME / BEE development programme implementation.	Finalisation of SME / BEE development programme implementation.	Management of the initiatives and interventions. Evaluation of interventions' effectiveness to improve, roll out or modify if relevant.	Management of the initiatives and interventions. Evaluation of interventions' effectiveness to improve, roll out or modify if relevant.

Strategic Objective:		To grow the economy in a sustainable manner, for the benefit of all who make the Western Cape their home. To make citizens and the enterprises effective players in the global economy.							
Measurable Objective	Performance Measure Indicator	Base Year 2006/07	Year 1 2007/08	Quarter 1	Quarter 2	Quarter 3	Quarter 4	Year 2 2008/09	Year 3 2009/10
			(BPO Procurement) or private sector business development initiatives. Initiation of BPO SME & BEE Development Programme. 15 SME / BEE firms supported.			development.	development		

Creative Industries Development

i. Specified policies, priorities and strategic objectives

The unit's goal is to promote key industries in the creative sector.

The **creative sector** is defined as those industries which have their origin in individual creativity, skill and talent and which have a potential for wealth and job creation through the generation and exploitation of intellectual property, and encompasses industries such as film, crafts, jewellery, furniture and fashion design, and fine arts. The MEDS reports on cultural, film and crafts have been completed, and in the fourth round of MEDS, further studies will be conducted into music, performing arts and visual arts.

The overall strategic aspirations of the Department for the creative industries is to holistically develop and grow creative industries along with all its sub-sectors, impacting positively and meaningfully on the WC's economy and peoples, and for the sector to become one of the key guiding drivers of the provincial economy by developing and strengthening the creative industries' resources, skills and markets, and linkages with other sectors.

In the Province, MEDS research revealed the sector has the potential to be one of the primary drivers of the region. The powerful impact of the creative industries is embedded in its intrinsic characteristics and its synergistic sphere of influence, namely:

- It is pro-poor.
- It has strong linkages with the informal sector; proactive initiatives within the creative industries will provide strong outreach to the informal component in the industry.
- The Creative Industries have demonstrated a significantly higher-than-GDP growth rate internationally and have become the focus for growth in countries such as the UK, New Zealand and Singapore.
- While quite diverse in nature, the large proportion of the industry is labour-intensive and moreover, requires a low-skilled and semi-skilled work force.
- The barriers to entry for SME and BEE companies are relatively low.
- By its nature our cultural heritage and natural creative flair are the industry's differentiating competitive edge, our focus thus enhances, sustains and 'preserves' indigenous cultural heritage.
- In developing and harnessing local markets, particularly for the entertainment industries, it builds social capital.
- The Creative Industry provides a compelling solution to seasonal challenges in tourism and agriculture; and

- As it is embedded within the wide diversity of the peoples of the region, Creative Industries is less spatially sensitive than other manufacturing and service industries.

Arising from the MEDS research and the significant ranking of the cluster, and from the broad spectrum of industries which make up the creative sector, Economic Sector Development will be focusing initially on the well-established film and craft initiatives, conducting further research into high-potential sub-sectors, and on building linkages and stakeholder relationships in the other sub-sectors within the creative sector. As Creative Industries is an ASGISA sector, the Department will also be conducting an further economic impact assessment on the Creative Industries in order to confirm or change its ranking within the prioritisation of sectors.

This strategy will be further modified as the Department builds and strengthens its relationship with the relevant stakeholders as advocated by the open window philosophy as well as analyse the results of the further MEDS analysis of the overall economic impact of the creative industries within the MEDS, in order to align with AGSISA and the PGDS. In addition, high growth sub-sectors will be further analysed with the objective of developing and implementing initiatives which unblock growth potential within the sectors and interventions which realize the synergies between the various sub-sectors.

This strategy and implementation programme must be supported by further MEDS Studies. Cultural Mapping and Economic Impact Studies within the sub-sectors suggested by the first round of the MEDS are areas for further research. Significant emphasis will be placed on deepening our understanding of the value and potential of Design and Innovation to increase the growth and competitiveness of the creative industries sector in the province.

Thus, within the Province of the Western Cape, the Creative Industries will be one of the drivers of the economy of the region. The Department has developed an overarching strategy as well as sub-sector specific strategies for craft and film. Within this strategy the MEDS research has revealed that access to infrastructure, particularly when developing and growing markets, is one of the most critical shortcomings of the industry. Our process of consultation has confirmed the MEDS findings. One of the objectives within the Creative Industries Cluster is to develop an infrastructure development plan for the Western Province using the creative industries sectors as a catalyst for achieving the objectives of accelerated and shared growth.

Therefore one of the main interventions which will be undertaken by the Department will be to act as a catalyst for the *audience developing infrastructure*, which will have a strong emphasis on SMEs and will have a community bias.

Government departments at local, provincial and national level are owners of valuable infrastructure such as community halls, civic centres, museums, public open space, park and recreational facilities which can be utilized by the creative industry sector. Interventions will be embarked upon to identify where this infrastructure is located, to unlock the potential of these existing infrastructural resources and develop private/public sector partnerships to improve the management and usage thereof and access thereto for musicians, for film-makers for performing artists and for designers.

Initiatives will be designed to develop resources of an itinerant and mobile nature to complement fixed infrastructure or geographically fixed nodes and clusters to maximize impact at low cost.

Emphasis is to be placed on analyzing the potential of the creative industries in regions outside of the metro and to implement initiatives which support their economic growth and development.

Linkages are to be established between creative industry nodes and clusters and the existing tourism routes and hubs. The Creative Industries will become a powerful driver of tourism initiatives in the Province.

The **film industry** has experienced mixed fortunes over the past three years, moving from a period of rapid growth to that of a decline, and back to a scenario of high growth. This impact has shaped the Department's perspective of how to grow the film industry as guided by the MEDS report. The Department will support a dual growth strategy of developing and promoting the indigenous film industry and domestic market as well as developing and promoting the region as a location for foreign films.

With respect to **the crafts sector**, the regional industry is characterized by strong design with a commercial and export orientation. The MEDS reveals that the sector may be particularly important to women and new entrants to the formal economy as a "stepping stone" to other activities. It also has an impact on enhancing the attractiveness of the province as a destination by creating unique retail and cultural experiences. The success and profile of the craft industry in the Western Cape has been attributed to the established industry organisation, the Cape Craft and Design Institute (CCDI), which is perceived by both SMEs and government as providing good and relevant support along all components of the value-chain. In moving forward, Economic Sector Development will, through the CCDI, be providing scale to successful pilot projects and introducing new initiatives as suggested by the MEDS.

The initiatives undertaken over the next few years will include increasing financial support to CCDI; setting up an inter-governmental task team which allows for a common perspective of strategies, roles and responsibilities in the industry; deepening of design integration to ensure that the Western Cape produces innovative, design led products and harnesses synergies of related

industries; developing and implementing an integrated support programme from market access to order fulfilment with the initial emphasis on accessing retail outlets.

Other than film and crafts, the entire **creative sector** represents diverse industries ranging from architecture to music, from heritage and museums to advertising. This broad range of sub-sectors is underpinned by the raw material – ‘creativity’ and is characterized by its knowledge-intensity, labour intensity, SME intensity, and the fact that it has both cultural and economic dimensions. Current international trends favour the development of the creative industries. South Africa’s economic and political leadership within Africa and the developing world generally place it in a good position to be able to trade effectively in the area of creative products. Therefore, in addition to film and craft, the intention is to focus on the following sub-sectors within the creative industries:

- Music
- Visual arts
- Performing arts
- Jewellery
- Fashion

The various sub-sectors are fragmented, both in the number of government entities that are involved as well as the stakeholders within the industries. The main focus in developing the industries will be to engage with other governmental partners with a view to co-ordinating government’s approach and strategies towards the various sub-sectors, and establishing formal or informal fora with players and stakeholders within each sub-sector to allow for dialogue and interventions. Once these processes are undertaken Economic Sector Development will formulate a sub-sector strategy which identifies and addresses its strengths and weaknesses, skills development, SME development, BEE development, funding, and the importance of the sub-sector relative to others. Finally, the Department will establish partnerships with international agencies with experience in the sector. As the relationships solidify within the above listed sub-sectors, the Department will begin to explore other sub-sectors which fall within the design cluster.

Strategic Objective:		To grow the economy in a sustainable manner, for the benefit of all who make the Western Cape their home. To make citizens and the enterprises effective players in the global economy.								
Measurable Objective	Performance Measure Indicator	Base Year 2006/07	Year 1 2007/08)	Quarter 1	Quarter 2	Quarter 3	Quarter 4	Year 2 2008/09	Year 3 2009/10)	
Facilitate the development and growth of the creative industry through marketing, promotion and facilitating investment recruitment & strengthening of clusters.	Number of initiatives facilitated, developed and supported.	Conceptualised and supported the implemented the following programmes +Creative Streets programme. Implementation of two pilot programmes	Consolidation of existing Creative Streets programme.	Consultation with relevant stakeholders and develop partners	Develop project plan	First Phase of implementation	Programmes completed	Assessment of effectiveness of intervention in order to improve, rollout or modify if relevant.	Assessment of effectiveness of intervention in order to	
		Design Indaba	Supporting Design Indaba	Review past practice	Develop plans for next event	Implementation of first phase	Programme completed	Assessment of effectiveness of intervention	Assessment of effectiveness of intervention in order to	

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Measurable Objective	Performance Measure Indicator	Base Year 2006/07	Year 1 2007/08)	Quarter 1	Quarter 2	Quarter 3	Quarter 4	Year 2 2008/09	Year 3 2009/10)	
								in order to improve or modify if relevant.	improve or modify if relevant.	
		Cape Africa Platform:	Supporting the Sessions Programme of Cape Africa Platform	Review past practice	Develop plans for next event	Implement foundation phase	Programme completed			
		Visual Arts Biennale	Appointment of Service Provider to deepen sub-sector strategies and implementation plans.	Review of past practice	Deepen existing strategies	Act on recommendations	Monitor recommendations	Develop new sub-sectors	Deepen cross sectoral linkages	

Strategic Objective:		To grow the economy in a sustainable manner, for the benefit of all who make the Western Cape their home. To make citizens and the enterprises effective players in the global economy.							
Measurable Objective	Performance Measure Indicator	Base Year 2006/07	Year 1 2007/08)	Quarter 1	Quarter 2	Quarter 3	Quarter 4	Year 2 2008/09	Year 3 2009/10)
		Appointment of Service Provider to develop sub-sector strategies	In partnership with sector bodies implement programmes to improve competitiveness: Research and Development Regulatory programmes Effective networking and communications	Review past practice	Deepen existing strategies	Act on recommendations	Monitor recommendations	Develop new sub-sectors	Deepen cross sectoral linkages

Strategic Objective:		To grow the economy in a sustainable manner, for the benefit of all who make the Western Cape their home. To make citizens and the enterprises effective players in the global economy.							
Measurable Objective	Performance Measure Indicator	Base Year 2006/07	Year 1 2007/08)	Quarter 1	Quarter 2	Quarter 3	Quarter 4	Year 2 2008/09	Year 3 2009/10)
Facilitate the development and growth of creative industries through improving strategic competitiveness	No of competitiveness interventions developed in the sector as it relates to: <ul style="list-style-type: none">• R&D and Innovation• Artistic Skills Development• Regulatory issues• Networking• Facilitating• Effective communication and information sharing	Launching of the following sector bodies and initiatives: <ul style="list-style-type: none">• Music Performing Arts• Visual arts• Fashion Council• Jewellery Initiative	Continued support to strengthen the capacity of the sector bodies launched in the base year and together with them implement the following: <ul style="list-style-type: none">• Competitive programme• Research and development• Artistic Skills	In consultation with sector bodies define and design programmes	Implement foundation phases of each programmes to enhance competitiveness	Implement second phase of implementation	Complete programmes	Management of the initiative and intervention	Management of the initiative and intervention

Strategic Objective:		To grow the economy in a sustainable manner, for the benefit of all who make the Western Cape their home. To make citizens and the enterprises effective players in the global economy.							
Measurable Objective	Performance Measure Indicator	Base Year 2006/07	Year 1 2007/08)	Quarter 1	Quarter 2	Quarter 3	Quarter 4	Year 2 2008/09	Year 3 2009/10)
			development <ul style="list-style-type: none">Networking Programmes to address regulatory issues and fair trade.						

Strategic Objective:		To grow the economy in a sustainable manner, for the benefit of all who make the Western Cape their home. To make citizens and the enterprises effective players in the global economy.							
Measurable Objective	Performance Measure Indicator	Base Year 2006/07	Year 1 2007/08	Quarter 1	Quarter 2	Quarter 3	Quarter 4	Year 2 2008/09	Year 3 2009/10)
Develop and grow the fashion industry sector through marketing, promotion and building local networking through the Cape Town Fashion Council	Increase of membership Recruit investment for industry at major international exhibitions A successfully governed SPV Value of media/PR coverage of local industry by SPV	Growth of the fashion industry	Fashion Council formally launched Increase of membership from 300 to 400 Media coverage to the value of R75,000	Launch of CTFC	Assistance in Trade Fair preparation and representation at Magic Fair	Launch of full interactive website and marketing material	Projects completed	Expanding membership, creation of international relations, improving quality and upgrading industry standards	Expanding membership, creation of international relations, improving quality and upgrading industry standards
... the two key issues confronting our people: creating work and fighting poverty Premier Ebrahim Rasool, April 2004									146

Strategic Objective:		To grow the economy in a sustainable manner, for the benefit of all who make the Western Cape their home. To make citizens and the enterprises effective players in the global economy.							
Measurable Objective	Performance Measure Indicator	Base Year 2006/07	Year 1 2007/08)	Quarter 1	Quarter 2	Quarter 3	Quarter 4	Year 2 2008/09	Year 3 2009/10)
To develop and grow the fashion industry through enhancing competitiveness	No of competitiveness interventions developed in the sector as they relate to: Research and Development; Regulatory Issues; Enhancing Infrastructure	Finalisation of projects and business plans	Implementation of 4 projects	Industry workshops Market requirements Provide input into the creation of a design hub	Industry workshop: Business Management Creation of industry standards	Industry workshop: Quality Standards	Industry workshop: Trend forecasting	Consolidated and expanded programme of interventions on competitiveness	Consolidated and expanded programme of interventions on competitiveness
	Number of network participants Creation of industry standards								
Develop and grow the fashion industry sector through SME	No of network/workshops held. No of initiatives which contribute to SME development	Framework established for matching Programme	Implementation of 4 projects Business	Launch of Business Development Programme	Support mentorship and business development	Launch of Mentorship programme	Run major industry conference for SME designers	Increase of SME/BEE design companies mentored	Increase of SME/BEE design companies mentored

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Measurable Objective	Performance Measure Indicator	Base Year 2006/07	Year 1 2007/08)	Quarter 1	Quarter 2	Quarter 3	Quarter 4	Year 2 2008/09	Year 3 2009/10)
and through transformation enhancement	and transformation of the sector No of SMEs assisted	developed to strengthen previously disadvantaged companies through mentorship, business and technical support	development programmes for 10 BEE/SME companies No of SMEs assisted		programme for the fashion industry supporting at least 10 BEE and SMME designers				
Facilitate the development and growth of the creative industry through the development of small and medium enterprises, and	Number of initiatives facilitated, developed and supported. No of SME's assisted.	Consolidated lessons learnt from two established sector bodies, namely craft and film in this strategic	In consultation with relevant sector bodies, initiate the development of a common SME framework for the creative	Role out of programmes pertinent and relevant to each sub-sector body.	Implement foundation phase of projects.	Implement secondary Phase of projects	Implement Final phase of project.	Expand initiatives through increased support for smme development and transformation	Expand initiatives through increase support for smme development and transformation

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Measurable Objective	Performance Measure Indicator	Base Year 2006/07	Year 1 2007/08)	Quarter 1	Quarter 2	Quarter 3	Quarter 4	Year 2 2008/09	Year 3 2009/10)
transformation		area. Developed transformational and entrepreneurial project plans with new sector bodies.	industries In consultation with stakeholders, develop SME projects for the creative industries						
Facilitate the development and growth of the Craft industry through marketing, promotion and facilitating investment	Number of initiatives facilitated, developed and supported to market, promote and facilitate investment recruitment	Supported CCDI as the marketing, promotion and investment recruitment agent for the craft sector .	Strengthening of implementation of the following programmes: <ul style="list-style-type: none">• Craft route• Retail-producer linkages.	Consolidate existing programmes and facilitate role out of new initiatives	Facilitate proposal and plan for each initiative and implement foundation phase	Implement Secondary phase of projects	Implement final phase of projects.	Management of the initiative and intervention Evaluation of intervention's effectiveness to improve, rollout or modify if effective	Management of the initiative and intervention. Evaluation of intervention's effectiveness to improve, rollout or modify if effective

Strategic Objective:		To grow the economy in a sustainable manner, for the benefit of all who make the Western Cape their home. To make citizens and the enterprises effective players in the global economy.							
Measurable Objective	Performance Measure Indicator	Base Year 2006/07	Year 1 2007/08)	Quarter 1	Quarter 2	Quarter 3	Quarter 4	Year 2 2008/09	Year 3 2009/10)
recruitment			<ul style="list-style-type: none"> Export readiness programmes for craft businesses 					improve, rollout or modify if relevant.	relevant.
Facilitate the development and growth of the craft industry through enhancement of competitiveness	No of competitiveness interventions developed in the sector as it relates to: <ul style="list-style-type: none"> R&D and Innovation Skills Development, Regulatory issues and/or Enhancing Infrastructure 	Developed and initiated: <ul style="list-style-type: none"> Fab lab Conceptualisation of Raw material Bank 	Maintain and improve the fab lab. Develop implementation plan for Raw Materials Bank	Implement Foundation Phase of projects	Implement secondary phase of projects	Implement Third phase of projects	Implement final phase of projects	Expand initiatives through increase support for CCDI as the investment and marketing agent.	Expand initiatives through increase support for CCDI as the investment and marketing agent.
Facilitate the development	Number of initiatives facilitated, supported	Supported the following	Increase support for	Facilitate proposal	Implement	Implement	Implement final phase	Management of the	Management of the initiative

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Measurable Objective	Performance Measure Indicator	Base Year 2006/07	Year 1 2007/08	Quarter 1	Quarter 2	Quarter 3	Quarter 4	Year 2 2008/09	Year 3 2009/10
and growth of the craft industry through enterprise proliferation, economic empowerment and transformation	and developed.	initiatives Project SME development programme for start-up to fully-fledged business	SME development programme and transformation initiatives from start ups to fully fledged businesses	and plan for each initiative	foundation Phase of projects	Secondary phase of projects	of project	initiative and intervention Evaluation of intervention's effectiveness to improve, rollout or modify if relevant.	and intervention Evaluation of intervention's effectiveness to improve, rollout or modify if relevant.
Facilitate the development of the film industry through marketing, promotion and facilitating investment	Number of initiatives facilitated, developed and supported.	Supported the CFC in the implementation of the following projects: - Sithengi - Develop	Expand support for the Cape Film Commission: Sithengi Development of distribution and marketing	Assessment of past practice and role out of project plans	Implementation of foundation phase of projects	Implementation of Secondary phase of projects	Implementation of final phase of projects	Management of the initiative and intervention. Evaluation of intervention's effectiveness to improve, rollout or modify if	Management of the initiative and intervention. Evaluation of intervention's effectiveness to improve, rollout or modify if

Strategic Objective:		To grow the economy in a sustainable manner, for the benefit of all who make the Western Cape their home. To make citizens and the enterprises effective players in the global economy.							
Measurable Objective	Performance Measure Indicator	Base Year 2006/07	Year 1 2007/08	Quarter 1	Quarter 2	Quarter 3	Quarter 4	Year 2 2008/09	Year 3 2009/10
recruitment & strengthening of clusters.		ment of distribution marketing archive - International marketing investment recruitment and export drives - Conducted analysis of domestic market for locally produced films - Entrench position of WC as a	archive. International investment recruitment and marketing drives. - Entrench position of WC as a stills and shorts destination Building the film cluster					ss to improve, rollout or modify if relevant.	relevant.

Strategic Objective:		To grow the economy in a sustainable manner, for the benefit of all who make the Western Cape their home. To make citizens and the enterprises effective players in the global economy.							
Measurable Objective	Performance Measure Indicator	Base Year 2006/07	Year 1 2007/08)	Quarter 1	Quarter 2	Quarter 3	Quarter 4	Year 2 2008/09	Year 3 2009/10)
		stills and shorts destination - Building the film cluster							
Facilitate the development of the film industry through enhancing competitiveness.	Number of initiatives facilitated, developed and supported: Research and development. Regulatory issues Networking and building the sector Artistic and technical skills development initiatives	Co-ordination of regulatory requirement for WC as a location for film shorts Partnerships with CBO's to implement artistic and skills development workshops for	Deepen Programmes Development of artistic and technical skill enhancement programmes Grow new markets and increase indigenous film initiatives.	Project implementation Plans refined.	Implement foundation phase of projects	Implement Secondary Phase of projects	Implement final Phase of projects	Management of the initiative and intervention Evaluation of intervention's effectiveness to improve, rollout or modify if relevant.	Management of the initiative and intervention. Evaluation of intervention's effectiveness to improve, rollout or modify if relevant.

Strategic Objective:		To grow the economy in a sustainable manner, for the benefit of all who make the Western Cape their home. To make citizens and the enterprises effective players in the global economy.							
Measurable Objective	Performance Measure Indicator	Base Year 2006/07	Year 1 2007/08)	Quarter 1	Quarter 2	Quarter 3	Quarter 4	Year 2 2008/09	Year 3 2009/10)
		creatives. Audience Development Research completed.							
Facilitate the development of the film industry through economic proliferation, economic empowerment and transformation.	Number of initiatives facilitated, developed and supported.	Development of skills plan and programme for film creatives	Matching creatives with enterprise related opportunities Skills acquisition for youth and awareness raising programmes of film industry opportunities	Facilitate project plan for each initiative.	Implement foundation phase of projects	Implement secondary phase of project	Complete projects.	Evaluation of intervention's effectiveness to improve further implementation and modify if relevant	Evaluation of intervention's effectiveness to improve further implementation and modify if relevant



PART B: PROGRAMME AND SUB-PROGRAMME PLANS

5.2 Sub-programme 3.2: Industry Development

i. Specified policies, priorities and strategic objectives

The thrust of the unit is to enhance and support competitiveness within each of the prioritised sectors, as well as to facilitate an optimally-conducive economic environment for the development and growth of sectors and businesses.

The main thrust of the Strategic Sector Support is Workforce Development whose strategic importance to the development of sectors has been consistently and extensively highlighted by the body of MEDS studies and which has been robustly verified by industry. Lack of relevant skills has been identified as the most pressing inhibitor to growth in the private sector and the Western Cape. If the Province is to achieve the added growth trajectory expected by ASGI-SA, and iKapa *Elihlumayo* the Department would have to focus Workforce Development as a priority theme, on par with the priority sectors.

Co-ordinated and framed by JIPSA, the iKapa's Human Capital Development Strategy and the Scarce Skills Development Strategy the priorities of the **Workforce Development** unit will be to develop, And Implement workforce development strategies for prioritised and significant sectors, overcome the fragmentation of service providers and to develop mechanisms that will ensure a more responsive approach by the education and training sector. The focus in the coming year is to develop demand-led interventions on a scale which would have a positive and significant impact on the growth of the sectors and on the transformation challenges within the workforce within those sectors. The main interventionist functions will be:

- Increase employment skills which are valued by economic sectors: This will increase employment and self-employment potential by strengthening the competences valued in the market, and customized for target groups as is appropriate:
- Generic contextual pre-employment interventions: The Department will work in partnership with the FET colleges and sector bodies to establish assessment and skills development centres as a short term pre-

employment bridging package of interventions for generic employability skills customized for specific contexts like the service sector [BPO's, ICT], the technical sector [OGSS, tooling] and the creative sector [craft, cultural, film, design];

- Build partnerships for skills development initiatives: Partnerships with the private sector will harness investment and financial support but will also lead to an increase in workplace experience opportunities. Partnerships with education & training NGOs will focus on assisting and supporting their effective functioning; and
- Promote and market the value of skills development through increasing awareness of learning and work opportunities. This might effectively be achieved through the Learning Cape Festival, for example.

The HRD strategy carried out by the Workforce Development Unit underpins the transformation of our society towards a more knowledge-based society, with access to ICT applications being a critical mechanism to ensure access. Firms are actively competing in the international arena and require assistance and support in a global environment where there is not necessarily a level-playing field. In moving the economy towards a new trajectory, technology becomes increasingly important, and the Department needs to ensure that the services to a modern economy are in line with the demands of its firms and citizens. In moving the economy towards a new trajectory and knowledge economy, R&D, innovation and the development and application of new technologies becomes increasingly important, and the Department needs to ensure that the services to a modern economy are in line with the demands of its firms, markets and citizens.

The main policy documents informing the work of the unit are the national and provincial Micro-economic Strategies. This is further complemented by the National Research and Development Strategy. The National Micro-economic Strategy (MES) emphasises the need for strong cross-cutting interventions and co-ordination to ensure sustained growth. This was first articulated in the National cabinet document the "Integrated Action Plan to accelerate growth, employment and investment" (2001). It focuses on the three supply-side support areas underpinning competitiveness, which are:

- Development and implementation of a Workforce Development strategies and interventions;
- Investment in technology and R&D; and

Other important documents that inform the activities of the unit are the Integrated Manufacturing Strategy (IMS); and the Advanced Manufacturing

and Development Strategy (AMTS) that are being taken forward at a provincial level. The above documents are reflected in the iKapa Elihlumayo principles and the strategic priorities of the Department.

The **High Technology and Innovation** unit will target various technology areas such as advanced materials, nano-technology, robotics, bio-technology and electronics that have become critical in modern production, and that have at their core the integration of complex systems.

Of importance are the institutions that feed or facilitate new thinking and skills through the innovation pipeline such as scientific institutions, councils, higher education institutions, and firms. A more developmental approach to encourage and support innovation will be developed through an integrated provincial system of innovation. An important focus will be to support new ideas and to ensure the sustainability of firms. This may warrant the development of an Innovation Support Centre, and new regional incentives to overcome initial start-up hurdles. Currently South Africa is achieving well below its potential in terms of the commercialisation of new concepts, thereby limiting growth and job creation potential.

There may be further crosscutting themes that emerge such as productivity enhancement, which emerge as important issues within competitiveness. Programmes and incentives will be developed and marketed, both generically and through more sector-focused interventions.

The main strategic goal of the unit is to maximise the competitiveness of sectors and industries, and in particular, those sectors and industries which have been prioritised by MEDS, through innovation and technology.

The planning of this unit will direct and facilitate all innovation and technology strategies, plans, practices, procedures and resources in achieving the Department's core service delivery objectives. With this in mind the unit has identified the following strategic objectives that are aimed at delivering on iKapa Elihlumayo in a meaningful way:

- Develop mechanisms and fund interventions to improve the articulation between the current and the future demand for skills, and the supply of education and training.
- Identify and develop interventions to improve the adoption of ICT and e-commerce across all firms and to all citizens.
- Identify and develop programmes to promote innovative practices, and adoption of globally competitive technologies within sectors, firms and institutions.
- Develop programmes to drive productivity, growth and industrial upgrading within and across sectors.

ii. Specification of measurable objectives and performance indicators

Strategic Objective:		To grow the economy in a sustainable manner, for the benefit of all who make the Western Cape their home. To make citizens and the enterprises effective players in the global economy.							
Measurable Objective	Performance Measure Indicator	Base Year 2006/07	Year 1 2007/08	Quarter 1	Quarter 2	Quarter 3	Quarter 4	Year 2 2008/09	Year 3 2009/10
Facilitate the development of a Provincial System of Innovation (PSI)	The number of science and technology bodies, industry players, across sectors involved in the initiative.	3 workshops to establish buy-in and the process towards a PSI.	Establish an overarching innovation forum to map out a process towards a PSI	Planning activities for the year wrt the establishment of the forum	Hold meetings & 1 workshop with key stakeholders and decide on the starting of the forum	Expand the forum to include more technology groups through meetings	Further expand the forum	Further development and management of the forum	The development of specialised sub-fora around particular technologies
Facilitate the development of R&D and innovation institutions.	Number of interventions in the science and technology institutions	The establishment of the IAT and the process towards the establishment of the AMTL at CPUT	Continued support for the CPUT-AMTL to assist with implementing projects and developing global	Planning together with the existing R&D network plan. The year's activities wrt	Workshop with stakeholders to develop the strategy for developing the	With the establishment of the forum and other stakeholders, increase buy-in for the	The strategy of interventions is documented	The continuous development of R&D institutions is a necessary activity that will be continued in this year	The continuous development of R&D institutions is a necessary activity that will be continued in this year

Strategic Objective:									
To grow the economy in a sustainable manner, for the benefit of all who make the Western Cape their home. To make citizens and the enterprises effective players in the global economy.									
Measurable Objective	Performance Measure Indicator	Base Year 2006/07	Year 1 2007/08	Quarter 1	Quarter 2	Quarter 3	Quarter 4	Year 2 2008/09	Year 3 2009/10)
Facilitate the development of R&D and innovation networks linked to knowledge intensive activities			partners.	developing the R&D and innovation institutions	institutions	strategy which should inform the MEDS on innovation			
	The number of knowledge-intensive entities and depths of networks established.	Establishment of networks linked to the IAT and the AMTL. Developed a network of 18 institutions around the CPUT-AMTL listed in the Business Plan	Further development of networks linked to the innovation system. Establish an overarching innovation forum to map out a process towards a PSI as well as 2 sector	Together with existing R&D networks plan on the further development of these networks	Discussions to be held with relevant stakeholders and role-players	Ongoing during development of networks Expand the project to include other technology experts and institutes into the network	Ongoing Expand the project to include other technology experts and institutes into the network	This is a continuous process and we will increase the global networks	This is a continuous process and we will increase the global networks

Strategic Objective:		To grow the economy in a sustainable manner, for the benefit of all who make the Western Cape their home. To make citizens and the enterprises effective players in the global economy.							
Measurable Objective	Performance Measure Indicator	Base Year 2006/07	Year 1 2007/08	Quarter 1	Quarter 2	Quarter 3	Quarter 4	Year 2 2008/09	Year 3 2009/10)
Ongoing research to develop the provincial system of innovation	The no. of interventions identified to strengthen the PSI		forums						
		Commission research to establish technology gaps in Oil and Gas sector.	MEDS research on Innovation in collaboration with The Co-operation Framework between Finland and South Africa (COFISA) and further technology gap and biotechnology research to be determined	Planning the research agenda for the year	Consultation with relevant stakeholders	Develop terms of reference	Commission study	This work is continuous through time so we will implement previous research interventions and do more new research	This work is continuous through time so we will implement previous research interventions and do more new research

Strategic Objective:		To grow the economy in a sustainable manner, for the benefit of all who make the Western Cape their home. To make citizens and the enterprises effective players in the global economy.							
Measurable Objective	Performance Measure Indicator	Base Year 2006/07	Year 1 2007/08	Quarter 1	Quarter 2	Quarter 3	Quarter 4	Year 2 2008/09	Year 3 2009/10)
Provide the appropriate human resource profiles and analysis in support of demand-led sector strategies.	No. of sectors analysed.	Motivate for and put into place personnel capacity to implement strategic objective and initiatives arising there from. 4 sectors scoped.	Interventions within sector skills strategies deepened in terms of analysis, particularly re best practice 2 additional sectors scoped.	Consultation with stakeholders	Scoping of study for two sectors	Initiate study	Workshop to present study, with a view to discussion of next phase for skills development	Apply methodology to additional sectors.	Apply methodology to all sectors.

Strategic Objective:		To grow the economy in a sustainable manner, for the benefit of all who make the Western Cape their home. To make citizens and the enterprises effective players in the global economy.							
Measurable Objective	Performance Measure Indicator	Base Year 2006/07	Year 1 2007/08	Quarter 1	Quarter 2	Quarter 3	Quarter 4	Year 2 2008/09	Year 3 2009/10)
Enhance workforce development within BPO sector.	No. of training provided per sector.	Motivate for and put into place personnel capacity to implement strategic objectives and initiatives arising there from. Skills profiles and research in prioritised sectors. Tentative workforce development strategies for specific sectors.	Development, consultation and implementation of workforce development strategies & interventions for specific sectors. One significant workforce intervention.	Consultation with stakeholders on BPO study Identify projects/candidates for learnerships	Support training project for learners	Support training project for learners	Support training project for learners	Implementation and management of the strategies and interventions. Evaluation of interventions' effectiveness to improve and modify if relevant. 2 interventions.	Implementation and management of the strategies and interventions. Evaluation of interventions' effectiveness to improve and modify if relevant. 3 interventions.

Strategic Objective:									
To grow the economy in a sustainable manner, for the benefit of all who make the Western Cape their home. To make citizens and the enterprises effective players in the global economy.									
Measurable Objective	Performance Measure Indicator	Base Year 2006/07	Year 1 2007/08	Quarter 1	Quarter 2	Quarter 3	Quarter 4	Year 2 2008/09	Year 3 2009/10)
Enhance workforce development within ICT sector.	No. of training provided per sector.	Motivate for and put into place personnel capacity to implement strategic objective and initiatives arising there from. Skills profiles and research in prioritised sectors. Tentative workforce development strategies for specific sectors	Development, consultation and implementation of workforce development strategies & interventions for specific sectors. One significant workforce development intervention.	Consultation with stakeholders on ICT study Identify projects/companies for learnerships	Support training project for learners Further consultations to finalise a way forward on ICT skills strategy	Support training project for learners Further consultation on the ICT skills strategy	Support training project for learners Finalised ICT skills strategy	Implementation and management of the strategies and interventions. Evaluation of interventions' effectiveness to improve and modify if relevant.. 2 interventions.	Implementation and management of the strategies and interventions. Evaluation of interventions' effectiveness to improve and modify if relevant. 3 interventions.

Strategic Objective:		To grow the economy in a sustainable manner, for the benefit of all who make the Western Cape their home. To make citizens and the enterprises effective players in the global economy.							
Measurable Objective	Performance Measure Indicator	Base Year 2006/07	Year 1 2007/08	Quarter 1	Quarter 2	Quarter 3	Quarter 4	Year 2 2008/09	Year 3 2009/10
Enhance workforce development within Oil and Gas sector.	No. of training provided per sector.	Motivate for and put into place personnel capacity to implement strategic objective and initiatives arising there from. Skills profiles and research in prioritised sectors. Tentative workforce development strategies for specific sectors	Development, consultation and implementation of workforce development strategies & interventions for specific sectors One significant workforce dev. intervention	Consultation with stakeholders on Oil and Gas study Develop training skills programme	Develop and begin to implement training skills programme Further consultation on the Oil and Gas skills strategy	Further support to the implementation of the project Further consultation on the finalisation of the Oil and Gas skills strategy	Further support to the implementation of the project Finalisation of the Oil and Gas skills strategy	Implementation and management of the strategies and interventions. Evaluation of interventions' effectiveness to improve and modify if relevant	Implementation and management of the strategies and interventions. Evaluation of interventions' effectiveness to improve and modify if relevant

Strategic Objective:		To grow the economy in a sustainable manner, for the benefit of all who make the Western Cape their home. To make citizens and the enterprises effective players in the global economy.							
Measurable Objective	Performance Measure Indicator	Base Year 2006/07	Year 1 2007/08	Quarter 1	Quarter 2	Quarter 3	Quarter 4	Year 2 2008/09	Year 3 2009/10)
Enhance workforce development within Tourism sector.	No. of training provided per sector.	Motivate for and put into place personnel capacity to implement strategic objective and initiatives arising there from. Skills profiles and research in prioritised sectors. Tentative workforce development strategies for specific sectors.	Development, consultation and implementation of workforce development strategies & interventions for specific sectors One significant workforce intervention	Support Tourism in developing skills strategy Support the identification of projects for skills development	Support Tourism in developing skills strategy Support training project for learners	Support Tourism in developing skills strategy Support training project for learners	Support Tourism in developing skills strategy Support training project for learners	Implementation and management of the strategies and interventions. Evaluation of interventions' effectiveness to improve and modify if relevant	Implementation and management of the strategies and interventions. Evaluation of interventions' effectiveness to improve and modify if relevant

Strategic Objective:		To grow the economy in a sustainable manner, for the benefit of all who make the Western Cape their home. To make citizens and the enterprises effective players in the global economy.							
Measurable Objective	Performance Measure Indicator	Base Year 2006/07	Year 1 2007/08	Quarter 1	Quarter 2	Quarter 3	Quarter 4	Year 2 2008/09	Year 3 2009/10)
Enhance workforce development within significant sectors.	No. of training provided	Motivate for and put into place personnel capacity to implement strategic objective and initiatives arising there from. Identification of relevant skills interventions for sectors.	Tentative workforce development strategies for specific sectors Development, consultation and implementation of workforce development strategies & interventions for specific sectors One significant workforce	Consultation with stakeholders Identify and engage with stakeholders (particularly DoE) re film and Arts	Develop scoping of arts school programme Develop and scope film skills project	Develop scoping of arts school programme Implement film skills project	Bid process for the Arts School programme	Roll out and Implementation and management of the strategies and interventions. Evaluation of interventions' effectiveness to improve and modify if relevant	Implementation and management of the strategies and interventions. Evaluation of interventions' effectiveness to improve and modify if relevant

Strategic Objective:		To grow the economy in a sustainable manner, for the benefit of all who make the Western Cape their home. To make citizens and the enterprises effective players in the global economy.							
Measurable Objective	Performance Measure Indicator	Base Year 2006/07	Year 1 2007/08	Quarter 1	Quarter 2	Quarter 3	Quarter 4	Year 2 2008/09	Year 3 2009/10
Increase demand-led workplace learning in line with work re-organisation, technology changes and work opportunities.	No. of training of currently employed.		intervention	Consultation with stakeholders in industries and FET/HEI	Consultation with stakeholders in industries and FET/HEI	Finalise the development of interventions with stakeholders	Develop interventions with stakeholders, ready for implementation in the next financial year	Implementation and management of the strategies and interventions. Evaluation of interventions' effectiveness to improve and modify if relevant	Implementation and management of the strategies and interventions. Evaluation of interventions' effectiveness to improve and modify if relevant

Strategic Objective:		To grow the economy in a sustainable manner, for the benefit of all who make the Western Cape their home. To make citizens and the enterprises effective players in the global economy.							
Measurable Objective	Performance Measure Indicator	Base Year 2006/07	Year 1 2007/08	Quarter 1	Quarter 2	Quarter 3	Quarter 4	Year 2 2008/09	Year 3 2009/10)
Development and support of SME skills strategy and interventions	A Skills Development Strategy	Consultations with Programme 2	Analysis of best practice with SME skills development programme	Consultations with Programme 2 and Programme 3 clusters	Scope project for analysis of programme	Identify and finalise bid process for analysis of programme	Workshop on the results of the study	Implementation and management of the strategies and interventions.	Implementation and management of the strategies and interventions.
	Scoped project ready for implementation						Develop a way forward on the basis of input and study	Evaluation of interventions' effectiveness to improve and modify if relevant	Evaluation of interventions' effectiveness to improve and modify if relevant
Co-ordinated and joined up government strategies within the workforce	Participation with relevant stakeholders No of meetings	Motivate for and put into place personnel capacity to implement strategic	Active participation in various forums, including Premier's Skills Task	Attend Skills Task Team, CEL, NSF, SETA, provincial forum	Attend Skills Task Team, CEL, NSF, SETA, provincial forum	Attend Skills Task Team, CEL, NSF, SETA, provincial forum	Attend Skills Task Team, CEL, NSF, SETA, provincial forum	Active participation in various forums, including Premier's Skills Task Team, CEL, NSF.	Active participation in various forums, including Premier's Skills Task Team, CEL, NSF. Provincial

Strategic Objective:		To grow the economy in a sustainable manner, for the benefit of all who make the Western Cape their home. To make citizens and the enterprises effective players in the global economy.							
Measurable Objective	Performance Measure Indicator	Base Year 2006/07	Year 1 2007/08	Quarter 1	Quarter 2	Quarter 3	Quarter 4	Year 2 2008/09	Year 3 2009/10
environment	held	objective and initiatives arising there from. Active participation in various forums, including Premier's Skills Task Team, CEL, NSF, Provincial SETA Forum, national initiatives where relevant, LCI etc	Team, CEL, NSF, Provincial SETA Forum, national initiatives where relevant, LCI etc	meetings Support initiatives arising from meetings	meetings Support initiatives arising from meetings	meetings Support initiatives arising from meetings	meetings Support initiatives arising from meetings	Provincial SETA Forum, national initiatives where relevant, LCI etc	SETA Forum, national initiatives where relevant, LCI etc

Strategic Objective:		To grow the economy in a sustainable manner, for the benefit of all who make the Western Cape their home. To make citizens and the enterprises effective players in the global economy.							
Measurable Objective	Performance Measure Indicator	Base Year 2006/07	Year 1 2007/08	Quarter 1	Quarter 2	Quarter 3	Quarter 4	Year 2 2008/09	Year 3 2009/10)
Co-ordinated and joined up government strategies within the workforce environment	Participation with relevant stakeholders No of meetings held	Motivate for and put into place personnel capacity to implement strategic objective and initiatives arising there from Active participation in various forums, including: Premier's Skills Task Team, CEL, NSF, Provincial SETA forum, national initiatives, where relevant, LCI etc	Active participation in various forums, including: Premier's Skills Task Team, CEL, NSF, Provincial SETA forum, national initiatives, where relevant, LCI etc					Active participation in various forums, including: Premier's Skills Task Team, CEL, NSF, Provincial SETA forum, national initiatives, where relevant, LCI etc	Active participation in various forums, including: Premier's Skills Task Team, CEL, NSF, Provincial SETA forum, national initiatives, where relevant, LCI etc

Strategic Objective:		To grow the economy in a sustainable manner, for the benefit of all who make the Western Cape their home. To make citizens and the enterprises effective players in the global economy.							
Measurable Objective	Performance Measure Indicator	Base Year 2006/07	Year 1 2007/08	Quarter 1	Quarter 2	Quarter 3	Quarter 4	Year 2 2008/09	Year 3 2009/10
		relevant, LCI etc							
Improve enterprise competitiveness by developing & implementing HIV/AIDS prevention and awareness programmes.	Number of enterprises that have developed & adopted HIV/AIDS policies and programmes.	Consult with relevant stakeholders and develop a plan. Apply as a pilot in one sector, BPO & Call Centre Industry	Strengthening and supporting the BPO pilot programme. In consultation with relevant stakeholders, develop a plan for one sector, using methodology for BPO. In consultation with stakeholders, develop	Implementation of at least one project per sector	Implementation of at least two projects per sector	Expand and finalise implementation per sector	Expand and finalise implementation per sector	Implementation and management of the strategies and interventions, and expand if feasible. Evaluation of interventions' effectiveness to improve and modify if relevant	Implementation and management of the strategies and interventions, and expand if feasible. Evaluation of interventions' effectiveness to improve and modify if relevant

Strategic Objective:		To grow the economy in a sustainable manner, for the benefit of all who make the Western Cape their home. To make citizens and the enterprises effective players in the global economy.							
Measurable Objective	Performance Measure Indicator	Base Year 2006/07	Year 1 2007/08	Quarter 1	Quarter 2	Quarter 3	Quarter 4	Year 2 2008/09	Year 3 2009/10)
			an HIV/AIDS plan for SMEs.						



PART B: PROGRAMME AND SUB-PROGRAMME PLANS

5.3 Reconciliation of budget with plan

Programme 3: Programme budget by sub-programme (R '000)

Sub-programme	Year - 2 2004/05 (Actual)	Year - 1 2005/06 (Actual)	Base year 2006/07 (Estimate)	Year 1 2007/08 (Budget)	Year 2 2008/09 (MTEF projection)	Year 3 2009/10 (MTEF projection)
Management: Trade and Industry Development	2 612	2 674	2 703	2 835	3 508	4 075
Trade and Investment Promotion	21 889	8 578	10 905	11 400	13 100	14 100
Sector Development	6 095	30 198	34 114	41 192	43 355	49 155
Industry Development	3 870	2 689	5 653	9 458	10 980	13 172
Total	34 466	45 139	53 375	64 885	70 943	80 502



PART B: PROGRAMME AND SUB-PROGRAMME PLANS

6. Programme 4: Business Regulation and Governance

The purpose of Business Regulation and Governance is to ensure an equitable, socially responsible business environment within the Western Cape through general intervention within the trading environment, and through specific interventions mandated by the Constitution; National Legislation and Policies; and Provincial legislation and policies.

The programme is structured as follows:

- Consumer Protection
- Liquor Regulation

i. Specified policies, priorities and strategic objectives

The programme's mandates are established as part of the concepts contained in iKapa Elihlumayo. These are reflected in the following manner:

- **To create a fair, effective and conducive business environment for enterprises and consumers.**

Most of the policies, legislative interventions, and strategic interventions within this programme are within this objective of iKapa Elihlumayo, which include provincial liquor policy and legislation and consumer protection legislation, both national and provincial.

- **To create employment**, especially for the presently unemployed, to make **ownership of the economy representative** of the demography of the Province and to **increase levels of participation in the economy by all**, especially by the previously excluded and presently marginalized.

The main thrust of activity at **Consumer Protection (CP)** will be the full operationalisation of the Consumer Tribunal and the establishment of the OCP and the Tribunal as highly recognised and trusted brands. Furthermore, the OCP is to become the preferred reference point for consumers seeking

information or access to redress, whether they are residents of or visitors to the province. In addition thereto, the establishment of the OCP as a provincial credit regulator in terms of the National Credit Act, 2005, will be a priority.

The main priority for the *Liquor Board* will be the enactment of the Liquor Bill which was published for comment in February 2006. The restructuring of the Liquor Board, which was delayed as a result of the slow legislative processes around the Western Cape Liquor Bill, will proceed once the Bill is passed into law and the Act and its concomitant regulations promulgated. Whilst the Board has been designated a public entity in terms of the Public Finance Management Act, 1999, the extent to which auxiliary or secondary functions and responsibilities of the regulator may be executed within the Department, and the accountability of the Board to the executive authority and/or other structures within the provincial legislature, still needs to be determined through the legislative process.

ii. Progress analysis

The regulatory industry has gained tremendous prominence in post-apartheid South Africa, with both government and industry being instrumental in the establishment of regulatory institutions as a bulwark against abuse and exploitation of consumers and to promote sound and ethical business practices. Whilst regulation is often viewed negatively by the business sector, it acts as an enabler, providing a platform for all the economic role-players – consumers, enterprises and the various levels of government – to co-operate in a structured, legally secure and predictable environment towards economic growth and transformation. There is now general acceptance that growth should not be at the expense of equity, and government's approach is to establish mechanisms to unlock the benefits of economic growth whilst minimising social costs. At the same time, it seeks to address other social objectives such as reduction of personal debt, access to credit, black economic empowerment and development of social and economic infrastructure. Indeed, in addition to growing the economy, the achievement of greater equity in society, which is the one of the main foci of regulation, is one of the broad objectives of government, as embodied in ASGI-SA.

The Western Cape Provincial Government is aware of the dire need for socially responsible trade. The province has, for example, the highest incidence of foetal alcohol syndrome in the world; the highest teenage pregnancy rate in the country, often linked to alcohol abuse, and its populace is, in line with the rest of the country, heavily over-indebted. The need for regulation in order to address such social ills is therefore acute and the provincial government is committed to promotion of social responsibility in the trading environment.

The Business Regulation component has over the past few years and particularly in the last few quarters managed to align its processes and procedures to benchmarks that exceed the national norm. However, it acknowledges that in order to be truly excellent rather than merely better than the rest, it needs to constantly assess and review its priorities and projects with a view to re-aligning these to adapt to an ever-changing business and regulatory environment.

The Consumer Protection unit has continued to refine its systems for complaints management, and has at the same time engaged in several review initiatives. In the regard to the first, it has overseen several minor enhancements of the CMaTS complaints management system. These enhancements provide more functionality with regard to management reporting, especially with regard to productivity of individual users of the system and age better analysis of complaints. This, in turn, enables the system to be used as a service delivery improvement tool, as turnaround times can be monitored better and interventions to improve service be taken sooner. An initiative to introduce performance-based funding regard to the complaints collected through and managed by the advice office network on behalf of the unit, was put on hold pending the completion of an M & E study on the advice office funding and support programme, but will be pursued in 2007-8, when the recommendations contained in the report are set to be implemented. In the interim, a marked improvement in the number of complaints, as well as the assistance rendered in respect thereof has been registered – a clear indication of the renewed commitment by the advice offices to continue to render the contracted services, despite circumstances that are often very trying and discouraging.

The Regulations governing the operation of the Consumer Tribunal could only be finalised late in the year after the passing of the (national) Consumer Credit Act, with the concomitant repeal of the Usury Act and the Credit Agreements Act, clarified the position of provincial consumer affairs offices with regard to trade inspections. The Tribunal will therefore finally be fully operational in 2007-8.

The number and scope of the educational projects of the unit was expanded despite the absence of staff. Public engagements (road-shows, often involving a number of other regulators; workshops, sometimes also in conjunction with regulators; radio talks) increased by more than 100% during the period under review, and increased distribution of educational and marketing material has led to an increase in awareness of the office and its services that will be measured against previously registered levels as part of a broader communication and marketing strategy in 2007-8.

Liquor licence administration was vastly improved during the period of review, mainly due to better information management (done through a customised version of the CMaTS); enhancement of business processes through

clustering of duties and re-alignment of duties in accordance with such clustering; the execution of duties in accordance with service delivery goals set in conjunction with staff, and the implementation of service delivery improvement proposals made by the clients of the Liquor Board.

The Board has sat a record number of times in 2006/07 and the approach in terms whereof applications are checked for completeness and defects before being placed on the agenda for Board meetings, coupled with an approach to finalise applications by way of conditional approval (affording the prospective licence holder an opportunity to achieve compliance within a set period) rather than postponing matters, often indefinitely, started to yield results. The number of approvals, particularly in respect of HDI applicants, has climbed dramatically, and the increased approval rate has led to an increase in the number of applications from that sector. The service delivery target of a 90-day turnaround on applications now seems achievable within 2007-8. Furthermore, the number lapses of liquor licences is set to drop dramatically following the redesign of the renewal notices sent to clients; the implementation of a system of verifying and updating licence holders' addresses upon renewal notices being returned by postal authorities and before the renewal period automatic condonation periods expire, as well as a system of regular and structured monitoring of the progress of renewal payments being made, and to remind licence holders of the imminent lapsing of their licences. The possibility of SMS reminders and outbound telephonic reminders will be pursued in future, once the updating of the database of licence holders, another project currently in progress, has been finalised.

Lastly, the number of inspections conducted by the Liquor Board Inspectorate has increased despite the resignation of one of the three inspectors. The development of a protocol for liquor inspections has progressed to such an extent that it is likely to be implemented early next year.

iii. Analysis of constraints and measures planned to overcome them

Regulation is a multi-dimensional function which can only be successfully executed in co-operation with other stakeholders, including other government departments, statutory and non-statutory (voluntary) regulators, civil society groups, individual consumers, enforcement agencies and industry players. The processes for consultation with, feedback from and inclusion of such persons and/or groups, and harmonisation of policies and initiatives are taxing both in terms of time and effort, and often lead to delayed implementation. The department therefore participates in a number of forums, on various levels, including intergovernmental, interprovincial, industry-based, and/or involving civil society, the police, prosecuting authorities, tax authorities and industry players or representative organisations of industry, to facilitate co-operation amongst stakeholders.

Issues with regard to legislative mandates and funding thereof, particularly between provincial and local government in regard to the provincial liquor legislation, and between national and provincial government with regard to credit regulation, need to be resolved for effective implementation of such legislation. Amendments to the proposed provincial liquor legislation were effected to address local government concerns in this regard and there are positive indications around their acceptance. Similarly, there is ongoing discussion between the national government and the various provincial governments with a view to resolving issues of jurisdiction and legal precedent in regard to the national and various provincial consumer tribunals.

The implementation of the new proposed provincial liquor legislation requires the co-operation of the municipalities and, more particularly, the resolution of issues around zoning and/or consent land use requirements, especially with regard to residence-based liquor outlets (shebeens). The department is in the process of engaging with representative bodies of local government, as well as the provincial department responsible for development planning in this regard.

Training and capacity building of the responsible officials from municipalities and, to a lesser extent, the SAPS and the department of justice (prosecutors), all of whom are role-players in ensuring the successful implementation of the new legislation, will have to be provided, and the preparation phase of projects to achieve this is at an advanced stage. Finalisation depends on the provisions of the final version of the legislation.

The liquor licensing system in use at the Liquor Board is outdated and ineffective from the perspective of broader process and information management. An information management system installed last year has resulted in much improved feedback to licence applicants and their representatives, but the system needs to be adapted for application as a fully-fledged licensing management system, capable of tracking the financial transactions between applicants and licence holders and the Board, and reconciling revenue with the number of licences issued and renewed within reporting periods.

The optimal operation of the Consumer Protection unit's civil society projects continues to be compromised by the vast geographical separation between the OCP and rural advice offices. Management and monitoring and evaluation projects in partnership with other funders and support organisations are accordingly being investigated. Problems endemic of the civil society/NPO sector, such as capacity constraints, lack of training, absence of local support, absence of effective communication systems, lack of access to ICT, dwindling of available donor funding, political interference and the lack of early warning systems need to be addressed. To this end, the OCP in 2006-7 funded and provided secretarial and other administrative support to an initiative to establish a provincial co-ordinating body for all advice offices in the Western Cape, not only those then funded by the department. The body was launched

in October 2006 and funds will be made available during 2007-8 to operationalise the association. By the end of 2007-8, the association should be in a position to source and/or generate income to support its operation.

The CP unit is furthermore involved in a donor/beneficiary forum, an initiative of the Black Sash, with a view to ensuring that donor and project funding flows to the paralegal sector are maintained and even increased, and the issues raised above are addressed at a national level. The transformation of this forum into a national co-ordinating body for advice offices, and the determination of the role of the provincial advice office associations within this forum, is a priority for 2007-8.

Establishing inter-governmental partnerships and programmes remains a problem, but learnings from limited successes achieved are being applied to broaden the scope and impact of such co-operation. These efforts are starting to yield results in regard to local government, whose acknowledgement of the value of well-resourced, fully functioning and recognised advice offices begins to open up possibilities for partnership and funding. Ministerial support will be sought with regard to other provincial government departments.

The widespread consumer apathy that was an obstacle to earlier education and marketing initiatives of the unit show signs of abating, and the higher emphasis placed on consumer issues by both the national and provincial governments responsible for consumer protection appears to be bearing fruit.

The lack of bandwidth and the exorbitant cost of increasing it remain major a major obstacle to higher productivity and efficiency. The case for cheaper broadband access is being dealt with on a high level in government and developments are being followed with a view to using this technology to further reduce response times that are accepted benchmarks for provincial consumer affairs offices, and eliminate 'down-time' which has already been reduced significantly in the past year.

iv. Description of planned quality improvement measures

The thrust of these measures will be improvement in service delivery through monitoring, review and adaptation of processes, procedures and systems; identifying the additional resources – human, financial and infrastructural – required to effect such improvements; increased efficiency and appropriate restructuring of operations; and reducing timeframes across all aspects of services delivery.

Human Resource Capacity:

- The structural adjustments involving the establishment of the Liquor Board as a public entity will enable the Directorate charged with administrative functions, notably the receipt, preparation and presentation of new applications to the Board, to concentrate on and enhance service delivery in respect of these core functions. Workflow

arrangements and reporting lines will be structured so as to increase opportunity for monitoring, evaluation and review.

- Communication with stakeholders
- The implementation and/or more extensive application of information technology, more particularly, electronic information management systems, a modern liquor licensing system, call centre technology, electronic data storage and retrieval, database compilation and management and electronic communication with customers and stakeholders will ensure faster turn-around times on all administrative processes, increased efficiency and higher levels of customers satisfaction.
- The provision for access by the public to a web-enabled data base, will facilitate easy and inexpensive access to information. However, the use of more traditional means of communication and awareness-raising, such as print media campaigns, mass commuter-targeted information and marketing initiatives and industrial theatre will continue so as to ensure accessibility by communities and individuals (consumers and business people) without internet access.
- Training and developing existing staff
- Training and ongoing orientation of staff towards customer service, and a system of reward to inculcate this will be a feature of the unit's approach to better service delivery.
- Training and ongoing orientation of staff towards customer service, and a system of reward to inculcate this will be a feature of the unit's approach to better service delivery. This, coupled with the provision for access by the public to a web-enabled data base, will facilitate easy and inexpensive access to information. However, the use of more traditional means of communication and awareness-raising, such as print media campaigns, mass commuter-targeted information and marketing initiatives and industrial theatre will continue so as to ensure accessibility by communities and individuals (consumers and business people) without internet access.



PART B: PROGRAMME AND SUB-PROGRAMME PLANS

6.1. Sub programme 4.1: Consumer Protection (CP)

i. Specified policies, priorities and strategic objectives

The unit's strategic priorities are derived from the departmental objectives, which are:

- Promotion of a fair, efficient and transparent market place for consumers and business (providing protection to all economic citizens, including small businesses);
- Provision of a consistent, predictable and effective regulatory framework, which fosters consumer confidence, and at the same time recognises the developmental imperatives of the South African economy;
- Provision of access to effective redress for consumers as economic citizens (including enforcement of legislation and application of sanctions); and
- Promotion of consumer rights awareness, by disclosure and access to information by consumers, and recognition and support of the role of activist and confident consumers in promoting a competitive economy.

In order to give effect to the aforementioned objectives, the following key priorities have been identified:

- **To further enhance access to redress, both outside and inside of the judicial structures provided.** This entails, in the first instance, enhancing of the operations of the Consumer Tribunal, based on experiences in its first year of operation; the expansion and improvement of the systems that provide access to the CP unit's own complaints resolution service (through the provision of a web-based complaints resolution service, with both lodgement of and feedback on complaints taking place remotely through the unit's dedicated website; and a mobile complaints resolution service – coupled with the education and awareness unit's programmes, and linked with the RED Doors, where possible and viable); the expansion of the network of advice offices and the improvement of the consumer advice and assistance service rendered at advice office level.

- **To interpret, implement and enforce existing or envisaged legislation and policy swiftly and consistently** and to communicate the existence, scope and effect of such legislation and rulings and judgements in respect thereof to both consumers and business to promote awareness, compliance and predictability in the regulatory environment. This has particular relevance for the Consumer Tribunal and the activities of the CP unit as a provincial credit regulator, which should commence in 2007-8.
- **To upscale the capacity of the advice offices, both on management and service delivery fronts.** The findings and recommendations of a consultant's report on monitoring and evaluation of the advice office funding and support project, commissioned last year, will be used as a basis for projects aimed at improving levels of service delivery by advice offices. The report's recommendation that the CP unit reaffirms and clarifies its role as a funder, rather than a "head office" and "problem solver", *vis-à-vis* the advice offices will be implemented so as to reduce the advice offices' dependence on the unit's already limited management resources, and to compel the advice office management committees members to accept and execute the management functions implicit in their portfolios, individually and collectively. In this regard, the newly established Western Cape Advice Office Association will have to play its role as a provincial co-ordinating body with responsibility for capacity-building within advice offices.
- **To increase funding and other resource allocation to advice offices** through engagement with other provincial government departments, national departments, sector education and training authorities (SETAs), and funding institutions, both South African and foreign.
- **To raise levels of awareness of consumers rights (and the concomitant obligations) through a range of interventions**, such as mass media campaigns (print, outdoor, commuter-targeted, radio and even television, with community television now having been launched in the province); group sessions (workshops and seminars); industrial theatre and other special, performance and experiential learning type interventions; government/community partnerships (such as savings clubs and co-operatives); and the implementation of disclosure, labelling and "plain language" provisions, with appropriate marketing and educational support. These campaigns, most of which are to be of a high-visibility; high and repeat exposure and high-impact nature, aim to encourage consumers to interrogate the transactions they contemplate or enter into, to enable them to make informed decisions, thereby securing

the most beneficial terms for themselves and in so doing minimise the potential for loss, abuse or exploitation.

- **To engage with and promote the business community as a partner in consumer protection and education** and identify and reward “consumer champions” by way of positive reinforcement (favourable media coverage, monthly and annual awards); ensuring resource allocation or increases in resource allocation in respect of consumer education; and creating mechanisms for industries to identify and sanction unfair business practices within specific sectors.

ii. Specification of measurable objectives and performance indicators

Strategic Objective:		To create a fair and conducive business environment for enterprises and consumers.							
Measurable Objective	Performance Measure Indicator	Base Year 2006/07	Year 1 2007/8	Quarter 1	Quarter 2	Quarter 3	Quarter 4	Year 2 2008/9	Year 3 2009/10
Strengthening and enhancing the operation of the Consumer Tribunal.	The number of cases presented before the Consumer Tribunal	Consumer Tribunal operation-alised and first rulings delivered and enforced	Consumer Tribunal operation consolidated, monitored and improved and number of cases increased by 25% per quarter.	Tribunal members trained.	Hearings continue.	Hearings continued and published.	Hearings continue and published.	Independent study/ review of 1 st year of operation completed and report and recommendations obtained and studied, presented to executive authority and accepted recommendations implemented Number of cases heard increased by 20% over Year 1	Review of effect of changes as per recommendations, and further process enhancements implemented. Number of cases heard increased by 20% over Year 2.

Strategic Objective:		To create a fair and conducive business environment for enterprises and consumers.							
Measurable Objective	Performance Measure Indicator	Base Year 2006/07	Year 1 2007/8	Quarter 1	Quarter 2	Quarter 3	Quarter 4	Year 2 2008/9	Year 3 2009/10
Provision and maintenance of effective and appropriate internal systems that enable consumers to lodge their complaints and queries with the OCP.	A single, fully functional and effective system for receipt, recording, management and finalisation of consumer complaints, enabling reduced turn-around periods on complaints lodged with office.	Review of all internal systems, including facility for web-based lodgement of complaints.	Procurement, installation and operationalisation of single system with transverse application capability.	System procured based on user requirements and specifications as determined per review in 2007-8.	Installation and operationalisation of system; training of staff.	Monitoring of use and identifying of problems for resolution with service provider.	Final report by service provider on operationalisation and recommendations for improved usage. Independent assessment carried out.	System application improved through implementation of assessment / review findings / recommendations.	Ongoing review and improvement of system based on Year 2 reviews.
		Possibility of mobile complaints office investigated and report prepared	Decision on establishment of mobile complaints/education office If affirmative, procurement process commenced.	Tender placed and awarded for purchase, fitting of mobile office.	Mobile office operationalised			Review of impact of mobile office	

Strategic Objective:		To create a fair and conducive business environment for enterprises and consumers.							
Measurable Objective	Performance Measure Indicator	Base Year 2006/07	Year 1 2007/8	Quarter 1	Quarter 2	Quarter 3	Quarter 4	Year 2 2008/9	Year 3 2009/10
	Increase in number of complaints handled at OCP.	External study (analysis) of data collected in 2005/6 and potential for maximising access to lodgement channels identified	Implementation of recommendations in study report.	Recommendations studied and business plan for implementation prepared and submitted to HoD.	Business plan implemented.	Implementation of phase 1 reviewed.	Further implementation of recommendations, and review.	Number of complaints handled increased by 10% over Year 1.	Number of complaints handled increased by 10% over Year 2.
Expansion of network of OCP-funded advice offices	Number and location of additional offices to be funded determined through structured engagement with sector	M&E report and recommendations studied and civil society (HGOs, NPOs, representative bodies) consulted	Advice offices funded and supported by OCP increased to number determined through M&E exercise and consultation with NGO sector	Call for funding requests from offices identified through M&E study.	Consideration of funding requests.	In-principle approval and recommendations to HoD, and signing of SLAs.	Commencement of implementation of funding to additional offices.	Roll-out of funding and support programme to 50% of additional, identified advice offices commenced (phase 1)	Roll-out of funding and support programme to balance (50%) of additional, identified advice offices commenced (phase 2)

Strategic Objective:		To create a fair and conducive business environment for enterprises and consumers.							
Measurable Objective	Performance Measure Indicator	Base Year 2006/07	Year 1 2007/8	Quarter 1	Quarter 2	Quarter 3	Quarter 4	Year 2 2008/9	Year 3 2009/10
Building capacity within the network of advice offices funded by the department.	Number of advice offices funded by the department and number of complaints logged and resolved at the advice offices.	Funding of 28 advice offices for services delivered, and optimal spread of additional offices to be funded determined through independent assessment.	Expansion of number of advice offices funded, as per assessment report.	Procurement precripts followed with regard to advice offices identified for inclusion in funding programme and SLAs concluded.	Contract management new and existing funded offices.	Ongoing monitoring and implementation of service delivery improvement measures.	Ongoing monitoring and implementation of service delivery improvement measures.	Consolidation of base of funded offices.	Consolidation of base of funded offices
	<p>Number of complaints handled by advice offices.</p> <p>Reduction in turnaround time on complaints lodged at advice offices.</p>	<p>Electronic complaints management system installed at pilot advice offices and system reviewed for capability to provide OCP direct electronic</p>	Procurement, installation and operationalisation of system of required specification.	System procured as per procurement precripts.	Installation and training of staff.	Full operationalisation of EMCS at advice office level.			

Strategic Objective:		To create a fair and conducive business environment for enterprises and consumers.							
Measurable Objective	Performance Measure Indicator	Base Year 2006/07	Year 1 2007/8	Quarter 1	Quarter 2	Quarter 3	Quarter 4	Year 2 2008/9	Year 3 2009/10
		access to complaints records.							
	Number of advice office staff and management committee members trained	All office staff and minimum of 3 members of each management committee received training appropriate training (complaints handling and CBO management respectively).	Training provided to all consumer complaints handling staff at advice offices and to management committee members.	Appropriate training interventions identified and procurement prescripts followed to appoint service provider.	Roll-out of training in accordance with tender, and progress payments made.	Further roll-out and review of phase 1 roll-out.		Database of OCP-funded training to be compiled	Beneficiary's performance managed towards enhancement of service delivery.
	Funding of the provincial co-ordinating body for advice offices (Western Cape Advice Office Association - WCAOA).	WCAOA established, launched and provided with initial funding.	Funding arrangement finalised (tender / SLA / transfer payments made and performance	First transfer made.	Second transfer payment, based on satisfactory past performance.	Monitoring of performance indicators and further transfer payment, if positive.		Funding continued or discontinued based on executive authority decision in Year 1. If continued,	

Strategic Objective:		To create a fair and conducive business environment for enterprises and consumers.							
Measurable Objective	Performance Measure Indicator	Base Year 2006/07	Year 1 2007/8	Quarter 1	Quarter 2	Quarter 3	Quarter 4	Year 2 2008/9	Year 3 2009/10
			monitored. Report prepared on project implementation, recommendations made and mandate obtained from executive authority regarding continuation in Year 2.					beneficiary's performance managed towards enhancement of service delivery.	

Strategic Objective:		To create a fair and conducive business environment for enterprises and consumers.							
Measurable Objective	Performance Measure Indicator	Base Year 2006/07	Year 1 2007/8	Quarter 1	Quarter 2	Quarter 3	Quarter 4	Year 2 2008/9	Year 3 2009/10
Affirming the advice offices as a trusted brand in their communities.	A province-wide network of advice offices enjoying a high level of recognition in local communities.	Consultant's report obtained on brand-building of advice offices	Brand-building recommendations of consultant(s) implemented at 5 OCP-funded offices	Tender placed for work to be done to give effect to recommendations	Tender(s) awarded and work commenced.	Tender managed (execution in progress)	Tender work completed.	Increase brand recognition by 25% over Year 1 baseline (independently determined).	Increase brand recognition by 25% over Year 2 (independently determined).
Monitoring and evaluating levels of service delivery, and implementing constant improvement strategies.	Effective monitoring and evaluation (M&E) system in place to measure and improve service delivery by OCP and advice offices, measured against external benchmark (international best practice).	Study and report on impact of M & E system & monitoring of improvement in terms of benchmark (determined in terms of recommendations)	Implementing of accepted recommendations.	Review of report and recommendations by consultant and completion of implementation plan.	Completion of phase 1 of accepted recommendations by consultants (25%).	Completion of phase 2 of accepted recommendations by consultants (50%).	Completion of implementation of recommendations.	Independent assessment of improvement in service according to benchmark.	Production of 3 rd annual report on advice offices.

Strategic Objective:		To create a fair and conducive business environment for enterprises and consumers.							
Measurable Objective	Performance Measure Indicator	Base Year 2006/07	Year 1 2007/8	Quarter 1	Quarter 2	Quarter 3	Quarter 4	Year 2 2008/9	Year 3 2009/10
Identifying, devising and implementing appropriate and effective measures to raise awareness of the existence of the OCP and the services offered by it, and consumer rights in general.	Increasing awareness of OCP as a brand by 50% amongst population of province.	Baseline information gathered on brand awareness of consumers in respect of OCP.	At least three major brand awareness campaigns undertaken and research study completed on their effect and impact on OCP brand.	Tender issued for marketing plan, incorporating branding campaigns.	Review of recommendations by service provider and completion of branding implementation plan.	Completion of phase 1 of implementation plan (50%).	Completion of 2 nd and final phase of implementation plan. Completion of independent survey on OCP brand recognition.	Increase brand recognition by 20% on Year 1 (independently determined).	Increase brand recognition by 20% on Year 2 (independently determined).

Strategic Objective:		To create a fair and conducive business environment for enterprises and consumers.							
Measurable Objective	Performance Measure Indicator	Base Year 2006/07	Year 1 2007/8	Quarter 1	Quarter 2	Quarter 3	Quarter 4	Year 2 2008/9	Year 3 2009/10
Procurement of additional funding for OCP-funded advice offices	Funding equal to department's commitment secured.	Forum for funders and beneficiaries formed and formally launched	Envisaged commitment (equal to 50% of own funding) secured in writing	Funding requests / proposals completed and submitted to at least 5 potential donors.	Managing responses to and enquiries i.r.o. the funding requests, and identifying potential funders.	Negotiations with potential funders and stakeholders.	Funding agreements/ser vice level agreements (SLAs) concluded with funders.	Committed funds obtained and applied in terms of business plan(s)	Final reports to funders and, where available, requests for re-advances.

Strategic Objective:		To create a fair and conducive business environment for enterprises and consumers.							
Measurable Objective	Performance Measure Indicator	Base Year 2006/07	Year 1 2007/8	Quarter 1	Quarter 2	Quarter 3	Quarter 4	Year 2 2008/9	Year 3 2009/10
Engage business community as partners in consumer protection and education	Number of consumer protection and education projects executed jointly between CP unit and the business community	Forum established for co-operation on consumer protection and education projects between OCP and business community	First joint projects executed and reviewed for efficiency, impact and future progress.	Negotiations with business sector to identify suitable joint projects.	Agreement on lead / pilot projects and agreement on funding.	First 5 projects initiated.	Completion of projects and reports generated to obtain management approval for further projects.	Increase in scale of co-operation by 25% in number and/or financial commitment by business community	Increase in scale of co-operation by 25% in number and/or financial commitment by business community



PART B: PROGRAMME AND SUB-PROGRAMME PLANS

6.2 Sub-programme 4.2: Liquor Regulation

i. Specified policies, priorities and strategic objectives

The Liquor Board will continue to be guided by the Western Cape Liquor Policy, as contained in the White Paper on Liquor. Its constitution and structure is to be determined in the course of the legislative process attendant upon the Western Liquor Bill, which was published in the fourth quarter of 2005-6, and which is expected to be enacted, with substantial amendments, in the fourth quarter of this current fiscal year. The Board's broad mandate is to regulate all aspects of the retail and micro-manufacturing tiers of the liquor industry within the Western Cape, whilst developing measures to address the negative consequences of the liquor trade.

The following key priorities have been identified:

- Restructuring the Board and its units for greater efficiency, simplification and shortening of the application process, and increased accountability to the executive authority;
- Resolving the impasse around zoning and land use issues;
- Enacting and implementing the proposed provincial liquor legislation;
- Developing and transforming the liquor industry in accordance with the BBEEE charter;
- Establishing the Board as a primary driver of a culture of responsible liquor trade and consumption in the province and as a model for such initiatives nationally ally.

The Board has accordingly prioritised the following deliverables:

- **Reviewing its processes and procedures with a view to passing improving efficiencies and reducing turn-around times.** During the last two quarters of 2005-6 the Liquor Board produced two reports on business process mapping on this and made recommendations that are being implemented incrementally. The restructuring of the Board, in accordance with the proposals in the Liquor Policy, and incorporated in the Bill, will be pursued after the finalisation of the legislation.

- **Implementation of the Western Cape Liquor Act:** The Liquor Bill, which is now likely to be passed into law in the last quarter of 2006-7, will be implemented with a minimum of delay – to this end, the required Regulations will have to be finalised in the first quarter of 2007-8. The consensus reached with local government and the industry regarding a phased-in approach for zoning for residence-based liquor outlets as well as the local government role in the liquor licence application process will have to be solidified through the Regulations.
- **Development of the liquor industry:** The liquor industry must be developed in a responsible manner to ensure the achievement of economic growth, transformation and job creation, whilst simultaneously addressing the negative aspects of the liquor industry, whether real or perceived. The reduction and eventual elimination, through regulation and other measures, of the supply of low quality wine (particularly white wine) that is associated with undesirable social practices (such as bulk wine in unsuitable containers), which adds to the negative perception of the South African wine industry. Economic growth in the sector must be in support of the **promotion of** international competitiveness of high quality wine exports, both through entering new markets and through increasing the market share within existing markets.
- **The transformation of the industry in accordance with BBEEE imperatives** will be supported. Interventions in this area will be based on the outcome of a research study on the industry commissioned in 2006-7, but initiatives with the potential to contribute to job creation and tourism, especially with a view to the Soccer World Cup 2010, will be prioritised, along with initiatives to facilitate the entry of suitable existing trading establishments into the regulated trade through the new provincial liquor legislation; provide training and non-financial support, facilitate the entry of black manufacturers as micro-manufacturers into the wine industry, particular at the higher value end of the industry.
- **The capacity of the Board to monitoring compliance by liquor license holders with the provisions of the Liquor Act and the liquor licence conditions will be expanded** through provision of more human resources and training, and the development of a protocol for inspections on a regular and structured basis, with the possibility of these inspections being paid for by the licence holders, as is the case in at least one regulated industry . The number of matters brought before the Board for suspension and even revocation of licences will be increased as the capacity is raised and instances of misconduct uncovered through better enforcement.

- **Assistance will be further provided with the training of officials of other departments that are involved in aspects of the implementation of liquor legislation.** Once the new provincial liquor legislation is enacted, the development of training manuals and programmes for training of municipal officials, designated liquor officers within the SAPS and officials from the Department of Justice on aspects of the new provincial legislation will be finalised and implemented on a large scale to ensure proper implementation of the legislation across all levels.
- **Lastly, the Board will prioritise and co-ordinate initiatives towards development of a culture of responsible use of liquor to combat and replace the existing culture of misuse.** This is to be achieved through the education of the liquor manufacturers and retailers and raising the awareness on the part of the consumers of liquor of the harm associated with abuse, in line with international best practice. Mandatory training programmes are to be developed, the implementation of which that will require that liquor retailers, in particular, to be aware of and comply with their legal and social responsibilities in this regard. In raising awareness of the general public in terms of an ethos of responsible consumption, the focus will be on groups at risk, such as pregnant women and juveniles.

ii. Specification of measurable objectives and performance indicators

Strategic Objective:		To grow the economy in a sustainable manner, for all who make the Western Cape their home. To create a fair and conducive business environment for enterprises and consumers.							
Measurable Objective	Performance Measure Indicator	Base Year 2006/7	Year 1 2007/8	Quarter 1	Quarter 2	Quarter 3	Quarter 4	Year 2 2008/9	Year 3 2009/10
Finalisation and promulgation of provincial liquor legislation	Fully enacted provincial liquor legislation.	Western Cape Liquor Bill published, comments received and accommodated, public hearings held and 1 st and 2 nd reading debates held.	Legislation enacted, regulations thereto completed and issued by Minister, Western Cape Liquor Act implemented.	Bill approved by Legislature and passed. Draft regulations submitted to Legal Services for comment and input.	Regulations submitted to Minister, approved and published, with promulgation notice. Notices placed in gazette and newspapers re new Act and tariffs.	New tariffs implemented on new applications and renewals.	Implementation processes monitored independently and report prepared on areas of possible improvement.	Consultant's report on implementation studied and recommendations for improvement implemented.	Implementation processes refined. .
Restructuring of the Liquor Board in accordance with new legislation and transition of Liquor Board to public entity.	Fully operational structure in accordance with the legislation.	Job evaluations conducted on all existing posts at Liquor Board, departmental task team commenced work on	Restructuring of Board completed and all posts filled. Liquor Board operational and administrative	Final version of legislation studied to determine whether any further changes to structure required. If	Restructuring Task Team and/or Change Manager commenting work on final restructuring	Posts in Finance and HR divisions of Liquor Board advertised and shortlisting finished.	Budget process and revenue projections on new fee structures finalised.	First annual business plan submitted to Minister i.t.o. PFMA.	Liquor Board fully functional as independent public entity, compliant with PFMA.

Strategic Objective:		To grow the economy in a sustainable manner, for all who make the Western Cape their home. To create a fair and conducive business environment for enterprises and consumers.							
Measurable Objective	Performance Measure Indicator	Base Year 2006/7	Year 1 2007/8	Quarter 1	Quarter 2	Quarter 3	Quarter 4	Year 2 2008/9	Year 3 2009/10
		change management process.	tive staff, SAPS designated liquor (DLOs) and municipal officials capacitated.	necessary, process initiated for appointment of consultant as change manager.	ring. Existing staff opting to do so, seconded to Liquor Board as public entity. .	Finance and HR functions fully established and independent budget process as public entity commenced.	First annual report by Liquor Board (as independent public entity) prepared.	Publication of first annual report by Liquor Board as independent public entity.	
Improving efficiencies in the liquor licence application system.	Elimination of backlogs and reduction in turn around time on applications.	Internal review of application procedure completed, report with recommendations for improvement submitted to Head of Department, and commenced implementation of	Elimination of backlog of applications lodged prior to 1 January 2007. Waiting time for consideration of new applications reduced to 90 days from date of receipt at Liquor Board.	Assessment of extent of and reasons for backlog, and fast tracking of 20% of identified applications . Further implementation of	Fast tracking of identified applications (40% finalised). Further implementation of recommendations	Fast tracking of identified applications (40% finalised). Review of new procedures in terms of impact and speed.	All applications considered within 90 days of receipt.	Independent review of systems and implementing of recommendations for improvement thereof. Maintaining or improving upon benchmark 90 day waiting period	Review of systems Monitoring of waiting period and quality assurance.

Strategic Objective:		To grow the economy in a sustainable manner, for all who make the Western Cape their home. To create a fair and conducive business environment for enterprises and consumers.							
Measurable Objective	Performance Measure Indicator	Base Year 2006/7	Year 1 2007/8	Quarter 1	Quarter 2	Quarter 3	Quarter 4	Year 2 2008/9	Year 3 2009/10
		recommendations ,	Information management system refined and aligned with procedures in new legislation. Operationalisation of new liquor licensing system (either as an enhancement of information management system or as a stand-alone system).	recommendations in report Training provided to staff on new features of system. . System piloted and staff trained to use it.	dations. Monitoring of use and impact of system on query management. Monitoring of use of system.	Recommendations to supplier on enhancement of system. Modification of system in line with staff input.	Implementation of improved system.	Finalised Finalised	Finalised

Strategic Objective:		To grow the economy in a sustainable manner, for all who make the Western Cape their home. To create a fair and conducive business environment for enterprises and consumers.							
Measurable Objective	Performance Measure Indicator	Base Year 2006/7	Year 1 2007/8	Quarter 1	Quarter 2	Quarter 3	Quarter 4	Year 2 2008/9	Year 3 2009/10
Development and implementation of an enforcement and compliance protocol for Inspectorate division of the Liquor Board.	Fully implemented and enforcement protocol.	Completion of information gathering to draft protocol. Liaison with similar regulators on protocol issues. Protocol drafted, finalisation dependent upon final version of legislation.	Protocol completed and implementation commenced. At least 500 inspections conducted in terms of protocol.	Draft protocol adapted	Draft protocol finalised in accordance with final version of legislation, and workshops with inspectors in preparation for implementation	First inspections conducted in terms of protocol (At least 200)	At least 300 inspections conducted in terms of new protocol.	Increase the number of annual inspections to 1 500.	Increase the number of inspections to 2 000.
Support for projects aimed at ensuring that internationally acceptable labour and	Increase in export of quality wine as a result of an increase in the accreditation certification of SA wine based	WIETA (Wine Industry Ethical Trading Trust) funded to execute research and	WIETA SLA concluded and agreed projects w.r.t. accreditation identified. Other	Project implementation managed and monitored.	Project implementation managed and monitored.	Project implementation managed and monitored.	Project implementation managed and monitored.	Re-evaluation and realignment of projects, monitoring and	Re-evaluation and realignment of projects, monitoring and evaluation of

Strategic Objective:		To grow the economy in a sustainable manner, for all who make the Western Cape their home. To create a fair and conducive business environment for enterprises and consumers.							
Measurable Objective	Performance Measure Indicator	Base Year 2006/7	Year 1 2007/8	Quarter 1	Quarter 2	Quarter 3	Quarter 4	Year 2 2008/9	Year 3 2009/10
production standards are maintained for the export quality of wines.	on compliance with labour and production standards.	initial implementation.	secondary projects identified and tenders placed and awarded for services to execute projects.					evaluation of roll out.	roll out.
Roll out of mandatory training programme on responsible liquor trading.	Number of liquor licence holders trained	Training manual drafted in alignment with proposed provincial. Not finalised in view of Act not passed yet.	Accredited training provided to at least 1000 licence holders and prospective licence holders.	Training manual and plan drafted. Finalisation dependent upon / held over until finalisation / enactment of legislation.	Training manual finalised and printed and schedule of training workshops finalised. Tender for training placed and awarded.	Training conducted on regional basis in 3 regions. At least 1000 licence holders and applicants trained.	Training continued. A further 2000 licence holders and applicants reached.	Review of training Additional training interventions as indicated by review.	Updating of training manual and additional training as per review. .

Strategic Objective:		To grow the economy in a sustainable manner, for all who make the Western Cape their home. To create a fair and conducive business environment for enterprises and consumers.							
Measurable Objective	Performance Measure Indicator	Base Year 2006/7	Year 1 2007/8	Quarter 1	Quarter 2	Quarter 3	Quarter 4	Year 2 2008/9	Year 3 2009/10
Transformation of the liquor industry.	Increased number of retail outlets owned and managed by HDI owners, number of such outlets migrated into mainstream.	Number of Increase HDI owned outlets increased by 20% over baseline established in previous year	Further 20% increase in HDI ownership on base year and 10% provided with skills training for growth into mainstream outlets	Engagement with HDI sector representative bodies on incentives for applying	Finalising incentive scheme for HDI applicants	Phase 1 of implementation of incentive scheme.	Review and further implementation of incentive scheme.	20% increase in HDI ownership on Year 1	10% increase in HDI ownership on Year 2.
Support for projects that raises awareness of FAS in targeted areas.	Increase spread of awareness projects Number of learners and adults reached through awareness campaign	FAS prevention and awareness project rolled out through FASfacts in Breede Valley, Breede River Winelands, lower West Coast and Paarl region, reaching	Roll out of FAS awareness projects with a target of reaching 3000 learners and 2000 adults directly through contact sessions and 250 000 people	SLAs concluded with at least 3 service providers and roll-out of projects commenced.	Further roll-out; monitoring of past performance; payment effected in respect of completed work and planning of balance of roll-out..	Further roll-out; monitoring of past performance; payment effected in respect of completed work and planning of balance of roll-out.	Roll-out of final phase of 2007-8 projects; monitoring of past performance; payment effected in respect of completed work.	Continuation of projects, with modification where necessary.	

Strategic Objective:		To grow the economy in a sustainable manner, for all who make the Western Cape their home. To create a fair and conducive business environment for enterprises and consumers.							
Measurable Objective	Performance Measure Indicator	Base Year 2006/7	Year 1 2007/8	Quarter 1	Quarter 2	Quarter 3	Quarter 4	Year 2 2008/9	Year 3 2009/10
		2000 learners and 1500 adults, and 100000 persons through mass media.	through mass media Independent evaluation.	Tender placed and awarded for independent evaluation of service.	Evaluation by consultant commented.	Preliminary report by consultants received and studied and returned with input.	Engagement with service providers regarding report on independent evaluation.	Independent evaluation	

Strategic Objective:		To grow the economy in a sustainable manner, for all who make the Western Cape their home. To create a fair and conducive business environment for enterprises and consumers.							
Measurable Objective	Performance Measure Indicator	Base Year 2006/7	Year 1 2007/8	Quarter 1	Quarter 2	Quarter 3	Quarter 4	Year 2 2008/9	Year 3 2009/10
Support for responsible liquor consumption awareness project.	Increase in level of awareness	750 000 people reached through campaign.	Awareness campaigns conducted in partnership with NGOs, industry and health and social development departments	SLAs completed and / or tenders placed and awarded.	Projects implemented and monitored.	Implementation of projects, review of monitoring results and modifications made where necessary.	Completion of projects.	Campaigns repeated and or other campaign implemented, based on results from 2007-8 projects.	Campaigns repeated and or other campaign implemented, based on results from 2008-9 projects.

Strategic Objective:		To grow the economy in a sustainable manner, for all who make the Western Cape their home. To create a fair and conducive business environment for enterprises and consumers.							
Measurable Objective	Performance Measure Indicator	Base Year 2006/7	Year 1 2007/8	Quarter 1	Quarter 2	Quarter 3	Quarter 4	Year 2 2008/9	Year 3 2009/10
Training of law enforcement and justice officials for effective enforcement of new provincial liquor legislation.	All DLO's officials trained, and compliance of inspection reports i.t.o. new legislation	Informal training sessions held for designated police officers.	All designated liquor officers (approx. 360) trained on application of new liquor legislation Impact assessment of training intervention (by independent agency).	Training manual and plan drafted. Finalisation dependent upon / held over until finalisation / enactment of legislation.	Training manual finalised and printed and schedule of training workshops finalised. Tender for training placed and awarded.	Training conducted on regional basis in 3 regions. At least 100 DLOs trained.	Training continued. Balance of DLO (approx. 260) and 20 prosecutors trained.	Review of training Additional training interventions as indicated by review.	Updating of training manual and additional training as per review. .



PART B: PROGRAMME AND SUB-PROGRAMME PLANS

6.3 Reconciliation of budget with plan

Programme 4: Programme budget by sub-programme (R '000)

Sub-programme	Year - 2 2004/05 (Actual)	Year - 1 2005/06 (Actual)	Base year 2006/07 (Estimate)	Year 1 2007/08 (Budget)	Year 2 2008/09 (MTEF projection)	Year 3 2009/10 (MTEF projection)
Management Business Regulation and Governance	1 742	520	320	896	1 293	1 593
Consumer Protection	3 813	4 419	4 455	5 887	8 417	8 865
Business Regulation	4 235	3 818	6 255	7 187	7 680	8 735
Total	9 790	8 757	11 030	13 970	17 390	19 193



PART B: PROGRAMME AND SUB-PROGRAMME PLANS

7. Programme 5: Tourism

The purpose of this programme is to grow and transform the Tourism Industry in the Western Cape over the next ten years for the benefit of all citizens.

The programme is structured as follows:

- Management: Tourism
- Tourism Growth
- Tourism Participation
- Destination Marketing Organisation (DMO)

i. Specified policies, priorities and strategic objectives

The Western Cape Tourism Development Framework [WCTD Framework] is intended to be the translation of all the general and tourism industry-specific National and Provincial mandates and all the recommendations which emerge from the Western Cape's Micro-economic Development Strategy [MEDS] into a detailed Master Plan to grow and transform the Tourism Industry in the Western Cape over the next ten years for the benefit of all citizens. It will set targets and define outcomes that need to be achieved over a ten-year timeframe. It will be a living and dynamic document. Research will constantly add to the evidence base. Analysis may adjust as circumstances change. There will be a major review on a five-year basis.

Much of the work to outline the context within which a WCTD Framework will be developed includes:

- The Integrated Tourism Development Framework [ITDF], 2001
- The three Tourism research papers undertaken as part of the Micro-economic Development Strategy [MEDS] for the Western Cape – Research Papers 2005: Volume B.
- The Executive Summary of the three Tourism research papers [as extracted from the MEDS Synthesis Report July 2005.
- The MEDS Synthesis Report July 2006 – Tourism specific extracts [comments from the Oversight Committee].

- The MEDS Tourism Implementation Plan, dated 06 February 2006 [The Department's inputs].
- A comprehensive zero-based strategic planning exercise for the Tourism Sector conducted by the Department.

Tourism is a sector with the potential to create many more jobs and alleviate poverty. This is further confirmed through the Accelerated Shared Growth Initiative of South Africa, which identifies Tourism and the BPO sector as being the two sectors of the economy for priority intervention.

In our plans to meet the national and provincial priorities of accelerated and shared growth for our Province, the following are key priorities:

The development of tourism sites, attractions, routes and infrastructure will be guided by a reworked version of the Integrated Tourism Development Framework [ITDF] which will then be incorporated as a key element within the WCTD Framework. It will prioritise and sequence the rolling out of the proposed developments, specify approximate costs, recommend potential financing partners and recommend a timetable for putting these in place. These include:

- The Tourism Development Areas, with specific focus on development of the False Bay coastline;
- Implementation of the Tourism Road Signage Framework [which outlines the systems and procedures for the development and erection of tourism signage in the region]. It, too, will be incorporated as a key element within the WCTD Framework.
- Play an advocacy role in relation to the provision of efficient and safe public transport and other bulk tourism-enhancing infrastructure. In particular:

We will pursue a vigorous **Tourism Human Resource Development** programme to develop an appropriately skilled and highly productive workforce. This will include the implementation of skills development programmes and ensuring that employers maximise opportunities for employee development.

Through the upscaling of the **Tourism Enterprise Development** programme, we will intensify our participatory interventions by implementing a tiered support strategy that addresses the needs of the full spectrum of entrepreneurs. These interventions will also promote local tourism development and will be linked to other departmental and provincial intervention strategies such as Die Plek Plan. There will be a strong emphasis on the development of an economic empowerment programme that will focus particularly on women, the youth, rural residents, and persons living with disabilities.

We will establish an array of interventions to ensure the **competitiveness** of tourist destinations. These will include the promotion of service excellence and the monitoring of and intervention in pricing issues.

And finally, the role of **Cape Town Routes Unlimited** as a provincial destination-marketing organisation will need to be refined, and we will work with the organisation in producing a 2010 Tourism Accelerated Development Plan.

To achieve the above-mentioned, the Department has, together with all stakeholders in the industry, established the Western Cape Tourism Development Partnership [WCTD Partnership], which will be the co-operative governance body that will:

- Act collectively to develop the detailed policies, strategies and interventions contained within the WCTD Framework.
- Ensure that the partners act in an aligned manner to achieve cost-effective use of our collective resources and, in so doing, have the greatest possible positive impact on the trajectory of the Western Cape tourism sector for the benefit of all provincial citizens.

The WCTD Partnership will consist of high-level representatives of Government, Business, Labour, Civil Society and Education [represented by the Further Education & Training Colleges, the Higher Education Institutions and relevant SETAs].

ii. Analysis of constraints and measures planned to overcome them

Tourism is a broad based industry and its success is dependent on partnerships and collaborations with other government departments, private sector and non-governmental sectors. In order for this to happen one needs to engage in consultative processes, which at times take longer than envisaged and thus have an impact on performance and delivery.

Most of the strategic frameworks that are developed by the Department are implemented at local level, and therefore impose added responsibility on local government, which in most cases, result in stagnation due to structural and financial problems.

Some of the responsibilities that will lead to infrastructure support, reside in other Departments, for example, the implementation of tourism signage in terms of planning phases, manufacturing and erection of signs is the responsibility of the Transport Department. Although there is commitment on their part in terms of the implementation of the Road Signage Framework, it is not given the same priority as it is given by the Tourism Chief Directorate and the Department as a whole.

The Western Cape Tourism Development Partnership will be the co-operative governance body that will ensure that all the partners act in an aligned manner to achieve cost-effective use of our collective resources. The WCTD Partnership will consist of high-level representatives of Government, Business, Labour, Civil Society and the education sector. The Government component of the WCTD Partnership will constitute the Department, CTRU, the City, the x 5 District Municipalities, the Regional Tourism Organisations [RTOs], the Local Tourism Organisations [LTOs], and Provincial Departments as needed. There will also be national representation from DEAT, SA Tourism and **the dti**.

The key constraint for new entrants into tourism remains market access. Success in this area can only be achieved through strong partnerships and networking. Continued partnerships with the private sector will be vigorously pursued.

Lack of access to funding sources are also a major impediment and the Department's future interventions will be geared to not only looking for other sources of income, but in harnessing these sources into a Tourism Development Fund from which funds can be disbursed according to the WCTD Framework [guided by the ITDF component].

As air access remains a constraint, the Department will seek to increase the number of direct international flights to Cape Town. We will form a permanent sub-committee of the WCTD Partnership to do whatever is required to recruit more regular direct flights to Cape Town by foreign airlines. This will include persuading airlines to do so and dealing with all the consequential infrastructure requirements and marketing support needed to make these

possible and profitable.

We see the problem of seasonality as primarily a growth issue and will establish a dedicated permanent sub-committee of the WCTD Partnership to constantly be developing creative ideas to shorten and, possibly eliminate, the low season. The Department will provide anchor funding and expects the private sector to co-fund the work of the committee.

A further area of constraint is the extent to which the broad public understands its role in tourism. Targeted partnership programmes with the private sector aimed mainly at schools (tourists of the future) will look at subsidising social tourism programmes in off-peak periods and especially in tourism month [September] each year.

iii. Description of planned quality improvement measures

Amongst other factors, the following quality improvement measures are planned:

- **Focus:** The bulk of the available resources will be focused on the most important interventions.
- **New Human Resource Capacity:** Filling the current vacancies in the divisions and identifying additional staff requirements as a matter of urgency and training new staff to ensure that we are able to implement the strategies as rapidly as possible.
- **Training and developing existing staff:** staff in the unit need training in facilitation, areas of sector development, and other practical skills pertaining to the functions of the unit. The appointment of good staff to the proposed positions would be a very important determinant in the quality of the services rendered by the unit.
- **Stakeholder relationships/partnerships:** align the work of different role-players, for example, national, provincial and local government, institutions, parastatals, business organisations, organised labour, and communities toward a common vision and agreed plans for the implementation of key interventions through the Western Cape Tourism Development Partnership.
- **Communication with stakeholders within any particular industry:** being able to communicate effectively the goals and the content of the work of the Chief Directorate would contribute tremendously toward managing the expectations of stakeholders and will enable officials to effectively execute their work commitments.
- **Implementing Monitoring and Evaluation, as directed by the Department's Planning, Monitoring and Evaluation System, to effectively monitor and evaluate the Chief Directorate's interventions:** Implementing a system where developments within tourism are regularly monitored and evaluated and reported.

iv. Progress analysis

Tourist arrivals increased from 810,000 in 2000 to 1,535,000 in 2004 accompanied by a steady increase in yields over the five-year period. 2004 yields were up 15 percent on 2003 figures. 2005 forecasts continued growth to reach 1.6 million visitors. In addition, the 2010 World Cup will inject new impetus which will result in new job creation, increased arrivals [targeted to be 3 000 000 for Cape Town & the Western Cape], increased yield, and geographic spread. Domestic arrivals have also shown significant increases

with the Western Cape enjoying a 10 percent share of the national trade. The domestic market continues as a focus market for future growth.

As a result of the strategic exercise and restructuring of the Tourism Directorate, many plans were suspended pending the completion of the process. These plans and programmes are now underway and on track.

During 2006/07, the Tourism Directorate continued with its support for plans and programmes that were aligned with the identified Tourism Development Areas in the ITDF. The Eastern, Western and Northern Gateway proposal were completed and will be implemented.

The development of the Western Cape Tourism Development Framework [WCTD Framework] has been initiated and is intended to be the translation of all the general and tourism industry-specific national and provincial mandates and all the recommendations which emerge from the Western Cape's Micro-economic Development Strategy [MEDS] into a detailed Master Plan to grow and transform the Tourism Industry in the Western Cape over the next ten years for the benefit of all citizens. It will set targets and define outcomes that need to be achieved over a ten-year timeframe.

The Tourism Enterprise Development has expanded its already successful programme to accommodate additional entrepreneurs. The BEE charter and scorecard strategy was launched at the Cape Tourism Showcase. The geographic expansion of the tourism safety and security plan has resulted in the addition of two regional and two local representatives. The reactive programme has responded to 22 incidents in 2006/07. A plan, Cape 365, was also developed and launched that deals with the challenges of seasonality.



PART B: PROGRAMME AND SUB-PROGRAMME PLANS

7.1 Sub-programme: 5.1 TOURISM GROWTH

i. Specified policies, priorities and strategic objectives

Tourism Growth has the following main objectives:

- **To effectively provide integrated Planning in terms of Provincial Government intervening in the tourism industry in the Western Cape.**

This unit will be responsible for:

- Scanning the global and domestic tourism environment for relevant developments.
 - Broadening participation in policy making and strategy development to all social partners, key players in the industry, host communities and the citizenry in general.
 - Convening and supporting a forum of all social partners and other interested parties to develop a comprehensive, provincial tourism development framework.
 - Compiling and publishing an annually updated comprehensive, provincial tourism development framework.
 - Briefing all stakeholders regarding public sector initiatives.
 - Articulating what research needs to be done.
 - Shaping appropriate legislation.
 - Monitoring and evaluating all tourism-enhancing projects undertaken by the provincial government and its social partners.
- **To facilitate Growth of the tourism industry.**

Growth will be measured in terms of the following indicators: an increase in the number of visitors to the Western Cape, particularly in the currently defined [2006] low season; an increase in the average length of stay per visitor; an increase in the average yield/spend per visitor; and an increase in the proportion of visitors who are travelling for business purposes.

This unit will be contributing to the following:

- “Convert” more business visitors to leisure tourists
- Advocate for and facilitate the development of more tourism-enhancing infrastructure
- Develop new sub-sectors, niche markets and products

- Develop and expand existing sub-sectors, niche markets and products
- Recruit investment
- Play a leading role in all initiatives to persuade more foreign airlines to schedule more direct flights to Cape Town and to ensure that we have the infrastructure to deal with the consequential increased volumes
- Increase employment
- Market and promote the destination
- Co-ordinate all efforts to reduce the impact of seasonality on the industry
- Ensure the equitable geographical distribution of infrastructure, product and tourists
- Shape and manage the role of government as an entrepreneur
- **To actively promote the Competitiveness of the destination by ensuring:**
 - The general enhancement of the image of the destination
 - The safety and security of tourists in the destination
 - The expansion of the product offerings of the destination
 - The provision of immediate and easy access to a wide variety of information about the destination on a 24/365 basis
 - Monitoring and intervening in pricing issues
 - The promotion of service excellence
 - Quality assurance of the tourism experience
 - Beautification and cleanliness of frequently used routes, transport hubs and shopping and entertainment complexes and facilities

This unit is essentially responsible for actively undertake exercises to assure the quality of the tourism experience in as many of its dimensions as possible; to put measures in place to ensure the safety and security of tourists; and to ensure the availability of immediate and easy access to destination information by consumers and potential consumers.

- **To develop and implement projects arising from the Tourism Skills Development Strategy**

Human Resource Development remains a key part of tourism development. This unit is responsible for developing and implementing a Tourism Skills Development Strategy. We will pursue a vigorous Tourism HRD programme to develop an appropriately skilled and highly productive workforce. We will:

- Research and analyse skills supply and demand.
- Ensure that the appropriate formal skills development opportunities exist in the Western Cape and that these are taken

- up fully.
 - Ensure that employers maximise opportunities for employee development.
 - Develop and run selected skills development programmes where the education sector or industry are not the appropriate provider.
- **To ensure effective Marketing of the destination, in terms of MICE marketing; Events marketing; Leisure marketing; Visitor and Support Services; and New tourism product development.**

In 2002, a historical agreement was signed between the City and Province aimed at ensuring co-operation in marketing the city and province. A strategic marketing framework was finalised and the Western Cape Tourism Act of 2004 was legislated which has given rise to the establishment of the DMO now trading as Cape Town Routes Unlimited (CTRU). CTRU is responsible for areas of Leisure Marketing, New Product Development, Visitor Services, Conventions and Events. The Department is responsible for ensuring that the CTRU delivers on targets set in these five areas of work. In its first year of formal operation, the focus for 2005/2006 was on operationalising CTRU's mandate in terms of the Western Cape Tourism Act of 2004. The focus for 2006/2007 was on extending the global and domestic marketing campaigns, improving the leisure-business tourism ratio, extending the e-business services network and developing a plan to ensure that the challenge of seasonality is mitigated. CTRU's focus for 2007/2008 will be targeted and cost effective programmes to ensure:

- Refinement of its role as the provincial destination marketing organisation in a manner which is cost effective and is reflective of the organisation moving beyond the status of a new organisation.
- The setting of distinct KPIs, to ensure focused delivery on its role as a destination marketing organisation.
- The development of a 2010 Tourism Accelerated Development Plan, by using the FIFA World Cup in 2010 as a focal point to accelerate interventions to making the destination world class so that it can benefit maximally from the global publicity and word-of-mouth promotion and cope with the anticipated rapid increase in tourist volumes in the years immediately after the event.
- Focused strategies on establishing and positioning Cape Town and the Western Cape as a premier destination for leisure, business and events.
- Developing a strong research capacity, in partnership with the Department and the City.

ii. Specification of measurable objectives and performance indicators

Strategic Objective:									
To grow the Economy in a sustainable manner, for the benefit of all who make the Western Cape their home.									
To increase the levels of participation in the economy by all, especially the previously excluded and presently marginalized.									
To make citizens and the enterprises effective players in the global economy.									
Measurable Objective	Performance Measure Indicator	Base Year 2006/07	Year 1 2007/08	Quarter 1	Quarter 2	Quarter 3	Quarter 4	Year 2 2008/09	Year 3 2009/10)
Ensure good governance by the DMO	Management of service level Agreement of Destination Marketing Organisation. Annual review and evaluation.	Management of service level Agreement of Destination Marketing Organisation. Annual review and evaluation.	Management of service level Agreement of Destination Marketing Organisation. Annual review and evaluation.	Quarterly reporting mechanism implemented	Quarterly reporting mechanism implemented	Quarterly reporting mechanism implemented	Quarterly reporting mechanism implemented	Management of service level Agreement of Destination Marketing Organisation. Annual review and evaluation.	Management of service level Agreement of Destination Marketing Organisation. Annual review and evaluation.
2010 Tourism Accelerated Development Plan	Development of the 2010 Tourism Accelerated Development Plan	Participation in various 2010 Work streams in partnership with CTRU, City of Cape Town & the Dept. of the Premier	Research the potential impact of 2010 on Cape Town and the Western Cape via the Meds Research Process	Conduct Research	Conduct Research	Conduct Research	Finalise research and communicate outcomes to stakeholders	Implement research recommendations Annual review and evaluation.	Implement research recommendations Annual review and evaluation.
Implementation and maintenance of a Western Cape Tourism Development Partnership via the PDC process [incorporating	The establishment of Western Cape Tourism Development Partnership	Ensure stakeholder participation and launch the partnership. Development of partnership mandate and constitution	Co-ordinate and facilitate partnership meetings	Conduct quarterly meeting	Conduct quarterly meetings	Conduct quarterly meeting	Review and refine partnership	On-going	On-going

Strategic Objective:		To grow the Economy in a sustainable manner, for the benefit of all who make the Western Cape their home. To increase the levels of participation in the economy by all, especially the previously excluded and presently marginalized. To make citizens and the enterprises effective players in the global economy.								
		Measurable Objective	Performance Measure Indicator	Base Year 2006/07	Year 1 2007/08	Quarter 1	Quarter 2	Quarter 3	Quarter 4	Year 2 2008/09
	Government; Labour, Civil Society; Business & Education]									
	Providing a secretariat function to the Western Cape Tourism Development Partnership Forum via the PDC process [incorporating Government; Labour, Civil Society; Business & Education]	Facilitate and co-ordinate partnership meetings	Establish and launch the partnership. Ensure full stakeholder participation	Conduct and facilitate partnership quarterly meetings. Ensure that meeting outcomes are communicated Provincial to all stakeholders	Conduct and facilitate quarterly meeting	Conduct and facilitate quarterly meetings	Conduct and facilitate quarterly meeting	Conduct and facilitate quarterly meeting Review and refine partnership	On-going	On-going
	Updated Western Cape Tourism Development Framework	Establish the Development Framework that is completely aligned to Provincial and National imperatives	Establish and communicate the Development Framework	Prioritise & implement Development Framework recommendations	Implement projects and programmes identified in the Development Framework	Implement projects and programmes identified in the Development Framework	Implement projects and programmes identified in the Development Framework	Implement projects and programmes identified in the Development Framework	On-going Continuous monitoring and evaluation	On-going Continuous monitoring and evaluation
	ITDF review process as part of the Western Cape Tourism Development	Reviewed and redefined ITDF	Initiate ITDF review process and ensure alignment to Provincial and	Communicate and implement ITDF recommendations	Implement projects and programmes identified in the ITDF	Implement projects and programmes identified in the ITDF	Implement projects and programmes identified in the ITDF	Implement projects and programmes identified in the ITDF	On-going Continuous monitoring and	On-going Continuous monitoring and

To grow the Economy in a sustainable manner, for the benefit of all who make the Western Cape their home.											
Strategic Objective:			To increase the levels of participation in the economy by all, especially the previously excluded and presently marginalized.								
To make citizens and the enterprises effective players in the global economy.											
Measurable Objective	Performance Measure Indicator	Base Year 2006/07	Year 1 2007/08	Quarter 1	Quarter 2	Quarter 3	Quarter 4	Year 2 2008/09	Year 3 2009/10)		
Framework		National imperatives						evaluation		evaluation	
Conducting tourism research via the MEDS research process	No. of topics researched	Identification of necessary industry indicators and niche research requirements.	Publication, communication and evaluation of research with annual review process.	Identification of indicators	Conduct research	Conduct research	Conduct research	Ongoing publication, evaluation and review.		Ongoing publication, evaluation and review.	
Develop & implement M&E at Chief Directorate level [aligned to the Department's Planning, Monitoring & Evaluation System]	No. of Tourism programs Monitored and evaluated.	Develop, Implement and Maintain Monitoring and Evaluation system, and use it to refine policy development	Implementation of monitoring and evaluation system	Conduct research	Conduct research	Conduct research	Implement and Maintain Monitoring and Evaluation system, and use it to refine policy development.	Implement and Maintain Monitoring and Evaluation system, and use it to refine policy development.			
Environmental Scan: understanding the global, continental and regional [SADC] mandates	Establishment of a research document	New project – to be developed in 2007/08	Development of a document that highlights international and regional best practice	Document and research review	Document and research review	Development of the document	Communication to all relevant role-players	Review and communication to all		Review and communication to all	
Environmental Scan: understanding the	A resource document that aligns National, Provincial and Local	Development of a resource document	Ensure alignment of projects and programmes to	Updating of resource document	Updating of resource document	Updating of resource document	Updating of resource document	Updating of resource document and		Updating of resource document and	

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To increase the levels of participation in the economy by all, especially the previously excluded and presently marginalized.											
To make citizens and the enterprises effective players in the global economy.											
Strategic Objective:		Base Year 2006/07	Year 1 2007/08	Quarter 1	Quarter 2	Quarter 3	Quarter 4	Year 2 2008/09	Year 3 2009/10)		
Measurable Objective	Performance Measure Indicator	national/provincial and local mandates – Resource Document	Government mandates		National, Provincial and Local Government mandates	and communication to all	and communication to all	and communication to all	and communication to all	communication to all	communication to all
Sector watch: identify industry specific issues; and identify constraints/blockages and propose interventions	Action plan that addresses blockages and constraints	New project – to be developed in 2007/08	Development and implementation of an action plan	Research of constraints and blockages	Development of action plan	Development of action plan	Implementation of recommendations	Ongoing review and implementation			
Information sharing to all stakeholders regarding public sector initiatives	Development and implementation of a communication plan to all tourism role players and stakeholders	New programme – to be developed in 2007/08	A communication plan development and roll out	Development of a communication plan	Implementation of recommendations	Implementation of recommendations	Implementation of recommendations	Review and impact analysis Ongoing	Ongoing		

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Strategic Objective:		Performance Measure Indicator	Base Year 2006/07	Year 1 2007/08	Quarter 1	Quarter 2	Quarter 3	Quarter 4	Year 2 2008/09	Year 3 2009/10)	
Implementing ITDF projects in key Tourism Development Areas. (Provincial Tourism White Paper) and the Integrated Tourism Development Framework)		The implementation of 4 projects	Business plans and development plans finalised <ul style="list-style-type: none">Northern, Western, Eastern and V&A WaterfrontSouthern Most Tip of Africa. Development plans finalisedRoute 62 Development plan finalised.Cape Flats Tourism Framework finalised.	Implementation of projects and programmes	Initiate implementation of finalise plans for all projects and programmes	On-going implementation	On-going implementation	Launch completed projects	Aggressive marketing, review and project cycle evaluation and renewal.	Provide on-going strategic and financial support to all established projects and programmes. Continuous monitoring and evaluation	
Implementation of the Cape 365 (An intervention identified to address matters pertaining to seasonality in the WC)		No. of recommendations implemented	Funded and finalised the Cape 365 study Initiative launched in September 2006 at the Access Destination	Implement some of the key recommendations identified in the study	Meet with necessary role-players to prioritise and establish a phased implementation on process.	Implement recommendation	Implement recommendation	Monitor & Evaluate Market and promote intervention	Continued Support for the Cape 365 Campaign	Continued Support for the Cape 365 Campaign	

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Strategic Objective:		Performance Measure Indicator	Base Year 2006/07	Year 1 2007/08	Quarter 1	Quarter 2	Quarter 3	Quarter 4	Year 2 2008/09	Year 3 2009/10)	
Measurable Objective		(Asgisa, Med's and Tourism White Paper, Cape 365 Study)	Conference		Align sector partners Source additional funding						
Development of a comprehensive Tourism Investment Recruitment Portfolio for the Western Cape. Portfolio to be marketed to both local and international investors.		No. of tourism investment packages facilitated	Develop framework in consultation with WESGRO and related structures.	Development of strategic tourism investment framework.	Consultation with relevant stakeholders eg. Wesgro, CTRU, DTI Establish a Terms of Reference	Secure a Service Provider via the tender process	First draft	Finalisation. Packages facilitated.	Communication, monitoring and evaluation of framework.		Evaluation and review of programme.
To carry out Strategic Tourism Safety & Support Planning		Strategic and Management Plans and Procedures that address Safety and Support of Tourists	Planning for review of strategic and management plans and procedures	Draft review of plans and procedures	Ongoing review of plans and procedures and consultation	Ongoing review of plans and procedures and consultation	Ongoing review of plans and procedures and consultation	Final review of plans and procedures	Implementation of plans and procedures		Implementation of plans and procedures
		Plans for six regions and fifteen local areas	Develop Regional and local area plans	Implementation of regional and local area plans	Finalise Eden Region plan	Finalise draft plan for Overberg region	Finalise Overberg plan	Draft local and area plans	Review and adjust regional and local area plans		Implementation of regional and local area plans

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Strategic Objective:		Performance Measure Indicator	Base Year 2006/07	Year 1 2007/08	Quarter 1	Quarter 2	Quarter 3	Quarter 4	Year 2 2008/09	Year 3 2009/10)
		A major events plan that incorporates the World Cup Soccer 2010	Attend World Cup 2010 Planning meetings	Attend World Cup 2010 Planning meetings	Attend ongoing meetings	Attend ongoing meetings	Attend ongoing meetings	Attend ongoing meetings	Consolidation of response capability geared for WC 2010 Finalise major events plan (especially for World Cup Soccer 2010).	Implement consolidated response capability Implement major events plan for World Cup Soccer 2010.
		No. of National Tourism Safety & Security meetings attended	Attend National Tourism Safety & Security meetings	Attend National Tourism Safety & Security meetings	Attend ongoing meetings	Attend ongoing meetings	Attend ongoing meetings	Attend ongoing meetings	Attend National Tourism Safety & Security meetings	Attend National Tourism Safety & Security meetings
Promote Tourism Safety and Security awareness through proactive programmes.	No of Awareness programmes	Development of Safety & Support collateral for distribution including safety tips cards	Distribution of the brochure and safety tips programme.	20% distribution and networking	20% distribution and networking	20% distribution and networking	20% distribution and networking	20% distribution and networking	Maintain Tourism Safety & Security Forum Maintain pro-active programme. Maintenance of the brochure distribution programme. Development of ICT	Maintain Tourism Safety & Security Forum Maintain pro-active programme. Maintenance of the brochure distribution programme. Maintenance of ICT

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Strategic Objective:		Performance Measure Indicator	Base Year 2006/07	Year 1 2007/08	Quarter 1	Quarter 2	Quarter 3	Quarter 4	Year 2 2008/09	Year 3 2009/10)	
									communications technology and a web site. Maintenance of regional liaison officers at LTB.	communications technology and a web site. Maintenance of regional liaison officers at LTB. Implement plans for regions and provide training	
Provide a high level response capability through the Tourism Victim Support Programme	Number of Effective, efficient response s to incidents.	Responding to 80% of reported tourist incidents. Update database.	Responding to 80% of reported tourist incidents. Update database	80% response to reported tourist incidents	80% response to reported tourist incidents	80% response to reported tourist incidents	80% response to reported tourist incidents	80% response to reported tourist incidents	Implement stakeholder data bank.	Implement proactive responses to incidents – ongoing. Maintain stakeholder data bank 90% response to incidents.	

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To increase the levels of participation in the economy by all, especially the previously excluded and presently marginalized.										
To make citizens and the enterprises effective players in the global economy.										
Strategic Objective:		Performance Measure Indicator	Base Year 2006/07	Year 1 2007/08	Quarter 1	Quarter 2	Quarter 3	Quarter 4	Year 2 2008/09	Year 3 2009/10)
Oversee and promote effective implementation of Tourism Road Signage.		Development of Tourism Road signage for specific Tourism Routes/Areas and gateway developments.	Development of road signage for Cape-Namibia Tourism Route	Continued development of road signage for Cape-Namibia Tourism Route	Planning	1 x project finalised	1 X project finalised	1 x project finalised	Review existing road signage on Tourism Routes.	Review existing road signage on Tourism Routes.
		No of tourist routes signed.	Development of road signage for Eastern, Western and Northern Gateways	Continued development of road signage for Eastern, Western and Northern Gateways as required - ongoing	Continued development of road signage for Eastern, Western and Northern Gateways as required - ongoing	Continued development of road signage for Eastern, Western and Northern Gateways as required - ongoing	Continued development of road signage for Eastern, Western and Northern Gateways as required - ongoing	Continued development of road signage for Eastern, Western and Northern Gateways as required - ongoing	Consolidation of Tourism Routes.	Consolidation of Tourism Routes.
		No. of Regional Tourism Liaison Committee Meetings held	4 Regional Tourism Liaison Committees fully functional meet on scheduled basis	4 Regional Tourism Liaison Committees fully functional meet on scheduled basis.	4 meetings held in regions	4 meetings held in regions	4 meetings held in regions	4 meetings held in regions	4 meetings held in regions	4 Regional Tourism Liaison Committees fully functional meet on scheduled basis.

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Strategic Objective:		Performance Measure Indicator	Base Year 2006/07	Year 1 2007/08	Quarter 1	Quarter 2	Quarter 3	Quarter 4	Year 2 2008/09	Year 3 2009/10)
Measurable Objective	Develop and oversee quality assurance programme	A completed strategic framework for the Quality Assurance Programme	Draft Strategic Framework for Quality Assurance Programme	Implementation of Strategic Framework for Quality Assurance Programme	Implementation of Strategic Framework for Quality Assurance Programme	Implementation of Strategic Framework for Quality Assurance Programme	Implementation of Strategic Framework for Quality Assurance Programme	Implementation of Strategic Framework for Quality Assurance Programme	Review Strategic Framework for Quality Assurance Programme	Implementation of Strategic Framework for Quality Assurance Programme
		No. of Quality Assurance Inspectors/ Assessors trained to do Monitoring and Evaluation	Funding transferred to Cape Town Routes Unlimited to implement Quality Assurance programme	Implementation of quality assurance programme i.e. Monitoring and evaluation by Cape Town Routes Unlimited	Quality assurance inspectors / assessors identified to do Monitoring and Evaluation	Products assessed throughout province	Products assessed throughout province	Products assessed throughout province	Review and adjustment of Quality Assurance Programme	Implementation of Quality Assurance Programme
		Number of recommendations of the Universal Accessibility strategy implemented	Draft Universal Accessibility strategy	Implementation of Universal Accessibility strategy	Implementation of Universal Accessibility strategy	Implementation of Universal Accessibility strategy	Implementation of Universal Accessibility strategy	Implementation of Universal Accessibility strategy	Review universal accessibility strategy	Implementation of universal accessibility strategy
		No of National Quality assurance meetings attended	Attend National Quality assurance meetings	Attend National Quality assurance meetings	Attend ongoing meetings	Attend ongoing meetings	Attend ongoing meetings	Attend ongoing meetings	Attend National Quality assurance meetings	Attend National Quality assurance meetings

To grow the Economy in a sustainable manner, for the benefit of all who make the Western Cape their home.									
Strategic Objective:		To increase the levels of participation in the economy by all, especially the previously excluded and presently marginalized.							
To make citizens and the enterprises effective players in the global economy.									
Measurable Objective	Performance Measure Indicator	Base Year 2006/07	Year 1 2007/08	Quarter 1	Quarter 2	Quarter 3	Quarter 4	Year 2 2008/09	Year 3 2009/10)
	No. of Tourism Grading Council Board meetings attended	Attend Tourism Grading Council Board meetings	Attend Tourism Grading Council Board meetings	Attend ongoing meetings	Attend ongoing meetings	Attend ongoing meetings	Attend ongoing meetings	Attend Tourism Grading Council Board meetings	Attend Tourism Grading Council Board meetings
24/7 Access to information – information provisioning [directions; products/service s available] to tourists on a 24/7 basis	The establishment of a 24/7 information service	New project	Conceptualisation of programme	Consultation with relevant players	Investigate feasibility of programme with other key stakeholders	Develop terms of reference for service provider	Appoint service provider	Implementation, communication, monitoring and evaluation of programme.	Monitoring and Evaluation of programme. Continuous alignment with industry needs.
Refining the Tourism HRD Strategy via the Skills Development Forum.	Fully operational Skills Development Forum that meets quarterly.	Skills Development Forum established.	Skills Development forum that is fully operational.	1 st quarter meeting	2 nd quarter meeting	3 rd quarter meeting	4 th quarter meeting	Skills Development sub-committee meeting once a quarter – 4 times a year.	Skills Development sub-committee meeting once a quarter – 4 times a year.
Refining the Tourism HRD Strategy via the Skills Development	An HRD Strategy for the Western Cape Tourism Industry that is supported by all stakeholders.	Alignment of HRD Strategy with the MEDS research.	Refinement of HRD Strategy in consultation with key stakeholders	Consultation with relevant stakeholders	First draft	Second draft	Finalisation of HRD Strategy.	Implementation, communication, monitoring and evaluation of strategy.	Monitoring and Evaluation of strategy. Continuous alignment with

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Strategic Objective:			Performance Measure Indicator	Base Year 2006/07	Year 1 2007/08	Quarter 1	Quarter 2	Quarter 3	Quarter 4	Year 2 2008/09	Year 3 2009/10)
Measurable Objective											
Forum.											industry needs.
Conducting tourism education, training and skills programmes in the six regions (short term interventions) in consultation with workforce development, THETA and the HRD sub-committee.	Number of training sessions in 6 regions of the province.		Identification of gaps in the industry i.t.o. education, skills and training programmes to be conducted.	Implementation of training in 2 pilot sites.	Identification of pilot sites.	Terms of reference	Project implementation in the 2 regions	Evaluation	Implementation of training in 3 regions of the province.	Implementation of training programmes in all 6 regions of Western Cape.	
Establishment of various Tourism Related Bursary Funds In partnership with industry.	Number of successful bursary recipients.		Continued support to existing 2 Bursary Funds with the University of Stellenbosch and the Cape Peninsula University of Technology.	Initiate and maintain 3 bursary funds	Maintain current bursary funds. Investigate opportunities for development of other bursary funds	Maintain current bursary funds. Identify additional bursary funds	Maintain current bursary funds. Seek support for further bursary funds	Maintain current bursary funds. Implement new bursary funds	12 bursary recipients with one additional bursary fund.	16 bursary recipients with two additional bursary funds.	
Implement network of	Suitable, competent Tourism Development		Plan conceptualised	Implement plan through a pilot 4	Draw up terms of	Oversee project	Interview, appoint and	Ongoing evaluation	Evaluate success of Tourism	Evaluate success of Tourism	

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Strategic Objective:		Performance Measure Indicator	Base Year 2006/07	Year 1 2007/08	Quarter 1	Quarter 2	Quarter 3	Quarter 4	Year 2 2008/09	Year 3 2009/10)
Measurable Objective	Agents adequately covering all regions of the Western Cape.	Tourism Development Agents to build capacity at local level.		regions of the Western Cape.	reference and appoint project manager through a tender process.	manager in drawing up job description for Tourism Development Agents. Work with stakeholders and advertise positions.	draw up performance agreements together with local municipalities.	and inclusion of Tourism Development Agents in development programmes of all sub-directorates.	Development Agents selected; support them in their roles and replace them if necessary based on performance evaluation.	Development Agents selected; support them in their roles and replace them if necessary based on performance evaluation.



PART B: PROGRAMME AND SUB-PROGRAMME PLANS

7.2 Sub-programme: 5.2 TOURISM PARTICIPATION

i. Specified policies, priorities and strategic objectives

Tourism Participation has the following main objectives:

- **To promote and ensure effective engagement with regard to Participation, Enterprise Development and Local Economic Development**

Participation will ensure that:

- New businesses are able to enter and thrive in the tourism industry.
- There are as many meaningful opportunities for new businesses to develop and thrive in as many municipalities as possible.
- Those who were previously excluded and currently remain marginalised and disadvantaged are given an opportunity to participate in the tourism industry.
- There is a fair and supportive business environment.

The Tourism Enterprise Development Programme is a tiered support strategy, which addresses the needs of the full spectrum of entrepreneurs in the industry from entry level and necessity entrepreneurs to established and employment creating enterprises. It has been piloted successfully over a four-year period. Enterprise Development will:

- Adapt the programme so that it can cater for a greater throughput.
- Undertake tourism enterprise development outreach programmes through the Tourism Help Desks and the RED Door to ensure that as many potential entrepreneurs and interested communities are aware of our tourism enterprise programmes as possible.
- Increase the scale of the programme to a point where supply matches demand over the next three years.

Local Economic Development [LED] in tourism will be achieved in the B and C municipalities through *Die Plek Plan*, the Department's local economic development initiative, and the Tourism Enterprise Development Programme by:

- Providing tourism business development expertise to *Die Plek Plan* operatives to facilitate and accelerate the development of tourism businesses, especially for the previously disadvantaged and currently marginalised;

- Undertaking tourism LED outreach programmes through the Tourism Help Desks and RED Door to ensure that as many potential entrepreneurs and interested communities are aware of our programmes as possible and
- Strengthening the capacities of B and C municipalities, Tourism Help Desks, Regional Tourism Organisations [RTOs] and Local Tourism Organisations [LTOs] to play their roles in tourism optimally.

[The City of Cape Town has an extensive programme for LED in tourism in the Metropole.]

- **To ensure a Regulated and Fair Business Environment within the tourism industry.** This unit will be responsible for:

- Provide tourist guiding registration and development services;
- Exert influence to ensure the timeous issuing of tour operator licences;
- Regulate some aspects of tourism enterprises;
- Promote a fair, conducive and supportive business environment for tourism businesses and potential businesses; and
- Provide protection to tourists as consumers.

- **To promote Social and Environmental Tourism issues within the tourism industry.**

This unit will be responsible for:

- Promoting awareness by citizens of their role in tourism;
- Providing access to the host community to experience tourism;
- Protecting the host community in relation to culture and heritage;
- Promoting the concept of “pro-poor” tourism;
- Promoting the concept of responsible tourism;
- Protecting resources which are critical to a thriving tourism industry;
- Protecting the environment [including water resources] in the light of increasing tourism densities [for example, golf courses]; and
- Dealing with industry specific socio-economic issues.

ii. Specification of measurable objectives and performance indicators

Strategic Objective:		To grow the Economy in a sustainable manner, for the benefit of all who make the Western Cape their home. To increase the levels of participation in the economy by all, especially the previously excluded and presently marginalized. To make citizens and the enterprises effective players in the global economy.							
		Base Year 2006/07	Year 1 2007/08	Quarter 1	Quarter 2	Quarter 3	Quarter 4	Year 2 2008/09	Year 3 2009/10)
Measurable Objective	Performance Measure Indicator								
Strengthening the Tourism Business Forum Partnership	Consolidated Tourism Business Development in the Western Cape through the co-operation of all relevant role-players.	Refinement of the organisations that make up the Tourism Business Forum.	Ensuring that each of the core members of the Tourism Business Forum deliver according to agreed responsibilities of the core partners.	Ongoing meetings to ensure consolidation and alignment.	Ongoing meetings to ensure consolidation and alignment.	Ongoing meetings to ensure consolidation and alignment.	Ongoing meetings to ensure consolidation and alignment.	Ensure alignment amongst Tourism Business Forum Partners	Ensure alignment amongst Tourism Business Forum Partners
Strategic Blueprint for Tourism Enterprise Development Tourism Blue Chip Investment Portfolio	Develop a number of Business concepts , some of which are packaged with business plans and feasibility studies developed to be awarded to suitable tourism entrepreneurs. No. of opportunities completed in the province.	New project	Twenty packaged business concepts (and 200business ideas developed) to be awarded to suitable tourism entrepreneurs as part of Tourism Blue Chip Investment Portfolio.	Appoint project manager to facilitate the development of the Tourism Blue Chip Investment Portfolio	Three facilitation sessions to gather the necessary contributions from all key role-players in order to develop portfolio	Development of 200 business concepts	Development of 20 business plans and feasibility studies of portfolio.	Selection of suitable entrepreneurs to be awarded with the 20 investments. Forty new packaged business concepts developed.	Selection of suitable entrepreneurs to be awarded with the 40 investments. An additional 200 Business concepts developed, eighty of which are packaged with business plans

Strategic Objective:		To grow the Economy in a sustainable manner, for the benefit of all who make the Western Cape their home. To increase the levels of participation in the economy by all, especially the previously excluded and presently marginalized. To make citizens and the enterprises effective players in the global economy.								
Measurable Objective	Performance Measure Indicator	Base Year 2006/07	Year 1 2007/08	Quarter 1	Quarter 2	Quarter 3	Quarter 4	Year 2 2008/09	Year 3 2009/10)	
										and feasibility studies developed to be awarded to suitable tourism entrepreneurs.
Refining the overhauled THD (Tourism Help Desk) Network	Suitable, competent THDs adequately covering all regions of the Western Cape.	Overhauling the THD Network through a strategic recruitment, selection and development process.	Ensure external network of capacitated THDs in all regions of the Western Cape.	Receive input from project manager on how THDs have performed from Sep 2006 to Mar 2007. Based on this put plans in place to meet capacity requirements in all regions. Quarterly Forum	Performance Evaluation of all THDs Ensure that all THDs can competently deliver TOPs (Tourism Outreach Programme). Quarterly Forum	Provide necessary skills to THD that they can deliver Tourism awareness by Q4. Quarterly Forum	Performance Evaluation of all THDs Ensure that all THDs can competently deliver Tourism Awareness. Quarterly Forum	Evaluate success of THDs selected; support them in their roles and replace them if necessary based on performance evaluation. Investigate whether THDs could play a broader role in tourism development.	Evaluate success of THDs/ Tourism Development Officers selected; support them in their roles and replace them if necessary based on performance evaluation.	
Implementation of the Tourism Business Management Programme	No. of entrepreneurs who proceed to level IV	Appoint service provider via tender process to implement TBMP, while also	Implement effective Tourism Business Management Programme	Implement TBMP 2007	Implement TBMP 2007	Select entrepreneurs in line with Tourism Blue Chip	Implement effective Tourism Business Management	Rationalise implementation of the Tourism Business Management	Implementation of the Tourism Business Management Programme	

Strategic Objective:		To grow the Economy in a sustainable manner, for the benefit of all who make the Western Cape their home. To increase the levels of participation in the economy by all, especially the previously excluded and presently marginalized. To make citizens and the enterprises effective players in the global economy.										
		Measurable Objective	Performance Measure Indicator	Base Year 2006/07	Year 1 2007/08)	Quarter 1	Quarter 2	Quarter 3	Quarter 4	Year 2 2008/09	Year 3 2009/10)	
				(TBMP)								
Implementation of the Tourism Mentorship Programme (TMP)	No. of entrepreneurs who successfully complete TMP each year	Appoint service provider via tender process to implement TMP, while also maintaining, evaluating and refining the programme.	Expand programme into areas determine by Blue Chip	Implement TMP 2007 Matching mentees and mentors	Implement TMP 2007 Mentorship starts	Select entrepreneurs in line with Tourism Blue Chip Investment Portfolio. Mentorship on hold during peak season	Select entrepreneurs in line with the TMP in line with Blue Chip	Rationalise implementation of the TMP in line with Blue Chip	Implementation of the TMP in line with Blue Chip			
Implementation of the Tourism Fast Track Programme (TMP)	No. of entrepreneurs who successfully complete Fast Track each year and continue to TMP	Appoint service provider via tender process to implement TFTP, while also maintaining, evaluating and refining the programme.	Expand programme into areas determine by Blue Chip	Implement TFTP 2007 Matching mentees and mentors	Implement TFTP 2007 Mentorship starts	Select entrepreneurs in line with Tourism Blue Chip Investment Portfolio. Mentorship on hold	Select entrepreneurs in line with the TFTP in line with Blue Chip	Rationalise implementation of the TFTP in line with Blue Chip	Implementation of the TFTP in line with Blue Chip			

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		Measurable Objective	Performance Measure Indicator	Base Year 2006/07	Year 1 2007/08)	Quarter 1	Quarter 2	Quarter 3	Quarter 4	Year 2 2008/09	Year 3 2009/10)
Staging of improved Cape Tourism Showcase	Number of contracts initiated or secured as a result of exhibition at the CTS	First staging of improved Cape Tourism Showcase	Well-planned and improved Cape Tourism Showcase, with arrangements starting in Q3 of base year.	Promotion of CTS at Indaba	All arrangements in place	Staging of CTS during peak season	Appointment of service provider for CTS 2008.	Staging of improved Cape Tourism Showcase	Staging of improved Cape Tourism Showcase		
Monitoring and Evaluation of the Tourism Enterprise Development Interventions	Research document measuring current progress made in transforming the industry, and gaps that still exist that are not being met.	No research conducted as research will only be conducted every two years and research was conducted in the 2005/06 financial year	Conduct M&E Study	Appoint project manager	Develop methodology	Conduct fieldwork	A compiled analysis and report of results	Implement results	Conduct biennial research		
Keep an accurate and accessible register of qualified tourist guides within the province in accordance with the legislation.	Number of new and re-registered tourist guides on the database.	Approximately 3500 tourist guides in the database.	Increase of approximately 1500 re-registrations and 750 new registrations	Ensure compliance with legislation and regular interaction with training providers to	Ensure compliance with legislation and regular interaction with training providers to	Ensure compliance with legislation and regular interaction with training providers to	Ensure compliance with legislation and regular interaction with training providers to	Increase of approximately 2000 re-registrations and 1500 new registrations	Increase of approximately 2500 re-registrations and 1500 new registrations		

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Measurable Objective	Performance Measure Indicator	Base Year 2006/07	Year 1 2007/08	Quarter 1	Quarter 2	Quarter 3	Quarter 4	Year 2 2008/09	Year 3 2009/10	
				encourage new guides to register	encourage new guides to register	encourage new guides to register	encourage new guides to register			
Minimise the utilisation of illegal tourist guides through increased public awareness.	Number of public awareness interventions.	1500 pamphlets printed and disseminated. 2 Bi-annual presentations to tour operators through SATSA and TOACT.	2000 pamphlets printed and disseminated. Bi-annual presentations to tour operators.	Print pamphlets Attendance at SATSA and TOACT quarterly meetings Quarterly inspections at the tourism attractions	Distribution of pamphlets Meet with TOACT and SATSA Quarterly inspections at the tourism attractions	Implement the awareness drive. Quarterly inspections at the tourism attractions	Implement the awareness drive. Quarterly inspections at the tourism attractions	2500 pamphlets printed and disseminated. Bi-annual presentations to tour operators.	3000 pamphlets printed and disseminated. Bi-annual presentations to tour operators.	
Disseminate	No of presentations	Basic electronic	Presentations	Participation	Participation	Participation	Participation	Database	Database	

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Measurable Objective	Performance Measure Indicator	Base Year 2006/07	Year 1 2007/08)	Quarter 1	Quarter 2	Quarter 3	Quarter 4	Year 2 2008/09	Year 3 2009/10)
information about registered tourist guides within the province and associations of tourist guides.	held to promote guiding sector	database established. Presentations done to SATSA and TOACT.	done to SATSA and TOACT	at the RTO Forum Presentations at SATSA/TOA CT meetings	at the RTO forum Presentations at SATSA/TOA CT meetings	at the RTO forum Presentations at SATSA/TOA CT meetings	at the RTO forum Presentations at SATSA/TOA CT meetings	maintained for effective public dissemination.	maintained for effective public dissemination.
	Number Newsletters distributed per quarter.	4 Newsletters distributed per year	4 Newsletters distributed per year	1 st quarter newsletter	2nd quarter newsletter	3 rd quarter newsletter	4 th quarter newsletter	4 Newsletters distributed per year	4 Newsletters distributed per year
Maintaining a co-operative relationship within the tourism industry in consultation with National Government.	Inclusion on agenda of stakeholder meetings attended	Forged relationships with relevant stakeholders.	Attendance at key industry stakeholder meetings		Quarterly SATSA meetings TOACT meetings	Quarterly SATSA/TOACT meetings	Quarterly SATSA/TOACT meetings	Maintain and build on existing relationships.	Maintain and build on existing relationships.

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Measurable Objective	Performance Measure Indicator	Base Year 2006/07	Year 1 2007/08)	Quarter 1	Quarter 2	Quarter 3	Quarter 4	Year 2 2008/09	Year 3 2009/10)	
					CTGA Meetings	CTGA meetings	CTGA meetings	CTGA meetings		
Promote and encourage transformation within the Tour Guiding Industry.	Increase number of Black tourist guides.	Approximately 500 Black guides on database	Implement training programmes targeted at historically disadvantaged	Training programmes for Tourist Guides	Training programmes for Tourist Guides	Training programmes for Tourist Guides	Training programmes for Tourist Guides	Increase number of Black guides to at least 40%	Increase number of Black guides to at least 45%	
	Number of training and upskilling interventions for HDI tourist guides.		4 upskilling programmes conducted for HDI Tourist Guides	1Upskilling programme implemented	1Upskilling programme implemented	1Upskilling programme implemented	1Upskilling programme implemented	Presentation of an upskilling program to existing HDI guides.	Presentation of an upskilling program to existing HDI guides.	
	Number of Black guides on guiding structures and associations to drive transformation agenda	Improved representatively in W Cape Tourist Guides Association (WCTGA).	Increase the number of Black Guides on the WCTGA by 10%	Support and discussions with WCTGA wrt issues affecting the guiding industry	Support and discussions with WCTGA wrt issues affecting the guiding industry	Support and discussions with WCTGA wrt issues affecting the guiding industry	Support and discussions with WCTGA wrt issues affecting the guiding industry	30-40% of WCTGA executive committee to be constituted of Black guides.	50% of WCTGA executive committee to be constituted of Black guides. Continue the process of implementation of	

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Measurable Objective	Performance Measure Indicator	Base Year 2006/07	Year 1 2007/08)	Quarter 1	Quarter 2	Quarter 3	Quarter 4	Year 2 2008/09	Year 3 2009/10)
					(Continues)	(Continues)	(Continues)		the WCTGA.
	Attendance of Tourists Guides at functions to celebrate the contributions by tourist guides to the industry		Host two functions to honour tourist guides		Planning and preparation for the Welcome Awards	Announce the winners of the annual Welcome Awards	Organise Annual International Tourist Guides day on 21 Feb		
Advocacy role in addressing the blockages experienced with Tour Operating Licences.	The number of booklets distributed to the tourism industry	New programme	Develop a booklet that addresses the NLTTA and the operations of the TOLB	Meetings held with the sub-committee of the TOLB that deals with tourism to discuss content for the booklet	Booklet printed and distributed	Booklet distributed	Booklet distributed	Booklet distributed	Continue with the distribution of the booklet
Business environment	A survey that identifies the	Address blockages, barriers and	Survey to identify blockages	Terms of reference for	Service provider	Survey	Results of the survey	Implement the results from the	Implementation

To grow the Economy in a sustainable manner, for the benefit of all who make the Western Cape their home.											
To increase the levels of participation in the economy by all, especially the previously excluded and presently marginalized.											
To make citizens and the enterprises effective players in the global economy.											
Strategic Objective:		Performance Measure Indicator	Base Year 2006/07	Year 1 2007/08)	Quarter 1	Quarter 2	Quarter 3	Quarter 4	Year 2 2008/09	Year 3 2009/10)	
enhancement for tourism businesses	blockages, barriers and hindrances and outlines the way forward	hindrances in the broader tourism environment which inhibit business development	specifically experienced by tourism businesses.	the service provider	appointed to conduct the survey	continues	made available	survey	continues		
Implementing and maintaining social tourism projects	Number of social tourism projects	Implementation of 3 Social programmes, namely: Access to the Cape, Tourism Schools Competition and the Tourism Youth Indaba.	Continued support to already established programmes.	Hosted the Youth Indaba	Conduct Youth Awards	Announce winners of schools competition	Launch Access to the Cape	Evaluation	Continued support to already established programmes. Programmes annually reviewed and amended.	Continued support to already established programmes. Programmes annually reviewed and amended.	

7.3 Reconciliation of budget with plan

Programme 3: Programme budget by sub-programme (R '000)

Sub-programme	Year-2 2004/05 (Actual)	Year- 2005/06 (Actual)	Base year 2006/07 (Estimate)	Year 1 2007/08 (Budget)	Year 2 2008/09 (MTEF projection)	Year 3 2009/10 (MTEF projection)
Management Tourism	649	711	1 736	4 735	5 196	6 577
Tourism Growth	3 092	7 231	3 268	9 428	9 528	15 565
Tourism Participation	2 190	2 309	15 078	10 435	11 307	17 409
DMO	20 532	26 850	22 900	23 900	24 900	25 900
Total	26 463	37 101	42 982	48 498	50 931	65 451



8.2 Public Entities

The Department currently has three (3) Public Entities that report to it. These are:

- a) Western Cape Trade and Investment promotion Agency (WESGRO)
- b) Destination Marketing Organisation (DMO) trading as the Cape Town Routes Unlimited, and
- c) Western Cape Liquor Board.

The Western Cape Trade and Investment Promotion Agency (WESGRO) was established under the Western Cape Investment and Trade Promotion Agency Law, 1996. This purpose of the establishment was to recognise the role the provincial Government play in attracting investment to the Province as well as the need to involve all role players such as private business and other organs of State to this endeavour.

The Western Cape Tourism Act, 2004 provided for the establishment of the Destination Marketing Organisation (DMO) now trading as Cape Town Routes Unlimited. The purpose of this institution is to provide for the effective marketing of Cape Town and the Western Cape thereby ensuring that the Western Cape is established as a destination of choice and can therefore fully take advantage of the ever-growing global tourism industry.

The Liquor Act, No 59 of 2003 came into effect on 13 August 2004 and replaced the current Liquor Act, No 27 of 1989 for national functions while retaining it as transitional measure for provincial functions. It introduced a three-tier system into the liquor industry and regulates the manufacturing and distribution tier. The Act provided for the devolution of functions relating to the distribution tier to the Provincial Minister and it provides for the establishment of a Provincial Liquor Licensing Authority.

Name of Public Entity	Purpose	Transfers from the Departmental Budget R' 000		
		2007/08	2008/09	2009/10
Wesgro	The purpose of this Public Entity is to recruit investment to and promote trade with Western Cape enterprises.	11 400	13 100	14 100
DMO	The purpose of this public Entity is to market Cape Town and the Western Cape thereby ensuring that the Western Cape is a leading destination of choice globally.	23 900	24 900	25 900
WC Liquor Board	The purpose of the WC Liquor Board is to provide for the regulation of the liquor industry in terms of the Liquor Act, 2003 and ensure that the industry is developed in a socially responsible manner.	6 237	7 680	8 735

9. Financial Management

9.1 Strategies to address audit queries

Completeness of Liquor License Income

In terms of section A.2.5 regarding the Liquor License income, the Western Cape Liquor Bill [B8-2005] makes provision for the collection of fees by the Board (through the department) rather than the collecting agent (SARS). This legislation now appears likely to be passed into law only during the first quarter of 2007, and to be promulgated in the quarter thereafter (after the Regulations have been made). The reconciliation between liquor licences issued and liquor licence fees collected will thus be implementable and will therefore be reconciled.

The administration continues in its efforts to ensure that it is able to reconcile the receipts received from SARS with the income raised by the liquor licensing system upon the issue of licences and renewal notices. In the interim, the Department has consulted with officials from SARS to discuss the collection of income and to possibly provide the Department with information pertaining to liquor licence holders and the amounts received by SARS from the licence holders. It was agreed that SARS will provide this department with supporting documents to assist with the reconciliation process.

Furthermore, the Liquor Board advises that renewal notices will this year include an extra copy that license holders will have to return to this Department. These payment details will be captured on an electronically database as soon as possible after receipt thereof, so that the Department will not have to rely on SARS to forward the receipts.

Investment in Cape Town International Convention Centre (CTICC)

Amendment of Convenco Act

This department consulted with the office of Legal Services of the Department of the Premier and agreed that the Convenco Act has to be amended to bring it in line with the Municipal Finance Management Act (MFMA), 2006 (Act 56 of 2003 – MFMA).

Legal Services has determined that Convenco is now an entity regulated by the provisions of the MFMA and that this department no longer has any financial management responsibilities towards Convenco, except for the financial management responsibilities normally associated with that of shareholders and that required by the statutory framework.

Legal Services is in the process of preparing a first draft bill for approval.

Impairment of losses

Convenco shares will continue to reflect as an asset within the department's financial statements as required by the provisions of the Public Finance Management Act, 1999 (Act 1 of 1999 - PFMA).

The department was in consultation with the City of Cape as they were in the process of determining which accounting standards have to be applied regarding the handling of the impairment of losses. After careful deliberation between the City of Cape Town and the Auditor-General (Ernest and Young), it was concluded that the impairment test be carried out in accordance with IAS 36 (AC128).

The City of Cape Town provided this department with documentation relating to the accounting standards applicable to the handling of the transactions in their financial statements. This documentation was forwarded to Provincial Treasury for evaluation in order to provide this department with guidance. This department will record the accounting transactions in the financial statements in accordance to the accounting standards as determined by Provincial Treasury.

9.2 Implementation of the Public Finance Management Act, 1999

The Department regards compliance with the PFMA Act as a priority. The Department has a structured implementation plan and reports regularly to Provincial Treasury regarding progress made with the implementation of the Public Finance Management Act.