

Vote 6

Department of Economic Affairs

To be appropriated by Vote in 2008/09	R 997 000
Responsible Executing Authority	MEC for Economic Development, Tourism, Environment and Conservation
Administering Department	Department of Economic Affairs
Accounting Officer	Deputy Director General: Department of Economic Affairs

• Overview

Core functions and responsibilities of the Department:

The Department has, in terms of its new programme structure, the following core functions:

- Provide leadership, strategic management in accordance with government legislation, regulations and policies.
- To ensure an effective and compliant department that will provide technical support and economic policy advice to the Northern Cape Province.
- To promote, support and facilitate integrated economic development through shared partnerships in the province.
- To accelerate economic growth by facilitating export from and investment into the province while simultaneously promoting economic diversification and industrial expansion.
- To regulate business practices and ensure compliance with relevant legislation whilst optimizing revenue collection and monitoring departmental agencies.
- To support the development of measurable economic policies, strategies or plans informed by relative economic research so that they are in alignment with the NSDP, NCPGDS and IDP's with the aim of halving unemployment and achieving an average annual economic growth of 4-6% by 2014.

Vision

Promotion of Economic Growth and Economic Development in the Northern Cape based on DE²BS, i.e. Diversification; Empowerment; Employment; Business creation and Sustainable development.

Mission

To create an enabling environment for economic growth and development in the Northern Cape.

Review of the current financial year (2007/08)

The Department has strategically decided focus on high impact economic development initiatives and to use an integrated approach towards achieving greater consistency in the attainment of policy objectives of job creation and poverty alleviation. The focus areas or sectors of the economy identified as illustrating the greatest potential for growth include:

- Agriculture and Agro-processing;
- Mining and Minerals Processing;
- Fishing and Mariculture;
- Manufacturing;
- Transport;
- Tourism;
- ICT (Information and Communications Technology);
- Finance;
- SMME (Small, Medium and Micro Enterprises)

As part of its contribution to the Provincial Spatial Development Framework, the Department forged ahead with the process of the establishing a Diamond, Gemstone and Jewellery Hub that would host the State Diamond Trader, the International Diamond and Jewellery Academy, diamond cutters and polishers, as well as jewellery manufacturers in an attempt to optimally exploit the diamond value chain and establish a diamond service excellence centre. The feasibility study and business plan for the Hub has been completed.

In terms of beneficiating diamonds, the Rapid Concurrent Diamond and Economic Development Plan has been established to fastrack the implementation of the Mining and Mineral Beneficiation Strategy. The KIM-Diamond building has been reserved for the establishment of a diamond cutting and polishing factory. The feasibility study and a Business Plan for the establishment of an international Diamond Cutting and Jewellery Academy has been completed and presented to the Diamond Strategy Steering Committee. The Minister of Minerals & Energy, Ms. Buyelwa Sonjica, announced that the seat of the State Diamond Trader will relocate to Kimberley.

Skills development is critical to the success of the Diamond Strategy, hence the Department of Economic Affairs (DEA), in collaboration with the Department of Minerals and Energy (DME) and Kgabane, sent 14 young women from the Province to China in September 2006 where they spent 6 months being trained in jewellery manufacturing. Two of the 14 women have been placed in one of the diamond cutting and polishing factories in Kimberley. The DEA, DME and Kgabane are currently working on the development of a training programme where the other 12 women will be sent to Mintek for an additional period of 6 to 8 months to be up-skilled.

The Fishing and Mariculture Infrastructure Development on the West Coast has illustrated significant progress with the launch of the Mariculture Park. Currently 20 learners from Port Nolloth and Hondeklipbaai are enrolled at the University of Stellenbosch for an aquaculture certificate course. The Provincial Government has made R12,268 million available from the Economic Growth and Development Fund to start the development process at the Mariculture Park and detailed development planning has been completed.

A partnership has been established between the Department of Economic Affairs and the North West University (Potchefstroom Campus) for the establishment of Manufacturing Centres. To date the market scanning has been completed and R600 million worth of products that can be manufactured

locally and the top 20 products have been identified. Phase 2 which includes the Technical Scanning & Grouping of Products as well as Phase 3 which includes the Development of a Business Case (that includes five business plans for possible centres that can be established in the Province) have been completed.

The Department has also embarked on the process of creating the Northern Cape Trade and Investment Promotion Agency. A business model with a bankable business plan has been developed. This Bill will be ready to be tabled in the Legislature during the 2008 / 09 financial year. Meanwhile, a successful Asia Expo and Investors' Conference was hosted (23rd to 25th of August 2007) by the Department at the ABSA Park Stadium in Kimberley.

In terms of Information and Communications Technology (ICT), the first two phases of the Northern Cape Information Society (NCISS) have been completed i.e. the pre-feasibility study, the concept document, project plan and the appointment of consultants.

The Northern Cape has identified Business Process Outsourcing and Offshoring (BPO &O) as one of the projects that is capable of providing a considerable number of job opportunities through the establishment of Call Centres. The Terms of Reference for the development of the Provincial BPO & O strategy has been completed incorporating broad implementation plans for 2 municipalities, namely Sol Plaatje and Ga-Segonyane.

The Department reviewed and developed the Integrated Provincial Small, Medium and Micro Enterprises Strategy (SMME) in partnership with ABSA bank. The final draft was adopted as the NC Integrated SMME Strategy by Cabinet in May 2007. The strategy was officially launched by Ms. Dipuo Peters in Kimberley on the 21st of August 2007.

The PMPI (Preferential Mining Procurement Initiative) was established with the Mine Managers Association and Standard Bank Procurement Centre to promote economic growth and development in the Northern Cape.

A concept document and Terms of Reference for cooperative establishment was completed and the cooperative movement is currently being marketed in the province.

New legislation for the Gambling Industry is currently being drafted to align it with National Gambling legislation, in terms of definitions and meanings of Gambling operations and certain facets of the Public Finance Management Act (PFMA).

Efforts to eradicate illegal operators by enforcing the requirements of the Liquor Act to enhance community development and resolve social imbalances and substance abuse were intensified.

The Big Hole Conference Centre design was completed and the estimated cost was approved. The construction of the earthworks will be completed at the end of March 2008. The construction of the building works will start in March 2008.

The feasibility study for the Upington Cargo Hub development has been completed. The project is now commercially viable and potential investors have been identified. A geo- technical study has also been completed for the establishment of a High Speed Vehicle Testing Facility near Upington.

Outlook for the coming financial year (2008/09)

The Department will continue to work hard within the context of the Provincial Growth and Development Strategy (PGDS) and the Accelerated and Shared Growth Initiative for South Africa (ASGISA), to facilitate economic growth and development for the achievement of the 6% economic growth for the

Province by 2014. Specific strategic interventions have been identified for implementation in 2008 /09 financial year. The Department will intensify its efforts and harness its resources for further implementation of its strategic interventions which will cut across areas of SMME Support and Development, Diamond Beneficiation, Trade and Investment and Business Regulation.

The Department will focus on developing Second Economy Intervention Strategies to address the challenges of poverty, underdevelopment and marginalisation confronting those caught within the Second Economy.

Economic strategies will be developed to unlock the small-scale mining sector which in turn will serve as a vehicle to promote, support and facilitate integrated economic development in the poor rural communities. The province will be marketed as an exploration target to make the general non-geological environment attractive to investors especially those developers with medium to large mining operations.

In order to promote the development of the manufacturing sector, the Department will adopt economic strategies which intensify its engagement with the Department of Trade and Industry (dti) to obtain recognition of the dynamics of the sector in the province and ensure that the Northern Cape receives its share of focus and support. The Department will also ensure the establishment of a Manufacturing Development Centre and facilitate the establishment of a Northern Cape Manufacturing Cluster. These will accelerate economic growth by facilitating export from and investment into the province while simultaneously addressing the leakages from the Northern Cape's economy.

The Department will aggressively develop and pursue economic strategies which actively promote the development of the agro-processing sector to improve the viability, profitability and sustainability of agricultural production systems.

Strategies will also be developed to meet the challenges which prohibit and inhibit the access of SMME's to startup capital in the province. The SMME strategy, over the Medium-Term Expenditure Framework (MTEF), will concentrate on supporting SMME development as a provincial specific economic intervention.

The DEA will continue to provide guidance, support and capacity to district municipalities with regards to their Growth and Development Strategies and will support two Local Economic Development (LED) initiatives per district. The Department will continue to focus on developing structured partnerships with funding institutions, various government agencies and non-government organisations (NGOs) and ensure that ten cooperatives are established, fully operational and sustainable.

The development of a Provincial Business Process Outsourcing and Off-shoring (BPO and O) Strategy will commence concurrently with the development of Business Plans for Sol Plaatjie and Ga-Segonyane municipalities. BPO and O will continue to be an area of focus for the next three years. The Department will pursue this economic imperative to promote the ICT sector as a resource for economic growth and development. The province will thus continue the development of the Northern Cape Information Society Strategy and Development Plan (NCISS) with particular focus on Small, Medium and Micro Enterprise (SMME) development using Information and Communication Technology (ICT) as an enabler and focus on the five key priority areas i.e. e-Government, e-Education, e-Health, e-SMMEs and Local Content Development.

Optimising revenue collection is a strategic imperative which will aid sustainable financial growth and development in the Northern Cape. The DEA will drive the process for the passing of the revised Northern Cape Unfair Business Bill and the establishment of a Consumer Court. These will assist the DEA in its objective to maximize revenue collection. The Department will also focus on ensuring fair business practice in an effort to facilitate the effective implementation of the National Credit Act.

The regulatory framework within which the gambling and liquor industries will operate will continue to be a focus area. The establishment of the Northern Cape Liquor Board and the Northern Cape Gambling Board will enable the DEA to regulate these sectors more effectively.

The DEA will continue to pursue the development of the mariculture industry through the Northern Cape Fishing and Mariculture Development Association (FAMDA) in an attempt to reduce unemployment while simultaneously diversifying the economy.

The Trade and Investment Promotion Agency will be positioned to work with strategic partners in both the public and private sector to position the province as an investment destination of choice. The Agency will attract foreign direct investment, grow exports of products and services from the Northern Cape and market the province both nationally and internationally.

The Diamond Strategy will be aggressively pursued to optimally exploit the diamond value chain for the benefit of the province. Hence the establishment of the International Diamond Jewellery Academy, Diamond Jewellery Hub, Diamond Cutting and Polishing factory, and the relocation of the seat of the State Diamond Trader will be prioritized as part of the strategic intent to focus on high impact economic development initiatives for the Northern Cape.

4. Receipts and financing

4.1 Summary of receipts

Table 4.1: Summary of Receipts: Department of Economic Affairs

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	Audited	Audited	Audited				2008/09	2009/10	2010/11
	2004/05	2005/06	2006/07						
				2007/08					
Treasury Funding									
Equitable share	32,557	57,116	88,700	95,514	99,891	104,908	112,241	120,129	134,385
Conditional grants									
Departmental Receipts	10,743	13,079	14,022	16,286	16,286	16,302	17,101	17,955	18,315
Total receipts	43,300	70,195	102,722	111,800	116,177	121,210	129,342	138,084	152,700

4.2 Departmental receipts collection

Table 4.2: Departmental receipts: Department of Economic Affairs

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	Audited	Audited	Audited						
	2004/05	2005/06	2006/07				2007/08		
Tax receipts	10,097	13,063	13,894	16,286	16,286	16,286	17,101	17,955	18,315
Casino taxes	8,976	11,798	12,451	14,673	14,673	14,673	15,408	16,178	16,502
Horse racing taxes	658	393	518	619	619	619	649	681	695
Liquor licences	463	872	925	994	994	994	1,044	1,096	1,118
Motor vehicle licenses									
Sales of goods and services other than capital assets	14	16	22			6			
Transfers received			4						
Fines, penalties and forfeits									
Interest, dividends and rent on land									
Sales of capital assets	140								
Financial transactions in assets and liabilities									
	492		102			10			
Total departmental receipts	10,743	13,079	14,022	16,286	16,286	16,302	17,101	17,955	18,315

5. Payment summary

The MTEF baseline allocation for the period 2008/09 TO 2010/11:

5.1 Key assumptions

- Assumptions for salary increases should be taken into account, amongst others, adjustments contained in the wage agreement of 2007.
- Assumptions for inflation related items should be based on CPIX projections.
- Assumptions of the Diamond Strategy of the Northern Cape Province for related items should be taken into account.
- Assumptions of the National Information Society Programme in the Republic of South Africa (INSPIRE) initiative for related items should be taken into account.
- Assumptions of the National Business Processing Outsourcing and Off-shoring (BPO&O) initiative for related items should be taken into account.
- Assumptions of the Northern Cape Provincial Growth and Development Strategy for all items should be taken into account.

5.2 Programme Summary

Table 5.2: Summary of Payments and Estimates: Department of Economic Affairs

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	Audited	Audited	Audited				2008/09	2009/10	2010/11
	2004/05	2005/06	2006/07						
				2007/08					
Administration	7,576	12,441	13,674	17,882	20,612	20,612	23,412	25,086	26,993
Integrated Economic Development Services	16,450	28,141	52,701	47,177	43,402	43,402	47,518	49,054	50,609
Trade And Industry Development	3,714	5,466	7,315	9,384	14,266	19,283	15,173	17,604	26,648
Business Regulation And Governance	4,817	6,461	8,688	13,254	12,194	12,194	13,284	13,981	14,828
Economic Planning		4,607	6,322	7,817	9,417	9,417	12,854	14,404	15,307
Total payments and estimates	32,557	57,116	88,700	95,514	99,891	104,908	112,241	120,129	134,385

5.3 Summary of economic classification

Table 5.3 Summary of Provincial Payments and Estimates by Economic Classification: Department of Economic Affairs

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	Audited	Audited	Audited				2008/09	2009/10	2010/11
	2004/05	2005/06	2006/07						
				2007/08					
Current payments	21,556	34,775	41,974	53,825	58,203	68,920	67,033	74,364	87,309
Compensation of employees	9,826	14,868	21,355	30,833	27,629	27,429	34,814	37,341	39,871
Goods and services	11,730	19,907	20,499	22,992	30,574	41,491	32,219	37,023	47,438
Interest and rent on land									
Financial transactions in assets and liabilities			120						
Unauthorised expenditure									
Transfers and subsidies:	10,583	21,419	45,442	40,600	40,600	34,900	44,394	45,227	46,441
Provinces and municipalities	25	85	9,172	4,900	4,900	4,900			
Departmental agencies and accounts				5,700	5,700		9,249	9,712	10,295
Universities and technikons									
Public corporations and private enterprises	10,558	21,334	36,270	30,000	30,000	30,000	35,145	35,515	36,146
Foreign governments and international organisations									
Non-profit institutions									
Households									
Payments for capital assets	420	923	1,284	1,088	1,088	1,088	813	537	633
Buildings and other fixed structures									
Machinery and equipment	420	896	1,191	1,088	1,081	1,081	813	537	633
Cultivated assets									
Software and other intangible assets		27	93		7	7			
Land and subsoil assets									
Total economic classification	32,559	57,117	88,700	95,513	99,891	104,908	112,240	120,128	134,383

5.4 Transfers

Transfers to public entities

Table 5.4.1: Summary of departmental transfers to public entities

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	Audited	Audited	Audited				2008/09	2009/10	2010/11
	2004/05	2005/06	2006/07						
Northern Cape Gambling Public Entity				3,200	3,200		5,536	5,813	6,162
Northern Cape Liquor Public Entity				2,500	2,500		3,713	3,899	4,133
Total departmental transfers to public entities				5,700	5,700		9,249	9,712	10,295

Other transfers

Table 5.4.2: Other transfers

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	Audited	Audited	Audited				2008/09	2009/10	2010/11
	2004/05	2005/06	2006/07						
Economic Growth and Development Fund	10,558	21,334	36,270	25,000	30,000	30,000	30,000	30,000	30,300
Famda	-	-	730	776	776	776	827	-	-
Frances Baard SMME Trust	-	-	84	-	-	-	-	-	-
SEDA	-	-	3,893	4,124	4,124	4,124	4,318	5,515	5,846
Total other departmental transfers	10,558	21,334	40,977	29,900	34,900	34,900	35,145	35,515	36,146

6 Programme description

6.1 Programme 1: Administration

The aim of this programme is to:

- To ensure an effective, compliant and competent department that will provide technical support and economic policy advice to the province.

Table 6.1: Summary of payments and estimates: Programme 1 Administration

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	Audited	Audited	Audited				2008/09	2009/10	2010/11
	2004/05	2005/06	2006/07						
Office of the MEC		478	494	500	572	572	750	859	983
Office of the HOD	1,943	2,460	3,034	4,441	4,869	4,869	5,566	5,919	6,274
Corporate Services	5,633	3,330	3,359	3,613	3,813	3,813	5,730	6,058	6,421
Financial Management		6,173	6,787	9,328	11,358	11,358	11,366	12,250	13,315
Total	7,576	12,441	13,674	17,882	20,612	20,612	23,412	25,086	26,993

Table 6.1.1: Summary of payments and estimates by economic classification: Programme 1 Administration

	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	Audited	Audited	Audited						
R thousand	2004/05	2005/06	2006/07	2007/08			2008/09	2009/10	2010/11
Current payments	7,271	11,944	13,397	17,734	20,434	20,434	23,321	25,035	26,871
Compensation of employees	3,964	3,529	7,494	10,092	10,792	10,792	13,922	14,829	15,948
Goods and services	3,307	8,415	5,783	7,642	9,642	9,642	9,399	10,206	10,923
Interest and rent on land									
Financial transactions in assets and liabilities			120						
Unauthorised expenditure									
Transfers and subsidies:	18	62	7						
Provinces and municipalities	18	62	7						
Departmental agencies and accounts									
Universities and technikons									
Public corporations and private enterprises									
Foreign governments and international organisations									
Non-profit institutions									
Households									
Payments for capital assets	287	435	270	148	178	178	90	50	122
Buildings and other fixed structures									
Machinery and equipment	287	435	218	148	171	171	90	50	122
Cultivated assets									
Software and other intangible assets			52		7	7			
Land and subsoil assets									
Total economic classification	7,576	12,441	13,674	17,882	20,612	20,612	23,411	25,085	26,993

The programme Administration is divided into four sub-programmes, namely:

Sub-programme	Strategic Objective	Outcome
Office of the MEC	To provide economic policy direction to the Department	Diversified, transformed and sustainable economic growth and development.
Office of the HOD	To provide strategic direction and leadership in order to facilitate the sustained growth, transformation and diversification of the provincial economy.	Improved economic growth in the province.
Financial Management	To provide a reliable and efficient Financial Management service and support service to the department.	Efficient, effective, economical and compliant department.
Corporate Services (Communications, HRM, Legal Services and Equal Opportunities)	Provide sound corporate management.	A compliant department staffed with a capacitated, motivated, transformed work force that is articulate and accessible to its stakeholders in its pursuit of excellence.

6.2 Programme 2: Integrated Economic Development Services

The aim of the programme is to promote, support and facilitate integrated economic development through shared partnerships in the Province.

The programme Integrated Economic Development Services is divided into three sub-programmes, namely

Sub-programme	Strategic Objective	Outcome
Enterprise Development	To support and develop business enterprises.	Transformation of the economy and poverty reduction.
Local Economic Development	Promote strategic economic development support to municipalities.	Viable and functional LED processes in municipalities and progressive reduction in poverty and local level.
Economic Empowerment	To facilitate the process of empowerment and creation of an enabling business environment for HDI's.	Increased level of participation of HDI's in the business environment and fewer restrictions to business creation.

Table 6.2: Summary of payments and estimates: Programme 2 Integrated Economic Development Services

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	Audited	Audited	Audited				2008/09	2009/10	2010/11
	2004/05	2005/06	2006/07						
Enterprise Development	1,089	1,068	1,629	4,744	3,543	3,543	4,505	4,456	4,723
Local Economic Development	4,781	5,725	10,777	8,808	6,744	6,326	9,090	10,433	11,071
Economic Empowerment	3,714	2,179	2,788	2,075	1,101	1,073	2,137	2,263	2,499
Economic Growth and Development Fund	6,866	17,864	36,270	30,000	30,000	30,000	30,000	30,000	30,300
Administration		1,305	1,237	1,550	2,014	2,460	1,786	1,902	2,016
Total	16,450	28,141	52,701	47,177	43,402	43,402	47,518	49,054	50,609

Table 6.2.1: Summary of payments and estimates by economic classification: Programme 2 Integrated Economic Development Services

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	Audited	Audited	Audited				2008/09	2009/10	2010/11
	2004/05	2005/06	2006/07						
Current payments	5,877	6,790	6,956	11,843	8,099	8,099	12,120	13,362	14,264
Compensation of employees	2,422	3,871	3,285	7,173	4,429	4,429	7,351	7,800	8,273
Goods and services	3,455	2,919	3,671	4,670	3,670	3,670	4,769	5,562	5,991
Interest and rent on land									
Financial transactions in assets and liabilities									
Unauthorised expenditure									
Transfers and subsidies:	10,561	21,337	45,429	34,900	34,900	34,900	35,145	35,515	36,146
Provinces and municipalities	3	3	9,159	4,900	4,900	4,900			
Departmental agencies and accounts									
Universities and technikons									
Public corporations and private enterprises	10,558	21,334	36,270	30,000	30,000	30,000	35,145	35,515	36,146
Foreign governments and international organisations									
Non-profit institutions									
Households									
Payments for capital assets	13	14	316	433	403	403	253	177	198
Buildings and other fixed structures									
Machinery and equipment	13	14	316	433	403	403	253	177	198
Cultivated assets									
Software and other intangible assets									
Land and subsoil assets									
Total economic classification	16,451	28,141	52,701	47,176	43,402	43,402	47,518	49,054	50,608

Programme 2 measurable objectives and performance measures:

Strategic	Measurable Objective	Performance Measure	TARGETS
-----------	----------------------	---------------------	---------

			08/09
To support and develop business enterprises	To ensure support and maintenance of small business support institutions for effective service delivery to SMME's.	Established and supported institutions for small business support	Twenty (20) SEDA EIC's established and supported.
		Effective service delivery to small businesses.	Twenty (20) small businesses supported.
	Facilitate and promote the establishment of cooperatives as a form of enterprises.	Fast-track the establishment and support for cooperatives entities.	Ten (10) Cooperatives supported and maintained
		Develop the provincial cooperatives strategy.	Cooperative strategy developed.
		To facilitate the Development of a database for cooperatives.	Number of cooperatives available in the database (per economic sector).
		Conduct cooperatives awareness campaigns in the province	Twenty (20) campaigns held.
	Facilitate and support the coordination of SMME support services in NC.	Forging strategic alliances and partnerships for SMME support.	Five (5) strategic alliances & partnerships formed.
		Establishment of service delivery network for SMME support	Annual summit hosted.
		Support local market access and linkages for SMME's.	Two (2) local exhibitions and workshops supported.
		Provide advisory support to emerging & established SMMEs on enterprise development matters.	Fifty (50) SMME's given advice.
		Development of a sector-based SMME data-base for available opportunities.	Number of SMME's in a specific sector supported (10 per sector).
		Monitor the strategic partnership agreement between the DEA & Standard Bank (PMPI Centre)	Sixty (60) PMPI SMME's given financial support and non-financial support.
	Facilitate the creation of entrepreneurs for the beneficiaries of the EPWP programme.	Develop the economic sector plan.	Fifteen (15) EPWP enterprises established.
		Identify and develop high profile procurement opportunities for the Northern Cape.	Number of (10%) products/services procured from government departments.
		Identify training needs of venture creation learnerships.	Three (3) learnerships undertaken.
Promote strategic economic development support to municipalities.	To promote economic growth and development in local economies in partnership with key stakeholders.	Provide guidance, support and capacity to municipalities to inform their LED processes.	Five (5) municipalities guided, supported during LED processes.
		Development and implementation of the provincial LED strategy.	Two (2) LED initiatives supported per district.
		Facilitate and support strategic alignment of LED, ASGISA and the PGDS for customized district LED support.	Five (5) LED strategies aligned to the PGDS and other policy frameworks including LG-KPA3 implementation.
		Provide support to District municipalities' Growth & Development Strategy development.	Five (5) DGDS projects supported and implemented
To facilitate the process of empowerment and creation of an	Creating an enabling environment for HDI's.	Percentage value of government contracts awarded to HDI's.	Fifty percent (50%) of procurement awarded to HDI's.

Strategic Objective	Measurable Objective	Performance Measure	TARGETS
			08/09
enabling business environment for HDI's		Number of Empowerment Players supported.	Thirty-two (32) new businesses registered.
			Twelve (12) targeted entrepreneurs linked to market.
			Twelve (12) targeted entrepreneurs that successfully accessed financial support.
			Twenty (20) targeted entrepreneurs successfully trained.
			Forty (40) targeted entrepreneurs that accessed ICT Business Support Infrastructure.
			Quarterly update of targeted groups per economic sector per district.
		A Northern Cape Broad Based Black Economic Empowerment Implementation Plan developed.	Northern Cape Broad Based Black Economic Empowerment Implementation Plan.
		Broad Based Black Economic Empowerment Indaba hosted.	Host Broad Based Black Economic Empowerment Indaba.

6.3 Programme 3: Trade and Industry Development

The aim of the programme is to:

- To accelerate economic growth by facilitating export from and investment into the province while simultaneously promoting economic diversification and industrial expansion.

The programme is divided into three sub-programmes, namely:

Table 6.3: Summary of payments and estimates: Programme 3 Trade and Industry Development

Table 6.6: Summary of payments and estimates: Programme 5 Trade and Industry Development									
	Audited	Outcome Audited	Audited	Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
R thousand	2004/05	2005/06	2006/07	2007/08			2008/09	2009/10	2010/11
Trade and Investment promotion	3,714	2,179	2,727	6,029	6,141	9,251	6,392	7,728	10,355
Sector Development		3,287	4,588	3,355	8,125	10,032	8,781	9,876	16,293
Industry Development									
Total	3,714	5,466	7,315	9,384	14,266	19,283	15,173	17,604	26,648

Table 6.3.1: Summary of payments and estimates by economic classification: Programme 3 Trade and Industry Development

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	Audited	Audited	Audited				2008/09	2009/10	2010/11
	2004/05	2005/06	2006/07						
Current payments	3,712	5,393	7,132	9,230	14,112	19,129	15,063	17,474	26,525
Compensation of employees	928	2,099	1,912	3,547	2,547	2,547	3,783	4,293	4,534
Goods and services	2,784	3,294	5,220	5,683	11,565	16,582	11,280	13,181	21,991
Interest and rent on land									
Financial transactions in assets and liabilities									
Unauthorised expenditure									
Transfers and subsidies:	3	4	1						
Provinces and municipalities	3	4	1						
Departmental agencies and accounts									
Universities and technikons									
Public corporations and private enterprises									
Foreign governments and international organisations									
Non-profit institutions									
Households									
Payments for capital assets		69	182	154	154	154	110	130	122
Buildings and other fixed structures									
Machinery and equipment		69	182	154	154	154	110	130	122
Cultivated assets									
Software and other intangible assets									
Land and subsoil assets									
Total economic classification	3,715	5,466	7,315	9,384	14,266	19,283	15,173	17,604	26,647

Sub-programme	Strategic Objective	Outcome
Trade and Investment promotion.	To facilitate trade, export promotion and attract investment.	Increased levels of trade, export and investment.
Sector Development	To strategically position prioritised sectors as key contributors to economic growth and development	Strategically placed and developed sectors able to attract investment and contributes to diversification and transformation of the economy.
Industry Development	To strategically position industries in support of economic growth and development	Strategically positioned and developed industries that enhance competitiveness, the transfer of technology and the development of high impact projects.

Programme 3 measurable objectives and performance measures:

Strategic Objective	Measurable Objective	Performance Measure	TARGETS
			08/09
		Develop a Northern Cape Trade and Investment Guide.	Development of the Northern Cape Trade and Investment Guide and the dissemination of 500 copies to key stakeholders.
		Number of projects profile templates populated by business stakeholders.	Six (6) sector projects profiles developed.
		A baseline for the value of FDI flows into the province established.	A baseline for the value of FDI flows into the province.

Strategic Objective	Measurable Objective	Performance Measure	TARGETS
			08/09
		A baseline for the value of Exports from the province established.	A baseline for the value of Exports from the province.
	Increased domestic direct investment.	Number of South African companies outside the province locating to the Northern Cape.	Three (3) companies.
	Increased trade.	The percentage annual increase in the value of exports from the Northern Cape.	Five percent (5%) increase in the value of Exports from the Northern Cape.
	Provide information on trade leads and export opportunities.	Number of sectors provided with product market intelligence information.	Three (3) products.
	Promote the Northern Cape Trade and Investment opportunities.	Number of outbound trade missions organised and facilitated.	Two (2) outbound missions organised.
	Participate in joint trade and investment promotion intergovernmental relations.	Number of joint trade and investment workshops with government across the three spheres and provincial stakeholders.	Three (3) workshops (Export Promotions, Agoa and Export incentives).
	Operationalise the Northern Cape Economic Development and Trade & Investment Agency.	Agency Bill drafted and tabled at Provincial Legislature.	Tabling of Agency Bill.
		Agency listed as a Schedule 3 Provincial Public Entity in terms of the PFMA.	Application to National Treasury for agency listing.
		Agency Board developed; new board appointed and inducted and Shareholders Compact developed.	Develop an Agency Shareholders Compact.
To strategically position prioritised sectors as key contributors to economic growth and development	To facilitate strategic interventions to enhance the competitiveness of prioritised sectors. <ul style="list-style-type: none"> Develop sector positioning strategies. Deal with barriers that may inhibit the competitiveness of the prioritised sectors. 	Number of priority sectors supported.	Two (2) priority sectors supported. <ul style="list-style-type: none"> Hosted a mining consultative workshop/conference. Hosted a manufacturing consultative workshop/conference.
To strategically position industries in support of economic growth and development.	To facilitate the packaging and development of identified priority industries. <ul style="list-style-type: none"> Develop 	Number of industrial projects packaged and/or implemented	Three (3) industrial projects packaged and/or implemented. <ul style="list-style-type: none"> Diamond cutting and polishing company. Manufacturing centres. Implementation Plan for the

Strategic Objective	Measurable Objective	Performance Measure	TARGETS
			08/09
	strategies and/or implementation plans for key identified industries.		relocation of the State Diamond Trader developed.

6.4 Programme 4: Business Regulation and Governance

The aim of the programme is to regulate business practices and ensure compliance with relevant legislation, whilst optimizing revenue collection and monitoring departmental agencies.

The programme is divided into four sub-programmes:

Sub-programme	Strategic Objective	Outcome
Corporate Governance	Improve efficiency and effectiveness and to promote good governance of public entities and agencies and remove barriers in the broader business environment which inhibit business development.	Accountable and socially responsible business environment
Consumer Protection	To promote and protect the rights and interests of all consumers.	Well-educated consumers and responsible businesses.
Liquor Regulation	To promote and maintain an effective and efficient regulatory system for the liquor industry.	A well-regulated Liquor industry cognisant of the socio-economic milieu of the Province.
Gambling and Betting	Promote and maintain an effective and efficient regulatory system for the gambling and betting industry.	A well-regulated Gambling industry environment cognisant of the socio-economic milieu of the Province.

Table 6.4: Summary of payments and estimates: Programme 4 Business Regulation and Governance

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	Audited	Audited	Audited				2008/09	2009/10	2010/11
	2004/05	2005/06	2006/07						
					2007/08				
Corporate Governance				4,788	3,728	1,551	1,379	1,464	1,552
Consumer Protection	2,176	2,775	3,276	2,766	2,766	2,766	2,656	2,805	2,981
Liquor Regulation	1,308	1,880	2,832	2,500	2,500	3,024	3,713	3,899	4,133
Gambling and Betting	1,333	1,806	2,580	3,200	3,200	4,853	5,536	5,813	6,162
Total	4,817	6,461	8,688	13,254	12,194	12,194	13,284	13,981	14,828

Table 6.4.1: Summary of payments and estimates by economic classification: Programme 4 Business Regulation and Governance

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	Audited	Audited	Audited				2008/09	2009/10	2010/11
	2004/05	2005/06	2006/07						
					2007/08				
Current payments	4,696	6,297	8,607	7,466	6,406	12,106	3,955	4,199	4,459
Compensation of employees	2,512	3,516	5,573	4,968	4,308	4,308	2,512	2,663	2,831
Goods and services	2,184	2,781	3,034	2,498	2,098	7,798	1,443	1,536	1,628
Interest and rent on land									
Financial transactions in assets and liabilities									
Unauthorised expenditure									
Transfers and subsidies:	1	5	3	5,700	5,700		9,249	9,712	10,295
Provinces and municipalities	1	5	3						
Departmental agencies and accounts				5,700	5,700		9,249	9,712	10,295
Universities and technikons									
Public corporations and private enterprises									
Foreign governments and international organisations									
Non-profit institutions									
Households									
Payments for capital assets	120	159	78	88	88	88	80	70	74
Buildings and other fixed structures									
Machinery and equipment	120	144	78	88	88	88	80	70	74
Cultivated assets									
Software and other intangible assets		15							
Land and subsoil assets									
Total economic classification	4,817	6,461	8,688	13,254	12,194	12,194	13,284	13,981	14,828

Programme 4 Measurable objectives and performance indicators of the programme

Strategic Objective	Measurable Objective	Performance Measure	TARGETS
			08/09
Improve efficiency and effectiveness and promote good governance of public entities and agencies and remove barriers in the broader business environment, which inhibit business development.	To ensure compliance with relevant legislation and policy frameworks.	100% compliance to policies, legislation and regulations.	100% compliance to policies, legislation and regulations.
		Number of SLA's with the public entities.	Four (4) SLA's with the public entities.
	To address barriers in the broader business environment that inhibits business development.	Percentage of / Number of barriers identified and addressed.	Fifty percent (50%) of barriers identified addressed
	To ensure alignment between DEA goals and Public Entities.	Alignment of plans to execution in line with financial targets and commitments for maximum impact on DEA programmes.	Inter-sphere coordination and cooperation (Cluster, Corporate Governance instruments e.g. Social Compacts and Protocols).
To promote and protect the rights and interests of all consumers.	Develop, implement and promote measures that protect the rights and interests of all consumers.	Existence of relevant Legislation.	Implementation and effecting amendments to the Northern Cape Unfair Business Practices Act.
		Number of consumer rights awareness, education and training campaigns conducted.	Ten (10) consumer rights awareness, education and training campaigns conducted per district quarterly.
	Implementation of existing provincial consumer protection legislation.	Fully operational Consumer Tribunal.	Consumer Tribunal members appointed and adjudicating cases.
		Established and functional Office of the Consumer Protector.	Consumer Protector appointed and operational Office of the Consumer Protector.
		Number of Complaints received and resolved.	Four hundred (400) complaints received and unresolved complaints referred to the Consumer Protector for further resolution.
To promote and maintain an effective and efficient regulatory system for the liquor industry.	Implementation of the Liquor Board as a Public Entity.	Northern Cape Liquor Board as a Public Entity.	Northern Cape Liquor Board as a public entity.
	Ensuring Effective Secretarial Service to the Liquor Board.	Eighty percent (80%) of new applications ready to be processed by the Board.	Eighty percent (80 %) of new liquor licenses to be processed within one month of receipt.
			Minutes and files professionally documented for board.
	Ensuring compliance with the regulations by the license holders	Liquor outlets to be inspected/ raided	Five hundred (500) outlets inspected.
	Eradication of illegal Liquor outlets	Reduction in the number of illegal liquor outlets.	Fifty percent (50%) reduction in the number of illegal outlets.
	Ensuring that all monies are accurately collected.	Revenue collected.	Eighty percent (80%) of revenue collected.
Promote and maintain an effective and efficient regulatory system for the gambling and betting industry.	Implement the Gambling Board as a Public Entity.	The Northern Cape Gambling Board as a Public Entity.	Five (5) liquor awareness campaigns conducted.
			Develop a Service Level Agreement with relevant protocols for the DEA and Board in terms of the PFMA and Agency Enabling Legislation and review business.

Strategic Objective	Measurable Objective	Performance Measure	TARGETS
			08/09
	Ensure that all monies due are accurately calculated.	Collection of 100% of all monies due to the Board.	Bi-monthly reports on financial audits conducted at casinos and horseracing institutions.
	Optimise revenue collection.	A third casino in the province	Monitor the construction of the third casino.
		500 limited pay out machines rolled out.	100 limited pay out machines rolled out by end of the financial year.
	Eradication of illegal gambling activities.	A monthly report on all possible illegal gambling activities investigated.	Conduct monthly inspections and raids on reported illegal gambling activities and report on it monthly.
	Ensure that gambling activities are conducted in accordance with legislative requirements.	A monthly report on all transactions above R25, 000, 00, cheating, gambling disputes, shipment and distribution of gambling equipment.	Investigate all possible fraudulent transactions, cheating, gambling disputes, shipment and distribution of gambling equipment.
	Perform regular inspections to ensure compliance of gambling equipment.	Bi-monthly reports on Letters of Approval (LOA) issued, machine conversions, gambling equipment, surveillance systems and the Central Monitoring Systems (CMS).	Prompt consideration and evaluation of Letters of Certification (LOC), machine conversions, inspections of gambling equipment, surveillance systems and the CMS and bi-monthly reports on these.
	Ensure the suitability of all gambling applicants for licences and certificates.	A monthly report on all probity investigations done and licences and certificates issued.	Prompt processing and reporting of all licence application received for the month.

6.5 Programme 5: Economic Planning

The aim of the programme is to support and facilitate the transformation, diversification and growth of the provincial economy by developing economic policies and strategies informed by relevant economic research so that they are in alignment with the NSDP, NCPGDS and IDPs.

The programme is divided into four sub-programmes:

Sub-programme	Strategic Objective	Outcome
Policy and Planning	To promote integrated economic development policies and strategies.	Effective economic policies and strategies aligned with that of national, provincial and local government.
Research and Development	To ensure the co-ordination of relevant economic research to influence effective economic planning.	Relevant economic intelligence.
Knowledge Management	To contribute to the management of knowledge economy.	An efficiently managed knowledge economy and a broad, e-literate business public.
Monitoring and Evaluation	To determine the effectiveness and impact of provincial policy objectives and strategies.	Effective, efficient and economic policy implementation.

Table 6.5: Summary of payments and estimates: Programme 5 Economic Planning

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	Audited	Audited	Audited				2008/09	2009/10	2010/11
	2004/05	2005/06	2006/07						
				2007/08					
Policy and Planning		1,334	1,524	1,695	2,315	2,315	1,731	1,845	1,939
Research and Development		1,796	1,105	2,070	1,350	1,350	1,909	2,114	2,320
Knowledge Management		1,477	3,693	3,092	4,092	4,092	6,305	7,350	7,767
Monitoring and Evaluation				960	960	960	1,448	1,543	1,636
Office of the Chief Director					700	700	1,461	1,552	1,645
Total		4,607	6,322	7,817	9,417	9,417	12,854	14,404	15,307

Table 6.5.1: Summary of payments and estimates by economic classification: Programme 5 Economic Planning

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	Audited	Audited	Audited				2008/09	2009/10	2010/11
	2004/05	2005/06	2006/07						
				2007/08					
Current payments		4,351	5,882	7,552	9,152	9,152	12,574	14,294	15,190
Compensation of employees		1,853	3,091	5,053	5,553	5,353	7,246	7,756	8,285
Goods and services		2,498	2,791	2,499	3,599	3,799	5,328	6,538	6,905
Interest and rent on land									
Financial transactions in assets and liabilities									
Unauthorised expenditure									
Transfers and subsidies:		11	2						
Provinces and municipalities		11	2						
Departmental agencies and accounts									
Universities and technikons									
Public corporations and private enterprises									
Foreign governments and international organisations									
Non-profit institutions									
Households									
Payments for capital assets		246	438	265	265	265	280	110	117
Buildings and other fixed structures									
Machinery and equipment		234	397	265	265	265	280	110	117
Cultivated assets									
Software and other intangible assets		12	41						
Land and subsoil assets									
Total economic classification		4,608	6,322	7,817	9,417	9,417	12,854	14,404	15,307

Programme 5: Measurable objectives and performance indicators of the programme:

Strategic Objective	Measurable Objective	Performance Measure	TARGETS
			08/09
To promote integrated economic development policies and strategies.	To effectively manage the development and coordination of policies, strategies and plans in the department.	Policies, strategies and plans effectively developed and coordinated.	Policies, strategies and plans development and review processes effectively managed.
	To manage DEA policies, strategies and plans to ensure effective implementation.	DEA policies, strategies and plans managed and effectively implemented.	Integrated and aligned DEA strategies and operations with national and provincial strategies.
	To entrench effective network management and ensure intergovernmental coordination.	Intergovernmental and stakeholder relations effectively managed and coordinated.	Sound IGR and stakeholder relations continuously maintained.
To ensure the co-ordination of relevant economic research to influence effective economic planning.	Research and identify opportunities for mining development and mineral beneficiation.	Number of research reports developed.	One (1) research report and recommendations to be tabled.
	To analyse the fiscal/resource redistribution for sustainable economic infrastructure development.	Analysis report completed on infrastructure development.	One (1) report and recommendations to be tabled.
	Research and analyse the viability of the Agro-processing sector.	Analysis report completed on the Agro-processing sector.	Two (2) reports with recommendations to be tabled.
	To analyse the existing legislative and policy environment to influence the development of the SMME sector.	Analysis report completed on the existing legislative and policy environment influencing the development of the SMME sector.	Two (2) reports and recommendations to be tabled. <ul style="list-style-type: none"> Financing Preferential Procurement
	To analyse the existing legislative policy and environment to influence the development of the manufacturing sector.	Development of a report on the analysis of the pharmaceutical industry.	One (1) report and recommendations to be tabled.
	To analyse the existing legislative and policy environment to influence the development of the tourism sector.	Development of a report on the analysis of the film industry.	One (1) report and recommendations to be tabled.
To contribute to the management of knowledge economy.	To provide reliable economic performance indices on the departmental Websites.	Number of economic performance indices published.	Publish bi-annually performance indices on the websites received from Economic intelligence.
	Provide reliable economic data to achieve objectives related to priority economic sectors on the Departmental Websites.	Number of economic sectors' and industries' reports published.	Publish bi-annually economic sector reports on the websites received from Economic Intelligence.
	Establish enterprise information architecture &	A phased-approach plan for EIA developed.	Approved and implemented plan of Phase 1 of the EIA.

Strategic Objective	Measurable Objective	Performance Measure	TARGETS
			08/09
	information management systems for DEA.	A phased-approach plan for MIS developed.	Approved and Implemented plan of Phase 1 of MIS.
		Number of developed Departmental ICT Strategies and Policies.	4 Developed and Implemented DEA ICT Strategies and Policies.
		Develop, implement and Maintain Departmental Websites and software applications as per EIA requirements.	Maintenance of websites and development of software applications.
		Efficient operability of DEA WAN, LAN (Desktops and other network computer related equipment), expressed as % of uptime achieved.	Ensure 98% LAN uptime and 95% WAN uptime.
	To promote the ICT sector as a resource for economic growth & development.	Implemented ICT sector strategies identified within the Northern Cape Information Society Strategy and Development Plan (NCISS).	Provide guidance to identified projects within the identified priority development areas (NCISS Development Plan): e-Governance, e-health, e-Education, e-SMME and Local Content.
	Establish the BPO and O Sector in the Northern Cape Province.	Guide the process for the establishment of BPO and O Call Centres in the Northern Cape Province.	Ensure implementation of ICT as an enabler in the development of e-SMME's.
To determine the effectiveness and impact of provincial policy and programme objectives and strategies.	To determine the impact of Economic Growth and Development Fund Projects performance monitoring.	Economic Growth and Development Fund Projects Performance monitoring.	Reports on projects produced.
	To determine the impact of departmental projects.	Departmental projects performance monitoring.	Reports on projects' performance produced
	Monitoring and evaluation of the unemployment targets.	Application of a monitoring system.	Status reports on the halving of unemployment target rate.
	Monitoring and evaluation of GDPR targets.	Application of a monitoring system.	Status reports on the GDPR target rate.

7. Other programme information

Personnel numbers and costs

Table 7.1: Personnel numbers and costs: Department of Economic Affairs

Personnel numbers	As at 31 March 2005	As at 31 March 2006	As at 31 March 2007	As at 31 March 2008	As at 31 March 2009	As at 31 March 2010	As at 31 March 2011
Administration	36	45	42	53	53	53	55
Integrated Economic Development Services	6	11	13	37	37	37	37
Trade And Industry Development	2	9	9	14	14	14	14
Business Regulation And Governance	20	21	23	31	31	31	31
Economic Planning		12	13	17	20	20	20
Total personnel numbers *	64	98	100	152	155	155	157
Total personnel cost (R thousand)	9,826	14,868	21,454	30,733	27,629	29,368	31,753
Unit cost (R thousand)	154	152	215	202	178	189	202

8. Training

Table 8.1: Summary of training: Department of Economic Affairs

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	Audited	Audited	Audited				2008/09	2009/10	2010/11
	2004/05	2005/06	2006/07						
Programme 1: Administration	124	180	168	197	197	197	236	305	335
of which									
Subsistence and travel	57	68	36	44	44	44	55	65	75
Payments on tuition	67	112	132	153	153	153	181	240	260
Programme 2:	123	84	112	132	132	132	170	200	225
Subsistence and travel	16	16	23	52	52	52	70	80	85
Payments on tuition	107	68	89	80	80	80	100	120	140
Programme 3:		55	85	110	110	110	180	210	240
Subsistence and travel		20	30	30	30	30	50	60	70
Payments on tuition		35	55	80	80	80	130	150	170
Programme 4:									
Subsistence and travel									
Payments on tuition									
Programme 5:	35	60	95	90	90	90	95	99	105
Subsistence and travel	10	20	35	30	30	30	32	33	35
Payments on tuition	25	40	60	60	60	60	63	66	70
Total payments on training	282	379	460	529	529	529	681	814	905

Table 8.2: Information on training: Department of Economic Affairs

R thousand	Outcome			Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	Audited	Audited	Audited				2008/09	2009/10	2010/11
	2004/05	2005/06	2006/07						
Number of staff									
Number of personnel trained	57	60	97	103	103	103	103	106	111
of which									
Male	23	22	43	45	45	45	45	46	48
Female	34	38	54	58	58	58	58	60	63
Number of training opportunities	5	6	9	10	10	10	12	15	18
of which									
Tertiary									
Workshops	4	5	7	8	8	8	9	11	14
Seminars	1	1	2	2	2	2	3	4	4
Other									
Number of bursaries offered									
Numbers of interns appointed					17	17	17	23	27
Number of learnerships appointed									
Number of days spent on training	32	40	45	55	55	55	58	62	68