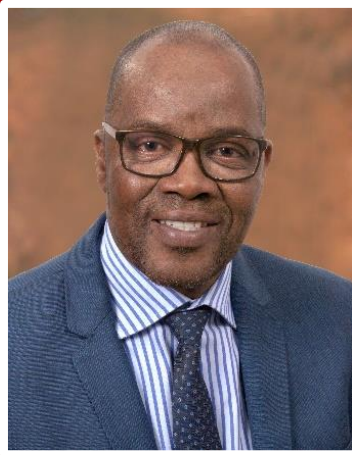




ANNUAL PERFORMANCE PLAN

2023-2026



MLUNGISI MVOKO
MEC

Executive Authority Statement

In the most interesting circumstances, we are not only starting a new financial but beginning an end of the last year of the democratic mandate of the sixth administration. Thus, consolidating our programmes, projects and interventions to deliver on DEDEAT's mandate.

We have witnessed a staggering confidence-building investment coming in droves to our province. This surely is not merely a lottery but an outcome of a string of efforts that the department, working with the Office of the Premier, our public entities and the departments in the economic cluster have put together to merit a consideration to many investors so that they can indeed see this province as a destination of choice for investments.

This happens right at the backdrop of the devastating effects of the COVID-19 pandemic and the Russia-Ukraine war. Various sectors of the economy have taken a knock thus affecting the livelihoods of many people especially the poorest of the poor.

All said and done we have taken an upward turn towards good recovery. The synergy and commitment in pursuing strategic objectives of the province to fortify the hope and pride in being a person of this beautiful province is what shall consolidate our resolve to serve our people and communities.

We have therefore rolled the sleeves further up to reverse the contours of poverty, joblessness and underdevelopment. We hope a brighter future is still possible and much more probable than anything ever before.

Also, the department, its entities and all other economic development sector departments have commenced the review of the Provincial Economic Development Strategy. This work will be concluded in the year coming. Underpinning this work is incorporation of critical emerging sectors that will strengthen diversification of our economy from the automotive sector.

I must hastily add that we committed to work with the auto sector to transition to the Electric Vehicles (EVs), in line with global trends underpinned by climate change considerations. I have been engaging with the industry in this regard through the Provincial Auto Advisory Council. In the coming year, we are looking at developing a provincial EV strategy to drive our efforts in this space.

Furthermore, financial support will be provided to the AIDC to enable them to establish a minimum of 13 electric vehicle-charging stations across our province. These will enable electric vehicle movement and consumption in the Eastern Cape. This network will immediately link with the ever-growing number of electric charging stations countrywide.

Unemployment continues to threaten our daily lives, mostly affecting the youth. We are in this regard rigorous on creating conducive environment for job creation and work opportunities, continuing with the programmes we committed in the year ending.

Programmes within the DEDEAT Group will continue being geared to support MSMEs, Cooperatives and Informal Traders to stimulate socio-economic growth. An important additional instrument is the newly established Provincial

Economic Development Fund. This Fund will be rolled out in the coming medium term, implemented by the Eastern Cape Development Corporation (ECDC).

It will address funding gaps in the Province, especially in high potential growth sectors. Unlike other funding instruments, this Fund will focus on loans and/or blended finance for commercially grounded enterprising ventures, across the priority sectors.

This Fund will also focus on seed funding and partnership development with private sector with the aim of matching rand on rand funding, linked to resource leveraging relating to identified Eastern Cape priority sectors and catalytic economic development projects.

The department will continue with its programmes that promote and enhance environmental conservation, working with partners, relevant stakeholders across government, private sector, civil society and law enforcement agencies.

The role of business chambers and/or business associations in rolling out our mandate remains critical. We'll continue engaging with them across the province as well as supporting them where practically possible.

Other critical piece of work will be to lobby the National Departments for enabling instruments, including incentives, funding and technical support.

This APP is aligned to the strategic thrust of the department, and the operational plan where a detailed plan is contained.

I fully endorse this Annual Performance Plan and undertake to do all within my powers to assist the department in fulfilling its mandate and goals as outlined in the Strategic Plan.



Mr M. Mvoko (MPL)

Executive Authority of MEC for Economic Development, Environmental Affairs & Tourism



MS M. MAMA
ACCOUNTING OFFICER

Accounting Officer Statement

The Department's vision is to be a catalyst for sustainable and inclusive economic development, that at the same time promotes sound environmental management. The realization of this vision will continue to lead us to a growing, transformed, diversified, inclusive and green economy in a sustainable environment. The values that we embrace (Collaboration, Innovation, Accountability and Leadership) will continue to be entrenched to ensure that our work benefits the people of our Province. The responsibility is huge, further complicated by the distressed economy, increasing youth unemployment, impact of climate change, and energy crisis to mention but few challenges.

Provincial Economic Recovery is hampered by poor investment and business sentiment exacerbated by load shedding, poor municipal service delivery environment, and high levels of crime including network infrastructure theft and sabotage.

All is not lost. In the year coming we'll be completing the work on reviewing the Provincial Economic Development Strategy. The review has been necessitated largely by new and emerging economic sectors as well as aligning with government plans and priorities over the years. Implementation of this strategy will enhance economic recovery as well enabling job creation through supporting industries and business enterprises in the priority sectors. The Economic Development Cluster Departments and Public Entities are all encouraged to play their role in the successful implementation of PEDS.

The work on DEDEAT High impact Projects continues. These are:

- i) Revitalization of Eco Industrial Parks.** The State-Owned Industrial Parks are critical for economic development, job creation and as well serving as hubs of economic activities across the Province. The level of government investment has been substantial. Our task, working closely with the dtic, both Provincial and National Treasury, ECDC and hosting municipalities is to ensure that these are fully functional and ready for investors.
- ii) Township and Rural Economy.** This programme is critical for economic development, reduced unemployment and eradication of poverty. Strengthened collaborations and partnerships are also critical for the successful roll-out of this programme. Key partners include municipalities, COGTA (by-laws), DPWI (schools that have been closed down can be utilized as SMME Hubs), DRDAR (food security) to mention but few. During the 2023/24 financial year, the department will focus on the following Development of White Paper on Township and Rural Economy. This is linked to the development of the Bill as a second phase; Development of a strategic framework for the Township and Rural Economy; Roll-out of the Provincial MSME Strategy and implementation Plan 2022-2025
- iii) Climate Change Support** the Province has experienced shifts in temperatures and weather patterns. The consequences of climate change include, among others, intense droughts, water scarcity, severe fires, rising sea levels, flooding, catastrophic storms and declining biodiversity. There has been an outcry from the municipalities for assistance on awareness, mitigation, and leading the climate change effort across the province. In the 2023/24 financial year, the following areas will be prioritized in rolling out the programme: Continue to roll-out the Climate Change Program. Electronic Motor Vehicle Program Retrofitting of

Government Buildings Needs and Responsibility Mainstream Climate Change into the PEDS Review of the Provincial Air Quality Management Plan Develop Quality Assurance / Quality Control program for Air Monitoring Stations

DEDEAT will continue to play her role in investment attraction. Investment is a key lever for economic development. Programme of action is centred within the Provincial Investment Framework. Critical role players being the Office of the Premier, DEDEAT, ECDC, SEZs and Municipal Agencies. DEDEAT has a responsibility of convening the EC Provincial Investment Forum.

Corporate Management is critical for supporting the core programmes. In the body of the plan we are outlining various projects under IT for continued digitalization of our work. However, human resource management is also prioritized this coming year. This is critical as we require competent staff and/or professionals in successful and sustainable implementing of our mandate. Below are key elements of the plan:

- Full implementation of the organizational structure
- Implementation of the Employment Equity Plan to ensure equitable representation and diversity
- Implementation of the Skills Development Strategy and all policies approved during 2022/23 financial year
- Improved turnaround time in filling of vacant posts

Collaboration is one of our values as DEDEAT. We continue to benefit from meaningful collaborations and partnerships. We'll continue with these across

- Industry associations and clusters
- Business chambers and associations
- Institutions of higher learning
- Research institutions
- National Departments and their respective Entities
- Municipalities and their Agencies

The DEDEAT Theme for the remainder of the 6th term of government is "LEVEL UP". The entire DEDEAT Group (DEDEAT and her Public Entities) commit not to drop the ball, but to rise and level up on all the successes achieved to-date. Under the leadership our Executive Authority – Hon Mlungisi Mvoko and the support of the entire TEAM, this is doable.



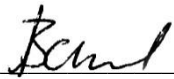
Ms M. Mama

Accounting Officer of Department of Economic Development, Environmental Affairs & Tourism

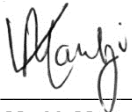
Official Sign-Off

It is hereby certified that this Annual Performance Plan:

- Was developed by the management of the Department of Economic Development, Environmental Affairs & Tourism under the guidance of Hon. M. Mvoko.
- Takes into account all the relevant policies, legislation and other mandates for which the Department of Economic Development, Environmental Affairs & Tourism is responsible.
- Accurately reflects Outcomes and Outputs which the Department of Economic Development, Environmental Affairs & Tourism will endeavour to achieve over the period 2023/24.



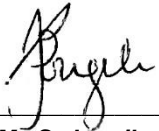
Mr T. Boucher, Programme Manager: Administration



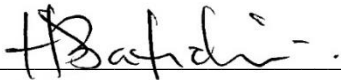
Ms V. Mantyi, Acting Programme Manager: Economic Development & Tourism



Ms P. Mzazi-Geja, Acting Programme Manager: Environmental Affairs



Ms S. Jongile, Chief Financial Officer



Mr H. Batidzirai, Head Official responsible for Planning



Ms M. Mama, Accounting Officer

Approved by:



Mr M. Mvoko, Executive Authority

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List of Abbreviations

4IR	Fourth Industrial Revolution
AFCFTA	African Continental Free Trade Area
AFF	African Continental Free Trade Area
AGOA	African Growth and Opportunity Act
AIDC	Automotive Industry Development Centre
APDP	Automotive Production and Development Programme
AQMP	Air Quality Management Plan
BAIC	Beijing Automotive Group Co
BAS	Basic Accounting System
BBBEE	Broad-Based Black Economic Empowerment
BCM	Buffalo City Metropolitan Municipality
BCMDA	Buffalo City Metropolitan Development Agency
BER	Bureau for Economic Research
BRAG	Business Regulations
BREXIT	Britain and exit
BTC	Business Technical Committee
C&E	Construction & Engineering
CACSP	Certified Advanced Cyber Security Professional
CAPI	Computer-Assisted Personal Interviews
CDA	Cooperative Development Authority
CDC	Coega Development Corporation
CDT	Communications and Digital Technologies
CEF	Central Energy Fund
CFO	Chief Financial Officer
CGICT	Corporate Governance of ICT
CH	Chris Hani
CHDA	Chris Hani Development Agency
CHEMIN	South African Technology Incubator
CHIETA	Chemical Industries Education & Training Authority
CIPCS	Companies and Intellectual Property Commission
CONS	Construction Industry
COP	Community of Practice
COP26	United Nations climate change conference
COVID-19	Coronavirus disease
CSIR	Council for Scientific and Industrial Research
CSPS	Civilian Secretariat for Police Service
D:C&E	Compliance and Enforcement
DALRRD	Department of Agriculture, Land Reform and Rural Development
DBSA	Development Bank of South Africa
DFA	Dark Fibre Africa
DFFE	Department of Forestry, Fisheries and Environment
DGITO	Department of Government Information technology Office
DHSWS	Department of Human Settlements, Water and Sanitation
DMRE	Department of Mineral Resources and Energy
DMS	Document Management Systems
DORA	Digital Operational Resilience Act

DPE	Department of Public Enterprises
DPME	Department of planning, monitoring and evaluation
DPSA	Department of public service and administration
DSBD	Department of Small Business Development
DSI	Department of Science and Innovation
DTIC	Department of Trade, Industry & Competition
EC	Eastern Cape
ECAIF	Eastern Cape Automotive Industry Forum
ECBSAP	Eastern Cape Biodiversity Conservation Strategy and Action Plan
ECDC	Eastern Cape Development Corporation
ECGB	Eastern Cape Gambling Board
ECLB	Eastern Cape Liquor Board
ECPG	Eastern Cape Provincial Government
ECPTA	Eastern Cape Parks and Tourism Agency
ECSECC	Eastern Cape Socio Economic Consultative Council
ECTI	Eastern Cape Tooling Initiative
EES	Environmental Empowerment Services
EIA	Environmental Impact Assessment
EIM	Environmental Impact Management
ELIDZ	East London Industrial Development Zone
EMDES	emerging market and developing economies
EMF	Electric and magnetic fields
EOA	Economies of Africa
EPIP	Environmental Protection and Infrastructure Programmes
ESKOM	Electricity Supply Commission
EU	European Union
EVS	Environmental studies
FCS	Finance and Corporate Services
GB	Governing Board
GDP	Gross Domestic Product
GEF	Global Environmental Facility
GICT	
GM	General Manager
GP	Gauteng province
GVA	Gross value added
HDI	Human Development Index
HOD	Head of department
HRM	Human Resource Management
HRM&D	Human Resource Management and Development
ICT	Information and Communication Technology
ID	Industrial Development
IDC	Industrial Development Corporation
IDPS	Integrated Development Plans
IDZ	Industrial Development Zone
IGR	Inter-Governmental Relations
IMO	International Meteorological Organization
IPAS	Individual Placement Agreement
IPP	Independent Power Producers
IPS	investment policy statement
IRP	Integrated Resource Plan

IT	Information Technology
IWMP	Integrated Waste Management Plan
JTF	Joint Task Force
KPA	Key Performance Areas
KSD	King Sabatha Dalindyebo
KZN	Kwa Zulu Natal
LED	Local Economic Development
LEDPF	Local Economic Development Procurement Framework
LMS	Litigation Management Services
LNG	Liquefied natural gas
LPMS	Lightning Protection Measures System
LRED	Local and Regional Economic Development
LTOS	Local Tourism Organizations
MBSA	Mercedes-Benz South Africa
MEC	Member of Executive Council
MOA	memorandum of agreement
MSME	Micro, Small and Medium Enterprises
MTEF	Medium Term Expenditure Framework
MTSF	Medium Term Strategic Framework
NAAMSA	National Association of Automobile Manufacturers of South Africa
NAEIS	online national reporting platform for environmental affairs
NAMC	National Agricultural Marketing Council
NBSAP	National Biodiversity Strategies and Action Plans
NDP	National Development Plan
NDT	National Department of Tourism
NEF	National Empowerment Fund
NEMBA	National Environmental Management: Biodiversity Act
NERSA	National Energy Regulator of South Africa
NGOS	Non-governmental organizations
NMBM	Nelson Mandela Bay Municipality
NMBMC	Nelson Mandela Bay Maritime Cluster
NPA	National Prosecuting Authority
NTR	National Treasury
OBS	Open Broadcaster Software
OD	Organisational Development
OEMS	original equipment manufacturer
OPS	Operational Plans
OTP	Office of the Premier
PDIS	Provincial Industrial Development Strategy
PDP	Provincial Development Plan
PEDS	Provincial Economic Development Strategy
PMDS	Performance management and development system
PMO	Project Management Office
PMTSF	Provincial Medium-Term Strategic Framework
POE	Portfolio of Evidence
PPP	Public Private partnerships
PPPFA	Preferential Procurement Policy Framework Act
PSC	Public Service Commission
PWDS	Persons with disabilities
R-CTFL	Retail Clothing, Textile, Footwear & Leather
REIPPP	Renewable Independent Power

	Producer Programme
SAAM	South Africa Automotive Master
SAFCOL	South African Forestry Company SOC Limited
SAIDI	System Average Interruption Duration index
SAIFI	System Average Interruption Frequency Index
SAIMI	South African International Maritime Institute
SALGA	South African Local Government Association
SAMSA	South African Maritime Safety Authority
SAPS	South African Police Service
SARB	South African Revenue Service
SBD	Small Business Development
SCM	Supply Chain Management
SDFS	Safe and Drug-Free Schools
SEA	Strategic Environmental Assessments
SEAF	Sustainable Energy Advisory Facility
SEDA	Small Enterprise Development Agency
SEFA	Small Enterprise Finance Agency
SEZ	Special Economic Zone
SITA	State Information Technology Agency
SIU	Service-level agreement
SLA	Service Level Agreement
SMS	Senior Management Services
SOER	State of the Environment Report
SOES	state-owned enterprises
TIA	Technology Innovation Agency
TIDS	Technical Indicator Descriptors
TOC	Theory of Change
TOPS	Threatened or Protected Species Regulations
TORS	Terms of Reference
TV	Television
TVETS	Technical and Vocational Education and Training
UN	United Nations
UNDP	United Nations Development Plan
URLS	Uniform Resource Locators
USA	United States of America
VCO	Venture Capital Organisation
VRFB	Vanadium redox flow battery
WC	Western Cape
WEF	World Economic Forum
WESSA	Wildlife and Environment Society of South Africa
WIMAX	Worldwide Interoperability for Microwave Access
WMO	World Meteorological Organization
WRT	With Reference To
WRTCA	Wholesale, Retail, Trade, Catering and Accommodation
WS	Web Service



PART A

← **OUR MANDATE**

Part A: Our Mandate

1. Relevant legislative and policy mandates

DEDEAT derives its constitutional mandate from Schedules 4 and 5 of the Constitution of the Republic of South Africa, 1996. The applicable Schedule 4 functional areas mainly in part A includes Administration of casinos, racing, gambling and wagering, excluding lotteries and sports pools: consumer protection, environment, industrial promotion, nature conservation, excluding national parks, national botanical gardens and marine resources, pollution control, provincial public enterprises in respect of the functional areas of Schedule 4, regional planning and development, tourism, trade, urban and rural development. The applicable Schedule 5 functional areas are mainly on liquor licensing, and provincial planning.

DEDEAT derives its legislative mandates from a raft of national and provincial legislation, as well as policy specifications of nine national departments, viz, Department of Trade, Industry & Competition (dtic), Forestry, Fisheries and Environment (DFFE), National Department of Tourism (NDT), Mineral Resources and Energy (DMRE), Public Enterprises (DPE), Small Business Development (DSBD), Science and Innovation (DSI), and to some extent Communications and Digital Technologies (CDT).

At a minimum, the applicable Acts and corresponding responsibilities placed on the department's functional areas are listed as follows:

Programmes and sub-programmes	Source of Mandate	Key Department Responsibilities
<p style="writing-mode: vertical-rl; transform: rotate(180deg);">PROGRAMME 1: ADMINISTRATION</p> <p>Office of the HOD:</p> <ul style="list-style-type: none"> a. Special Programmes Unit b. Public Entities Oversight c. Programme Management Office d. Risk Management & Anti-corruption e. Internal Audit f. Legal services 	<ul style="list-style-type: none"> • Constitution of the Republic of South Africa (1996) • National Gender Policy • National Youth Development strategy • National Disability strategy • Employment Equity Act • Public Service Act • Public Finance Management Act • Public Service regulations • Labour Relations Act • Audit Act • Promotion to Access to Information Act • Promotion to Administrative Justice Act • Public Administration Management Act • Protection of Personal Information Act • Public Sector Risk Management Framework • National Development Plan • Provincial Development Plan • White Paper on the rights of Persons with disabilities • The Beijing Platform for Action • National Strategic Framework on gender equality • Job access Strategic Framework • White Paper on transformation of Public Service • White Paper on Human Resource Management in Public service • Disaster Management Act • National Anti-corruption strategy • Protection Disclosure Act • Prevention and Combating of Corrupt Activities Act • Proceeds of Crimes Act 	<ul style="list-style-type: none"> • Promote women, youth and disabled • Promote equity and diversity • Oversee economic and tourism development as well as environmental management • Provide sound working environment • Facilitate risk management for the Department. • Implement and enforce legislation and regulations
<p>Corporate Management:</p> <ul style="list-style-type: none"> a. Human Resource Management and Development 	<ul style="list-style-type: none"> • Public Service Act Regulations • Employment Equity Act • Skills Development Act • Basic Conditions of Employment Act 	<ul style="list-style-type: none"> • Promote participatory, consultative and efficient administration • Promote equity • Improve competency and skills of workforce for

Programmes and sub-programmes		Source of Mandate	Key Department Responsibilities
		<ul style="list-style-type: none"> • Labour Relations Act • Occupational Health and Safety • Compensation for Occupational Injuries and Diseases Act • Skills Levies Act • Promotion of Equality and Prevention of Unfair Discrimination Act 	efficiency and effectiveness <ul style="list-style-type: none"> • Promote sound, fair, healthy and productive working environment
	b. Organizational Development and Service Delivery Improvement	<ul style="list-style-type: none"> • Public Service Act • Public Service Regulations • White Paper on Batho Pele 	<ul style="list-style-type: none"> • Develop skilled, efficient and effective workforce
		<ul style="list-style-type: none"> • DPSA OD Directives • PSCBC Resolutions • Operations Management Framework • White Paper on the Transformation of the Public Service • DPSA/Provincial Job Evaluation Guidelines and Policy • DPSA Job description guidelines 	<ul style="list-style-type: none"> • Promote participatory, consultative and efficient administration • Create a harmonious working environment • Plan, Implement, monitor, report in a compliant manner • Implement the applicable legal and regulatory framework
	c. Communications	<ul style="list-style-type: none"> • Public Service Act • Electronic Communications Amendment Act • Protection of Personal Information Act 	<ul style="list-style-type: none"> • Promote efficient, effective and secure communication
	a. Office Management	<ul style="list-style-type: none"> • Public Service Act • Public Finance Management Act 	<ul style="list-style-type: none"> • Provide sound working environment
	d. Strategic Management e. Strategy Formulation f. Planning and Reporting g. Monitoring and Evaluation	<ul style="list-style-type: none"> • Public Service Act • Public Finance Management Act • Public Service Regulations (Ch 3. Part 1. Paragraph 27) • Provincial Spatial Development Framework • Promotion of Access to Information Act • National Development Plan Vision 2030 • New Growth Path • DPME Planning Framework • Medium Term Strategic Framework • National Evaluation Policy Framework 	<ul style="list-style-type: none"> • Plan, monitor, report in a transparent manner • Implement inclusive and participatory planning processes within the applicable legal and regulatory framework • Plan with relevant data and information that can be applied practically within the Province
	h. Information Technology i. Knowledge Management	<ul style="list-style-type: none"> • Public Service Act • Information Technology Act • Protection of Personal Information Act • Promotion of Access to Information Act • Minimum information standard 	<ul style="list-style-type: none"> • Create a platform that enhances efficient and effective service delivery • Provide access to data and information to enhance decision making

Programmes and sub-programmes		Source of Mandate	Key Department Responsibilities
	<p>Financial Management:</p> <ul style="list-style-type: none"> a. Budgeting b. Supply Chain Management c. Financial Administration d. Financial Accounting 	<ul style="list-style-type: none"> • Public Service Act • Public Finance Management Act • Treasury Regulations DORA • National/Provincial Treasury Instructions/Notices 	<ul style="list-style-type: none"> • Adhere to sound and verifiable financial management systems and protocols • Provide for financial management integrity throughout the finance value chain
PROGRAMME 2: ECONOMIC DEVELOPMENT	<p>Economic Development:</p> <ul style="list-style-type: none"> a. Integrated Economic Development <ul style="list-style-type: none"> - Enterprise development - Local Economic Development - Economic Empowerment 	<ul style="list-style-type: none"> • White paper on SMME promotion • National Small Business Act • Eastern Cape Development Corporation Act • Co-operatives Act and Co-operatives Bank Act • Provincial Co-operative Development Act • PPPFA (Preferential Public Procurement Framework Act) • Provincial Local Economic Development Framework • Provincial MSME Strategy 2020 - 2025 • Broad Based Black Economic Empowerment Act • Provincial Business Incubation Strategy 2018 – 2023 • Companies Act • National Integrated Small Enterprise Development Plan • Competition Act 	<ul style="list-style-type: none"> • Provide a platform for standardized business development and support • Promote MSME and cooperative development • Promote equity in the economy • Empower citizens and previously disadvantaged • Transformation of the business space • Entrepreneurship development • Poverty elimination • Job creation • Broaden participation of MSME's in the broader market economy
	<ul style="list-style-type: none"> b. Trade and industry development <ul style="list-style-type: none"> - Trade & investment promotion - Sector development - Industry development 	<ul style="list-style-type: none"> • Eastern Cape Development Corporation Act • National Small Business Act • Provincial Economic Development Strategy (PEDS) • Special Economic Zones Act (SEZ) • Master Plan for the Commercial Forestry Sector in South Africa 2020-2025 • The South African Poultry Sector Master Plan • South African R-CTFL Value Chain Master Plan to 2030 • South Africa's Automotive Industry Master Plan to 2035 • South African Sugar Value Chain Master Plan 2030 • The South African Steel and Metal Fabrication Master Plan 1.0 • South African 	<ul style="list-style-type: none"> • Provide support to industry and sector development • Provide support to business development and growth including export of products • Provide varied support mechanisms to the provincial economy • Encourage the development, growth and increased competitiveness of the South African manufacturing (Value Added) sector. • Encourage alignment of local economic development plans with the strategy PEDS. • Facilitate trade promotion retention and attraction of investment in priority sectors • Oversight and support on infrastructure projects

Programmes and sub-programmes	Source of Mandate	Key Department Responsibilities
	Furniture Industry South African Ocean's economy masterplan (Draft) <ul style="list-style-type: none"> • Local Economic Development Policy Framework (LEDPF) • Maritime Localization Support Programme • Infrastructure Development Act 	
c. Business Regulation Services <ul style="list-style-type: none"> - Consumer Protection - Liquor Industry Regulation - Gambling Sector Regulation 	<ul style="list-style-type: none"> • Eastern Cape Consumer Protection Act • Consumer Protection Act • National Credit Act • National Liquor Policy • Eastern Cape Liquor Act • Eastern Cape Gambling Act • National Liquor Act • National Gambling and Betting Act 	<ul style="list-style-type: none"> • Provide certainty in business transactions • Provide redress avenues for consumers who lack resources and information • Provide Consumer complaint support service • Create Education and awareness • Provide for a stable and thriving liquor industry • Provide for a stable and thriving gambling and betting industry • Facilitate measures to protect citizens from alcohol and gambling side effects
d. Economic planning, research and policy formulation	<ul style="list-style-type: none"> • National Development Plan Vision 2030 • Provincial Development Plan • National Spatial Development Perspective • Provincial Spatial Development Framework • Municipal Systems Act • Integrated Development Plan • Sector Plans 	<ul style="list-style-type: none"> • Consider spatial issues in development • Research and provide accurate and up to date socio-economic data for effective decision making • Support local government in implementing local economic development
e. Tourism	<ul style="list-style-type: none"> • Eastern Cape Parks and Tourism Agency Act • National Tourism Act EC Tourism Master Plan 2022 – 2032 	<ul style="list-style-type: none"> • To create an enabling tourism environment through legislation, policy and strategy development • To create demand and supply for tourism • To ensure sustainability and tourism sector transformation
PR OGRAMME 3: ENVIRONMENTAL AFFAIRS	Environmental Affairs: <ul style="list-style-type: none"> a. Policy Co-ordination and Environmental Planning <ul style="list-style-type: none"> • NEMA • NEM Act: Biodiversity Act; Protected Areas Act; Air Quality Act; Waste Act; Integrated Coastal Management Act. • Environment Conservation Decree of 1992 • Nature and Environmental Conservation Ordinance • National Heritage Resources • White Paper on Coastal Management 	<ul style="list-style-type: none"> • Reduce greenhouse gas emissions • Promote climate change adaptation and mitigation projects • Protect biodiversity by maintaining and expanding biodiversity parks • Promote safe and healthy air, land and water environment • Implement and enforce environmental legislation and regulations

Programmes and sub-programmes	Source of Mandate	Key Department Responsibilities
	<ul style="list-style-type: none"> • Marine Living Resources • Sea Shore Act • Integrated Pollution and Waste Management Policy • National Forest Act • Veld and Forest Fire Management Act • Transkei Environmental Decree Act • Ciskei Conservation Act • Cape Ordinance 	
b. Compliance / Enforcement	<ul style="list-style-type: none"> • NEM Act • NEM: Biodiversity Act • NEM: Protected areas Act • NEM: Integrated Coastal Management • NEM: Waste Act • Nature and Environmental Conservation Ordinance • Mountain Catchment Areas Act • Nature Conservation Act (Ciskei) ¹ • Environmental Conservation Decree (Former Transkei) ¹ • Game Theft Act • Integrated coastal management act • National Water Act • All legislation pertaining to Environmental Affairs 	<ul style="list-style-type: none"> • Undertake compliance monitoring • Implement and enforce environmental legislation • Coordination of Honorary Nature Conservation Officers (Volunteers)
c. Environmental Quality Management	<ul style="list-style-type: none"> • National Environmental Management Act NEMA • NEMA EIA Regulations • NEMA: Waste Act and Associated Regulations • Environment Conservation Act • NEM Air Quality Act • White Paper on Climate Change • Climate Change Bill 	<ul style="list-style-type: none"> • Process Environmental Authorizations/License (Environmental Impact Assessments, Waste management licenses and Atmospheric Emission Licenses • Protect natural resources and human well being • Implement environmental legislation and regulations • Administer environmental appeals
d. Biodiversity Management	<ul style="list-style-type: none"> • NEMA • NEM: Biodiversity Act 	<ul style="list-style-type: none"> • Protect and manage Biodiversity and Eco systems

Programmes and sub-programmes		Source of Mandate	Key Department Responsibilities
		<ul style="list-style-type: none"> • NEM: Protected Areas Act • Nature and Environmental Conservation Ordinance • Problem Animal Control Ordinance • Game Theft Act • National Forest Act • Veld and Forest Fire Act • NEM: Integrated Coastal Management Act • Sea Shore Act • Marine Living Resources Act • Fencing Act • Mountain Catchment Areas Act • Eastern Cape Parks Board Act • Nature Conservation Act (Former Ciskei)¹ • Environmental Conservation Decree (Former Transkei)¹ • National Heritage Resources Act • National Water Act 	<ul style="list-style-type: none"> • to build resilience to climate change. • Manage sustainable utilization of natural resources • Effectively manage a balance between nature (flora and fauna) and humans • Protect the coastal environment • Establish and maintain stewardship programmes and protected environments. • Conservation and management of water catchments and wetlands • Coordination of Voluntary Coastal Officers
	e. Environmental Empowerment Services	<ul style="list-style-type: none"> • NEMA • Skills Development Act • All legislation pertaining to Environmental Affairs 	<ul style="list-style-type: none"> • Empower Eastern Cape citizens on environmental issues through capacity building, awareness campaigns, media releases and programmes. • Creating employment and skilling through environmental projects e.g. EPWP.

¹ The Transkei Environmental Conservation Decree No. 9 of 1992 and the Ciskei Nature Conservation Act No 10 of 1987 were assigned to the Eastern Cape after 1994. They are to remain in place until the process (currently underway) to promulgate our new Eastern Cape Environmental Management Act is complete, at which time these will be repealed.

2. Institutional Policies and Strategies

The department's work is influenced by a combination of economic and environmental imperatives in the Eastern Cape, key alignment instrument from international, national, provincial and local levels, structural organization of the DEDEAT Group as well as the available human and financial resources. Key alignment instruments are found in Annexure B of the 2020-2024 Strategic Plan of the department. During the last 5-year period, the department developed and/or continued to make use of policies and Strategies that enhance economic, environmental management and tourism development. These include the Eastern Cape Biodiversity Strategy and Action Plan (ECBSAP), Climate Change Response Strategy, Provincial Economic Development Strategy, Provincial Sustainable Energy Strategy, National Biodiversity Economy Strategy, Integrated Waste Management Plans, Eastern Cape Youth Development Strategy, Provincial National Protected Area Expansion Strategy, Wild Coast Environmental Management Plan, Estuary Management Plan, Industry Action Plan, Agricultural Policy Action Plan, Tourism Master Implementation Plan, BBBEE policy, ECAIF Automotive Strategy 2024, AIDC Automotive Strategy 2024, EC Tooling Sector Strategy 2024, Provincial EC Integrated MSME Strategy 2022-2025, Co-operative Development Strategy 2019-2024, Business Incubation Strategy and MEC Policy Speeches among others.

At the beginning of the 6th Administration, the Premier (Hon. O. Mabuyane) highlighted 12 Political Directives of which reduction of unemployment by half in 2030, acceleration of support to MSME development, prioritization of growth (sector based GDP growth) and development with employment and youth development spin offs, consistency and committed efforts to provincial mega catalytic projects, focused pattern on building a capable development state and institutionalization of the implementation of the Provincial Development Plan (PDP) (2019) with support of evidence-based systems and M&E are more relevant to DEDEAT. In addition, there are seven electoral mandate priorities of the governing party, the most relevant aligned to the mandate of the Department are Priority 1: *Transform the Economy to Serve the People*; Priority 6: *South Africa, Africa and the World* and Priority 7: *Preconditions for Success: Electricity, Water, Rail & Ports and Climate Change*. The DEDEAT strategy is also aligned to the MTSF priorities (Priorities 2 = Economic Transformation and Job Creation, 3 = Education, Skills and Health, and 5 = Spatial Development, Human Settlements and Local Government). Already the department is performing work and tracking investments, GDP, MSMEs, Tourism, automotive, oceans economy, light manufacturing and jobs as mandated by the revised Provincial MTSF priorities. At a Provincial level, the Provincial Development Plan (Vision 2030) has the following thematic focus areas for the Eastern Cape: 1. People: enhance their capabilities; 2. Economy: more resilient, productive and job creating; and 3. Place: more livable and pleasurable, greater social integration, safety and access to opportunities. There are 6 goals that have been developed for the PDP of which *Goals 1* (Innovative and inclusive growing economy); *2* (An enabling infrastructure network); *3* (Rural development and an innovative and high-value agriculture sector); *4* (Human development) and *5* (Environmental sustainability) are aligned to the work of the Department and have been factored in the strategy development.

Figure 1: Provincial Development Goals

Source: Eastern Cape Provincial Government, 2019

Aligned to the PDP is the Office of the Premier produced Mandate Paper (2023/24), which aligns the work of departments and agencies to deliver a set of outcomes. The department will focus on priority 2 (Responsiveness to Eastern Seaboard Development, Support to rural and township enterprises, Support informal and micro businesses, Revitalisation of industrial parks to attract and retain investments for job retention and expansion, support on Oceans Economy projects, Power Producer Support Processes and support to Socio-Economic Development in the Energy Sector; support for EC mini grids and sustainable energy sector support to municipalities; Support for Liquid Natural Gas, Green Hydrogen and sustainable energy initiatives in the Province. Promotion of household food security and sustainable agriculture initiatives, and Support implementation of climate change adaptation Strategies; and priority 7 (Increase the provincial share of global foreign-direct investment and position the EC as global destination of choice for trade and tourism; Support African Free Trade agreement initiatives.

In line with the quest to improve the impact and coordination of programmes in the Province, the department will focus on key integration areas as identified by the Office of the Premier through work of various clusters. These areas are already aligned to the current work of the department and include the following impact areas: 1) Economic growth –sustainable energy, oceans economy, skills development and training, integrated infrastructure and delivery. 2) Improved service delivery – climate change and adaptation. Specific work of the DEDEAT Group will focus on the following: a) *Oceans economy*- facilitate development of maritime manufacturing, oil and gas, marine and coastal tourism, aquaculture development zones and marine protection; b) *informal sector support*; c) *enterprise development* ; d) *Sustainable Energy*- implement sustainable energy sector development as per PEDS including utility scale wind and solar generation, gas power generation, green hydrogen, energy storage, embedded generation in municipal networks (rooftop solar, own generation); LNG Gas Infrastructure– establishing an LNG hub at CDC-Ngqura complex through a joint development agreement under the DMRE e) *Climate change* – coordinate provincial adaptation and mitigation response across line departments, vertically with National Departments as well as between municipalities within the Province.

Both the economic development & tourism and environmental affairs chief directorates will align their work on climate change with the Presidential Climate Commission’s Just Transition Framework (JTF), which was approved by Cabinet in August 2022. The framework contains shared vision for shifting to an equitable, zero carbon economy and identifies key policy areas and principles to achieve this.

Of particular interest to the department in the Just Transition Framework are value chains related to the auto sector, tourism, agriculture, trade, human resources development and skills, industry development, economic diversification and innovation. These are areas where the department is already playing its part. Importantly, the department will align its work to fit into the JTF, lobby and mobilize resources.

The Province has developed four probable futures through a scenario forecasting technique. These *are the flourishers, diy - do it yourself, the destitute, and just a number*. As the Eastern Cape, we are desirous to be in the flourisher's scene by 2040. According to the Eastern Cape Scenarios (ECSECC, 2021), the flourishers will be characterized as follows: In this scenario, individuals, organizations as well as the government of the Eastern Cape Province are able to sense and grasp economic opportunities. There are programmes that focused on enhancing artisan and digital skills, initiatives to enhance MSME development and to bring informal businesses closer to the mainstream, campaigns to reduce red tape, and numerous training programmes to ensure well-trained and appropriately skilled citizens, political office bearers and civil servants. The enhanced economic infrastructure enabled especially the manufacturing sector to see inspiring growth. Industries are becoming more competitive and the SEZs are becoming hubs of innovation and places where large businesses are settling their next operations. The refocusing of the SEZs toward green economy initiatives paid off. Now, regional and global exports are at their highest level in 25 years.

Social infrastructure is smart and efficient. Digital information systems keep everyone connected and guarantee smooth delivery of social services. Schools are centers of learning for people of all ages, where they engage in upskilling and reskilling activities. Empowered communities willingly share ownership of social infrastructure. The Eastern Cape Province is an example of how a system with enabling social infrastructure enhances the lives and livelihoods of communities.

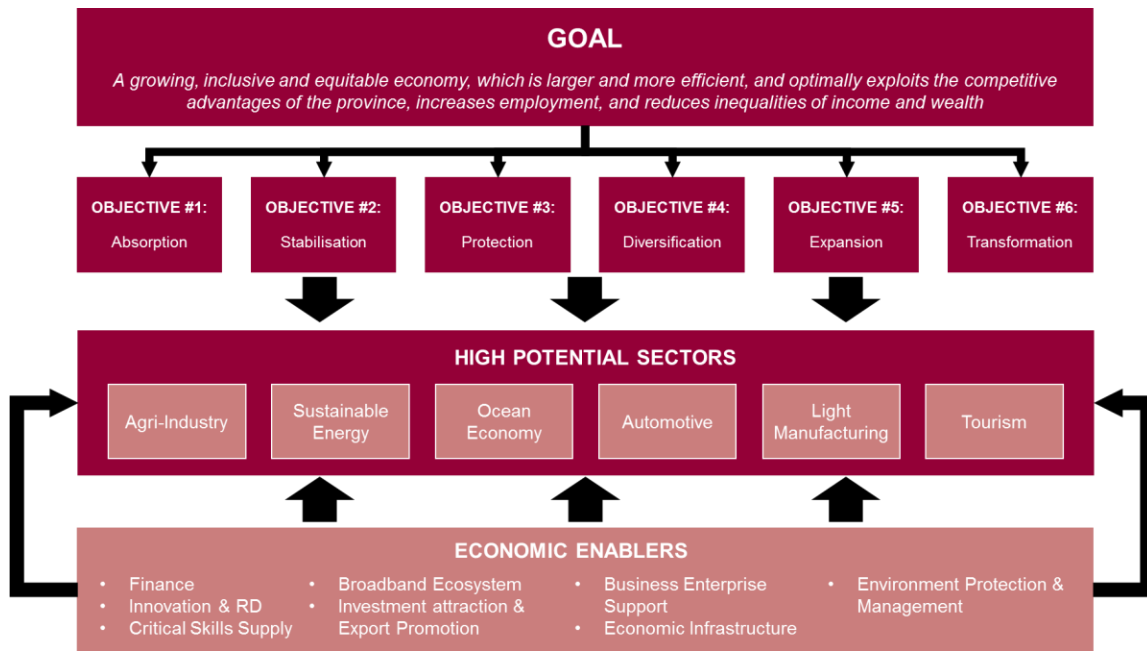
The use of natural resources is appropriate, responsible and sustainable. The migration from fossil fuels to renewable energy sources was hard, and required significant planning, upskilling and investment, but now it is paying off because the province is almost completely running on renewables, making it a feasible green location option for foreign and local investors alike.

Towards the first half of the 2020s, significant gains were made in terms of climate change mitigation strategies. Stakeholders in the Eastern Cape collaborated with government to develop strategies for the adoption of circular economy principles. Furthermore, digital early detection systems were designed to be part of disaster recovery plans.

Many factors – like the efficient economic infrastructure, the viable economic and development strategies, and the well-developed levels of agency worked together to enable fairer access to economic opportunities. The capacitated and enabled people appreciate the transparent system that provides economic intelligence and opportunities to everyone. These characterized areas of performance are already in the ambit of the DEDEAT group theatre of performance.

The Provincial Economic Development Strategy (PEDS) is anchored by six pillars of agro-industry, sustainable energy, oceans economy, automotive, light manufacturing and tourism. Currently, the department does not have capacity to drive the oceans economy pillar but is working in a multi-disciplinary team that includes Nelson Mandela University and is led by the Office of the Premier. These are underpinned by economic enablers in the areas of environmental protection and management, business enterprise, economic infrastructure, broadband, investment, skills, innovation and finance. The selection of the priorities sectors was done after consideration of strength and opportunities in the Eastern Cape. These options have a better chance of propelling the Eastern Cape to higher growth rates and more inclusive growth. The PEDS review commenced in 2022/23 financial year and will be completed in 2023/24. The plan is summarized in the following diagram.

Figure 2: Provincial Economic Development Strategy



Source: DEDEAT, 2015

The strategic focus of the department is aligned to the economic priorities of the National Development Plan contained in the MTSF, Vision2030, the ruling party plans as well as selected district and local municipal plans.

The department is desirous to have a growing, innovative, diversified MSMEs that generate sustainable jobs in major regions with the new economy showing significant growth. The region’s resources will be explored while reducing the carbon footprint. In the process, communities will be engaged and empowered for inclusive participation in the economy. As such the strategy(2020-2024) of the department rests on the following four pillars:

1. *A growing, innovative and diversified private sector enabled economy*
2. *Empowered and skilled communities participating in an inclusive economy*
3. *Sustainable resource use, responsive infrastructure and diverse investments*
4. *Enabled, simplified and responsive business processes*

Relevant Court Rulings

There are no relevant court rulings as at 1st March 2023.



PART B

← OUR STRATEGIC FOCUS

Part B: Our Strategic Focus

3. Updated Situation Analysis

3.1 External Environment Analysis

The latest International Monetary Fund published in October 2022 estimated a slowdown of global growth rate from 6.0% in 2021 to 3.2% in 2022. Broken down per economic regions the projected 3.2% will be due to 2.4% growth in advanced economies and 3.7% growth rate in emerging markets and developing economies (EMDEs), of which 3.6% growth is predicted in the Sub-Saharan region. The frail projections are due to several turbulent and high uncertainty acute challenges facing the global economy. For one, lingering effects of COVID 19 and the Russia Ukraine war continue to haunt monetary and fiscal policies which were worldwide unprecedentedly stretched in support of these shocks. A more pressing global agony is that towards the end of 2022, cost-of-living intensified higher than seen several decades from 2001 thus increasing the possibility of a global recession in 2023.

Upside inflation surprises have been most widespread amongst the developing economies, with greater variability in the EMDEs. With high inflation and negative supply shocks, there is substantial uncertainty about the impact of monetary policy in terms of both magnitude and timing. As a result, the risk of policy missteps may be elevated. However, the danger lies with the possibility that increasing price pressures remains the most immediate threat to current and future prosperity by squeezing real incomes and undermining macroeconomic stability. Central banks around the world are now laser focused on restoring price stability, and the cost of tightening has accelerated sharply. The downside to this may be that monetary policy over-tightening is likely to push the global economy into an unreasonably harsh recession.

Predicted global recession comes at a time where EMDEs have long been faced with declining investment growth associated with weak real output growth, weak real credit growth in capital inflows, and interminable efforts on investment reforms. Weakened investment growths were not only dampening potential growth but also resulted in linked weak trade. In most EMDEs these frail growth conditions were worsened by the impossibility of balancing aggressive debt distress reforms, prioritizing structural reforms to stimulate investment, promoting food security, safeguarding the global commodity trading system, cushioning impact of recent negative economic shocks and supporting resilience of vulnerable populations.

Market Opportunities

Eastern Cape Business is distributed internationally on outgoing and incoming trade missions, through trade and investment agencies; to foreign offices in South Africa's main trading partners around the world; at top national and international events; through the offices of foreign representatives in South Africa; as well as nationally and regionally via chambers of commerce, tourism offices, airport lounges, provincial government departments, municipalities and companies. Although there has been a consistent growth in certain sectors, such as Agro-processing, sustainable energy, general manufacturing and pharmaceutical products, the automotive sector remains the leading exporter of the Province.

The Eastern Cape's two SEZs are key drivers in the province's strategy to attract investors. At the CDC SEZ, major current investors include BAIC SA (R11-billion), the Dedisa Power Peaking Plant (R3.5- billion), FAW SA (R600-million) and CEMZA (R600- million). Even though Covid-19 influenced activity in the SEZ, four major projects were under construction during 2020. The following facilities were being built: two for logistics companies (DHL Logistics and APLI), a multi-user facility and the new Aquaculture Development Zone, which is being developed at a cost of R259-million. The CDC Development Corporation, which is assisting in the rollout of infrastructure projects in different parts of South Africa, has now been appointed to assist provincial departments, public entities and municipalities within the Eastern Cape to package projects to attract funding for socioeconomic development.

The East London Industrial Development Zone (ELIDZ) has a strong suit in automotive suppliers, anchored around the proximity to the Mercedes-Benz South Africa EC's largest export recipient as per 2020 was the EU, followed by Asian countries. Just in the last few months the ELIDZ has built and operationalised two investment facilities that will add to the economic output of this province. These two investments have invested R535 million in plant and equipment. Drager Safety Zenith (Pty) Ltd is a manufacturer of safety and medical equipment and the facility in the ELIDZ will service not only South Africa but will also export into the rest of Africa. Bushveld Electrolyte will benefitate

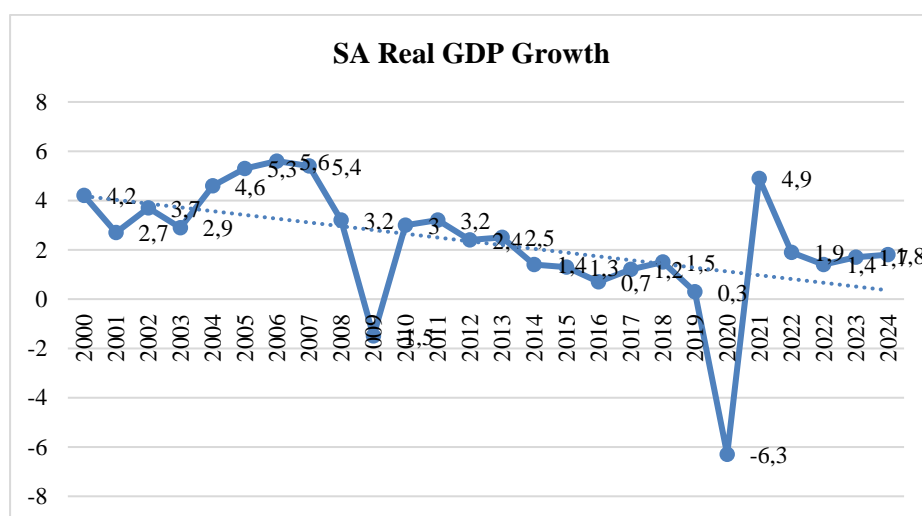
vanadium which will be used in commercial vanadium-based energy storage solutions, a very important product for the country as we navigate the current energy crisis. Additionally, earlier this financial year the ELIDZ signed a new investment in the logistics sector. The company which will be servicing major retailers in South Africa, is already busy with the construction of its facility and the facility will be commissioned by the end of the financial year and this will create much needed jobs in our province. In the year ahead the ELIDZ will target to attract 5 new investment projects which will attract at least R500 million worth of private sector investment and create an additional 500 direct manufacturing and services jobs.

The automotive sector remains the strongest manufacturing sector in the Eastern Cape. The scale of recent automotive investments is impressive. With two new Chinese carmakers (FAW and Beijing Automotive Group South Africa, BAIC) in the CDC SEZ, increased production volumes will ensure that jobs are created. The sector already accounts for more than 400 000 jobs in the province. The long-term presence of Mercedes-Benz South Africa, Volkswagen South Africa, Isuzu and Ford has now been bolstered by the R11-billion committed by BAIC. The automotive components and service industry is similarly diverse, with everything from tyres, windshields and batteries to catalytic converters being manufactured and exported. Mercedes-Benz consistently breaks records for the number of cars it exports through the Port of East London via Transnet Port Terminals. The company spent about R10-billion in preparing its plant to manufacture the new C-Class, for which it makes 12 variants. The plant is now also an IT Hub with a focus on data analytics, software development and business analysis.

South African Economic Outlook

South African economy is not insulated from the three major global developments reshaping Sub-Saharan Africa's economy outlook namely, the slowdown in advanced economies and emerging markets, tightening global financial conditions, and volatile commodity prices. Fiscal policy space to confront the latest global and regional African challenges remains thin as national economy endures its third year of crisis. Global supply chain disruptions, largely due to ongoing war between Russia and Ukraine, have led to above target band inflation in the country. A slower estimated economic growth of 1.9% in 2022 and an even lower forecasted growth rate of 1.4% in 2023, unstable macroeconomic conditions and tighter than ever fiscal outlook do not bode well for national economic outlook. More so as the risks are skewed to the downside including higher interest rates will increase debt servicing costs and threatened debt sustainability. As the 2022 medium term budget policy statement states, a further deterioration in the public finances due to spending pressures and the materialisation of contingent liabilities could trigger additional credit rating downgrades, increasing borrowing costs and crowding out both private and public investment.

Figure 3: Economic Growth Rate and Outlook



Source: Statistics South Africa data and Own Calculations

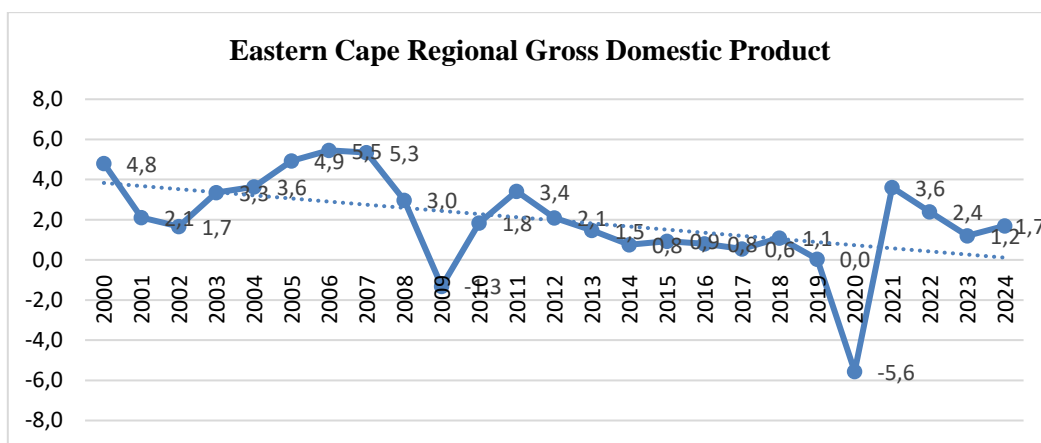
Figure 3 above shows real GDP growth trends for the past decade and what is clear is that national economy has been on a downward trend however over the past two years, South Africa's broad recovery from the COVID-19-

induced crisis of 2020 was supported by higher global commodity prices, which improved export and fiscal revenues. Real GDP growth recovered to 4.9 per cent in 2021 from a low base following a contraction of 6.3 per cent in 2020. Slow implementation of economic reforms, negative global shocks and domestic shocks like looting in July 2021, flooding in April 2022 and electricity crisis seen by worst load shedding ever continue to hamper economic recovery. National Treasury 2022 Budget Review projected economic growth of 2.1 per cent for 2022, which has since been revised down to 1.9 per cent. GDP growth is expected to average 1.6 per cent over the medium term.

Eastern Cape Economic Performance

Economic growth in the EC is relatively dependent on the performance and growth of the country as whole. Numerous fundamental factors such as fiscal constraints and monetary policy space, limited investment, climate change and slow growth in productive sectors have had a substantial negative impact on the growth prospects and outlook for the Province. A crucial concern in the provincial economy is continued reliance on being tertiary sector driven despite policy reforms aimed at anchoring the provincial economy on productive sectors. Consequently, the Eastern Cape provincial gross domestic product has also declined over the past decade. The figure below indicates that like the national economy, provincial economy showed resilience and grew by 3.6% in 2021, however it is expected to slow down and decline to 2.4% in 2022 and further slow down to 1.7% in the medium term in line with the projected global outlook.

Figure 4: Eastern Cape Regional Gross Domestic Product

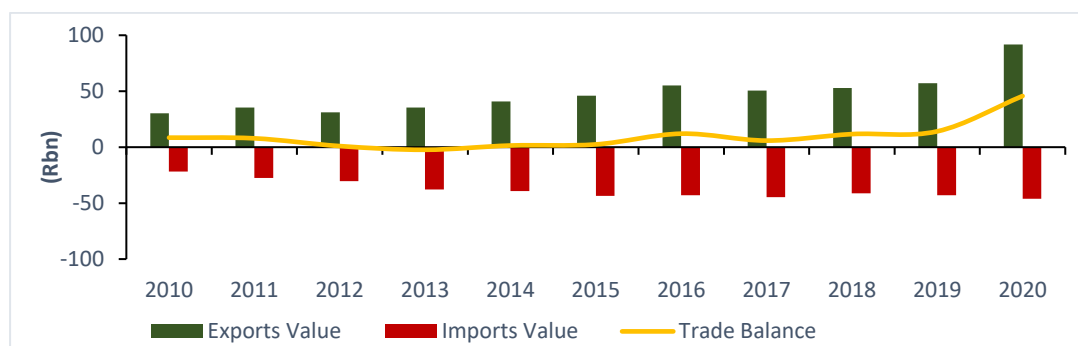


Source: Own calculations based on Quantec Data

Eastern Cape Trade Balance Trends

The balance of trade is regarded as the largest component of a country or region’s balance of payments and represents the net export and import of goods and services. It serves as a good indication of the relative strength of that country’s/region’s economy. It is therefore important for any economy to maintain a positive balance of trade as it would imply that the region’s exports exceed its imports, which indicates positive economic growth.

Figure 5: EC imports and exports value, as well as the balance of trade between 2010 and 2020.



Source: Own calculations based on Quantec Data

Throughout the period, except in 2013, the Province recorded trade surplus. This rose from R5.9 billion in 2017 to R45.7 billion in 2020 as a result of the easing of global trade disruptions owing to Covid-19 pandemic. The provincial trade surplus observed in 2020 was driven by the following categories:

- Vehicles, other than railway or tramway rolling stock, and parts and accessories thereof, at R36.3 billion,
- Nuclear reactors, boilers, machinery and mechanical appliances and parts thereof, at R12.1 billion,
- Edible fruit and nuts, peel of citrus fruit or melons at R5.7 billion,
- Wool, fine or coarse animal hair, horsehair yarn and woven fabric at R4.6 billion
- Railway or tramway locomotives, rolling stock and parts thereof, railway or tramway track fixtures and fittings and parts thereof, mechanical (including electromechanical) traffic signaling equipment of all kinds, at R0.9 billion.

Although the Province recorded a positive trade balance in 2020, it is important to note the element of manufacturing net trade in electrical machinery and equipment and parts thereof commodity which showed a trade deficit of R3.4 billion. Natural or cultured pearls, precious or semi-precious stones, precious metals and articles thereof trade showed a deficit of R2.1 billion in 2020, followed by furniture, bedding, mattresses, with a trade deficit of R1.3 billion, and plastics and articles thereof, also with a trade deficit of R1.3 billion.

Provincial Labour Dynamics

With the easing of the lockdown restrictions in 2022, StatsSA took a decision to revert to face-to-face data collection using Computer-assisted Personal Interviewing (CAPI). In that regard for 1Q2022, 2Q2022 and 3Q2022, data collections were mainly conducted using face-to-face interviewing with CAPI, and it was observed that there was improvement in the response rate for the 1Q2022, 2Q2022 and 3Q2022 labour market statistics. Numerous researchers in South Africa have demonstrated that labour market dynamics are the primary sources for measuring a variety of socioeconomic welfare indicators. The number of jobs has increased in 3Q2022 compared to 2Q2023 in seven provinces excluding (Free state and Limpopo). Notably, many people moved from the "not economically active" and "unemployed" categories to the "employed" category, resulting in a 1.0 percentage point decrease in the national unemployment rate, to 32.9 percent in 3Q2022. Over the same period, the number of people employed in the EC was around 1.36 million; 17 thousand more than the one observed during the 2Q2022. As a result, the EC was one of provinces that recorded some of the largest employment increases within the reviewed period. At the national level, the country gained close to 204 thousand jobs in 3Q2022 when compared to the 2Q2022 performance, however, more than 1483 thousand new jobs were created when compared with same quarter in the previous year.

Labour Market Analysis of Employment in the Eastern Cape by Industry Contribution

The largest share of employed people in the EC province came from the Community, Social and Personal Services (CSPS) industry, with 28.8 percent of the total employment recorded in 3Q2022. Compared to 2Q2022, it decreased by 1.1 percentage points from 29.9 percent. The Wholesale, Retail, Trade, Catering and Accommodation (WRTCA) industry followed in second place with 19.7 percent of total employment created in 3Q2022. This respective industry's employment share contribution has increased by 2.8 percentage points, up from the 16.9 percent observed in 2Q2022. In addition, the Agriculture, forestry, and fisheries (AFF) industries employment share contribution continued to increase, while employment creation in the Construction (CONS) industry remained unchanged.

Manufacturing (MAN) industry's percentage share of employment slightly decreased from 11.7 percent in 2Q2022 to reach 10.8 percent in 3Q2022. Private households' industries' contribution decreased by 2.2 percentage points from 8.9 percent in 2Q2022 to 6.7 percent in 3Q2021. Overall employment creation in the EC improved within the reviewed period.

Employment by Formal and Informal Sectors in the Eastern Cape

Formal sector (non-agricultural) remains the overall highest employer, accounting for 60.1 percent of total employment in the Eastern Cape in 3Q2022. Employment share by the formal sector (non-agriculture) has decreased by 0.8 percentage point, when compared to the previous quarter performance. On the contrary, the observation in the proportion of informal sector (non-agricultural) employment increased by 2.5 percentage points from 22.0 percent in 2Q2022 to reach 24.5 percent in 3Q2022.

The province is still underperforming in the agricultural sector as its' employment share to the total employment created in the EC registered at 8.7 percent in 3Q2022. This is however equivalent to a slight improvement of 0.5 percentage point increase compared to the 8.2 percent recorded in 3Q2022. Private households' proportion of the

overall employment in the EC Province was 8.9 percent in 2Q2022 and has decreased by 2.2 percentage point, reaching a 6.7 percent in 3Q2022.

Provincial Unemployment Rate

South Africa's official unemployment rate decreased by 1.0 percentage point to reach 32.9 percent in 3Q2022 from 33.9 percent observed in 2Q2022. When compared to the same quarter in the previous year, official unemployment decreased by 2.0 percentage points (y-o-y) from 34.9 percent observed in 3Q2021. The same performance was observed when using the expanded definition of unemployment rates. In annual terms, the top 2 leading official unemployment rate increases were recorded in KwaZulu Natal (up by 1.9 percentage points, y-o-y), and Northern Cape (up by 1.6 percentage points, y-o-y).

In 3Q2022, the official unemployment rate in the EC Province registered at 42.4 percent while the expanded unemployment rate reached 50.6 percent. This is equivalent to a y-o-y decrease of 5.1 percentage points when using the official definition of unemployment, and a decrease of 4.0 percentage points when using the expanded definition of unemployment rate. However, the Province unemployment rate remains above the national average and remain the highest in the country. Table 1 shows the official and expanded unemployment rates across provinces and the country between 3Q2021 and 3Q2022.

Table 1: Unemployment Rate, 3Q2021 – 3Q2022

Provinces	Official unemployment rate				Expanded unemployment rate			
	[%]		[Percentage Points]		[%]		[Percentage Points]	
Western Cape	26.3	27.5	24.5	-1.8	30.3	31.3	29.5	-0.8
Eastern Cape	47.4	42.8	42.4	-5.1	54.5	51.8	50.6	-4.0
Northern Cape	24.9	23.7	26.4	1.6	49.1	46.3	45.9	-3.1
Free State	38.1	32.4	33.8	-4.3	45.8	40.3	40.8	-5.1
KwaZulu-Natal	28.7	32.7	30.6	1.9	48.6	49.4	46.4	-2.2
North West	35.7	32.2	39.0	3.3	52.2	49.2	53.3	1.1
Gauteng	37.0	34.4	33.7	-3.3	44.9	40.8	39.0	-5.9
Mpumalanga	37.5	36.1	35.1	-2.4	49.7	48.1	46.5	-3.2
Limpopo	32.5	36.3	31.0	-1.5	54.5	47.5	49.9	-4.6
South Africa	34.9	33.9	32.9	-2.0	46.6	44.1	43.1	-3.6

Source: Own calculations based on Quantec Data

Unemployment by Age Group in the Eastern Cape

Youth unemployment rate remains a challenge both at the province and national level. Furthermore, it has led to labour market instability, expanded government assistance costs, erosion of the tax base and un-used investments in education and training. Unemployment in the EC province is mostly felt by young people and in 3Q2022 it has recorded the highest level of unemployment rate among other age cohorts. Indeed, the 15– 24 age and 25-34 age cohorts in the EC Province recorded 67.1 percent and 50.2 percent in the 3Q2022, respectively.

In 3Q2022, the 15-24 age cohort registered an unemployment rate of 67.1 percent, which is 6.6 percentage points less than the 73.7 percent recorded in 2Q2022. Over the same period, the 25 – 34 age cohort registered the second highest unemployment level in the EC province within the reviewed period. However, unemployment rate for the 25 – 34 age cohort declined to reach 50.2 percent in 3Q2022 from 51.2 percent in 2Q2022 and is equivalent to a decrease of 1.0 percentage point. The same trend was observed across age cohorts except 45 – 64 age cohort. In annual terms, compared to the same quarter of the previous year, the unemployment rate for the 25 – 34 age cohort decreased by 8.2 percentage points. The 45 - 54 and 55- 64 age cohorts recorded the lowest unemployment rates, with 31.0 percent and 12.0 percent within the reviewed period, respectively.

Economic Sectors (dominated by the auto sector)

The EC economy fell in the second quarter of 2020 before rising in the third quarter of 2020. The EC economy dropped by 48.7 percent quarter-on- quarter (q-o-q), seasonally annually adjusted rate (saar) in the second quarter of 2020. The manufacturing industry, followed by the construction and, trade and finance industries were heavily impacted by the pandemic during that period. However, the agricultural industry showed a growth over the same period. In the second half of the year, the Province's GDP rebounded by 60.4 percent and 9.3 percent q-o-q, saar in the third and fourth quarter of 2020. Growth in the EC's manufacturing industry dropped by 11.9 percent between

2019 and 2020 This contraction reflects the strained economic climate affecting the manufacturing industry as well as the impact of COVID-19. The electricity, gas and water (EGW) industry Gross Value Added (GVA) in the EC contracted by 2.1 percent between 2019 and 2020.

The EC has reinforced its position as a prime destination for wind power. All wind farms up to Bid Window 4 of the national power procurement plan have completed construction, bringing the total number of operational wind farms in the Province to 16. Furthermore, under Round 5 of the National Procurement Programme, two wind farms were awarded as preferred bidders in October 2021, and in 2022 have worked towards financial close. The wind farms are likely to commence construction in the 2023 calendar year. Unfortunately, there is limited scope for additional energy generation facilities in the Province due to the limitations of the national transmission grid. It will be vital to work with Eskom to ensure that new electricity grid infrastructure is constructed in the next few years. In addition, the CDC SEZ continues to work with the Central Energy Fund and Transnet to advance Liquid Natural Gas Infrastructure. After the lifting of the cap for licensing requirements for embedded generation, Eastern Cape projects registered with the National Energy Regulator of South Africa have jumped from 11.5 megawatts in 2021, to 90.4 megawatts up to August 2022. Renewable energy projects around the EC have stimulated income growth and improved employment across the region. Investment projects like these are envisaged to have a catalytic effect on the economy.

Entrepreneurship ecosystem & MSMEs

According to ECSECC report 2020: "the number of MSME's in EC Province is 231 011 and formal MSME constitute 22% and informal 70%". Sectors: Trade 39%, Construction 19%, Community services 16% Agriculture and finance 7% and Manufacturing 6%. The role of innovation plays an important role in diversification of key sectors of the economy and hence it is critical to understand its function on the MSME ecosystem. Key interventions have been developed in the new MSME strategy in order to track progress and evaluate impact in the next 5 years. There is a need to align with the demands of the new normal and digitization is the way to go.

The Department together with the ECDC provides financial and non-financial support to MSMEs using various instruments, including the LRED Fund, Imvaba Cooperative Fund, Provincial Jobs Stimulus Fund. There are also national DFIs that finance MSMEs in the province.

Approximately 200 MSMEs receive financial support annually from the ECDC blended financial support. Almost the same number receives non-financial support. Of this number, 99 (44%) were women-owned businesses and 88 (39%) were youth-owned businesses.

An Eastern Cape small business index which will track the SMME sector and provide up-to-date and relevant information on SMME statistics and issues has been developed by the department. Other support services on offer include business registration and export support. The inability for MSMEs to access markets has been noted as one of the major factors threatening their longevity. Access to markets is one of the fundamental requirements (by credit providers) to accessing funding and mentorship at early stages. We strive to reach out to all MSMEs beyond the urban centres, sharing information on these instruments and service offering.

Demographic shifts (towards younger population)

The size of the population can be defined as the total number of people or inhabitants in a specific region. Within the Eastern Cape (EC), the population was around 6.7 million in 2020 and represented 11.3 percent of the country's total population. Over the past 10 years, the proportion of the population of the EC in relation to the rest of the country declined by 1.6 percentage points, although the population total number increased by an annual average growth of 0.2 percent. According to Statistics South Africa (StatsSA), more than 500 thousand people have migrated out of the EC over the past five years. The majority went to the Western Cape (WC) (more than 175 thousand), Gauteng (GP) (more than 145 thousand) and KwaZulu-Natal (KZN) (more than 99 thousand). In terms of population size, the EC is currently the fourth-biggest province after GP, KZN and the WC.

Net outward migration (20% of skilled) impacts on equitable share. Over the last 5 years, the Eastern Cape has lost more than R54 billion of the equitable share allocation due to outward migration from the Province. According to the StatsSA mid-year population report, The Eastern Cape and Gauteng experienced the largest number of outflow of migrants.

Table 2: Estimated provincial migration streams 2016-2021

Source: Statistics South Africa

Province in 2016	Province in 2021									Out-migrants	In-migrants	Net migration
	EC	FS	GP	KZN	LIM	MP	NC	NW	WC			
EC	0	18 261	149 867	100 226	13 840	16 522	7 930	37 014	172 603	516 264	192 412	-323 851
FS	8 108	0	84 158	8 177	6 817	10 565	9 217	23 676	12 690	163 408	147 666	-15 742
GP	50 121	43 685	0	75 771	85 884	82 704	12 638	99 311	98 341	548 456	1 596 896	1 048 440
KZN	23 396	12 185	239 905	0	8 346	33 228	2 825	11 159	35 105	366 150	307 547	-58 602
LIM	4 589	5 950	304 317	7 650	0	45 628	2 387	30 197	11 550	412 269	279 755	-132 513
MP	4 889	5 549	133 937	13 434	24 949	0	2 469	16 472	10 417	212 116	286 154	74 038
NC	4 487	9 061	18 432	5 814	2 709	4 444	0	13 031	18 533	76 512	83 000	6 489
NW	5 448	12 373	118 045	6 421	20 945	12 507	24 786	0	9 572	210 096	317 830	107 733
WC	53 052	8 338	64 675	14 168	5 826	7 566	13 286	8 703	0	175 613	486 617	311 004
Outside SA	38 322	32 263	483 561	75 886	110 440	72 988	7 461	78 267	117 805			

All of us in the Eastern Cape, especially economic development cluster departments and public entities have a responsibility to come up with a better plan to mitigate the loss of billions of rands in equitable share of government funding over the years as a result of migration.

Education and skills

The proportion of the population without schooling is improving in the EC.

Much of the population in all district municipalities and metros has a basic education. The population with tertiary education remains below 10 percent across all district municipalities. Consequently, there is a mismatch between demand and supply of skills in the economy. The youth are the most vulnerable in the labour market as they lack skills and the work experiences needed to find employment and are most vulnerable to HIV infection.

There are emerging opportunities to train both the employed and unemployed on skills that are required for the economy of the future like coding, data analytics, cyber security, artificial intelligence, renewable energy and soon.

Economic Crime

One of the deterrents to investment and creating a conducive environment to business in the country and province, is the high crime rate. In the province there is recognition amongst stakeholders that the fight against crime should be made a priority. South Africa is regarded as having one of the worst safety and security environments (132nd) in the world and is plagued by high homicide rates (135th), a significant impact of crime on business (131st) and increasing fears of terrorism (The Travel and Tourism Competitiveness Report, 2019). Crime incidences in the province have an impact on the cost of doing business, image of the province as a destination for tourists and attractive location for business.

Crime is a big barrier to human progress in South Africa and the Eastern Cape. Although a few crime categories are steadily declining in terms of incidence, the crime rate remains too high for a normal functioning democracy. The department will work with the relevant authorities and partners to ensure socio-economic development takes place in a conducive environment. The tourism sector is sensitive to crime. In this regard, measures have been put in place to sensitize and involve the public. The Provincial Tourism Safety Forum, which is inclusive of all relevant stakeholders and law enforcement agencies, attempts to address this challenge through a coordinated effort focused on prime tourist attractions and areas. The Department will review the Tourism Safety and Strategy.

Environmental legislation

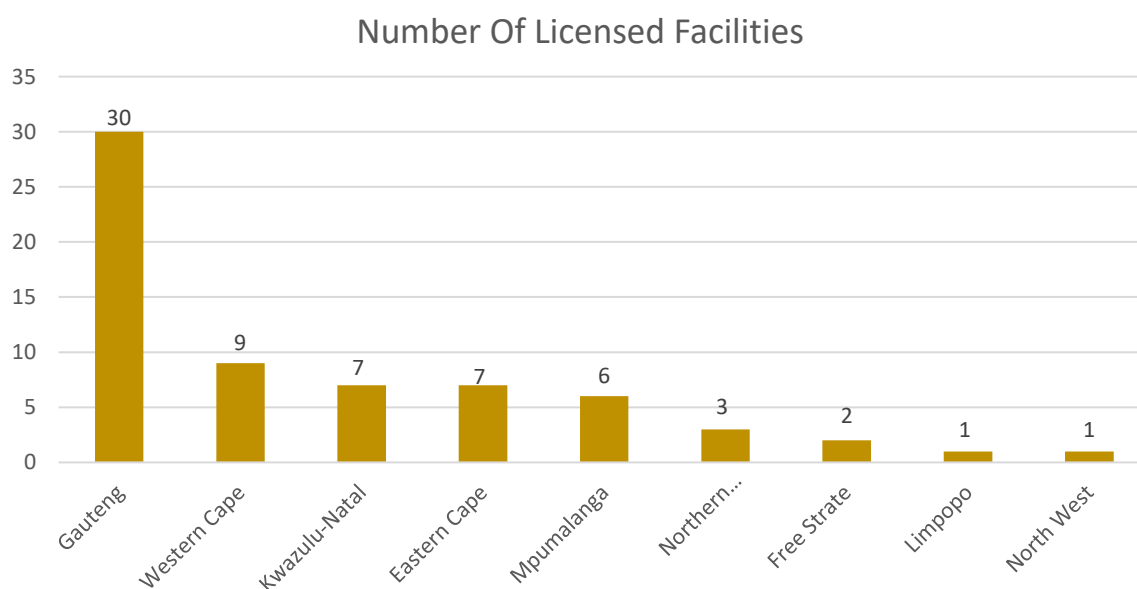
Good legislation is important for the province to have sustainable legislation. Section 24 of the Constitution provides for an overarching mandate to protect the Environment and Human wellbeing and overarching legislation is the National Environmental Management Act (NEMA) which is implemented throughout the country. A number of pieces of legislation guide the operations of the department. These include: Protected Areas Act; Air Quality Act; Waste Act; Environment Conservation Act; Nature and Environmental Conservation Ordinance; National Heritage Resources; White Paper on Coastal Management; Marine Living Resources; Sea Shore Act; Atmospheric Pollution Prevention; Integrated Pollution and Waste Management Policy; National Forest Act; Veld and Forest Fire; Biodiversity Act; NEM: Integrated Coastal Management; NEM: Waste Act; Nature and Environmental Conservation

Ordinance; National Forest Act; Veld and Forest Fire Act ; Marine Living Resources Act; Fencing Act; Mountain Catchment Areas Act; Nature Conservation Act (Ciskei) 1; Environmental Conservation Decree (Former Transkei) 1; Game Theft Act ; NEMA EIA Regulations; NEM: Waste Act; Sea Shore Act ; Environment Conservation Act NEM: Integrated Coastal Management Act; NEM: Air Quality Act;; NEM: Biodiversity Act; Nature and Environmental Conservation Ordinance; Problem Animal Control Ordinance Game Theft Act; National Forest Act;Veld and Forest Fire Act; Marine Living Resources Act; Fencing Act; Mountain Catchment Areas Act; Eastern Cape Parks Board Act; Nature Conservation Act (Former Ciskei)[1]; Environmental Conservation Decree (Former Transkei)1; National Heritage Resources Act; among others.

Recycling of waste

Waste recycling is likely to gain momentum soon. Large volumes of waste are going to landfills (2017=1,4 million tons) in the Eastern Cape. Currently there are a few licensed waste processing facilities. The figure below presents the number of licensed recycling and recovery facilities per province. Most of these licensed sort, shred, grind and bail waste.

Figure 6: Number of licensed waste processing facilities



Source: Department of Economic Development and Environmental Affairs.

There is new legislation on waste processing which can stimulate the circular economy. The potential for waste processing is enormous as shown below:

Table 3: Profile of waste and recycling potential in EC

The province has an Annual Target of 4% recyclables diverted from landfill sites.

Description	Metric value
Total waste generated in the Eastern Cape in 2017 (1)	1,430,540 tons
Recyclable waste with inherent potential to be recycled (44% of total)	632,937 tons
Estimated and realistic recycling rate (48% of recyclable waste)	306,008 tons
Average economic value per ton recycled	R 1,713 / Ton
Total economic value (TEV) of recycling in base year (306,008 tons)	(306,008 tons) R 524 million
Scenario 3 with intervention (subsidy) –TEV increase (432,149 tons)	R 718 million
Additional economic benefits (Externalities) through avoided costs.	R 343 million
Revised total economic value (TEV) with provincial intervention	R 867 million

Source: Department of Economic Development and Environmental Affairs.

- Based on hypothetical waste generation guideline by DFFE, the Eastern Cape (EC) generates 3 245.7 tons/day = 1 184 668.4 tons/year
- 43% of the general waste stream is recyclable
- 41.3% of households in EC receive a weekly collection service, whilst 44.3% use own refuse dump, 4.7% receive communal collection and 6% receive no collection service
- Licensing of waste disposal facilities has improved from 38% in 2010 to 90% in 2018, 20 out of 31 Local Municipalities (LMs) have initiated recycling initiatives
- 16 out of 31 LMs are reporting on South African Waste Information System (SAWIS)
- 12 LMs have submitted Integrated Waste Management Plans (IWMPs) to DEDEAT for endorsement, 10 IWMPs are outdated and 3 new amalgamated LMs have not developed IWMPs yet
- 32% of municipalities have formally designated Waste Management Officer (WMO).

Collaboration and partnerships with neighbouring countries/ other departments

Almost all programmes of the department and its public entities have partnerships in one way or the other with other departments, municipalities and entities offering aligned portfolios. These range from SEDA and CIPC on MSMEs to SAPS and Honorary Environmental Officers on compliance and enforcement of environmental issues. However, more partnerships need to be explored with multilateral agencies, other countries, other provinces and the private sector. It is also critical that all partnerships be quantified so that measurements can be done on effectiveness and growth of such partnerships.

High inequality (measured by Gini coefficient)

The Eastern Cape economy is still faced with inequality and this should be addressed to achieve economic inclusivity.

Rate of technology (4IR) impacting on employment & opportunities

Access to information and the ability to communicate can be an empowering social process which can improve the Eastern Cape situation. There is an increase in the use of mobile phones and internet access, even in the marginalized areas. However, even where there is connectivity and basic access to internet, not everyone understands what it can do for them. South Africa ranks in the top 100 countries for broadband speed in the world ranking 76th, but still falls behind the global average download speed. The company's *Internet Access in South Africa 2017* study, conducted in partnership with open-access fibre provider Dark Fibre Africa (DFA), shows just 25.2% of people in the Eastern Cape have Internet access (<https://techcentral.co.za/internet-access-sa-ural-areas-falling-far-behind/75789/>).

The South African internet penetration of 54% remains low, compared to the global average of 57%. Africa is a long way behind the rest of the world when it comes to broadband provision, relying primarily on wireless (WiMAX, 3G, and 4G) to make phone calls. People still need awareness on how to use a mobile phone other than to make a call and access all the kinds of information and services through the internet or mobile phones. There is still little understanding and adoption of opportunities offered by the 4th industrial revolution. In the tourism sector, there is a wide use of technology especially the social media platform that contribute to the marketing of tourism products and events which results in improved revenue turnover because of increased numbers of participants.

Mobile phone penetration is much more extensive than internet penetration, reaching 65 percent in 2017. The majority of internet users (60 percent) access the internet through their mobile devices. (<https://www.cbn.co.za/featured/which-province-has-the-fastest-internet-in-all-of-south-Africa/>).

In the Eastern Cape, Liquid Telecom partnered with SITA and the Eastern Cape Provincial Government to enable network expansion to take place, which, under normal circumstances, would not have been commercially feasible. With the ECPG as an anchor customer, high-speed broadband services can now be delivered to the ECPG designated points of access and presence. The partnership with SITA and ECPG will connect 2,700 government facilities initially with 100 Mbps and increasing in the majority of these sites to 1 Gbps over the contracted period. (<https://www.itnewsafrika.com/2019/05/south-Africa-liquid-telecom-to-deliver-high-speed-broadband-in-eastern-cape/>).

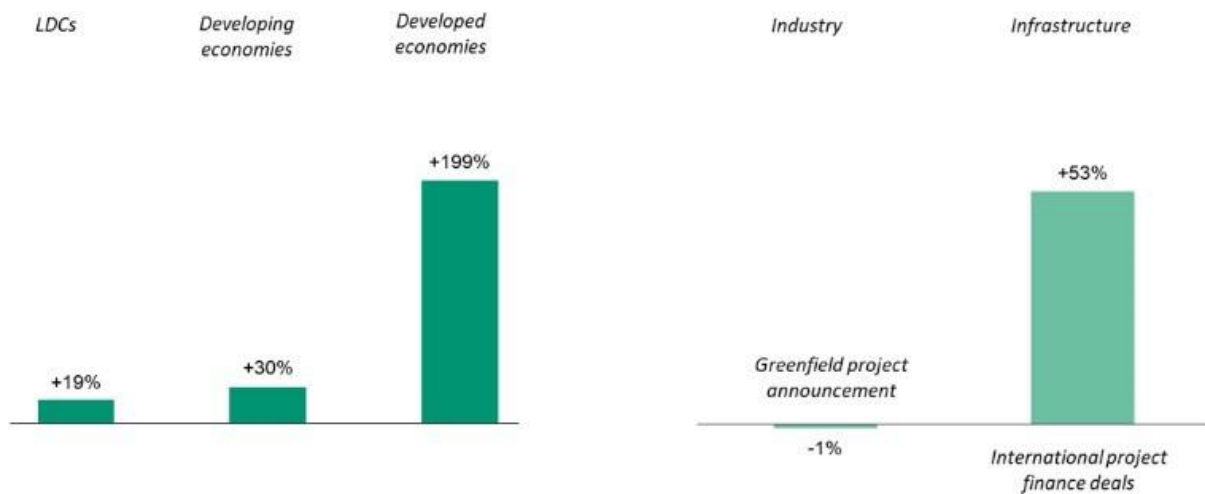
Related to 4IR and broadband penetration, the province has identified the ICT sector as strategic for socio-economic development.

Investments

The global environment for investment is currently characterized by a number of factors such as diversification in global supply chain/value chains, heightened anticipation of disruptions and sustainability considerations. Globally, in 2022 there was a strong rebound in greenfield foreign direct investments (FDI) compared to 2021 which was fueled by renewable energy investments. Greenfield capex is now approximately 12% above pre-pandemic levels in 2018 and just 10% short of the record high in 2008 (Waveteq: 2023). The post-pandemic recovery resurgence occurred mostly in the developed countries; the developing countries have also seen a rise in FDI inflows post-pandemic

The Eastern Cape held its Provincial Investment Conference in 2022 which saw the announcement of 10 new projects with an investment value of R46 billion. The key for the province will be to unlock the renewable energy pipeline, firm -up coordination in the province through the Provincial Trade and Investment Forum and Provincial Investment Council, diversify regional investment through the Wild Coast SEZ and Eastern Seaboard Development, and explore sectors that show strong growth prospects such as IT & Software, Film, etc. The country will also hold its 5th National Investment Conference in 2023 and the province will hope to attract new investments into the province building on the success of the past installments of the conference.

Figure 7: Growth rates for FDI by region and for investment projects by sector, 2021 vs 2020



Source: UNCTAD, 2022

The outlook for global FDI in 2023 appears weak - negative or slow growth in many economies, further deteriorating financing conditions, investor uncertainty in the face of multiple crises and, especially in developing countries, increasing debt-related risks will put significant downward pressure on FDI (UNCTAD). With the ever-changing business environment, a shift in trade patterns, a focus on sustainability, and the transformation into digitization (digital technologies and innovation) by world states. Expectations are that renewable energy, IT, electronic and automotive components will continue to attract investments in the future.

Environmental assets, opportunities in the biodiversity economy

The Eastern Cape is rich in biodiversity – that needs to be protected and managed to ensure a sustainable future. The Department is participating in the bioprospecting Strategies and Environmental crimes have been on the increase during Covid-19. There was also an influx of unauthorized development along the wild coast which threatens sustainable nodal development. The illegal clearing of vegetation such as valley thicket continues to threaten the provinces biodiversity. The voluntary assistance from HNCOs Ten joint operations through the Phakisa Initiative 5 project assisted in controlling illegal activities along the province’s coast, while developing economies IPAs expect more investment in agriculture, food and beverage, information and communication. The African Continental Free Trade Area (AfCFTA) has provided much-needed stimulus and predictability for trade and investment on the continent (WEF). However, a balanced and funded conservation model is needed to ensure sustainability. The province is a leader in the wildlife industry and in game transformation programme. The province’s abundant wildlife resources attract tourists and forms the basis of eco-tourism.

Environmental crimes

The figure below shows the provincial environmental crimes reported for the financial year 2022/23. The Eastern Cape shows a total of 66 environmental crimes. Table 5: Environmental crime statistics-

Table 4: Crime statistics for 2022/2023 financial year quarter 3

	Environmental crime attended to	Number of cases
1.	Clearing of vegetation	8
2.	Poaching cases	24
3.	Illegal dumping and waste management	6
4.	Illegal development	26
5.	Illegal driving in coastal conservation areas	2
	TOTAL	66

Source: Department of Environmental Affairs

The province had no rhinos poached during 2022/23 financial year, however, unlawful hunting with dogs increased by more than 300%.

Economic Infrastructure.

The country and the province land areas are large, which poses a challenge in terms of logistics and infrastructure. Fixed Capital Stock (FCS) is defined as tangible and durable fixed assets owned by government or used by resident enterprises for more than one year. This includes plant, machinery, vehicles and equipment, installations and physical infrastructures, the value of land improvements, and buildings. There has been 1.5% decrease in fixed capital stock in the country between 2016 and 2022. South Africa accumulated R662 billion of fixed capital stock in fourth quarter of 2022, a decrease of R119 billion in the same period in 2016, wherein fixed capital stock stood at 781 billion. Broken down per economic activity, main contributors to fixed capital stock in the country are government, transport, finance and mining.

The level of investment (private and public) has improved in the Province but is still below the national average. The EC government has made some significant progress in expanding investment on infrastructure such as roads, schools and health facilities. However, a huge gap exists between the level of infrastructure within the urban areas and rural regions. Aging infrastructure linking to rural areas remained a challenge. More capital investments are needed for the Province, particularly its rural regions, to become competitive and attract FDI. In 2016, close to 900 kilometers have been resurfaced to improve rural access roads and enhance mobility. Also, the Province is lagging on infrastructure development when compared to other Provinces, as the EC is heavily reliant on transfers from the national government. Over the medium term, more investment on economic and social infrastructure, incorporating small town revitalization and township regeneration are expected to receive attention. (CDC, SEAF:2018).

The Department is working with the DTIC, hosting municipalities and their respective agencies, and other critical stakeholders towards the revitalization and refurbishment of Eco Industrial Parks (state-owned). Currently they are: Fort Jackson, Somerset East, Vulindlela, Komani, Dimbaza and Butterworth. A new one is being established in Mthatha, positioned to be an SEZ over time.

The two SEZs, namely, ELIDZ and CDC have continued to sink massive infrastructure investments for use by investors and the Eastern Cape economy. Other key infrastructure projects planned by the Provincial government which will be supported by the Department are coordinated by ECSECC.

MSMEs

During the 2021/22 financial year, there was an 11% increase loan financing for MSMEs, benefitting a total of 78 MSMEs. Loan financing towards MSMEs was over R33, 2 million in the 2021/22 financial year (Q1: R6 million, Q2: R6,3 million, Q3: R6,3 million, Q4: R14, 6 million). Budget availability remains an obstacle in providing adequate loan support for MSMEs and subsequently limits ECDC's ability to provide long-term financing.

This increased during 2022/23 financial year, largely due to active marketing of the loan products and partnering with SEFA.

Cooperatives

The ECDC administers the Imvaba Cooperative Fund on behalf of the provincial government, the fund provides

funding through incentives and capacity building support to cooperatives. The fund is premised on two goals, firstly to enhance self-employment opportunities and secondly to contribute to the alleviation of poverty through enterprise development. In 2021/22, 27 cooperatives were supported through the fund, with a total amount of R13, 5 million. The cooperatives operate in various sectors of the economy, namely, agriculture, manufacturing, retail, recycling and services. The fund continues to be an employment creator, as 153 jobs have been created through the fund, furthermore, 70 women and 48 youth have benefited from the fund during the same year.

The Imvaba fund has managed to finance 30 cooperatives from Q1 to Q3 of the 2022/23 financial year, supporting a further 82 women, 69 young people and created 171 jobs.

Local and Regional Economic Development (LRED)

This is a grant fund that provides financial support to registered / formal business entities. In the last 10 years, more than R200 million has been disbursed to successful business enterprises.

Some of these enterprises have utilized this grant to leverage additional private sector funds to grow and expand their businesses.

Digitalization of the LRED Fund applications, which is almost completed, will improve efficiencies as well as turnaround time for applicants. On-going awareness and information sharing is critical as one of the challenges continues to be incomplete applications, thus non-compliance by applicants.

Business incubation

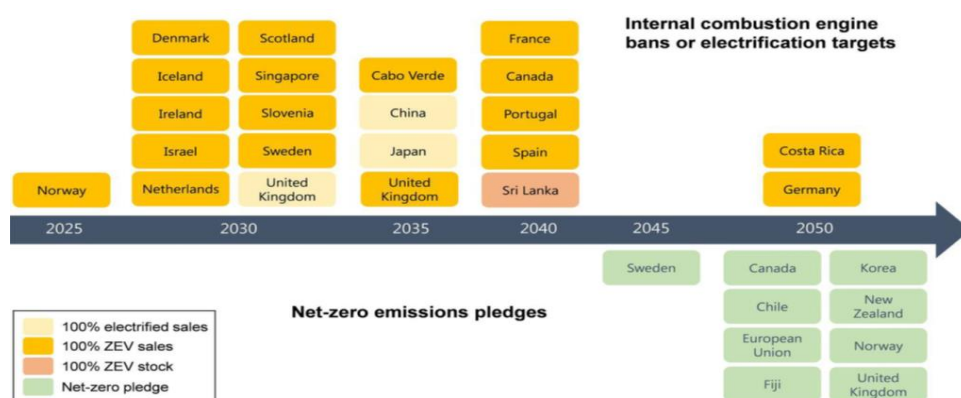
Business incubation is key in supporting entrepreneurs. We are funding the ELIDZ to support small enterprises through the Science and Technology Park. This incubation programme targets primarily youth owned entrepreneurs. There's also chemical manufacturing down streaming activities implemented by CHEMIN, an incubator located at Fort Jackson industrial park, with a satellite site in Mthatha at Furntech premises. During the 2022/23 financial year CHEMIN has onboarded 19 MSMEs that are trading and have generated a total turnover of R1 346 299 to-date. Importantly, CHEMIN has 68% of youth in its portfolio, incubated in the manufacturing of detergents and cosmetics. Through its partnership with University of Johannesburg CHEMIN has been able to provide quality training sessions in one of its quality testing station at Modderfontein in Gauteng.

Automotive & General Manufacturing

The EC manufacturing makes up a significant portion of the provincial economy and is primarily driven by the needs of the automotive sector, which is the biggest manufacturing sector in the Eastern Cape. One of the key developments in the sector is the adaptation of new electric vehicles (EVs) in the South African market which will have a significant impact on the eastern cape economy. A rapid global transition to zero emission vehicles is vital to meet the goals of the Paris Agreement. Road transport accounts for over 10% of global greenhouse gas emissions, and the total emissions are rising faster than any other sector. We need to dramatically increase the pace of the global transition to meet our Paris Agreement goals, and to keep the limit of 1.5 degrees warming in reach. This will also offer huge opportunities for jobs and growth, cleaner air, improved public health, and could furthermore boost energy security and help balance electricity grids as we make the transition to clean power. The automotive sector of South Africa is export oriented and has some 150 sales destinations across the globe. The Eastern Cape OEMs are the biggest exporters of vehicles from South Africa where MBSA exports as much as 80% of its C Class and VWSA exports almost all the Polo 270 mainly to Europe.

Sadly, for the past year, this sector has been adversely affected by load shedding. This has resulted in significant reduction of manufacturing activities in the Automotive and Non-Automotive manufacturing sectors in the province.

Figure 8: Electric Vehicle report 2022 for Exports and Imports



Source: AIDC Electric Vehicle report 2022

The strategic partnership with the Eastern Cape Automotive Industry Forum (ECAIF) and with interventions from the EC Automotive Industry Development Centre (AIDC) remains one of the top priorities of the department to ensure growth and development within this sector. After Covid-19 restrictions were lifted, some progress was made with the interventions undertaken by these entities regarding black supplier development and skills development. The sector predominately focused on the recovery from the Covid-19 pandemic and mitigating the challenge of disruptions to production caused by load shedding.

Agro-Industry

Agriculture and agro-processing remain sectors of importance to the Eastern Cape, with Agro- processing having close links with the agricultural sector for drawing intermediate inputs. The Province is suitable for a wide variety of agricultural products due to its temperate climate and year-round rainfall. The province is South Africa’s main livestock holder (25% cattle, 30% sheep, and 38.4% goats), producing over 30% of the South African dairy, 30% wool and 70% of the country’s mohair.

Eastern Cape derives marginal value from agricultural activity in the Province because the majority of primary agricultural products are produced in the Eastern Cape continue to be exported as raw products with limited value add; R8.8 billion worth of agricultural products were exported by the Province to the rest of the world, which resulted to a trade surplus of R8.1 billion. However, for the citrus and the deciduous fruit which continued with greater contribution on export, the global demand is on fresh products rather than processed products. On the adverse side and with regards to agro-processing; R1.8 billion and R2.0 billion worth of agro-processed products were exported and imported respectively by the Eastern Cape, which led to a trade deficit of R180.2 million. If value was added, it is likely that the surplus would have doubled although with market variation. This calls for more work towards building the provincial production and processing capacity in specific commodities such as wool, livestock, horticulture and grains in order to realize the fortunes linked with the sector.

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The recently approved Agriculture and Agro Processing Masterplan by the national department is viewed as a possible intervention to build the industry value chains from as a national focus in line with what the province has

been seeking to achieve. The local value chain developments are part of the provincial and national economic recovery programme and has a potential of strengthening the sector through import substitution as well commercialization of the developing farmers for inclusive sector development. The provincial Agro industry sector stakeholders are now focused on value chain creation towards exploiting the potential available in the sector, however collaborative effort is necessary.

Oceans Economy

It is estimated that the oceans economy has the potential to contribute up to R177 billion to Gross Domestic Product (GDP) by 2033 (compared to R54 billion in 2010) and create approximately 1 million jobs (compared to 316 000 in 2010).

The Oceans Economy provides the Eastern Cape with a unique and historic opportunity to increase levels of economic growth and employment, whilst restructuring and diversifying the economy. The Eastern Cape Oceans Economy Master Plan was launched in 2020, in support of the policy imperatives of Operation Phakisa and the developmental needs of the people of the Eastern Cape. As a result of the collaboration between the Provincial Government, the Department of Environmental Affairs, Forestry and Fisheries and the Nelson Mandela University, the Eastern Cape Province has produced the first provincial Oceans Economy Master Plan in support of Operation Phakisa and the unlocking of the full potential of our oceans. The Master Plan consists of a Strategic Roadmap, which details how the targets are going to be achieved of contributing R10,4 billion to the provincial GDP, whilst creating an estimated 33 785 jobs, during the first five years of implementation. The Strategic Roadmap details the establishment of a high-impact integrated implementation capacity, which will see the establishment of a catalytic portfolio of projects. The successful implementation and coordination of the catalytic portfolio will see the establishment of a sustainable oceans economy eco-system, which will drive socio-economic development, whilst demonstrating the attractiveness of the Eastern Cape Oceans Economy as an investment destination.

The strategy also draws on the collective knowledge of research institutions in the province, to build a knowledge economy and appropriate capacity within the Oceans Economy. Developing a knowledge economy and capacity, will exponentially increase the competitive and comparative advantage of the Oceans Economy. It is envisaged that as a province, this pioneering and innovative intervention will not only diversify but also massively contribute to increased levels of economic growth, employment and well-being of the people of the Eastern Cape. We continue to lobby resources for both MSMEs and industry players in this sector. Importantly is to ensure that the small fishermen and women that have been awarded fishing permits by DFFE are supported beyond livelihood so that they can grow at scale. This would include assisting them with access to markets.

Coastal and Marine Tourism Work Stream - Infrastructure projects

Various tourism support infrastructure projects are under way and these are considered as one of the foundations for tourism development. Key among these are projects funded by the national Department of Tourism include the Six-Day Hiking Trail between Coffee Bay and Port St Johns and the development of beaches at Ndlambe Local Municipality. These two projects combined have resulted in the creation of 14 job opportunities. Universal access provision at Dwesa Nature Reserve [funded by the Department of Tourism] has been completed.

Sustainable energy

While South Africa continues to endure high levels of load shedding, energy remains an accelerating economic sector in the Eastern Cape. In the arena of Renewable Energy and Green Hydrogen, the province has made significant progress. One solar farm and 16 wind farms have been constructed in the province, at an estimated investment value of R36.2 billion Rands. The facilities produce 5.1 billion kilowatt hours of electricity per year. This is equivalent to 60% of consumption in the province. These facilities deliver significant socio-economic outcomes in their surrounding communities. To date, R144 million has been spent on Enterprise Development and R486 million on Socio-Economic Development in their local communities.

Under the latest procurement rounds of the National Independent Power Producer Procurement Programme, the province has been awarded three new wind energy facilities, one of which includes battery energy storage, with a total generating capacity of 297 megawatts and an estimated investment value of R7.9 billion.

After the lifting of the cap for licensing requirements for embedded generation, Eastern Cape embedded generation projects registered with the National Energy Regulator of South Africa have jumped from 11.5 megawatts in 2021, to 90.4 megawatts up to August 2022.

The first of kind Eastern Cape-Lower Saxony pilot rural renewable energy mini-grid has completed construction and is supplying high-quality electricity to 57 households. In the past year, the wind energy component of the mini-grid has been successfully integrated. The project has been formally handed to the Raymond Mhlaba Local Municipality for operations and maintenance. The project, which has been funded by many partners, has gained significant national interest and recognition.

Green hydrogen is emerging as one of the most important sustainable fuels in the global transition to net-zero greenhouse gas emissions by 2050. Green hydrogen featured in a few emissions reduction pledges at the UN Climate Conference, COP26, to decarbonise heavy industry, long haul freight, shipping, and aviation. Studies by the Centre for Scientific and Industrial Research have confirmed that the Eastern Cape Province is well placed to play a strong role in the Hydrogen Economy. The CDC SEZ will host Hive Hydrogen SA, which entails the construction of a R69.6 billion green ammonia plant with its own dedicated renewable energy power supply.

The electricity supply industry in South Africa is transitioning from a conventional supply system to a more agile system, including variable renewable energy on the supply side, and electricity producers (or “prosumers”) on the consumption side. In this context, large-scale battery energy storage will become an increasingly important component of the electricity grid. The integrated resource plan requires 2088 megawatts of battery energy storage to be installed by 2030. The Eastern Cape province is set to become a significant player in this space. A few Battery Energy Storage projects throughout the province are at the environmental impact assessment phase. Furthermore, the East London Industrial Development Zone will host the Bushveld Energy Vanadium Redox Flow Battery (VRFB) manufacturing facility. The construction of the facility is complete and manufacturing equipment is in the process of being commissioned.

Economic Planning

Economic research and data is critical for informed planning. This enables us to generate, publish and share quarterly socio-economic intelligence reports with current data of the provincial economy. Whilst credible data sources including Statistics South Africa, South African Reserve Bank and economic and financial data consultancy subscriptions assist in ensuring timely production of economic intelligence reports, there is however a gap in data availability particularly at the local and district levels. This has necessitated partnerships and collaborations with institutions of higher learning, provincial office of Statistics South Africa as well as CDC Research Unit amongst others, towards ensuring quality and timely outputs. Provincial Innovation Strategy advocates for interaction between business, research and technology organizations, innovation support agencies, venture capitalists, local/provincial/national government, civil society, and other role players jointly and severally and their various roles in promoting and supporting the innovation process.

Innovation

Provincial Innovation Strategy exists. In reinforcing the stance of the provincial innovation strategy, the department has since 2019 collaborated with the ELIDZ Science and Technology Park, one of the key drivers of innovation in the province to ensure implementation of the Provincial Innovation Strategy. This collaboration has not only expedited the roll out of the provincial innovation strategy but also ensured a continued pipeline of activities drive innovation and enhance concerned sectors of the provincial economy.

Partnerships need to be established with research institutions such as CSIR, private companies among others. Research expenditure has been steadily increasing in the Eastern Cape even though it is still low. It is also concerning that according to the Gross Innovation Index, South Africa’s competitiveness has been falling behind. It means there is increasingly less innovation taking place in the country.

Office of the Consumer Protector

The Eastern Cape Consumer Protection Act, 2018 (Act no. 3 of 2018) was assented to and proclaimed as from the 1st June 2020.

The purpose of the Act is to promote and advance the social and economic welfare of consumers in the Province, to ensure the enjoyment and protection of the consumer rights recognized and conferred by Chapter 2 of the Consumer Protection Act, 2008 on consumers in the Province, in particular the most vulnerable consumers.

Furthermore, this Act enables enforcement of all Consumer Protection laws that apply in the Province, through various mechanisms such as the amicable resolution of consumer complaints by utilizing alternative dispute resolution mechanisms, investigation of prohibited conduct in terms of the Consumer Protection Act, capacity building and awareness creation relating to Consumer Protection and the promotion of voluntary compliance by business.

Counterfeit, illicit and expired goods are a huge challenge in our country and are detrimental to the safety of vulnerable consumers and the economy of the Republic of South Africa. Specifically, counterfeit goods drain the global economy, jeopardizes innovation investment, undermines legitimate business and poses risks to consumers health and safety. Through the implementation of the Consumer Protection legislation, we play a critical role towards promotion and advancement of the social and welfare of consumers in the province by reducing and ameliorating any disadvantages experienced in accessing any supply of goods or services, promoting fair business practices and protecting consumers unconscionable, unfair, unreasonable, unjust or otherwise improper trade practices. Collaboration with other regulators, law enforcement agencies and local government we continue to enhance protection of consumers within the Eastern Cape.

Business Regulations and Red Tape Reduction

The ease of doing business is often failed by onerous processes, equivocal instructions, systems that are patchy and do not improve output, efficiency or quality. It is therefore important that the policy instruments articulate a clear purpose, offer sensible risk mitigation assurance to investment and that the design of administrative systems contribute to reduce needless red-tape including the related cost.

In his 6th state of the nation address President Cyril Ramaphosa established a Red Tape Reduction team that is mandated to enable reducing excessively complex rules, regulations, procedures, and processes that inhibited economic growth and job creation in key areas of the economy, and work with relevant role players across government, the private sector and community-based organizations. The team is tasked to interface with different institutions and the two departments which have a direct role to play in this regard which is the Department of Trade, Industry, and Competition and the Department of Small Business Development.

In rolling out the red-tape reduction programme, the department will participate in the Presidential Red Tape Reduction reference group. Furthermore, MEC will continue with his engagement with the business chambers and associations, whom have been critical in highlighting areas where immediate improvement can be realized. Among these are: administrative efficiencies; the by-laws essential to providing a regulatory environment that is attractive and boosts confidence of businesses and investors in a spatial area of a municipal jurisdiction; awareness and information sharing programmes; access to finance to mention but few.

The business environment must be sound if any meaningful investment is to be attracted. The World Economic Forum (WEF) publishes annual Ease of doing business index annually. for the annual system average interruption duration index (SAIDI) and system average interruption frequency index (SAIFI). A customized ease of doing business index needs to be developed for the Eastern Cape province

Lastly, Red Tape does impact negatively on investment attraction. Eastern Cape Government in partnership with DTIC has established a Provincial InvestSA One-Stop Shop in East London. The one-stop is critical in investment facilitation, provision of investment information, fast tracking processes, and resolving bottle-neck and challenges faced by businesses in the province. This facility is an attempt to reduce red tape for potential investors as well as supporting existing investor (post investment support). Key services at the One Stop shop include:

- Serving as an accessible entry point for investors in need of regulatory compliance with laws and/or regulations across all spheres of government
- Fast tracking regulator decision processes (registration, licensing, permitting, land allocation or property registration) by increasing transparency, clarifying regulations and improving the quality and timeframe of service;

- Advice on various incentives (tax, land, training, special economic zones, etc.)
- Participate in the regulatory reform/roadmap process of South Africa;
- Advise on pre-approval services (market data, costs, incentives, project approval,

The medium plan is to have satellite one-stop shop services at other regions across the Province.

Tourism Development and Marketing

Tourism is a sector of strategic importance to the Eastern Cape, however, its efforts to attract and retain international tourists continues to lag compared to other provinces, which continue to capture most international tourists and spending due to established tourism products and brands. Some of the challenges facing the Eastern Cape include the lack of ability to retain its international tourists, hence the number of international tourists into the province varies. By 2030, the South African government target is to attract more than 21 million international tourists into the country. The Eastern Cape has continued to grow in terms of tourist trips in the country. Despite the presence of the COVID-19 pandemic, this province continues to enjoy the status of being the most popular province for domestic tourists. Statistically, the province has increased by 140,9% in the past two years when 2019 (2 096 776) is compared to 2021 (5 051 815). This performance is unprecedented in recent history given that the results have not exceeded all imaginations.

The revised Tourism Master Plan 2022-2032 has been completed. One of its strategic objectives is to ensure that infrastructure in the Eastern Cape supports a high-quality tourist experience in the entire tourism value chain. As was anticipated in the COVID-19 Tourism Recovery Plan, the development of tourism support infrastructure is expected to play a significant role towards revival of the sector. The development of proper tourism support infrastructure (roads, communication, and other facilities), small town development e.g. the development of coastal areas such as the Wild Coast, Port St Johns and other areas are some of the key strategic interventions required for tourism growth and development.

The ECPTA continues to market our province as a tourism destination of choice. Continued collaboration and alignment with South African Tourism continues to yield positive results. The table below demonstrate strides made to-date:

Table 5: Domestic Travel Trends by Destination Province, 2019– 2021

Trips (domestic) - by DESTINATION province						
Province	2019	2020	2021	2019 Ranking	2020 Ranking	2021 Ranking
Eastern Cape	2 096 776	3 798 971	5 051 815	8	1	1
Free State	3 537 526	2 052 872	689 084	5	5	7
Gauteng	6 674 593	3 332 164	2 480 537	1	3	3
KwaZulu Natal	6 198 264	3 407 452	2 602 508	2	2	2
Limpopo	4 170 850	1 478 520	559 461	4	8	8
Mpumalanga	2 546 151	1 567 653	1 858 951	6	7	4
Northern Cape	868 736	596 347	487 757	9	9	9
North West	2 395 704	1 623 660	1 458 469	7	6	5
Western Cape	4 431 140	2 642 302	885 583	3	4	6
TOTAL	32 919 740	20 499 942	16 074 165			

Source: South African Tourism

Tourism infrastructure

The development of tourism support infrastructure plays a significant role in the recovery of the tourism sector. Tourism product development is largely concerned with the creation of the new tourism products in the province. The DFFE EPIP [Environmental Protection and Infrastructure Programmes] specifically at the Double Drift Nature Reserve - Brakfontein Community Conservation Area, an abattoir has been completed as part of phase 1 development. Under phase 2, new hunters' facilities are under construction to serve the hunting niche market, thereby enhancing the product diversification in the provincial nature reserves. This second phase has created 13 job opportunities. At Cape Morgan, the construction of a tourist accommodation facility and a 90-seater restaurant has created 21 job opportunities.

The Provincial Economic Stimulus Fund played a critical role in upgrading and maintenance of facilities in 10 nature reserves. This has created 42 job opportunities while the overall progress in the Marine and Coastal Cluster is at 65%, in the Game Management and Recreation Cluster and the Biodiversity and Heritage Cluster at 30%. These reserves have been enabled to be sustainable.

Biodiversity economy

Bioprospecting Sector is one of the drivers of Green Economy (rural economy driver) as identified in the National Biodiversity Economy Strategy. One of its main objectives is to create jobs and ensure that biological resources are utilized in a sustainable manner. The biodiversity economy covers both flora and fauna. This is designed to conserve the diversity of landscapes, ecosystems, habitats, biological communities, populations, species & genes and promote conservation and sustainable use of natural resources in the Eastern Cape.

The National Biodiversity Economy Strategy was adopted by the country after realizing that there are benefits to be derived from biodiversity (e.g. medicine, cosmetics). Key focus areas include wildlife economy, bioprospecting and eco-tourism.

The biodiversity Lab identified 25 plant species which have been used in bioprospecting. Fourteen of these plants occur in the Eastern Cape while 3 species in the Eastern Cape have been identified for mass cultivation, namely *Aloe ferox*, *Perlagonium* and *Honeybush Tea*. For *Aloe ferox*, there is a community in Peddie (Ngqushwa) – Tyhefu where cultivation will take place. There is EPIP funding from DFFE for the construction of a multipurpose processing facility, processing hub to support smaller *Aloe ferox* projects in the Eastern Cape. The management plans have been gazetted for effective use. A Honey Bush Tea Community of Practice (COP) has been established, which is chaired by both the Eastern Cape and Western Cape provinces. Discussions on the COP include skills gap analysis of Honeybush value chain and market and transformation in the Honeybush industry. Opportunities realized through bioprospecting include creating job opportunities across the value chains, fast-tracking new entrants and entrepreneurs into the bioprospecting sub-sector to transform the sector, utilizing the existing traditional knowledge to develop new products and involvement of marginalized communities and individuals. The department will be prioritizing this piece of work, sharing information and encouraging entrepreneurs to participate meaningfully in this sector.

Economic transformation

At the beginning of his first term of office, Premier of the Eastern Cape, Oscar Mabuyane, said his term will have a focus on economic transformation in the province with particular focus on the province's agriculture, automobile and tourism industries. Different sectors and industries have different transformation targets. Currently there is no consolidated portal that shows different levels of transformation across different sectors over the years.

Below, is a snapshot of transformation in automotive sector:

In the auto sector, the review of the APDP in 2015 has seen a gradual shift away from numerical targets towards greater focus on job creation, localization support and transformation. The component sector with higher employment multipliers, is a sector that has been identified as a priority for deepening the automotive value chain and seeing real economic transformation. The revised Broad Based Black Economic Empowerment (BBBEE) came into effect in May 2015 and have placed transformation and compliance in the spotlight for the automotive industry. Industry has come out with concern over the implementation of the revised BBBEE codes, with locally based multinational manufacturers such as Volkswagen indicating they will find it impossible to achieve a Level 4 rating, as they cannot score on the ownership criteria. This would entail some form of ownership transaction and for multinationals this is a tough ask as they are unwilling to dilute their ownership. NAAMSA has indicated that they are considering an Automotive Industry Sector Charter due to the difficulty compliance is creating. OEMs have indicated that the thresholds and targets for automotive industry are unachievable and all OEMs, but General Motors could possibly reach Level 8 with General Motors achieving a Level 7 (Cokayne, 2016).

VWSA undertook a Black Supplier Day in Uitenhage to find nationally black owned manufacturers in any sector who could move into automotive manufacturing. The results of the nationally advertised event were the identification of 41 companies. This fell way short of the VWSA's needs as it requires 500 suppliers to comply. Transformation and meeting the revised codes have been identified as a key challenge for the industry going forward. VWSA has implemented actions around the creation of a trust with an incubator to help develop future suppliers. There is however expected to be more pressure on existing suppliers to change their ownership structures to continue supplying (IOL, 2016).

Several supplier development models are being piloted. The AIDC has developed programmes to develop and support Black-owned businesses, working closely with the OEMs and Suppliers. Other initiatives that have been undertaken include education and awareness building on BBBEE codes with component manufactures as undertaken by ECAIF (currently funded by DEDEAT).

Liquor & gambling regulation

Through the ECGB, the province has licensed gambling operators who generate approximately R200 million in revenue to the provincial fiscus every year. These are divided into casinos, route operators and independent site owners.

Table 6: Eastern Cape casino operators per zone

District Municipality	Zone	Casino	Location	Expiry Date	Term of License
Nelson Mandela Bay Metropolitan Municipality	Zone 1	Emfuleni Resorts (Pty) Ltd/a The Boardwalk Casino	Gqeberha	2025	15 Years
Buffalo City Metropolitan Municipality	Zone 2	Tsogo Sun Emonti (Pty) Ltd/a Hemingways Casino	East London	2026	15 Years
Chris Hani District Municipality	Zone 3	Zitolor (Pty) Ltd t/a Queens Casino	Queenstown	2037	20 Years
OR Tambo District Municipality	Zone 4	Mayfair Casino (Pty) Ltd (2014/147296/07) t/a Mayfair Casino	Mthatha	2038	20 Years
Alfred Nzo District Municipality	Zone 5	Transkei Sun International Ltd t/a Wild Coast Sun Casino	Mzamba Bizana	2041	20 Years

Source: ECGB, 2022

Table 7: Eastern Cape casino statistics

District Municipality or Metro	Licensed ISO	Location of ISO in the province	Date License Issued	Date License Expiry	Employment Created	No. of LPMs	Investment Value
Nelson Mandela Bay Metro	Spin & Win Uitenhage	Kariega	29/03/2018	28/03/2038	14	40	No new investment ³
	Royale Aces	Bay West, Gqeberha	27/09/2019	26/09/2039	5	21	R5.6 Million
Alfred Nzo District	Spin & Win Mbizana	Bizana	29/03/2018	28/03/2038	14	40	No new investment ⁴
	Spinners Mount Frere	Mount Frere	01/11/2019	31/10/2039	11	0	R2.3 Million
Joe Gqabi District	Golden Palace Sterkspruit	Sterkspruit	07/11/2019	06/11/2039	11	38	R0.9 Million
OR Tambo District	Spinners Mthatha	Mthatha	Temporary License		-	406	Development pending
Total					56	170	R8.8 Million

Source: ECGB, 2022

Table 8: Profile of operating Eastern Cape casinos

Description	Bizana: Wild Coast Sun Casino	Gqeberha: Boardwalk Casino	East London: Hemingways Casino	Komani: Queens Casino	Mthatha: Mayfair Casino
Date Opened	September 2021	October 2010	September 2011	December 2017	December 2018
Operator	Wild Coast Sun International Ltd	Emfuleni Resorts (Pty) Ltd	Tsogo Sun Emonti (Pty) Ltd	Zitolor (Pty) Ltd t/a Queens Casino	Mthatha Casino (Pty) Ltd
Management Company	Sun International Management Ltd	Sun International Management Ltd	Tsogo Sun Casino Management Company	African Pioneer Gaming (Pty) Ltd	No management company

Description	Bizana: Wild Coast Sun Casino	Gqeberha: Boardwalk Casino	East London: Hemingways Casino	Komani: Queens Casino	Mthatha: Mayfair Casino
Total Capital Investment (Rm)	R2.6 Billion	R2 Billion	R400 Million	R151 Million	R141 Million
Total Employees	159	188	161	73	45
Slot Machines	590	760	429	181	80
Tables	40	44	26	15	11
Electronic Player Terminals	8	8	-	8	8

Source: ECGB, 2022

Table 9: Independent site owners:

District Municipality or Metro	Licensed ISO	Location of ISO in the province	License Date Issued	Date License Expiry	Employment Created	No. of LPMS	Investment Value
Nelson Mandela Bay Metro	Spin & in Uitenhage	Kariega	29/03/2018	28/03/2038	24	30	No new investment ³
	Royale Aces	Bay West, Gqeberha	27/09/2019	26/09/2039	12	30	R5.6 Million
Alfred Nzo District	Spin & Win Mbizana	Mbizana	29/03/2018	28/03/2038	14	30	No new investment ⁴
	Spinners Mount Frere	Mount Frere	01/11/2019	31/10/2039	16	40	R2.3 Million
Joe Gqabi District	Golden Palace Sterkspruit	Sterkspruit	07/11/2019	06/11/2039	19	40	R928,974.69
Total					76	170	R8.8 Million

Source: ECGB, 2021.

Table 10: Profile of Eastern Cape route operators and Limited Payout Machines

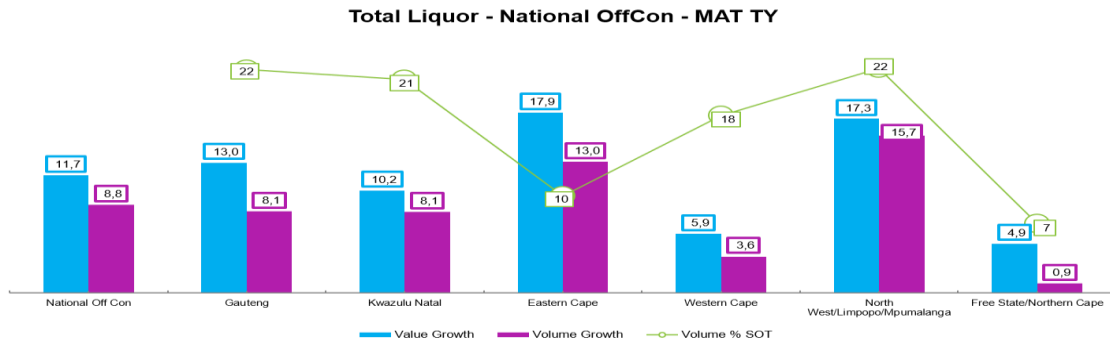
Description	Vukani Gaming Eastern Cape (Pty) Ltd	Pioneer Slots (Pty) Ltd
Date License Issued	29/03/2012	01/03/2013
Date License Expires	31/03/2027	29/02/2028
Number of Sites Licensed	100	78
Registered Employees	437	306
Total Slot Machines	870	882

In terms of the liquor industry, the Nelson Mandela Bay Metro is growing ahead in the liquor category in value and volume at 10% share of trade; the Eastern Cape has spent R6billion in the past year. This reveals that the liquor industry is a strong force in the South African economy and society although frequently in the limelight for the associated negative social consequences of the overconsumption of alcohol. Secondly, the liquor industry is an important economic driver and supplier of employment.

Figure 9: Growth of liquor trade value and volume

EASTERN CAPE IS GROWING AHEAD OF LIQUOR CATEGORY IN VALUE AND VOLUME AT 10% SHARE OF TRADE

WC & FS/NC are growing behind the liquor category



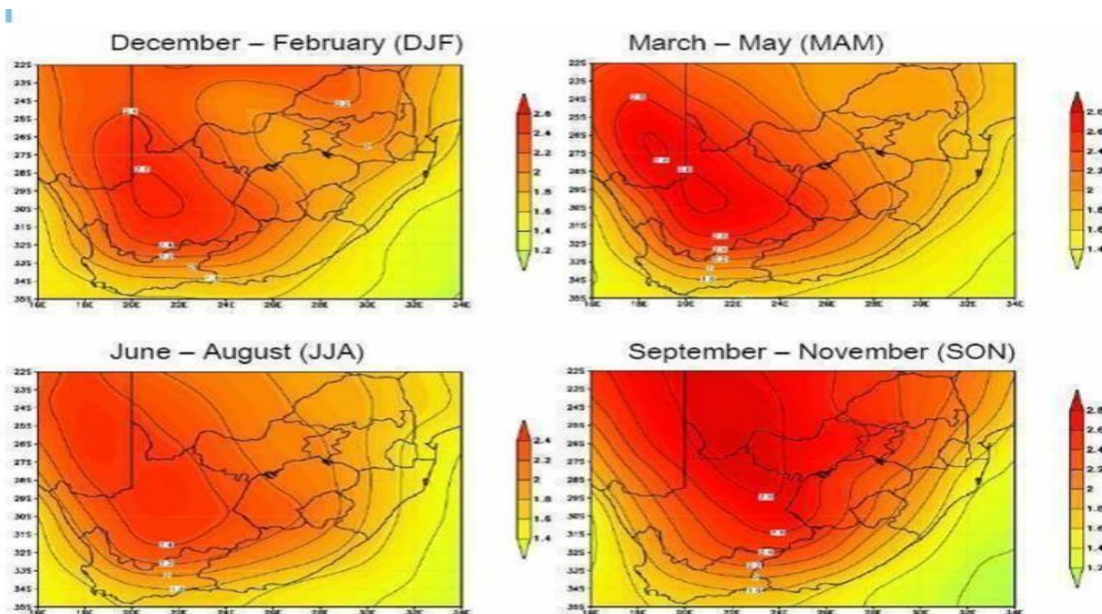
Source: ECLB, 2020

The ECLB continues to work hard in promoting and encouraging responsible liquor industry through a rigorous process of issuing liquor licenses. This is further enhanced through enforcing compliance with trading conditions that impact on communities. Furthermore, the ECLB is working tirelessly with law enforcement agencies, municipalities and other critical stakeholders to monitor compliance, especially fight against young-age drinking. A total of 450 illegal liquor traders were issued with the Notice to Appear in Court with an Option to Pay a Fine (J534) amounting in total to R414 220.00 while liquor to the value of about R398 309.00 was confiscated from these illegal outlets and will be disposed of once the criminal proceedings have been finalized. Illegal trading activities result in an excess of R1.5 million in revenue lost by the province each year.

Climate change

The Eastern Cape is expected to experience highest temperature increases towards the northwest interior, while lowest increases are likely along the coast. Associated with the higher temperature will be increases in evaporation rates and increased intensity of droughts.

Figure 10: Temperature mapping



With the drought and heat, bush fires are likely to occur. This impacts on flora and fauna of the province. Lack of water is also a challenge as a result of climate change. This also impact on normal functioning societies and industries.

The department from 2022-2023 financial year commenced with a five (5) year Climate change response program piloting municipal areas in the OR Tambo region for the first two years. The program focuses on at least four thematic areas, namely, Green House Mitigation with a focus on Waste and Air Quality; The water sector with a focus on ecosystem based adaptation; Ecosystem based adaptation in order to ensure Disaster Risk Reduction; and Environmental Education in support of Community knowledge and the projects being rolled out.

Due to limited funding, the department will explore partnerships and try to leverage resources from other departments and entities such as the Global Environmental Facility (GEF) to ensure scale and reach of this programme across the Province.

Table 11: Opportunities and Threats

External Analysis	Opportunities	Threats
Political	<ul style="list-style-type: none"> - <i>New leadership in Departments being appointed</i> - <i>New energetic leadership at national and provincial level</i> - <i>No political infighting</i> - <i>Accountable government through clusters</i> - <i>Fresh political mandate to run over 5 years</i> - <i>Province establishing twinning arrangements with other countries and cities</i> - <i>Clear political directives (x12)</i> 	<ul style="list-style-type: none"> - <i>Government institutions have no capacity especially at local government level</i> - <i>Cluster system not functional to achieve the desired results</i> - <i>Governance has deteriorated</i> - <i>Poor coordination of activities across Departments and with private sector</i> - <i>Cue from the 6th Administration: Effective policy implementation</i> - <i>Mandate management by local municipalities i.e. electricity, waste removal, street cleaning. Political unrest if not managed – lead to Investment reduction – no service delivery – social unrest – lack of trust in all government spheres.</i> - <i>Collaboration of municipal and provincial entities -entities generate revenue, e.g. alignment in policies such as EC Liquor Board and those of municipalities</i> - <i>Global political instability</i>
Economic	<ul style="list-style-type: none"> - <i>3 Universities and other institutions of higher learning</i> - <i>Vast coastline</i> - <i>Pristine environment & biomes (x7)</i> - <i>Natural beauty of the Province</i> 	<ul style="list-style-type: none"> - <i>Unreliable Electricity Supply</i> - <i>Deterioration of infrastructure such as electricity networks, rail and communications infrastructure due to theft and vandalism.</i> - <i>Economic Consequences of COVID-19 Disaster.</i> - <i>Disruption in global supply chains</i>
	<ul style="list-style-type: none"> - <i>Funding at national level (e.g. R1 billion for business incubation)</i> - <i>Funding in the private sector (R1.4 trillion in cash not invested)</i> - <i>Emergence of sustainable energy e.g. wind farms through REIPPP</i> - <i>Modularize and diversify product mix</i> - <i>Integrated Resource Plan for energy</i> - <i>EC Automotive Masterplan 2035</i> - <i>Changes in BBBEE act – sectoral transformation requirements;</i> - <i>LED Procurement framework</i> - <i>South African Automotive Masterplan (SAAM) 2035 and Auto sector response Strategies;</i> - <i>EC Maritime Manufacturing localization support programme – Ocean’s economy</i> - <i>Competitiveness enhancement through industrial cluster support programmes (PtSA, ECAIF and NAM)</i> - <i>Agro Industry Development Action Implementation Plan developed</i> - <i>Technology Innovation Agency openness for collaborating with the Department</i> 	<ul style="list-style-type: none"> - <i>Changing nature of the auto sector presents risks to investments in the EC</i> - <i>Trade wars between USA and China have negative impact on Province</i> - <i>The rise in regionalism and protectionism in trade</i> - <i>Low incomes</i> - <i>Competition among partners wastes resources</i> - <i>Unstable investment climate</i> - <i>Limited innovation support</i> - <i>Distressed industries</i> - <i>Lack of incentives for investments</i> - <i>Limited power generation</i> - <i>Highly indebted consumers</i> - <i>Land Tenure in Former Homelands impact on investments in wind farms</i> - <i>Inadequate product packaging (routes, heritage sites, etc).</i> - <i>Government funding is decreasing</i> - <i>Agriculture based economy being impacted by drought/ climate change</i> - <i>labour intensive sectors are declining and shedding jobs;</i> - <i>Economic infrastructure poorly maintained and deteriorating</i> - <i>Access to finance is limited</i> - <i>Low productivity</i>

External Analysis	Opportunities	Threats
	<ul style="list-style-type: none"> - National Treasury and World Bank potential support for industry development support (value chain development mainstreaming in government sector Departments programmes - <i>Leverage on resources of other stakeholders</i> - Partnerships with communities. - <i>Market opportunities e.g. global markets</i> - <i>South Africa Digital hubs programme linked to State-owned Industrial Parks</i> - <i>Upgrade signature events (Buyelekhaya, Makhanda National Arts Festival) through advertising and branding.</i> - SLA to expand routes and economic opportunities - Implementation of Provincial Investment Council - Establishment of the InvestSA One Stop Shop in the EC. - Strong national focus on infrastructure led economic recovery. - Africa Continental free trade area - National and Provincial investment conference 	<ul style="list-style-type: none"> - Poor investment in grid transmission infrastructure - Uncompetitive products - Delays in payment of suppliers/ MSMEs - <i>Logistics is poor</i> - <i>Level of entrepreneurship in the Province is low</i> - <i>Red tape</i> - Poor implementation of economic policy - Limited access to technology - Tax burden - Lack of coordination of economic activities - Purchasing power of the EC is low - Low business confidence - <i>Low economic growth (0.8%)</i> - <i>High unemployment (29%) especially for youth (54%)</i> - Economy not diversified (dominated by the autosector) - <i>Poor entrepreneurship ecosystem</i> - Low investment levels (approx. 18% of GDP) - Economy concentrated in the Metros - Ease of doing business is poor - Resource utilities and access under strain – e.g. water, waste - Limited transformation - Increased competition for funding from national level - Lack of clear comparative and competitive advantage of the region - Limited investment in industrial infrastructure - Lack of market development - Limited industrial capability - Manufacturing sector declining - <i>Limited access to markets</i> - Exorbitant cost to access the Eastern Cape - Economic reconstruction and recovery plan – investment in infrastructure, no fiscal support to fund that. - Informal sector support – difficult, if they are not registered, they must be tracked. - Government cannot invest in enterprises that are not compliant - Depreciating Rand – Moodys and Fitch lower ratings – reduce FDI – in SA – National, Provincial and Local government is negatively affected – management of perceptions. - Speedy Authorizations, Green Economy, Job Creation, Environmental Education for COVID-19 relief for informal Sector - War between Russia and Ukraine

External Analysis	Opportunities	Threats
Social	<ul style="list-style-type: none"> - Demographic shifts towards younger population - Strong cultural assets - Deep levels of unemployment exacerbated by the COVID19 disaster. 	<ul style="list-style-type: none"> - Social unrest – strikes at municipal level - Invasion of properties - Limited Skills (mismatch, critical skills and immigrating of skill to other provinces and countries) - Consumers are highly indebted and consumptive expenditure patterns - Youth mostly impacted by unemployment - High crime and corruption rate - Undocumented immigrants - Littering and waste - Urbanization increasing and presenting pressure on services - Absence of safety and security - Net outward migration (20% of skilled) impacts one equitable share - Lack of collaboration and partnerships with neighboring countries/ other Departments - The government sector dominates employment - Living standards gone down - More people in need of housing - Poverty rates are high (between 24 – 40%) - High inequality (Gini coefficient- 0.68) - Low buying power - Career path in higher education not aligned to industry needs - Job losses - High Unemployment - Social unrest - Skills shortage – capacity building - Skills migration – to entice them - Climate Change vulnerability and unsustainable land uses and pollution of the Environment - Drought and flooding
Technological	<ul style="list-style-type: none"> - Investments & potential in wind, hydrogen and gas energy - High penetration rate of cellphones - Pockets of technology excellence, e.g. MBSA - Digitalization is here to stay. This should be the 5th basic service. Technology is proving to be critical for e-commerce and online meetings. - E-learning has improved 	<ul style="list-style-type: none"> - Rate of technology (4IR) impacting on employment and others - Emergence of e-commerce impact on brick-and-mortar businesses e.g., banks closing branches - Less use of technology when transacting - Broadband penetration is low - E-learning not accessible to everyone - Low recycling of waste - EC not fully ready with 4IR - Limited innovation centers in the Province
		<ul style="list-style-type: none"> - Limited R&D funding - Manufacturing in 2nd and 3rd tier level on technology - Load shedding and Energy Constraints - Rollout of broad band – slow progress – to drive technological infrastructure. – WC model implementation – replication - Drones to improve efficiency as well as real time satellite, aging infrastructure - Scam emails and SMSs
Legal	<ul style="list-style-type: none"> - New legislation on waste processing can stimulate alternative economy - SEZ Act being reviewed to enhance operations - Number of Acts of entities being reviewed to enhance their operations and governance - Competition laws can be enhanced - Improved Consumer Protection law to enhance protection of rights of consumers - Good National environmental legislation 	<ul style="list-style-type: none"> - Trade regime changes e.g., AGOA, BREXIT - No changes to employment laws - Incomplete revisions to some Acts, e.g. ECPTA, ECDC - Increased litigious environment - Licensing delays - High compliance requirements with legal and regulatory environment - Increased influx of counterfeit and hazardous goods which are not compliant with laws - Consistency is required to cover the MEC in case of litigation - Non-compliance for relevant legislation for business - Outdated provincial environmental legislation

External Analysis	Opportunities	Threats
Environmental	<ul style="list-style-type: none"> - <i>Environmental assets opportunities in the biodiversity economy</i> - Good representation of biomes in the Eastern Cape - High attention to environmental management - Consistent application of Environmental laws - Technology –Virtual working – less cars on the road – good for the environment. Paperless. - VCOs and HNCOs - Reduction of carbon emissions through installation of renewable energy, Electric Motor Vehicles, energy efficiency and a shift into the use of green hydrogen as an energy source. - Waste Management (Recycling, avoidance, energy etc) - Alien invasive utilization as a substitute. 	<ul style="list-style-type: none"> - Climate change denialists - <i>Increase in poaching</i> - <i>Increase in clearing indigenous vegetation</i> - <i>Increase in unlawful coastal development</i> - Land and wetlands degradation - <i>Poor air quality</i> - <i>A high number of environmental crimes</i> - Deteriorating environmental quality - <i>Large volumes of waste going to landfills(2017=1,4 million tons)</i> - <i>Alien and Invasive plants especially in waterways</i> - <i>Plastic pollution</i> - <i>Weak enforcement of environmental laws at local level</i> - Waste Management rules (chemical producers); - Environmental – Social – Economic (Balance) not hamper the environment - Climate change – high temperatures, drought, floods – less predictable. Infrastructure decay –needs to be addressed - Climate induced disasters
Geographic	<ul style="list-style-type: none"> - <i>Long coastline – opportunities in oceans economy</i> 	<ul style="list-style-type: none"> - Long coastline can be a security threat - <i>Distance from major markets (EU, US, Asia)</i> - <i>Huge province – requires a lot of investment infrastructure & is a challenge for logistics</i>

3.2 Internal Environment Analysis

The following mandate aligned situation analysis in relation to the internal environment is presented. Strengths in *italics* means these strengths have a high probability of enduring with higher potential positive impact on the achievement of outcomes of the Department. Weaknesses in *italics* means these weaknesses have a high probability of materializing with potential severity in preventing the Department from efficiently achieving its outcomes.

Table 12: Strength and Weaknesses

Internal Analysis	Strengths	Weaknesses
Financial resources & assets	<ul style="list-style-type: none"> - <i>R1,134 billion budget vote</i> - Strong Revenue generation in the province - Effective governance resulting in clean audit - Industrial estates valued in excess of R10 billion - <i>Specialty funds in place e.g., LRED,</i> - Fair financial management - Rental stock available - Funding availability dtic, DFFE and others e.g., black industrialists programme 	<ul style="list-style-type: none"> - <i>The DEDEAT group portion of the equitables share is small (1%) in relation to the expected role of DEDEAT in growing the economy.</i> - Rental income is low - Inadequate packaging of budget requests to the Provincial Treasury. - <i>Mismatch of human and financial resources</i> - Funding requirements have increased and cannot be met - Limited resources to implement regulatory functions - <i>Budgets under-expenditure, resulting in budget cuts.</i> - <i>Dilapidated property portfolio</i> - <i>Small and declining loan book for SMMEd development</i> - No resources for Oceans Economy - Mismatch between economic and environmental resourcing.
Culture	<ul style="list-style-type: none"> - <i>Diverse culture in the organization</i> - Flexibility 	<ul style="list-style-type: none"> - <i>Slow change processes (refer to HR assessment results)</i> - <i>Slow adaptation to digital transformation</i>
Services	<ul style="list-style-type: none"> - Range of services provided - <i>Good technical capacity of staff in various portfolios</i> - High quality service support - Six public entities - DEDEAT present in six Districts - <i>New services with partners and Departments</i> 	<ul style="list-style-type: none"> - <i>Absence of business intelligence</i> - Some services not available in some regions - Lack of standardized SOPs in place - Concentration of services in the Metros - <i>Capacity to take up services in local areas is limited</i> - <i>Limited capacity to do strategic environmental assessments</i> - <i>Limited research capacity</i> - Indicators not pitched at impact level
Management	<ul style="list-style-type: none"> - <i>SMS staffing in place</i> - Communication systems in place - <i>Strong political leadership</i> - <i>Functionality of the IGR structures</i> 	<ul style="list-style-type: none"> - Centralization of some support and core functions - <i>Resource mobilization process within the Department is not effective</i> - <i>Accountability is low</i> - Service Delivery Model that is not effective
Physical resources	<ul style="list-style-type: none"> - <i>Industrial assets</i> 	<ul style="list-style-type: none"> - <i>Inadequate office space</i> - Inadequate working tools, e.g. vehicles - Some entities not available in all regions - <i>Scattered office space makes coordination difficult</i> - Building challenges faced by the department <ul style="list-style-type: none"> - working space available in regions and entities. The spaces are not allocated to ensure service delivery. - Non availability of DEDEAT group one stop shop centers
Staff	<ul style="list-style-type: none"> - New organizational structure (567 posts) - General capability is satisfactory - <i>Staffing level at +90%</i> 	<ul style="list-style-type: none"> - <i>Staff morale is low</i> - Recruitment is centralized and negatively impacts the Department - Critical staff shortage in Climate Change

Internal Analysis	Strengths	Weaknesses
	<ul style="list-style-type: none"> - The excess staff can be absorbed in entities and retrained to do core function. - Tap into the capability and skills of entities. - DEDEAT to take leadership on addressing Human Resources absorption opportunities. - Funds to entities to follow resources 	<ul style="list-style-type: none"> - <i>Increasing CoE costs</i> - <i>Ineffective organogram and structure</i> - The structure was approved with excess staff, warm bodies to be utilized and not optimally utilized. - Entities require capacity and are not able to absorb staff from the DEDEAT group due to the Public Service Regulation and the legislative requirements. - Person to post matching challenges. - The annual budget not fully utilized for filling vacant position due to PCMT which delays the process for recruitment. - Programme 1 as a service delivery enabler and not a gate keeper
Processes and systems.	<ul style="list-style-type: none"> - <i>A few functional systems, e.g. BAS, Persal, evaya, ePermitting, video conferencing, Microsoft teams, Onlineshare point</i> - <i>ICT uptime averages above 96%</i> - Governance structures in place - Functional boards at public entities - <i>Cloud computing services e.g. One Drive system for backup</i> - Assist the entities to deliver more by sharing the electronic platforms - Developing electronic system for Risk Management and Governance and at the press of the button the HOD/MEC can identify emerging risks. - Develop the reporting system that will consolidate reports for the department and entities. - Embracing technology. - IT system that will bridge a gap in rural places as a community center. - Artificial intelligence to be embraced – e.g. Call centers. - Integrated process to enhance holistic governance. - Monitoring and Reporting - Alignment of processes – regions collaborating - Assist the entities to deliver more by sharing the accommodation platforms - Developing database of all available accommodation and try to reallocate for the department and entities. - Alignment of processes - Reset our planning process - Zero based budgeting with entities - Collaboration with public entities on planning. - Reduction of a salary bill across the board - Reduce personnel cost - Reduction of utilizing consultants - Recommitment and oversight - Master Plan - Improved sourcing of goods and services 	<ul style="list-style-type: none"> - Compliance to processes is not adequate - Erratic and slow IT services - <i>Absence of business intelligence</i> - <i>Limited integrated ICT systems</i> - <i>No performance management system</i> - Limited and fragmented Knowledge management - <i>Inefficiencies, duplication, wastage within the DEDEAT Group</i> - <i>Governance is low</i> - <i>OMF operationalization is low</i> - <i>Absence of backup system of data</i> - Cyber threats - Gap of not working with OTP on 4IR - Financial systems are slow - <i>Lot of paperwork, e.g. LRED application</i> - Disjointed policies - Provision of working ICT tools, laptops to officials has been a challenge. - The ICT contract not addressing the requirements timeously during the lockdown period resulting in delays. - Coordination challenges and duplication of planning processes. - Review all KPA's and targets and ensure in alignment between Department and entities - No focus of prioritizing technology, access to resources, training, and sharing resources. - Resource sharing not realized since 2016 - Slow pace of procurement before tender awarded - Relationship challenges with entities - Projects running concurrently and overlapping - Areas of governance challenges identified
Stakeholders	<ul style="list-style-type: none"> - <i>Vast number of stakeholders in both public and private sector</i> 	<ul style="list-style-type: none"> - <i>Limited effective collaborations e.g. SOEs grappling with governance and financial issues</i> - <i>Limited effective coordination e.g. in LED, cooperatives, MSMEs</i> - Governance & IGR are weak

Human Resources

Developed in 2020, the Department's 2020/21 – 2024/25 MTEF Human Resource Plan seeks to align human resources to the strategic objectives of the department based on supply and demand of capacity and skills.

The Department has an establishment consisting of 572 posts, of which 499 are filled. Process is underway to fill vacant posts. This is through the placement of additional staff as well as recruitment.

Table 13: Current Employment and vacancies by programme as on 31 March 2023

Programme	Posts on approved establishment	Filled	Vacant ²	% vacant
ADMINISTRATION	273	242	31	11%
ECONOMIC DEVELOPMENT & TOURISM	108	90	18	17%
ENVIRONMENTAL MANAGEMENT	191	167	24	13%
Total	572	499	73	13%

Source: Persal data, 14 March 2023

Considering the age profile of the Department, the average age of employees is 44 years. With "youth" representation (<35 years) being below 12%. This presents an opportunity for the department to be intentional in prioritizing youth when recruiting. There are 30 Interns included in the skilled technical classification, accounting for about 53% of the youth employed in the department. There are 1 youth employed at an SMS level. The Department is in the process of implementing a career pathing policy to create a pool of youth who will be able to take up SMS positions as they become vacant.

Table 14: Current age profile

OCCUPATIONAL LEVELS	AGE RANGE											Grand Total
	<20	20 - 24	25 - 29	30 - 34	35 - 39	40 - 44	45 - 49	50 - 54	55 - 59	60 - 64	64>	
TOP MANAGEMENT	0	0	0	0	0	0	0	0	1	0	0	1
SENIOR MANAGEMENT	0	0	0	1	0	8	8	6	6	3	0	32
PROF QUAL & EXP MID-MANAGEMENT	0	0	0	7	13	21	12	16	14	9	0	92
SKILLED QUAL & JUN-MANAGEMENT	0	2	33	48	51	54	42	33	23	9	0	295
SEMI-SKILLED & DISCRETIONARY	0	0	0	1	9	11	13	20	21	7	0	82
Grand Total	0	2	33	57	73	94	75	75	65	28	0	502
% of employees	0	0	7	11	15	19	15	15	13	6	0	100

Source: Persal, 23 February 2023

² Please note that only funded vacant posts are reflected, as per DPSA directives



PART C

MEASURING OUR PERFORMANCE

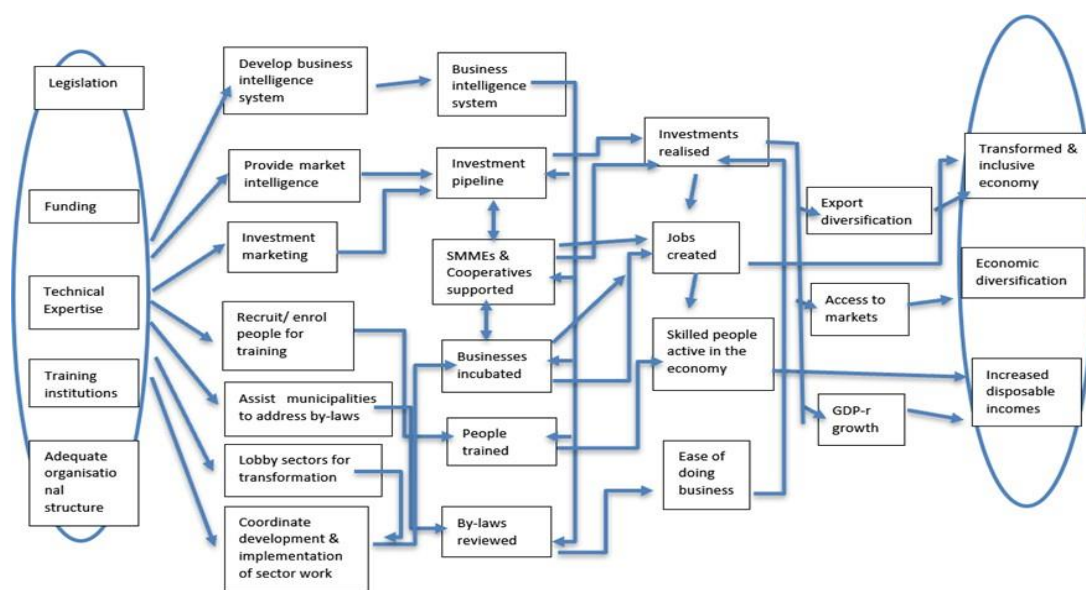
Part C: Measuring Our Performance

Theories of Change/ Causal Pathways

The Department has three key areas where *theories of change (TOC)* have been developed. These are *Economic Development, Tourism Development and Environmental Management*. The theories of change take into consideration the situation analysis (mostly problems and opportunities), stakeholders, past performance, future expected performance, key policies and legislation, resources and capabilities within the DEDEAT Group. Any omissions do not necessarily mean the department will not perform certain functions. These will be embraced and factored in operational plans, individual plans of public entities of the department and specific Strategies within individual portfolios in line with the mandate of the department. The TOCs mirror key programming of the department as agreed to by management. Notwithstanding the impact of COVID-19, the Department is steadfast in its belief that outcomes and impacts as outlined in the Strategic Plan (2020 – 2024) will be realized as planned. For 2022/23 financial year, at a minimum, all three theories of change make assumptions that COVID-19 will recede, a new normal will prevail where digitalization takes center stage, business operations risk increase due to reduced disposable incomes, funding dwindle further, new opportunities emerge post COVID-19.

Economic Development

Figure 11: Economic Development theory of change



Assumptions	Assumptions	Assumptions	Assumptions	Assumptions	Assumptions
<ul style="list-style-type: none"> Adequate funding will be made available by Treasury Adequate and skilled staff 	<ul style="list-style-type: none"> Correct selection of activities Correct selection of subjects Collaboration with partners according to plans 	<ul style="list-style-type: none"> Correct selection of subjects and targets 	<ul style="list-style-type: none"> Targeted groups are not hindered by the operating environment 	<ul style="list-style-type: none"> Local and global economy is growing 	<ul style="list-style-type: none"> Dynamic economy Wider support by various stakeholders

Economic Development Theory of Change

The above theory of change has been constructed based on the understanding of management on the key requirements of alignment with the NDP, MTSF, PMTSF, Provincial Priorities and the ruling party's priorities over the next 5 years. Importantly the input through to impacts reflect the intersection of ideas and aspiration of both DEDEAT's stakeholders and management plus staff of the department.

Economic Development Theory of Change Narrative

Economic development in the Eastern Cape has many role players from national to local level. This poses a coordination challenge given the limited resources at the disposal of the department. In some cases, the stakeholders, clients and customers are served by other complimentary and competitor entities and departments. Economic Development is focused on individuals, public entities boards, clients, regulators and funders, delivery partners, SAPS, Financial Services Centre, Treasury, organizations and companies in the Eastern Cape. Other important stakeholders include MSMEs, SARS, National SoCs- Eskom, Transnet, CEF, NERSA, IPP Office, SAMSA, National departments- department of Energy, dtic, department of Energy, AIDC. CDA, CHDA, BCMDA, Transnet, IDC, NEF, DBSA, SAIMI, CSIR, department of Science and Technology, TVETs, BCM, NMBMC, AIDC, ECAIF, NAMC, ECTI, SALGA, TIA, SAFCOL, DSB, Organized business – Chambers, Associations, institutions of higher learning, aspirant entrepreneurs, economic development partners, municipalities and consumers of goods and services. The department interacts with various non state actors such as UNDP, public entities, and NGOs as well.

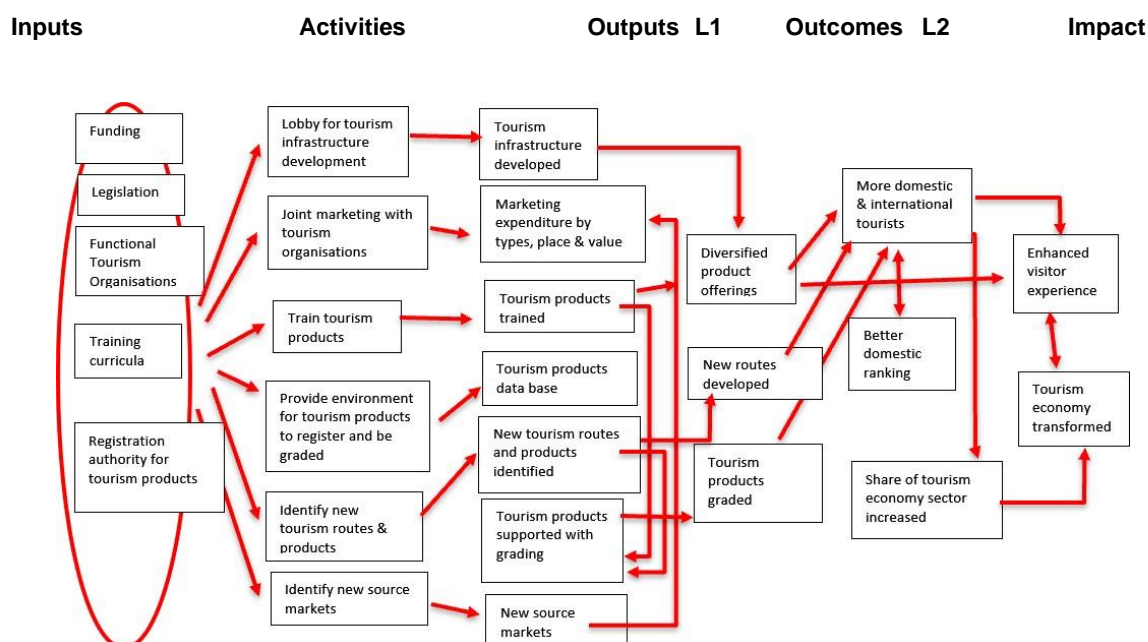
For the theory of change to achieve the desired results, the following should be in place:

- *Alignment with government and citizens' priorities*
- *Leadership*
- *Accountability*
- *Adequate financial and human resources*
- *Adequate systems*
- *Research and business intelligence*
- *Trust and collaborations*
- *Skilled implementers*
- *Dedicated and active citizens*
- *Embrace change*
- *Constant interaction and communication*
- *Regulatory Permits & licenses*
- *Lobbying & Advocacy [Political Championing]*

Tourism Development

Figure 12: Tourism theory of change

Tourism Theory of Change



Assumptions	Assumptions	Assumptions	Assumptions	Assumptions	Assumptions
<ul style="list-style-type: none"> Adequate funding will be made available by Treasury Functional tourism systems 	<ul style="list-style-type: none"> Willing participants Access to products and communities Collaboration with partners according to plans Functional logistics and connectivity 	<ul style="list-style-type: none"> Correct selection of subjects and targets Support from other departments and agencies Tourism safety prioritised by all role players 	<ul style="list-style-type: none"> Targeted groups are not hindered by the operating environment Functional systems National and global economy is functional 	<ul style="list-style-type: none"> Local and global economy is growing Other provinces marketing rate stays within range Economy grows 	<ul style="list-style-type: none"> Dynamic economy Wider support by various stakeholders Diverse products and quality thereof Stable currency and earnings

The above theory of change has been constructed based on the understanding of management on the key requirements of alignment with the NDP, MTSF, PMTSF, Provincial Priorities and the ruling party's priorities over the next 5 years. Importantly the input through to impacts reflect the intersection of ideas and aspiration of both DEDEAT's stakeholders and management plus staff of the department.

Tourism Development at a national level has 5 pillars which are cascaded to the Provincial level. These are:

1. Effective Marketing
2. Facilitate Ease of Access
3. The Visitor Experience
4. Destination Management
5. Broad Based Benefits

Tourism Theory of Change Narrative

In terms of domestic tourism trips by destination province, the Eastern Cape is ranked number one among the nine Provinces in 2020 with 3 798 971 as well as in 2021 with 5 051 815. This rapid progression when to

compared to 2 096 776(8th) achieved in 2019. The Eastern Cape offers some of the best tourism products in the country. However, there is a need to improve and rejuvenate the current products as well as diversification and development of new routes to offer a wider variety. The aim is to enhance the visitor experience. The infrastructure leading to tourism attractions mainly in the rural areas is poor, thus preventing the province from realizing its full tourism potential. Furthermore, the issue of crime against tourists compounds the situation. Skills development, registration of tourism products and the maintenance of standards will be key in the quest for desired outcomes. Key role players in the tourism sector include the ECPTA, all citizens, Local Tourism Organizations (LTOs), institutions of higher learning, National Department of Tourism, Private Sector (tourism associations, business chambers), Traditional Leaders, Communities, Military Veterans, Media (National Geographic, Gateway & Travel Publications).

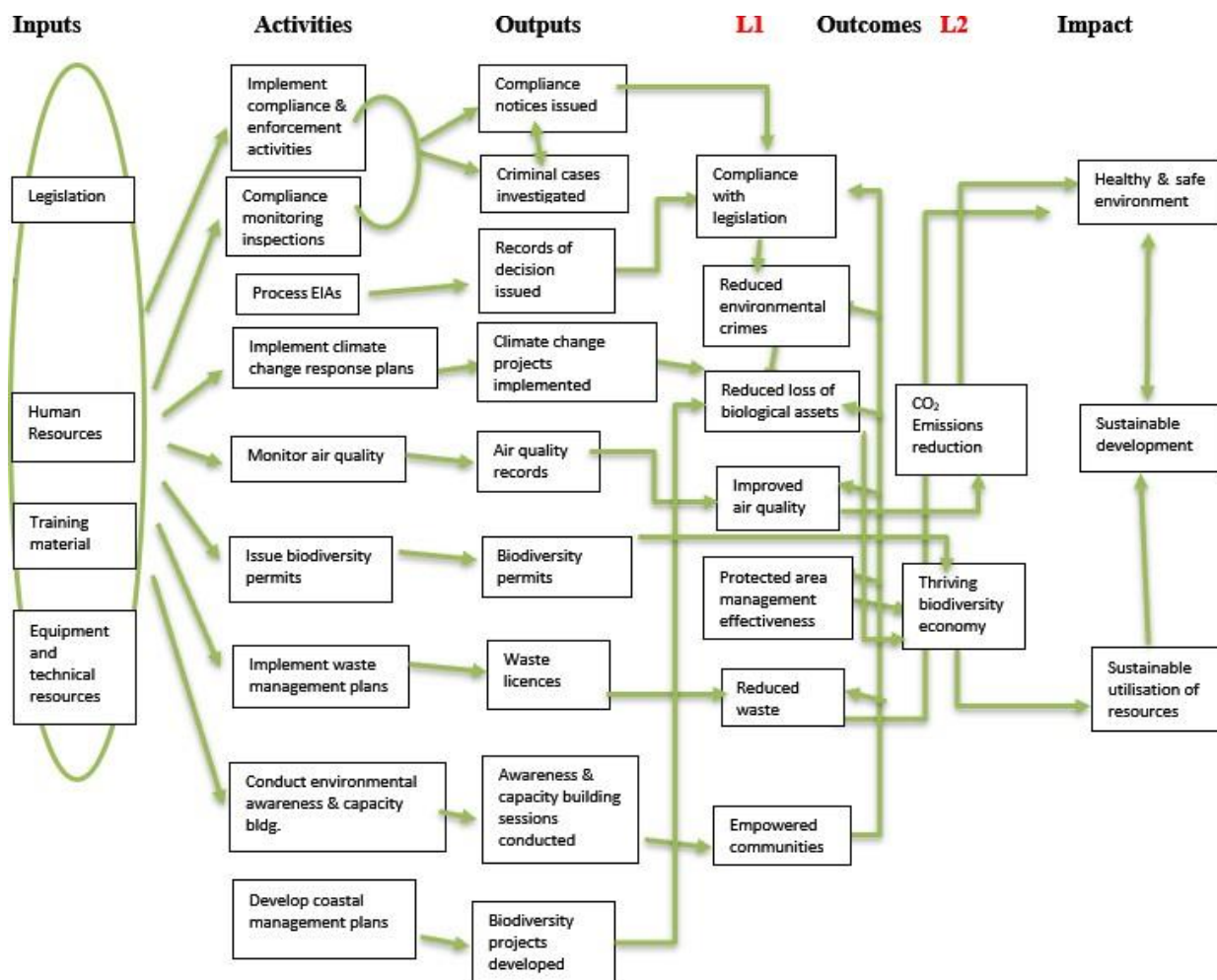
For the theory of change to achieve the desired results, the following should be in place:

- *Alignment with government and citizens' priorities*
- *Leadership*
- *Accountability*
- *Adequate financial and human resources*
- *Adequate systems*
- *Collaborations*
- *Research and business intelligence*
- *Skilled implementers*
- *Dedicated and active citizens*
- *Embrace change*
- *Constant interaction and communication*
- *Lobbying & Advocacy [Political Championing]*

Environmental Management

Figure 13: Environmental Management theory of change

Environmental Management Theory of Change



Assumptions	Assumptions	Assumptions	Assumptions	Assumptions	Assumptions
<ul style="list-style-type: none"> Adequate funding will be made available by Treasury Non-conflicting legislation and policies Convergence of social, economic and environmental agenda 	<ul style="list-style-type: none"> Willing participants Access to communities Collaboration with partners according to plans Functional systems Voluntary participation 	<ul style="list-style-type: none"> Correct selection of subjects and targets Support from other departments and agencies Systems for recording and accounting in place 	<ul style="list-style-type: none"> Targeted groups are not hindered by the operating environment Functional economy Favourable climatic conditions 	<ul style="list-style-type: none"> Strong ethics Sustainability focused participants 	<ul style="list-style-type: none"> Reduced poverty levels Dynamic economy Wider support by various stakeholders Demand and supply balanced

The above theory of change has been constructed based on the understanding of management on the key requirements of alignment with the NDP, MTSF, PMTSF, Provincial Priorities and the ruling party's priorities over the next 5 years. Importantly the inputs through to impacts reflect the intersection of ideas and aspiration of both DEDEAT's stakeholders and management plus staff of the department.

Environmental Affairs Theory of Change Narrative

The Environmental Management outcomes are situated within the context of a robust legislation through NEMA. The Province has been impacted by illegal developments, environmental degradation, pollution, poor waste management, theft of environmental assets among others. Citizens need to be aware of environmental issues in order to manage the environment sustainably.

There are several role players in the field of environmental management. These are in both government and the private sector. These include National department of Environment, Forestry and Fisheries (DEFF), National Prosecutions Authority, department of Water Affairs, South African National Biodiversity Institute (SANBI), WESSA among others.

For the theory of change to achieve the desired results the following should be in place:

- *Alignment with government and citizens' priorities*
- *Leadership*
- *Accountability*
- *Adequate financial and human resources*
- *Adequate systems*
- *Collaborations*
- *Skilled implementers*
- *Dedicated and active citizens*
- *Embrace change*
- *Constant interaction and communication*
- *Lobbying & Advocacy [Political Championing].*

4. Institutional Programme Performance Information

Programme: Administration

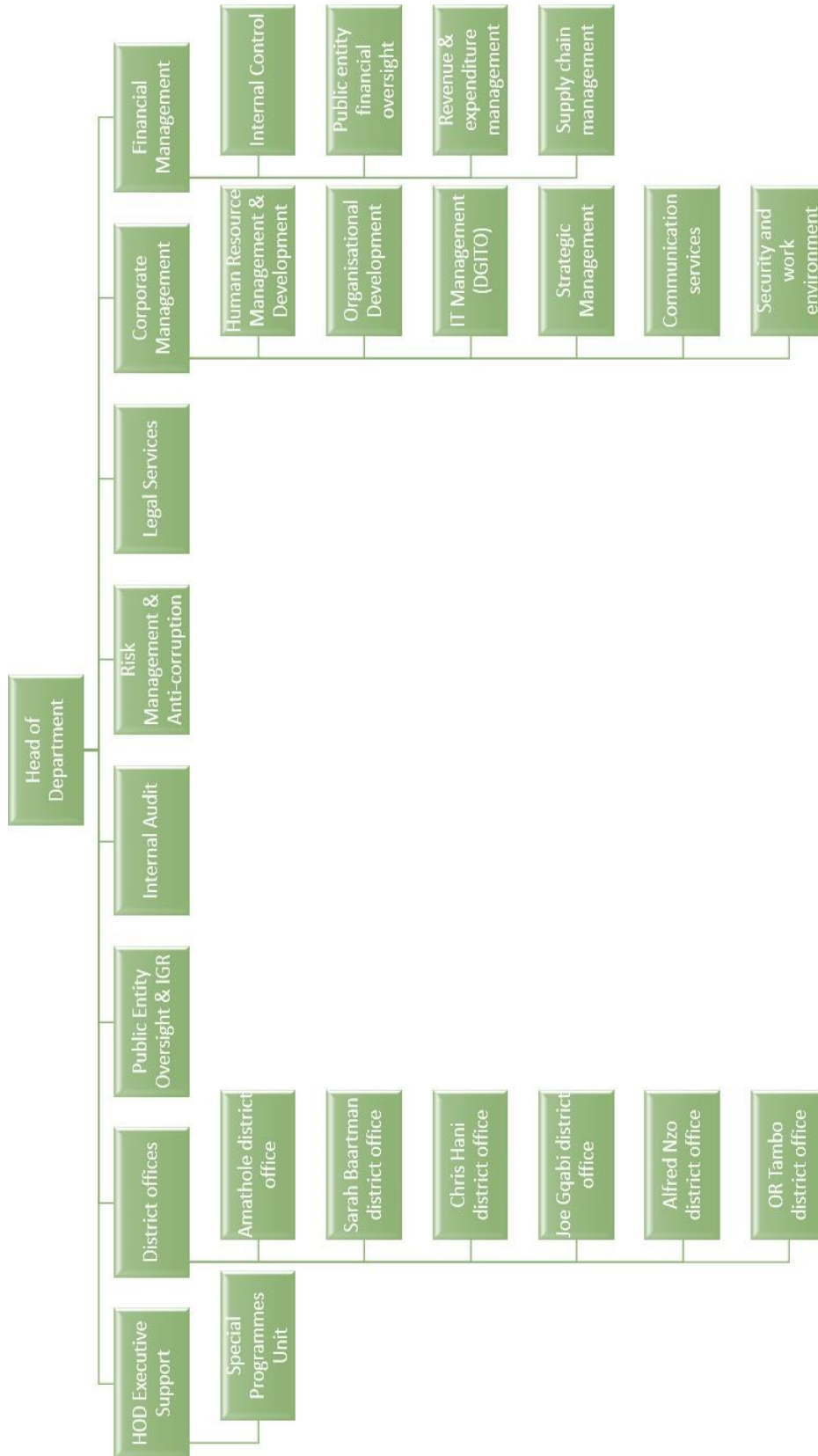
Purpose: To provide the Department with strategic leadership and management, as well as overall administrative and performance oversight.

Sub-Programmes:

Sub-Programme	Sub-Programme Purpose
1.1: Office of the MEC	Provide overall political and policy leadership for the Department
1.2: Office of the HOD	Provide effective and efficient leadership to the Department through public entity oversight, legal services, risk management, and transversal programmes.
1.3: Financial management	Establish and maintain appropriate financial management systems.
1.4: Corporate Management	Ensure adequate provision of institutional capacity through effective human capital management, IT & knowledge management services, communication, organizational development interventions and strategic management services.

Programme Structure:

Figure 14: Administration Organizational Structure



PROGRAMME 1: Administration

The table below reflects a staff complement of 273³ posts, of which 242 are filled. The vacancy rate of 11% represents 31 posts to be filled, in line with the annual recruitment plan. Most vacancies are in the Highly Skilled Supervision (Levels 9-12) category; one post is at the SMS level.

Table 15: Posts filled vs vacant posts

Sub-Programme	Posts on approved establishment	Filled	Vacant ³	% vacant
OFFICE OF THE HOD ⁴	30	28	2	7%
FINANCIAL MANAGEMENT	92	71	21	23%
CORPORATE MANAGEMENT	151	⁵ 143	8	5%
Total	273	242	31	11%

Source: Persal data, 14 March 2023

³ Please note that only funded vacant posts are reflected, as per DPSA directives

⁴ Includes Office of the HOD, Internal Audit, Risk Management, Legal Services, PMO, Entity Oversight & IGR

⁵ Includes Interns

4.1 Outcomes, Outputs, Performance Indicators and Targets

Outcome	Outputs	Output Indicators	Annual Targets						
			Audited Performance			Estimated Performance		MTEF Period	
			2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26
Enabled, simplified and responsive business processes	Network uptime	% network uptime	98.6%	99.4%	95%	99.5%	95%	95%	95%
	Public entities validation & engagements	Public Entities Accountability index	8.5	9.5	9.5	10	10	10	10
	Suppliers paid on time	% of suppliers paid within 30 days ⁶	18	100%	100%	100%	100%	100%	100%
	Effective & efficient implementation of PFMA & other laws	Annual audit outcome	Unqualified	Unqualified	Unqualified	Clean	Clean	Clean	Clean
	Provide platform for staff training	% implementation of the work skills plan	151%	105%	92%	90%	95%	95%	95%
	Staff contracts and reviews	% of staff complying with all PMDS processes (contracts and reviews)	63.8%	56.5%	72%	90%	95%	95%	95%

⁶ Previously the indicator was measuring number of days to pay suppliers. From 2020/2021 the measure changed to focus on % of suppliers paid within 30 days.

4.2. Output Indicators: Annual and Quarterly Targets

Output Indicators	Annual Targets	Q1	Q2	Q3	Q4
% network uptime	95%	95%	95%	95%	95%
Public Entities Accountability index	10	-	-	-	10
% of suppliers paid within 30 days	100%	100%	100%	100%	100%
Annual audit outcome	Clean	-	Clean	-	-
% implementation of the workplace skills plan	100%		100%	100%	100%
% of staff complying with all PMDS processes (contracts and reviews)	95%	95%	-	95%	-

4.3. Explanation of planned performance over the medium-term period

Network uptime is key for the productivity of the department. Although a 95% target is set, this may be difficult to achieve in the next 2 years because of power challenges being experienced due to loadshedding. A functioning network is key for connectivity and enablement of work of all components of the department.

With the Public Entities Accountability index, the score of 10 is desirable. This is equivalent to 100% performance on all aspects of the contents of the SLA. All compliance and achievements must be reported. Performance of the public entities of the department is intricately linked to the performance of the department on all key outcomes.

The government has made it clear that all suppliers with valid invoices must be paid within 30 days. The department aims to pay consistently within 30 days. Timely payment of suppliers stimulates business activities and employment creation. This will lead to better disposable incomes that allow our communities to thrive.

A clean audit is aimed for during this period. This will create a conducive environment for good corporate governance and systems to prosper that generates goodwill allowing our partners to trust us and invest in us in order to yield better outcomes for citizens.

The department effects performance, financial oversight, risk management processes and internal audit processes on a quarterly basis through HOD/CEOs Forum meetings. This is preceded by performance verification by the senior management. Furthermore, the MEC meets with the Chairpersons of the Boards at least half-yearly to discuss strategic matters affecting DEDEAT Group.

To ensure governance improvement, on an annual basis, the entities are rated through the public entity accountability index and board assessments are done to ensure board functionality. The department reviews legislation for public entities and attend to all matters relating to compliance with legislation and the PFMA. The department is also responsible for board appointments.

Lastly, a high degree of workplace skills plan implementation as well as staff compliance with PMDS processes will create enough capacity for staff to discharge their functions with vigour. It also allows staff morale to be boosted. This has immediate and long-term boost to efficient execution of all tasks in different portfolios of the organization.

The Administration Programme will priorities the following during MTEF period:

1. PCMT discussion on filling the positions
2. Letter to the Chairperson of Board/CEO on excess staff.
3. Planning with entities on how to address ICT
4. Budgeting for ICT requirements.
5. ICT Governance discussion at DEDEAT Group level.
6. Office Accommodation requirements.
7. Accommodation discussion at DEDEAT Group level.
8. Need political directive to ensure integration

9. Integrated planning process.
10. Integrated Reporting and Monitoring system for the DEDEAT Group
11. Integrated Risk Management System

The following collaborative efforts will also be pursued:

1. Sharing offices with entities at Head-Office level and all six regions
2. Sharing of resources with entities at Head-Office level and all six regions
3. Sharing of the ICT infrastructure.
4. The task team to be reconstituted and resume its duties.
5. Political support

Working closely with the public entities (where shared services is possible), efforts will be made to facilitate digital transformation. This has become the new normal post COVID-19 pandemic, whereby innovation and digitalization enables us to achieve more with limited resources.

Programme Resource Considerations

Table 16: Summary of payments and estimates: Programme 1- Administration

R thousand	Outcome			Main appropriation 2022/23	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2019/20	2020/21	2021/22				2023/24	2024/25	2025/26
1. Office Of The Mec	1 446	312	216	1 561	1 871	1 871	943	1 717	1 745
2. Office Of The Hod	51 674	24 638	25 690	31 135	30 724	30 724	31 433	36 312	33 636
3. Financial Management	114 033	84 369	81 799	104 013	92 794	92 794	83 411	91 519	76 459
4. Corporate Services	58 464	79 149	92 866	104 334	109 050	109 050	113 234	118 315	98 497
Total payments and estimates	225 617	188 468	200 571	241 043	234 439	234 439	229 021	247 863	210 337

R thousand	Outcome			Main appropriation	Adjusted appropriation 2022/23	Revised estimate	Medium-term estimates	
	2019/20	2020/21	2021/22				2023/24	2024/25
Current payments	211 169	177 203	182 869	219 845	215 086	215 086	208 528	222 571
Compensation of employees	117 238	113 582	115 289	135 551	127 117	127 117	124 366	133 694
Goods and services	93 931	63 621	67 580	84 294	87 969	87 969	84 162	88 877
Interest and rent on land	-	-	-	-	-	-	-	-
Transfers and subsidies to:	4 169	2 088	3 567	3 425	2 403	2 403	2 875	3 072
Provinces and municipalities	-	-	-	-	-	-	-	-
Departmental agencies and accounts	-	-	-	-	-	-	-	-
Higher education institutions	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-
Non-profit institutions	-	-	-	-	-	-	-	-
Households	4 169	2 088	3 567	3 425	2 403	2 403	2 875	3 072
Payments for capital assets	9 972	9 107	13 954	17 773	16 950	16 950	17 618	22 220
Buildings and other fixed structures	-	-	-	-	-	-	-	-
Machinery and equipment	9 972	9 107	13 954	17 773	16 950	16 950	17 618	22 220
Heritage Assets	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	-	-	-	-
Payments for financial assets	307	70	181	-	-	-	-	-
Total economic classification	225 617	188 468	200 571	241 043	234 439	234 439	229 021	247 863

Table 24 above shows the summary of payments and estimates per sub-programme and per economic classification from 2019/20 to 2025/26. Expenditure for the programme increased from R225.617 million in 2019/20 to a revised estimate of R234.439 million in 2022/23 due to internal reprioritisation. In 2023/24, it decreases by 2.2 per cent to R229.021 million.

Compensation of Employees increased from R117.238 million in 2019/20 to a revised estimate of R127.117 million in 2022/23. In 2023/24, the budget decreases by 2.2 per cent to R124.366 million due to the attrition posts in relation to the restructuring on the 2018 Organisational Structure on the person to post matching of employees that was not matched to the structure and whereby these posts will not be replaced.

Goods and Services decreased from R93.931 million in 2019/20 to a revised estimate of R87.969 million in 2022/23 due to re-alignment of the available funds towards the support of core programmes. In 2023/24, the budget decreases by 4.3 per cent to R84.162 million due to internal reprioritisation from operating lease to capital expenditure and leave gratuities for retirement of departmental officials.

Transfers and Subsidies decreased from R4.169 million in 2019/20 to a revised estimate of R2.403 million in 2022/23 due to reduction on natural attrition and retirement. In 2023/24, the budget increase by 19.6 per cent to R2.875 million mainly due to funds allocated for early retirement of departmental officials.

Payments for Capital assets increased from R9.972 million in 2019/20 to R16.950 million in the 2022/23 revised estimates due to additional users on the finance lease and relocation to new offices in Bhisho. In 2023/24, the budget slightly increases to R17.618 million or 3.9 per cent due to inflationary adjustments.

Key Risks and Mitigations from the Strategic Plan

#	Outcomes	Key Risks	Risk Mitigations
1.	Enabled, simplified and responsive business processes.	<ul style="list-style-type: none"> Business interruption caused by inaccessible system resulting to delays in processing important transactions 	<ul style="list-style-type: none"> Facilitate procurement of SAN storage for DEDEAT. Compile One drive report (to check users do back on one drive (synchronizing of documents) Create sever room checklist (UPS, Aircon, Power) and produce reports. Facilitate the procurement of data center maintenance plan, (maintenance of DEDEAT ICT equipment, carbon dioxide, check UPS) and check service provider recommendations are being implemented) Facilitate the procurement of cloud backup for DEDEAT server data.
2.	Implementation of aligned initiatives to Organizational Strategy.	<ul style="list-style-type: none"> Misalignment of ICT with the organizational strategic objective caused by implementation of mis-aligned initiative. 	<ul style="list-style-type: none"> Review and approve the Information Communication Technology (ICT) strategy to be aligned to the DEDEAT current business strategy. Sought approval of the ICT Strategy and implementation plan by the ICT Steering committee. Communicate the strategy and implementation plan document to all users. Appointment of ICT Governance Champion to oversee the implementation of ICT Governance framework. Conduct ICT Steering committee meetings to ensure that ICT resources are maximized. Implement the ICT strategy (2016) by ensuring the enterprise architecture establishment as per the operational plan, ICT strategy dispersion.
3.	Good corporate governance	<ul style="list-style-type: none"> Inadequate corporate governance and accountability uncertainty of public entities caused by non-adherence to King IV and other legislative prescripts resulting in financial loss and non-delivery of mandate. 	<ul style="list-style-type: none"> Implementation of the compliance checklist Ensure adherence to Companies Act and King IV (through annual board assessment, participation in the public entities annual general meeting). Report on public entities performance as per the legislative mandate Develop and implement Board of Directors framework in respect of public entities. Facilitate the appointment of boards and accounting authorities in line with the corporate governance principles. Analyze the outcomes from Auditors general report and make a follow up on implementation by public entities. Conduct Oversight visits on project implementation. Establish and implement the governance review committee. Escalate the matter to the HOD and MEC.
4.	An efficient, effective and development	<ul style="list-style-type: none"> Interest on late payments due to non-compliance with 	<ul style="list-style-type: none"> Staff training on fruitless and wasteful expenditure. Implement National Treasury Practice Note no. 4 of 2008/2009. Implement and enforce Irregular Expenditure policy and any

#	Outcomes	Key Risks	Risk Mitigations
	oriented public service and an empowered, fair and inclusive citizenship	National Treasury Regulations (NTR) section 8.2.3 resulting to Fruitless and Wasteful expenditure	sanctions imposed by the Head Department. <ul style="list-style-type: none"> Development of internal instruction on enforcement of fruitless and wasteful expenditure policy.
5.	Effective performance management	<ul style="list-style-type: none"> Underperformance caused by inadequate implementation of the Performance Management Development System resulting to weaker performance of project and programme delivery 	<ul style="list-style-type: none"> Ensure alignment of performance contracts and workplan to the operational plan for officials reporting to HOD. Align the individual performance review portfolio of evidence with the quarterly performance review reports and portfolio of evidence of the directorate Monitor sitting of committees in line with the established governance structures and report as per the
			<ul style="list-style-type: none"> government structure. Ensure the review of delegations' frameworks (Finance, HRM, SCM, Information management & Environmental) Conduct routine project management training to staff. Develop and implement programme management methodology and conduct training.
6.	Departmental accountability	<ul style="list-style-type: none"> Ineffective governance caused by non-compliance with the reporting requirements resulting to tarnished reputation 	<ul style="list-style-type: none"> Include compliance monitoring in the employees' performance contracts and assessments. Communicate and implement the Portfolio of evidence framework. Implement the performance management and development policy. Review the Service Level Agreements to include consequence management and strengthen accountability. Develop systems to monitor operations and relations of public entities, e.g. Performance Monitoring, evaluation and Reporting. Manage the disclosure of financial interests. Enforce seating of committees in line with the established governance structures. Review governance systems to meet the Management Performance Assessment Tool (MPAT) standards - KPA 2: Governance and Accountability. Ensure that delegations (Finance, HRM, SCM, Information management & Environmental Affairs) are reviewed and aligned to the latest legislation

Programme 2: Economic Development & Tourism

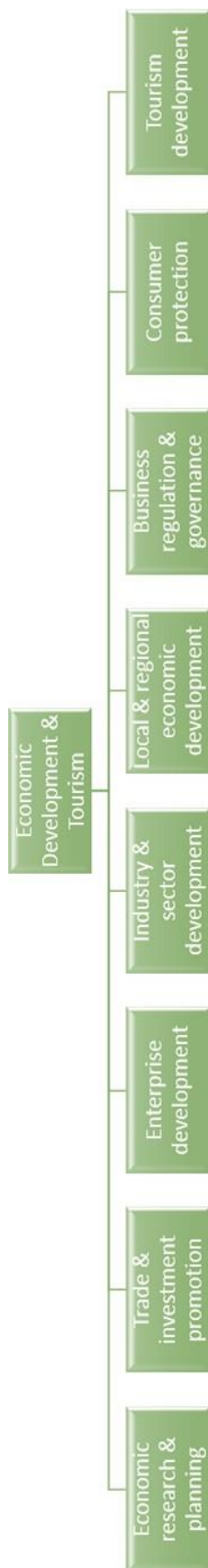
Purpose: The Economic Development and Tourism Programme is primarily responsible for promoting and administering sustainable economic development and job creation.

Sub-Programmes:

Sub-Programme	Sub-Programme Purpose
2.1: Integrated Economic Development Services	<ul style="list-style-type: none"> To support and develop business enterprises. To promote economic growth and development of local economies with partnerships with key stakeholders by aligning Local and Regional Economic Development (LRED) initiatives with government programmes. To facilitate the process of empowerment and creation of an enabling business environment for PDIs.
2.2: Trade and Sector Development	<ul style="list-style-type: none"> To facilitate trade promotion, retention and attraction of investment in priority sectors. To facilitate implementation of National and Provincial Priority Programmes. To create an enabling environment for the sustainable economic growth and development in prioritized and emerging sectors in the Eastern Cape. To drive implementation of programmes in these prioritized sectors: agroindustry, sustainable energy, automotive, light manufacturing, oceans economy and tourism.
2.3: Business Regulation and Governance	<ul style="list-style-type: none"> To lobby for provision of a regulatory framework that addresses barriers in the broader business environment To promote good corporate governance principles, stability and efficiency in doing business. To develop, implement and promote measures that ensure the rights and interests of all consumers. To promote and maintain an effective and efficient system for regulation of business, industries and sectors.
2.4: Economic Planning	<ul style="list-style-type: none"> To develop evidence based provincial policies and Strategies which inform decision making processes. To ensure accessible scientific information to inform economic policy and planning processes.
2.5: Tourism	<ul style="list-style-type: none"> To create an enabling tourism environment through legislation, policy and strategy development To create demand and supply for tourism To ensure sustainability and tourism sector transformation

Programme Structure:

Figure 15: Economic Development & Tourism Organizational Structure



PROGRAMME 2: Economic Development and Tourism

The Programme has a vacancy rate of approximately 17%, with the most significant proportion being in the Integrated Economic Development and Business Regulation and Governance sub-programmes. In total, 18 out of 108 posts are vacant. Except for two SMS posts at Head Office, most vacant positions are at the regional level. Positions are being filled in line with the current approved annual recruitment plan.

Table 17: Posts filled vs vacant posts

Sub-Programme	Posts on approved establishment	Filled	Vacant ⁷	% vacant
INTEGRATED ECONOMIC DEVELOPMENT ⁸	56	48	8	14%
TRADE AND SECTOR DEVELOPMENT ⁹	18	16	2	11%
POLICY & RESEARCH	2	2	0	0%
BUSINESS REGULATION AND GOVERNANCE ¹⁰	32	24	8	25%
Total	108		18	17%

Source: PERSAL data, 14 March 2023

⁷ Please note that only funded vacant posts are reflected, as per DPSA directives

⁸ Includes Enterprise Development and LRED

⁹ Includes Agro-processing, Manufacturing, Sustainable Energy, Tourism, Trade & Investment promotion

¹⁰ Includes Office of the Consumer Protector and Business Regulations

5.1 Outcomes, Outputs, Performance Indicators and Targets

All work and output of the department will consciously work to promote women, youth and disabled categories of the provincial population. Where targeting of women, youth and disabled is not possible, reporting thereof (if applicable) will be made. The department will also work in support of the National Infrastructure Plan 2050, contribute to spatial transformation as guided by the National Spatial Development Framework (NSDF) as well as the District Development Model and One Plan.

#	Outcome	Outputs	Output Indicators	Annual Targets						
				Audited Performance		Estimated Performance		MTEF Period		
				2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26
1.	Investments realized	Investment pipeline	# of sustainable energy initiatives facilitated	4	3	4	3	3	3	3
2.			# of manufacturing initiatives facilitated	7	6	6	5	5	6	5
3.			# of Agro-processing initiatives facilitated	3	3	3	2	3	3	3
4.			# of investment promotion initiatives facilitated	-	-	-	3	3	3	3
5.		Business friendly/laws & policies	#Interventions undertaken to create a conducive business environment	3	2	0	1	2	1	1
6.			# of socio-economic intelligence reports produced	4	4	5	4	4	4	4
7.	GDP growth	MSMEs supported	# of qualifying economic development projects funded at local and regional levels	4	13	5	10	10	10	10
8.		Cooperatives supported	# of cooperatives provided with non-financial support	121	22	171	120	200	200	200
9.	Jobs created	Economic infrastructure supported	# of Provincial Economic Stimulus Fund projects monitored	14	15	12	10	9	9	9
10.			Status report on implementation of the Tourism Master Plan 2022-2032	2	2	2	2	2	2	2
11.			# of consumer education programmes implemented	6	6	6	6	6	6	6

5.2. Output Indicators: Annual and Quarterly Targets

#	Output Indicators	Annual Targets	Q1	Q2	Q3	Q4
1.	# of sustainable energy initiatives facilitated	3	-	-	-	3
2.	# of manufacturing initiatives facilitated	6	-	-	-	6
3.	# of agro-processing initiatives facilitated	3	-	-	-	3
4.	# of investment promotion initiatives facilitated	3	-	-	-	3
5.	# Interventions undertaken to create a conducive business environment	2	-	-	-	2
6.	# of socio-economic intelligence reports produced	4	1	1	1	1
7.	# of qualifying economic development projects funded at local and regional levels	10	-	-	-	10
8.	# of cooperatives provided with non-financial support	200	50	50	50	50
9.	# of Provincial Economic Stimulus Fund projects monitored	9	9	9	9	9
10.	Status report on implementation of the Tourism Master Plan 2022-2032	2	-	1	-	1
11.	# of consumer education programmes implemented	6	1	1	1	3

5.3. Explanation of planned performance over the medium-term period

The high unemployment and high poverty levels in the Eastern Cape are such that more aggressive action is required to alleviate that. Government must be more robust in ensuring that as these challenges are addressed through creating an environment conducive to sustainable job creating; inclusion and addressing of the imbalances of the past is addressed as well. More so, in relation to women, youth and people who are not able bodied as well as rural communities.

It has been proven in many European countries such as Germany that, large multi-nationals are not the biggest job contributors, however, the biggest job creators were small, micro and medium enterprises. It is also evident that small enterprises in the province have a challenge in accessing funding and markets. Therefore, it becomes essential that DEDEAT provides financial and non-financial support to MSMEs and Cooperatives, for them to be competitive and sustainable.

DEDEAT developed the Local and Regional Economic Development (LRED) fund to enable pre- start-ups, start-ups and existing small enterprises to create employment in the local and regional economies of the Eastern Cape. Through support of the enterprises, the financial support is meant to empower those who are operating or admire to operate in the prioritized sectors such as Auto, Manufacturing, Tourism, Agro-industry, Oceans economy and Sustainable energy. These are sectors that have proven to be job creators and where the province has a comparative advantage, sectors where there are opportunities not only in the urban areas but also in the rural and peri-urban areas.

What has been noteworthy in the implementation of this fund is the state of readiness of the applicants, which delays consideration and recommendation where compliant. We continue learning on how to cut red tape and introduce efficiencies in the rolling out of this fund as it is critical in supporting qualifying MSMEs and Co-ops. Jobs have been created and saved through this fund.

Appropriate review of the policies is essential for the policies to be implementable and sustainability. Workshops that were held with the rural communities, have indicated that people in the deep rural communities feel that support from government is unattainable. It is meant for a selected few, the requirements make it difficult for them to qualify. Therefore, as the review processes are taking place, ease of implementation is importance so that beneficiaries are

not only from urban areas.

Proposal / project packaging from DEDEAT's regional offices is also vital. LED officials must utilize the tools at their disposal and visit rural communities, hand holding them, ensuring that quality proposals are packaged and submitted. Inclusivity also involves communities, once rural communities are economically active, less people will migrate to the urban areas seeking for jobs, jobs will be available in their neighbourhoods.

The strategic partnership with the Eastern Cape Automotive Industry Forum (ECAIF) and with interventions from the EC Automotive Industry Development Centre (AIDC) remains one of the top priorities of the department to ensure growth and development within this sector. After Covid-19 restrictions were lifted, some progress was made with the interventions undertaken by these entities regarding black supplier development and skills development. The sector predominately focused on the recovery from the Covid-19 pandemic and mitigating the challenge of disruptions to production caused by load shedding. The department continues to support businesses in distress in the province through the Manufacturer's Support Centre as well as the Job stimulus fund with a current budget allocation of R 36 million.

The revitalization of our state-owned industrial parks (IPs) remains one of the top priorities in the province. The Eastern Cape Province hosts numerous state owned (SO) industrial parks namely, Fort Jackson in Mdantsane, Komani (Queendustria and Ezibeleni) in Queenstown, Vulindlela in Mthatha, Dimbaza in BCM, Butterworth in Mquma, Somerset East in Blue Crane and Wild Coast in Mthatha (being established). These parks need to be upgraded to provide "world class" services to current and future industrial investors in the province. As part of the programme of revitalizing IPs, the department is supporting these parks with the development of masterplans as per the directive from National Department of Trade, Industry and Competition (dtic) which clearly stipulated that all industrial parks need to have a masterplan. The masterplans for Vulindlela and Butterworth IPs have been completed with the development of the Fort Jackson IP masterplan currently ongoing and will be concluded in this financial year.

As mentioned before, through support from dtic and provincial economic stimulus funding, funding of R 178,8mil have been allocated for the critical upgrading of infrastructure at these parks. The 1st phase upgrades at Dimbaza IP have been completed and the 2nd phase has commenced and projected to be completed by June 2023. The recently completed infrastructure projects have attracted new investors from the construction, agriculture/agro-processing and light manufacturing sectors. The ECDC has set aside funding from its refurbishment program to rehabilitate selected industrial sites in the Butterworth IP and negotiations are still ongoing with AIDC to set up an automotive centre. Investors to resuscitate the milling plant in Butterworth have been identified.

The projects at Komani- and Vulindlela represented sectors which showed resilience during this trying time and have contributed significantly to protect their employees during this period. To site a few examples, Original Equipment Manufacturers namely VWSA and Isuzu respectively implemented various support programmes to enhance the fight against Covid-19, VWSA – production of medical equipment and the establishment of the field hospital in NMBM, Isuzu implemented a community support programme (Gift of the givers) where they made some of their commercial trucks available to assist with the delivery of food parcels to communities and additionally, made their distribution warehouse in CDC SEZ available for the storage and distribution of medical suppliers for hospitals and other initiative.

It is important to advance the Digital Economy for new sources of growth through catalytic investment in broadband infrastructure, innovation and other ICT-related investments. This pillar is a vital enabler across all sectors, from micro-business to large corporations. It is also key for meaningful growth of a cohort of entrepreneurs. To enhance digital transformation in the rural and township economy, the dtic are rolling out digital hubs across South Africa which is closely linked to the revitalization of industrial parks programme. Through support from various entities, two digital hubs proposals are currently been developed. These are Digital hub in Komani Industrial Park driven by CHDA and an ICT Hub in the ELIDZ. Department is working closely with the dtic and these entities to ensure these proposals come to a reality.

In 2019, a Provincial Agro Industry Development Action Implementation Plan has been approved by the Cabinet and this is intended to provide for the collaboration and alignment of agricultural related development activities of various sector players in order to build the local priority value chains such as the livestock industry, grain, horticulture, etc. The strengthening of the local value chains is critical as it will provide for the sustenance and further development of the local food, textile and furniture industrial sub-sectors through informed local market linkages for primary producers thus reducing the imports of primary agriculture products especially those that can competitively produce by the

province. As such the Wild Coast SEZ, an agro focused industrial platform has been approved by the dtic, but as a State-owned industrial park which will follow an incremental development towards the SEZ designation upon maturity with at least R1.5 billion investments on site and advance stage pipeline (implementation ready). This will provide the much-needed local demand pool for local producers thus increasing the production capacity of the Eastern region of the Province, coupled with job creation.

The department will continue with the support of the agro-processing initiatives aimed building the local value chains coupled with a transformation agenda for broader participation in the sector of the previously disadvantaged individuals. Innovation within the agro industry sector will remain as one of the drivers for competitiveness as well as diversification thus providing for new entrants within the traditional value chains. As such the Department has established collaborations with national bodies such as the Technology Innovation Agency to support innovation in the province. This is also critical for the development of local industries when considering the possibilities that are related to the industrial cannabis and especially hemp which has received for commercial production linked with the Cannabis Industry Masterplan.

The Eastern Cape Province has excellent wind energy resources, has good quality solar resources, and the correct port and infrastructure conditions for Green Hydrogen and Liquid Natural Gas to Power projects, linked to gas pipelines in later phases. The socio-economic benefits that will accrue to the province from these possibilities.

Much of this new build could be in the Province should the necessary institutional and infrastructure hurdles be overcome. A key area of the intervention relates to the constraint to energy facilities due to limited investment in Eskom Transmission Grid in the Province. The DEDEAT will be working with Eskom going forward to support the development of Transmission Grid. Furthermore, DEDEAT provides ongoing institutional support to large scale sustainable energy facilities in order to assist them to proceed to the construction phase. The provincial investment prospects are influenced by several external forces such as slow growth rate of the country's economy, global foreign direct investment prospects, supply chain disruptions, water and electricity crisis etc. This further raises the importance of effective coordination of provincial investment initiatives in order to strengthen the province wide planning, reporting, operation and implementation of investment activities. The coordination of investment promotion in the province will be very critical in order to unlock investment opportunities in the key provincial priority sectors,

Eastern Cape Mini Grid Project: The Province has championed the Eastern Cape Mini grid Project, which is being implemented in the Raymond Mhlaba Local Municipality. The project represents a model for supplying high quality energy to deep rural villages which are not due to be connected to the national electricity grid within the next five to ten years. Going forward the focus will be on support to the municipality as they take on the role of ongoing mini grid operations and maintenance.

In order to achieve growth in terms of domestic and international tourists' arrivals, the Eastern Cape requires attention to the following key outputs:

- Facilitation of tourism oriented developmental and catalytic interventions; and
- Provision of destination marketing leadership

The interventions required will focus on development of tourism support infrastructure such as access roads, upgrading of tourist facilities, diversification of product offerings, skills development to improve the service standards as well as addressing safety concerns. Funding for tourism infrastructure projects has been leveraged in order to improve the tourism infrastructure more specifically within the protected areas and there is a dedicated effort at ensuring the implementation that has been detrimentally affected by the COVID-19 outbreak.

Some of these new infrastructure upgrade projects will benefit the women, children and people with disabilities e.g. some of the accommodation facilities at Dwesa Nature Reserve have been upgraded with a specific focus on offering universal accessibility targeting this market and this will apply to all the new infrastructure including public amenities such as beaches. Ultimately this kind of responsible tourism practice should impact positively on all citizens thereby enjoying the product offerings.

From an international tourism marketing perspective, more effort will be placed on the development of new source markets with specific focus on India. Notwithstanding the impact of COVID-19, this is expected to enhance the efforts to increase the international segment since there is a decline from the traditional source markets in Europe.

The national department of Small Business Development has facilitated the process of the review of the principal act no. 14 of 2005 that governs the legislation of co-operatives through a stakeholder consultative engagement across all

nine provinces. This process led to the enactment of the amended co-operatives act no 6. of 2013 that has been proclaimed by the President in March 2019.

EC Provincial Co-operative Strategy and implementation plan: 2019-2024: has four strategic pillars that inform that APP and Operational plans:

- a) Institutional support:
- b) Creating demand for co-operative products and services:
- c) Increase financial support for co-operatives:
- d) Research, database and Knowledge Management:

The targets set in the APP and OPs plan are linked to the strategic pillars identified above. The activities are performed at regional level for non-financial support. For financial assistance the function is carried out at the entity level through the Imvaba fund. Other tasks and activities are handled at Head office level with regards to MOUs and roll out of cooperative development centers.

The Economic Development Programme will prioritize the following during MTEF period:

1. Ethical and developmental state: Use of live technology – to pick up state employees. Clear, awareness, campaigns and precise policies. Sometimes people do not know what is wrong, no ambiguity.
2. Enable job creation not a job creator. Instruments need to be transformed – to ensure economic transformation.
3. Encourage big businesses, incentives to empower the marginalized groups and smaller sectors.
4. Bring in FDI, promote our areas of investments, municipal co-ordination – e.g. One Stop Shop.
Note: difficult to monitor implementation of economic transformation e.g. Fronting (difficult to monitor). Clear program to monitor fronting.
5. Skills – to generate income, e.g. cellphone repairs. Provide Starter packs to do such, welding, robotics, value chain funding approach
– a portion from our funding instrument for skills development working with Department of Labour.

The following collaborative efforts will also be pursued:

1. Development of communities
– basic needs
- Industrial development – at a local level
2. Role of municipalities in supporting business enterprises
3. Reinforcement of policies & municipal bylaws
4. Enhanced stakeholder relationships with municipalities and regulators to promote compliance within the Regulatory Framework
5. Collaborating with Institutions of higher learning - value addition

In addition, DEDEAT will actively implement the postCOVID19 recovery plan which was developed by the Provincial government.

This plan is aligned to the PEDS (currently being reviewed). Some of the enablers to be pursued include leveraging blended finance opportunities through the newly-established Provincial Economic Development Fund. At a sectoral level, the department's contribution will be on:

- Support to the informal sector
- Business incubation strategy implementation including leveraging blended finance opportunities to enhance enterprise development support
- Catalyzing township and rural economy development
- Support implementation of climate change adaptation Strategies; and
- Harnessing innovation for applicability across various sectors (including PPP arrangements)

Programme Resource Considerations

Table 18: Summary of payments and estimates: Programme 2- Economic Development & Tourism

R thousand	Outcome			Main appropriation	Adjusted appropriation 2022/23	Revised estimate	Medium-term estimates		
	2019/20	2020/21	2021/22				2023/24	2024/25	2025/26
1. Integrated Economic Development Services	49 944	141 322	131 073	158 494	173 343	173 343	311 952	143 391	146 051
2. Trade And Sector Development	572 983	503 075	551 134	397 785	441 273	441 258	889 869	942 123	1 149 300
3. Business Regulation & Governance	140 697	145 969	147 948	170 111	169 668	169 668	193 505	175 086	180 460
4. Economic Planning	4 998	4 115	5 982	8 375	8 375	8 390	5 929	6 104	5 974
5. Tourism	10 158	9 361	12 616	12 399	12 399	12 399	17 179	16 400	16 619
Total payments and estimates	778 780	803 842	848 753	747 164	805 058	805 058	1 418 434	1 283 104	1 498 404

R thousand	Outcome			Main appropriation	Adjusted appropriation 2022/23	Revised estimate	Medium-term estimates		
	2019/20	2020/21	2021/22				2023/24	2024/25	2025/26
Current payments	69 812	62 774	69 524	84 951	100 057	100 057	87 574	90 848	87 676
Compensation of employees	57 902	55 209	58 190	71 985	74 576	74 576	70 452	73 798	75 273
Goods and services	11 910	7 565	11 334	12 966	25 481	25 481	17 122	17 050	12 403
Interest and rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies to:	708 968	733 303	779 229	662 213	705 001	705 001	1 330 860	1 192 256	1 410 728
Provinces and municipalities	-	-	-	300	800	800	200	209	-
Departmental agencies and accounts	707 188	711 148	771 223	646 316	688 604	688 604	1 316 060	1 177 447	1 396 128
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	1 780	22 155	8 006	15 597	15 597	15 597	14 600	14 600	14 600
Non-profit institutions	-	-	-	-	-	-	-	-	-
Households	-	-	-	-	-	-	-	-	-
Payments for capital assets	-	7 765	-	-	-	-	-	-	-
Buildings and other fixed structures	-	7 445	-	-	-	-	-	-	-
Machinery and equipment	-	-	-	-	-	-	-	-	-
Heritage Assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	320	-	-	-	-	-	-	-
Payments for financial assets	-	-	-	-	-	-	-	-	-
Total economic classification	778 780	803 842	848 753	747 164	805 058	805 058	1 418 434	1 283 104	1 498 404

Table 26 above show the summary of payments and estimates per sub-programme and per economic classification from 2019/20 to 2025/26. The expenditure for the programme decreased from R778.780 million in 2019/20 to the revised estimate of R805.058 million in 2022/23. This is followed by an increase to R1.418 billion or 76.2 per cent in 2023/24 mainly due to funds allocated for Budget Facility for Infrastructure to implement the water effluent project through CDC.

Compensation of Employees increases from R57.902 million in 2019/20 to a revised estimate of R74.576 million in 2022/23 due to filling of the critical vacant posts to strengthen the functional programme performance. The budget decreases by 5.5 per cent to R70.452 million in 2023/24 due to the correction of the baseline for this item.

Goods and Services increases from R11.910 million in 2019/20 to revised estimates of R25.481 million in 2022/23 mainly due the implementation of the informal business support programme operational activities and automation of the departmental systems to improve operations. In 2023/24, the budget decreases by 32.8 per cent to R17.122 million due to the once off implementation of informal business support programme and departmental systems automation in 2022/23.

Transfers and Subsidies decreases from R708.968 million in 2019/20 to a revised estimate of R705.001 million in 2022/23. In 2023/24, the budget increases by 88.8 per cent to R1.330 billion. This is due to mainly funds allocated for Budget Facility for Infrastructure to implement the water effluent project through CDC and further allocations for sustainable economic growth and development at ECDC including the Economic Development Fund, recapitalisation and property modernisation as well as refurbishment of Data Centre in the ELIDZ and further implementation of the Eastern Cape Liquor Act.

Payment for Capital Assets decreases from R7.765 million in 2020/21 to no allocations in 2022/23 and over 2023 MTEF due to the completion of the CDC social infrastructure projects.

Key Risks and Mitigations from the Strategic Plan (Updated)

#	Outcomes	Key Risks	Risk Mitigations
1.	Decent employment through inclusive economic growth	<ul style="list-style-type: none"> Projects failure caused by Lack of skills and/or inability by project owners to manage the projects, resulting to non-achievement of economic transformation targets 	<ul style="list-style-type: none"> Appoint an independent service provider to provide an objective report on funded enterprises. Submit monthly monitoring reports and presented to the PSC to monitor progress on deliverables. Monthly sittings of Project Steering Committee (PSC) including virtual, meetings to ascertain monitoring and enforcement of the implementation of the signed Memorandum of Agreement by DEDEAT. The parties involved in the PSCs include the beneficiary, DEDEAT, Eastern Cape Development Coporation, and local municipalities. Review the LRED Policy based on identified challenges such as the absence of the approved standard operating procedures which will inform terms of reference for assessment and evaluation committees.
2.	Decent employment through inclusive economic growth	<ul style="list-style-type: none"> Inadequate economic policy coordination 	<ul style="list-style-type: none"> Quarterly economic reviews and outlook on the socio-economic indicators to track provincial development progress.
3.	Skilled and capable workforce to support an inclusive growth path.	<ul style="list-style-type: none"> Limited tourism sector transformation caused by inaccessible funding resources resulting in limited beneficiation of previously disadvantaged individuals Poor service levels caused resulting in customer dissatisfaction 	<ul style="list-style-type: none"> Approval of the ECPTA Bill 2022 Provide feedback on the implementation of the tourism industry transformation support programme championed by the ECPTA. Support the implementation of the tourism service excellence programme.
4.	Productive Local Economies	<ul style="list-style-type: none"> Infrastructure underdevelopment due to limited economic development provincial budget allocation and ageing infrastructure Unreliable electricity supply due to restrictions to energy generation and supply in the province, resulting in low productivity levels. 	<ul style="list-style-type: none"> Monitor the process of the approval of the ECPTA Bill 2022 the Provincial Legislature. Monitor the implementation of the tourism industry transformation support programme championed by the ECPTA regarding impact on designated groups. Through analysis of quarterly reports together with portfolio of evidence submitted to ensure that there is transformation occurring to the previously disadvantaged individuals. Analyse quarterly reports and portfolio of evidence by ECPTA to ensure service excellence programme has been delivered to service providers.
5.	Decent employment through inclusive economic growth	<ul style="list-style-type: none"> Stunted Tourism Industry Growth and Development caused by limited access and poor product diversification Provincial and Municipal regulatory framework leading to uncertainty, inconsistency and insufficiencies Failure of co-operative enterprises 	<ul style="list-style-type: none"> Monitor the implementation of tourism infrastructure projects, upgrading of rural access roads and installation of signage championed by the ECPTA. Facilitate the procurement process of appointment of a service provider to develop the Tourism Safety Strategy. Final Tourism Safety Strategy. Quarterly Tourism Safety Meetings are held to discuss safety and security measures to be undertaken. Support efforts of municipalities to implement bylaws that provide for generation of revenue and incentives to investors who wish to operate in their areas of jurisdiction. Support to the development of a policy document on Township and Rural Economic Development. Support to the development of policies in relation to the ECGB and ECLB as well as adhoc requests from Public Entities. Establish partnerships with DGRV (German based Agency supporting cooperatives) for institutional support of co-operative organizations including women and youth. Facilitate training of cooperatives Monitoring of the funded cooperatives by ECDC under the Imvaba Fund.

Programme 3: Environmental Management

Purpose: The programme administers environmental policies that are cascaded from national level in line with the mandate of the Department. Importantly, it regulates environmental management through instruments such as the environmental impact assessments, compliance and enforcement, air quality, waste and biodiversity management tools.

The Programme is also responsible for monitoring and evaluating the work of the Eastern Cape Parks and Tourism Agency (ECPTA), the public entity tasked with implementing biodiversity management systems in Protected Areas and promoting private sector investment in Provincial Parks as well as Tourism development and transformation.

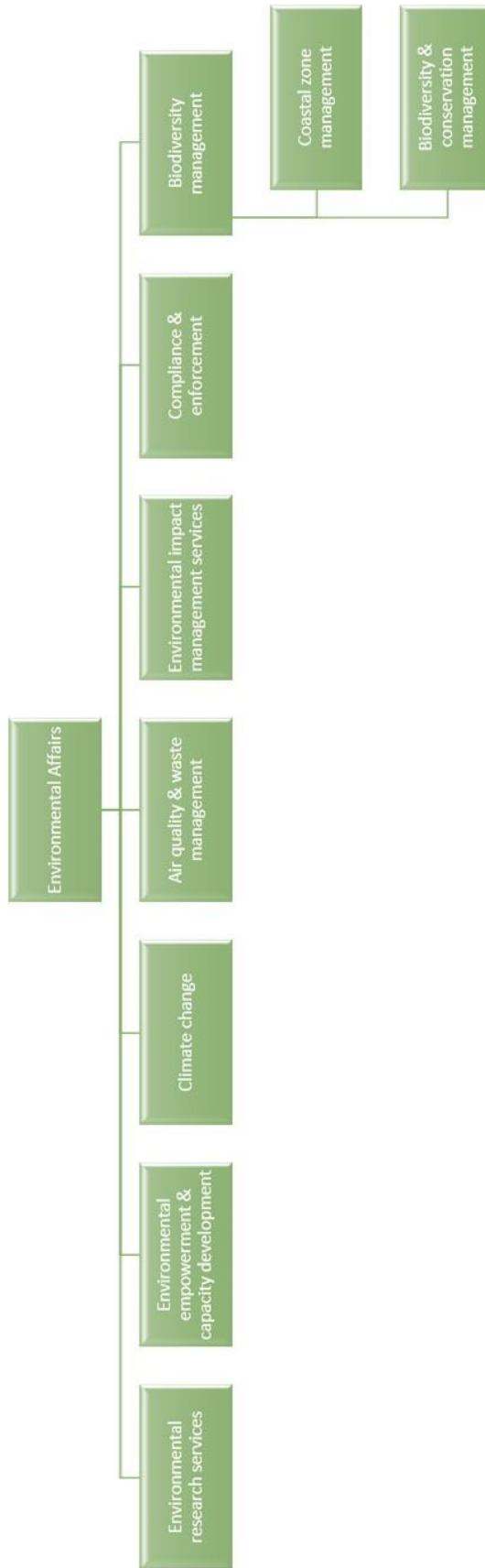
The Programme delivers on its mandate through the following sub-programmes:

Sub-Programmes:

Sub-Programme	Sub-Programme Purpose
3.1: Environmental Policy, Planning and Coordination	<ul style="list-style-type: none"> To establish legislation, policies, programmes, procedures and systems that will effectively empower and support the core functional programmes.
3.2: Compliance and Enforcement	<ul style="list-style-type: none"> To ensure that environmental legislation is effectively used to protect the environment and its resources from unlawful and unsustainable exploitation and negative impact.
3.3: Environmental Quality Management	<ul style="list-style-type: none"> To strive towards a safe and healthy environment through effective environmental impact assessment, air quality management, waste and pollution management for the people of the Eastern Cape.
3.4: Biodiversity Management	<ul style="list-style-type: none"> To conserve the diversity of landscapes, ecosystems, habitats, biological communities, populations, species & genes and promote conservation and sustainable use of natural resources in the Eastern Cape.
3.5: Environmental Empowerment Services	<ul style="list-style-type: none"> To empower and capacitate the external stakeholders of the Department to meaningfully participate in and contribute to effective environmental management.

Programme Structure:

Figure 16: Environmental Affairs Organizational Structure



PROGRAMME 3: Environmental Management

The Programme has a vacancy rate of 13%. A total of 24 out of 191 posts are vacant. Most vacant positions are in the Highly Skilled Supervision (Levels 9-12) category, with 13 posts still to be filled. Approximately 54% of the vacant posts are at a regional level. Positions will be filled in line with the annual recruitment plan.

Table 19: Posts filled vs vacant posts

Sub-Programme	Posts on approved establishment	Filled	Vacant ¹¹	% vacant
PLANNING AND COORDINATION ¹²	16	11	5	31%
IMPACT, AIR QUALITY AND WASTE MANAGEMENT	44	37	7	16%
ENVIRONMENTAL RESEARCH SERVICES	5	4	1	20%
COMPLIANCE AND ENFORCEMENT	38	33	5	13%
ENVIRONMENTAL EMPOWERMENT SERVICES	24	24	0	0%
BIODIVERSITY AND COASTAL ZONE MANAGEMENT	64	58	6	9%
Total	191	167	24	13%

Source: Persal data, 14 March 2023

¹¹ Please note that only funded vacant posts are reflected, as per DPSA directives

¹² Includes Office of Chief Director, Environmental Management (district offices)

6.1. Outcomes, Outputs, Performance Indicators and Targets

The following indicators are environmental sector indicators for all provincial departments responsible for environmental management. The ECPTA is responsible for directly managing and reporting to DFFE on three indicators, namely, 1) number of hectares under the conservation estate, 2) percentage of area of state managed protected areas assessed with a METT score above 67% and 3) number of biodiversity economy initiatives implemented.

All work and output of the department will consciously work to promote women, youth and disabled categories of the provincial population. Where targeting of women, youth and disabled is not possible, reporting thereof (if applicable) will be made. The department will also work in support of the National Infrastructure Plan 2050, contribute to spatial transformation as guided by the National Spatial Development Framework (NSDF) as well as the District Development Model and One Plan.

#	Outcome	Outputs	Output Indicators	Annual Targets								
				Audited Performance		Estimated Performance	MTEF Period					
				2019/20	2020/21		2021/22	2022/23	2023/24	2024/25	2025/26	
1.	Improved air quality and Enhanced protection against Climate Change impacts	Climate change projects implemented Atmospheric Emission Licenses	# of climate change response interventions implemented % of complete Atmospheric Emission Licenses (AELs) issued within legislated timeframes	-	100%	-	100%	1	100%	1	1	1
2.	Protected area management effectiveness	Compliance inspections conducted	# of compliance inspections conducted	70	42	49	90	91	110	120		
3.	Compliance notices issued	Compliance notices issued for non-compliance with environmental management legislation	# Number of administrative enforcement notices issued for non-compliance with environmental management legislation	53	33	94	77	75	100	110		
4.	Investigations handed to the NPA for prosecution	# of completed criminal investigations handed to the NPA for prosecution	# of completed criminal investigations handed to the NPA for prosecution	61	45	74	57	53	90	100		
5.	EIA Authorizations issued	EIA Environmental Impact Assessment (EIA) applications finalized within legislated timeframes	% of complete Environmental Impact Assessment (EIA) applications finalized within legislated timeframes	95%	79%	98%	100%	100%	100%	100%		
6.	Waste licenses recycled	Waste licenses	% of complete Waste License applications finalized within legislated time-frames	50%	0	100%	100%	100%	100%	100%		
7.	Thriving	# of legislated tools developed	# of legislated tools developed	0	1	2	1	1	2	2		

#	Outcome	Outputs	Output Indicators	Annual Targets							
				Audited Performance			Estimated Performance	MTEF Period			
				2019/20	2020/21	2021/22		2022/23	2023/24	2024/25	2025/26
9.	biodiversity economy		# of inter-governmental sector programmes implemented	1	1	1	1	1	1	1	1
10.			# of environmental research projects completed	0	-	0	0	0	0	0	0
11.			# of functional environmental information management systems maintained	0	0	0	0	1	0	0	0
12.	Biodiversity permits		% of complete biodiversity management permits issued within legislated timeframes.	-	-	108%	80%	80%	80%	80%	80%
13.	Create jobs through environmental public employment programmes		# of work opportunities created through environment sector public employment programmes	734	757	712	467	593	750	800	
14.	Promote more effective programmes on environmental awareness		# of environmental awareness activities conducted	34	21	27	24	24	24	24	24
15.	Strengthen human capital pipeline within the environmental sector		# of environmental capacity building activities conducted	35	14	26	24	24	24	24	24

6.2. Output Indicators: Annual and Quarterly Targets

#	Output Indicators	Annual Targets	Q1	Q2	Q3	Q4
1.	# of climate change response interventions implemented	1	-	-	-	1
2.	% of complete Atmospheric Emission Licenses issued within legislated timeframes	100%	-	-	-	100%
3.	# of compliance inspections conducted	91	25	25	21	20
4.	# Number of administrative enforcement notices issued for non-compliance with environmental management legislation	75	19	18	20	18
5.	# of completed criminal investigations handed to the NPA for prosecution	53	13	15	14	11
6.	% of complete Environmental Impact Assessment (EIA) applications finalized within legislated timeframes	100%	100%	100%	100%	100%
7.	% of complete Waste License applications finalized within legislated time-frames	100%	100%	100%	100%	100%
8.	# of legislated tools developed	1	-	-	-	1
9.	# Number of inter-governmental sector programmes implemented	1	-	-	-	1
10.	# of environmental research projects completed	0	-	-	-	-
11.	# of functional environmental information management systems maintained	1	-	-	-	1
12.	% of complete biodiversity management permits issued within legislated timeframes.	80%	80%	80%	80%	80%
13.	# of work opportunities created through environment sector public employment programmes	593	-	-	-	593
14.	# of environmental awareness activities conducted	24	6	6	6	6
15.	# of environmental capacity building activities conducted	24	6	6	6	6

6.3. Explanation of planned performance over the medium-term period

South African National Biodiversity Institute released a National Biodiversity Assessment 2018 towards the end of 2019, and they provided a succinct summary of pressures on biodiversity in the Eastern Cape. It highlights changes in hydrological regime and poor water quality as major pressures on biodiversity in inland aquatic, estuarine, coastal ecosystems and selected terrestrial ecosystems. The over-abstraction of water and building of dams (primarily for crops, human settlement and mining) results in direct negative impacts through the disruption of important ecological processes such as sediment supply to the coast. Pollution of inland aquatic ecosystems from a combination of mining, industrial and urban wastewater, and agricultural return flows negatively impact water quality. In contrast, the primary pressure in the terrestrial realm is habitat loss as a result of land clearing for croplands (12% of the province), plantation forestry (1%), infrastructure & settlements (4%) and mining (<1%). Rates of habitat loss are generally higher in the eastern parts of the province driven by expanding human settlements, agriculture and plantations. However, there are also areas showing very high rates of habitat loss in the western parts of the province; around Nelson Mandela Bay Metro (driven by urban expansion) and in the Sundays River and Gamtoos River valleys (driven by expansion of irrigated crops and citrus). The Environmental Impact Management Directorate in conjunction with the Office of the Premier developed process flows for both Basic Assessment and Scoping/Environmental Impact Reporting processes in order to streamline and expedite the reviewing of applications. We will strive to finalize 100% of Environmental Impact Assessment (EIA) applications with all the required information for a decision to be taken on a quarterly basis.

On a quarterly basis the team of Environmental Assessment Practitioners (EAPs) meet to discuss the EIA applicable legislative framework that regulates the process including challenges and possible solutions to ensure that high standards of profession are sustained. Their membership with the National Regulatory Body ensures continued learning, knowledge management and keeping up with legislative mandate. The department

carries their annual membership fees.

Through the implementation of the Eastern Cape Provincial IWMP, provision for an effective and financially viable waste management service will be attained by increasing the refuse collection rate in all municipalities, clear illegal dumping and facilitate primary recycling infrastructure in the Province.

The co-ordination of the air quality function in the Eastern Cape by the Department will ensure that the local authorities perform their duties in compliance with the national standards to maintain a safe ambient air quality to advance a healthy and thriving society. Air Quality is an executive responsibility of Local Municipalities. Metros and District Municipalities are responsible for monitoring ambient air quality, issuing of Atmospheric Emission License and registering Controlled Emitters as well as monitoring compliance with the license conditions and emissions stands. In this respect the Province provides technical assistance with regards to monitoring as and when the Municipalities require assistance. The Department oversees that the monitoring stations are performing adequately through collecting enough quality data.

The Department performs the AEL function for those District Municipalities who do not have capacity to perform this function for themselves. The Department also coordinates and ensures that Municipalities perform the Auditing function as is required as per the National Atmospheric Emission Inventory System. The Department disseminates information and coordinates the function through the Air Quality and Climate Change Forum. The Department participates in the development of the Regulations, Strategies and Management roles as discussed in MINTECH Working Group Two that deals with Air Quality Management in terms of National Environmental Management: Air Quality Management Act.

Climate Change is already triggering large-scale spatial, temporal and compositional shifts in biodiversity. Species population-level changes are being translated into community-level reorganizations, even regime shifts which can impair ecological function. Intact biodiversity supports ecosystem functioning and can increase resilience to climate change impacts in both natural and managed systems with significant benefits for people under all likely climate scenarios this century (NBSAP2018). Currently South Africa awaits the finalization of the Climate Change Bill. The Eastern Cape Provincial Climate Change Response Strategy will be reviewed in alignment with the Climate Change Act inclusive of full costing implications for its implementation by various stakeholders.

Currently the Department needs to develop capacity to implement and monitor the implementation of all Municipal and Provincial Climate Change work.

The Department has established an Air Quality and Climate Change Forum which co-ordinates the activities of the different Municipalities as well as sister Departments to discuss adaptation and mitigation initiatives implementation. The Department participates in the development of the Strategies and Management roles as is required for MINTECH Working Group Ten that discuss Climate Change issues.

The Programme will continue to organize and host environmental capacity building and awareness activities in various Districts with different annual environmental themes as an informed citizen is an empowered decision maker. School environmental competition will be held on an annual basis with different environmental themes that seeks to call into action youth for each year. We will continue to support other institutions that are implementing environmental management initiatives by participating in their planned events or activities. We will continue to participate in the governance structures of department's environment EPWP funded projects implemented by different municipalities as they focus on employing 60% youth, 65% women and 2% people with Disability. National Environmental Days with international themes will be celebrated in different Regions on an annual basis in line with the Country's commitment to International Conventions that we are a signatory to.

The Environmental Affairs Programme will prioritize the following during MTEF period:

1. EIA's
2. Waste recycling
3. Climate Change- facilitation and mainstreaming
4. Game Transformation
5. Environmental Awareness and capacity building
6. Bioprospecting
7. Enforcement collaboration across the province
8. Collaboration with other critical departments and Municipalities for scale and reach
9. Biodiversity Offset agreements for the Next ten years (N2 EOA)
10. Collaboration with Research Agencies aligned to our mandate

11. Supporting Municipalities with Waste Management, incorporating programmes on economic opportunities for MSMEs, Coops and Informal Traders
12. Support coastal management
13. Process and issue Biodiversity permits

The D:C&E will continue to monitor compliance with authorizations and undertake appropriate enforcement action.

Collaborative relationships will need to be actively pursued to supplement internal resources. This include, Operation Phakisa Enforcement 5, Honorary Nature Conservation Officers, etc who endeavoring to promote compliance with environmental legislation.

Work will continue on investigating organized environmental crime syndicates that seek to plunder rare and endangered species. Complaints will be diligently investigated to the latter as to minimize environmental crimes within the borders of the province. It is important to submit that it was as a direct result of collaborative relationships that there were no rhinos poached in the Province during the Q1 and Q2 for 2022/23 financial year, bearing in mind that Rhino poaching is up throughout South Africa.

Programme Resource Considerations

Table 20: Summary of payments and estimates: Programme 3- Environmental Management

R thousand	Outcome			Main appropriation	Adjusted appropriation 2022/23	Revised estimate	Medium-term estimates		
	2019/20	2020/21	2021/22				2023/24	2024/25	2025/26
1. Environmental Policy, Planning And Coordination	31 571	33 873	47 199	40 941	39 507	36 917	38 749	36 366	30 465
2. Compliance And Enforcement	51 176	48 513	49 944	50 837	43 763	32 119	33 219	35 686	35 454
3. Environmental Quality Management	21 354	20 148	20 418	28 317	25 119	27 019	28 182	30 398	28 719
4. Biodiversity Management	219 714	228 245	239 639	212 207	242 994	253 329	241 574	251 193	260 897
5. Environmental Empowerment Services	12 899	9 379	11 233	9 873	10 005	12 004	11 621	12 110	11 431
Total payments and estimates	336 714	340 158	368 433	342 175	361 388	361 388	353 345	365 753	366 966

R thousand	Outcome			Main appropriation	Adjusted appropriation 2022/23	Revised estimate	Medium-term estimates		
	2019/20	2020/21	2021/22				2023/24	2024/25	2025/26
Current payments	100 193	89 863	94 535	109 247	108 293	108 293	119 945	125 864	123 211
Compensation of employees	87 823	85 112	87 093	94 834	97 425	97 425	102 919	107 605	109 716
Goods and services	12 370	4 751	7 442	14 413	10 868	10 868	17 026	18 259	13 495
Interest and rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies to:	236 521	250 217	273 731	232 878	253 045	253 045	233 400	239 889	243 755
Provinces and municipalities	18 956	23 918	36 968	25 600	25 600	25 600	23 550	20 832	16 765
Departmental agencies and accounts	216 046	226 299	236 763	207 278	227 445	227 445	208 050	217 257	226 990
Higher education institutions	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Non-profit institutions	1 427	-	-	-	-	-	1 800	1 800	-
Households	92	-	-	-	-	-	-	-	-
Payments for capital assets	-	78	167	50	50	50	-	-	-
Buildings and other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	-	78	167	50	50	50	-	-	-
Heritage Assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	-	-	-	-	-
Payments for financial assets	-	-	-	-	-	-	-	-	-
Total economic classification	336 714	340 158	368 433	342 175	361 388	361 388	353 345	365 753	366 966

Table 28 above show the summary of payments and estimates per sub-programme and per economic classification from 2019/20 to 2025/26. The expenditure for the programme increased from R336.714 million in 2019/20 to the revised estimate of R361.388 million in 2022/23 due to reprioritisation for the environmental management EPWP projects such as Waste Management, Waste Greening and Cleaning and Alien plants eradication. This is followed by 2.2 per cent reduction to R353.345 million in 2023/24.

Compensation of Employees increased from R87.823 million in 2019/20 to a revised estimate of R97.425 million in 2022/23 due to the filling of posts for environmental and law enforcement officers. In 2023/24, the budget increases by 5.6 per cent to R102.919 million due to the filling of critical vacant posts and the ICS inflationary adjustment.

Goods and Services decreased from R12.370 million in 2019/20 to a revised estimate of R10.868 million in 2022/23 due to internal reprioritisation for environmental awareness and education of non-profit institutions. In 2023/24, the budget increases by 56.7 per cent to R17.026 million due the implementation of the climate change projects and development of the plans for Wetlands programmes.

Transfers and Subsidies increased from R236.521 million in 2019/20 to R253.045 million in the 2022/23 revised estimates due to the allocation for biodiversity and conservation at the ECPTA. In 2023/24, the budget decreases by 7.8 per cent to R233.400 million due to the once off allocation for biodiversity and conservation as well as internal reprioritisation.

Payment for Capital assets expenditure decreased from R78 thousand in 2020/21 to a revised estimate of R50 thousand in 2022/23 due to the once off allocation for the animal cages in 2022/23.

Key Risks and Mitigations from the Strategic Plan (Updated)

#	Outcomes	Key Risks	Risk Mitigations
1.	Protect and enhance our environmental assets and natural resources (Improved ecosystems and decrease in carbon footprint and decrease in sea level rise) Empowered public. Skilled and competent personnel	<ul style="list-style-type: none"> Climate change 	<ul style="list-style-type: none"> Implement the Expanded Public Works Programme - environment sector Empower the public on Environmental education and legislation. Train staff on relevant technical skills. Compliance monitoring/inspections.
2.	Protect and enhance our environmental assets and natural resources (Improved ecosystems and decrease in carbon footprint and decrease in sea level rise).	<ul style="list-style-type: none"> Harm to biodiversity 	<ul style="list-style-type: none"> Implement National Environmental Management Biodiversity Act (NEMBA), regulations (a. Convention on International Trade of Endangered Species of wild fauna and flora Threatened or protected species Bio-prospecting access and benefit sharing) relevant and policies. Continuously include biodiversity education in the environmental empowerment services. Rehabilitating ecosystems/habitats - by means of eradicate the alien and invasive species through EPWP.
3.	Improved data management and reports.	<ul style="list-style-type: none"> Over exploitation of environmental resources 	<ul style="list-style-type: none"> Conduct stakeholder education on importance of protecting environment. Co-operate (capacity building) with the stakeholders to ensure implementation of the environmental empowerment initiatives. Roll out of honorary environmental officers (volunteers)

Name of Public Entity	Mandate	Outcomes
Eastern Cape Development Corporation (ECDC)	The Eastern Cape Development Corporation was established in terms of the Eastern Cape Development Corporation Act, 2 of 1997. The object of the Corporation as established in terms of the ECDC Act is to plan, finance, co-ordinate, market, promote and implement the development of the Province and all its people in the fields of industry, commerce, agriculture, transport and finance. A White Paper on the Eastern Cape Development Corporation is being developed which will inform the Eastern Cape Development Corporation Bill to align with the Economic Policy direction of the country and the province.	<ol style="list-style-type: none"> Competitive and sustainable SMME Sector A growing diversified and inclusive economy A viable ECDC that offers competitive products and services
East London Industrial Development Zone (ELIDZ)	The IDZ Regulations to the Manufacturing Development Act (MDA), Act 187 of 1993 was the basis for the establishment of the ELIDZ to pursue the aims and objectives of the Industrial Development Zone (IDZ) Programme. The ELIDZ is now guided by the Special Economic Zones Act, 16 of 2014 (SEZ). The main mandate is to secure the attraction of strategic investments for purposes of promoting the export competitiveness of South African manufactured products/services; strengthening, expanding and diversifying the local and regional economy; enabling exploitation (via beneficiation of regional natural resources); securing advanced foreign production and technology methods; and encouraging skills transfer and local intellectual capital development.	<ol style="list-style-type: none"> High-performing, competitive and resilient industries Technology-led innovation and industrial modernization Sustainable operational efficiencies and global best practices
CDC Development Corporation (CDC)	The CDC Development Corporation (Pty) Ltd ("CDC") was established in 1999 from the derivatives of Regulations promulgated in terms of the Manufacturing Development Act 187 of 1993. The CDC is now guided by the Special Economic Zones Act, 16 of 2014 (SEZ). The main mandate is to secure the attraction of strategic investments for purposes of promoting the export competitiveness of South African manufactured products/services; strengthening, expanding and diversifying the local and regional economy; enabling exploitation (via beneficiation of regional natural resources); securing advanced foreign production and technology methods; and encouraging skills transfer and local intellectual capital development.	<ol style="list-style-type: none"> Achieved Financial Sustainability Increased Market Share Grow the SEZ by Increasing Developed Land Increased Economic Impact Increased SMME participation in economic activities to yield procurement spent of 35% Job Creation

Name of Public Entity	Mandate	Outcomes
		7. Skills Development
Eastern Cape Parks and Tourism Agency (ECPTA)	The Eastern Cape Parks and Tourism Agency was established in terms of the Eastern Cape Parks and Tourism Agency Act, 2 of 2010. The Act is being revised and the Eastern Cape Parks and Tourism Bill, 2019 has been presented to the Executive Council for approval. The ECPTA's mandate is to develop and manage protected areas and promote and facilitate the development of tourism in the Province. The legislation provides for the establishment of an Eastern Cape Tourism Development Fund to empower and develop previously disadvantaged individuals in the tourism sector; and for an Eastern Cape Biodiversity Conservation and Development Fund to empower and develop previously disadvantaged individuals and to promote biodiversity conservation in Protected Areas.	<ol style="list-style-type: none"> Adaptive management of biodiversity sustains ecological services. Marginalized individuals and communities actively benefit from biodiversity and tourism. The province is the premier destination connecting people to authentic experiences. The organization sustains its clean audit status.
Eastern Cape Gambling Board	<p>The Eastern Cape Gambling Amendment Act, 2015 (Act No. 1 of 2015) amended the Eastern Cape Gambling Act, 1997 (Act No. 5 of 1997) and came into operation on 1 August 2016. On the 19th February 2018 the Honourable Premier published a Proclamation bringing into operation section 4 and section 5 of the Eastern Cape Gambling Amendment Act, 2015 (Act No. 1 of 2015). These sections provide that the juristic person will be known as the Eastern Cape Gambling Board. The ECGB was mandated to oversee all gambling and betting activities in the Province and establish, develop and maintain the Board as an effective and efficient regulatory agency.</p> <p>The oversight functions extend to casino operations, horse racing, route and site operations based on limited pay-out machines (LPMS), bingo halls and clubs, licensing of gaming equipment manufacturers and suppliers, registration of gambling and betting personnel and curbing illegal gambling operations. The Regulations in terms of the Act were published for comment and comments are being considered. It is envisioned that they will be implemented during 2019/2020.</p>	<ol style="list-style-type: none"> Transformed and Sustainable Gambling Industry in the Province. Compliant and protected gaming industry Educated, Informed and Responsible Punters and General Public. Empowered communities located in areas where there is a gambling footprint as well as impoverished areas. Informed policy decision-making based on Research and Evaluation Outcomes. Effective governance with an enabling work-place environment.
Eastern Cape Liquor Board (ECLB)	The Eastern Cape Liquor Board was established in terms of the Eastern Cape Liquor Act 10 of 2003 with the following mandate: To regulate the registration of retail sales and micro-manufacturing of liquor in the province; to encourage and support the liquor industry in the management and reduction of the socio-economic and other costs of excessive alcohol consumption by creating a conducive environment in which new entrants into the liquor industry is facilitated; measures are taken against those selling liquor outside of the regulatory framework; those involved in the liquor industry attain and maintain adequate standards of service delivery; ward committees and communities are encouraged to participate in the consideration of applications for registration certificates; and address the challenges facing the liquor industry in the Province. The Eastern Cape Liquor Authority Act, 2018 (Act No. 4 of 2018) was assented to and published in the Provincial Gazette during March 2019. Regulations in terms of the Act will be drafted and will be published for comment once the Hon Premier promulgates the Act.	<ol style="list-style-type: none"> Reduction in alcohol abuse and behavioural change towards alcohol consumption Compliant liquor trading and regulated access to alcohol Efficient licensing Economically active and sustainable liquor traders Empowered liquor traders Good Corporate Governance

7. Infrastructure Projects

No.	Project name	Programme	Description	Outputs	Start date	Completion date	Total Estimated cost	Current year Expenditure
The department currently does not have new "infrastructure projects". Infrastructure projects are developed and/or supported through the department's public entities. These are listed in their respective corporate plans/ annual performance plans.								

8. Public Private Partnerships

PPP name	Purpose	Outputs	Current Value of Agreement	End-Date of Agreement
The department does not have Public Private Partnerships as defined by the National Treasury.				



PART D

TECHNICAL INDICATOR DESCRIPTIONS (TIDS)

Part D: Technical Indicator Descriptions (TIDs)

The following TIDs were developed within the context of a not fully matured data gathering systems for various portfolios. Extreme care will be taken to target women, youth and people with disabilities (W, Y and PWDs) in lieu of applicable laws and good development practice. Where it is not practical to target W, Y and PWDs due to information asymmetry, the department will endeavor to delineate W, Y and PWDs through reporting. Where practical, spatial dimension will be shown in the applicable TIDs.

PROGRAMME 1: ADMINISTRATION

Indicator title	1. % network uptime
<i>Definition</i>	Refers to the uptime of the network at head office and regional offices (both intranet and internet).
<i>Source of data</i>	SITA automated network reports; DEDEAT ICT automated network report
<i>Method of Calculation or Assessment</i>	Calculate the time within each 24 hours' period when the network is running according to agreed test parameters. Generate a report that averages the uptime rate over a reporting period e.g., for a quarterly report, calculate based on hours in a 3-month period. Number of total hours in a quarter is 2192. $(2192 - \text{Number of Hours Network Not Available}) / 2192 \times 100$
<i>Means of verification</i>	ICT generated report on network uptime and downtime from SITA or the OTP. Narrative report on network functionality covering issues such as network and server monitoring (routers and switches), bandwidth analysis, firewall log management, configuration management, IP address and switch port management, fault management, Giga Bytes (GB) transferred, blocked URLs, etc. or the applicable.
<i>Assumptions</i>	Consistent electricity supply. Uptime from other data centers. Elimination of theft of fibre cables.
<i>Disaggregation of Beneficiaries (where applicable)</i>	Target for Women: N/A Target for Youth: N/A Target for People with Disabilities: N/A
<i>Spatial Transformation (where applicable)</i>	Province wide
<i>Calculation type</i>	Non-Cumulative
<i>Reporting cycle</i>	Quarterly
<i>Desired performance</i>	100% network functionality is desirable
<i>Indicator responsibility</i>	Director: DGITO

Indicator title	2. Public Entities Governance Accountability Index
<i>Definition</i>	Refers to an aggregate score of compliance in relation to the SLAs for all Public Entities of the Department, i.e. ECLB, ECGB, ECPTA, ECDC, ELIDZ and CDC. The score considers the responsibilities of both the department and public entities using a defined instrument. The assessment considers planning, transfers and accountability among others in line with the provisions of the SLAs.
<i>Source of data</i>	Records from Public Entities and Programmes
<i>Method of Calculation or Assessment</i>	Using binary scores of 1 (achieved) or 0 (not achieved), each entity is scored based on the provisions in the SLA using a defined instrument. Each entity score is expressed as a percentage of total which gives a maximum potential score of 100%. The scores of all entities are added up and divided by the number of entities under consideration. The final score is divided by 10 which gives a maximum score of 10.
<i>Means of verification</i>	Signed schedule / narrative (Director: Public entities oversight and General manager: Administration) and scoresheet of the Public Entities Accountability Index. In addition to a consolidated score sheet for all entities, a score sheet for each public entity should be provided.
<i>Assumptions</i>	The index is assessed by both the department and public entities
<i>Disaggregation of Beneficiaries (where applicable)</i>	Target for Women: N/A Target for Youth: N/A Target for People with Disabilities: N/A
<i>Spatial Transformation (where applicable)</i>	N/A
<i>Calculation type</i>	Non-cumulative

<i>Reporting cycle</i>	Annually
<i>Desired performance</i>	100% is the desired performance.
<i>Indicator responsibility</i>	Director: Public Entities Oversight

Indicator title	3. % of suppliers paid within 30 days
<i>Definition</i>	Refers to % of suppliers with valid invoices who are paid within 30 days
<i>Source of data</i>	DEDEAT Finance Section (Bas)
<i>Method of Calculation or Assessment</i>	It's a report from BAS (System generated). Evaya System Report
<i>Means of verification</i>	Signed schedule /narrative (Director: Financial Management and Chief Financial Officer). Finance records (payment stubs)
<i>Assumptions</i>	Suppliers submit their compliant invoices timeously. There is capacity to process in the department
<i>Disaggregation of Beneficiaries (where applicable)</i>	Target for Women: N/A Target for Youth: N/A Target for People with Disabilities: N/A
<i>Spatial Transformation (where applicable)</i>	N/A
<i>Calculation type</i>	Non-Cumulative
<i>Reporting cycle</i>	Quarterly
<i>Desired performance</i>	100% payment within 30 days
<i>Indicator responsibility</i>	Director: Financial Management

Indicator title	4. Annual Audit Outcome
<i>Definition</i>	Refers to financial audit outcome issued by the Auditor General at the end of the audit cycle.
<i>Source of data</i>	Auditor General
<i>Method of Calculation or Assessment</i>	Audit outcome as contained in the audit report of the Auditor General
<i>Means of verification</i>	Report of the Auditor General
<i>Assumptions</i>	The outcome is based on a sample. If the sample is not chosen correctly, it may obscure the correctness of the audit results
<i>Disaggregation of Beneficiaries (where applicable)</i>	Target for Women: N/A Target for Youth: N/A Target for People with Disabilities: N/A
<i>Spatial Transformation (where applicable)</i>	N/A
<i>Calculation type</i>	Non - Cumulative
<i>Reporting cycle</i>	Annually
<i>Desired performance</i>	Clean Audit outcome is desirable
<i>Indicator responsibility</i>	Chief Financial Officer

Indicator title	5. % Implementation of the Workplace Skills Plan
<i>Definition</i>	A workplace skills plan is produced annually in line with policy and legislation. The workplace skills plan has deliverables for the year of implementation. The idea is to measure the extent to which those deliverables are implemented during the year. Examples of deliverables in the workplace skills plan include annual training plan.
<i>Source of data</i>	Personal Development Plans (PDP's); HRD Annual Training Plan; Workplace Skills Implementation Plan reports
<i>Method of Calculation or Assessment</i>	Calculate the degree to which all deliverables have been implemented in the WSP. Add the total and divide by the total number of deliverables in the WSP for the reporting year and multiply by 100.
<i>Means of verification</i>	Signed Workplace Skills Plan (WSP) Implementation reports (S) Signed Workplace Skills Plan statistics.
<i>Assumptions</i>	N/A

<i>Disaggregation of Beneficiaries (where applicable)</i>	Target for Women:50% Target for Youth: 20% Target for People with Disabilities: 10%
<i>Spatial Transformation (where applicable)</i>	N/A
<i>Calculation type</i>	Non-Cumulative
<i>Reporting cycle</i>	Quarterly
<i>Desired performance</i>	A higher % of implementation is desirable
<i>Indicator responsibility</i>	Senior Manager: HRM&D

Indicator title	6. % of Staff Complying with All PMDS Processes (contracts and reviews)
<i>Definition</i>	95 % of staff out of the total employed staff that complete the following within timeframes: i) contracting by 30 April of each year 2) quarterly and annual performance reviews conducted.
<i>Source of data</i>	PMDS Unit – PMDS reports, Performance Reviews and Performance Agreements
<i>Method of Calculation or Assessment</i>	Add total number of contracts signed timeously (A) and divide by total number of employees who should have signed the agreements. Add total number of reviews completed timeously (R) and divide by total number of employees who should have completed the reviews. Add the two results above and divide by 2 and multiply by 100. (Result of A plus result of R)/2 *100.
<i>Means of verification</i>	Signed report on Performance Agreements and Performance Reviews for all staff for the applicable financial year. Provincial report from the OTP comparing the performance of departments on key HRfunctions including contracting and performance reviews. Signed contracts and review forms should be kept in files for audit verification.
<i>Assumptions</i>	
<i>Disaggregation of Beneficiaries (where applicable)</i>	Target for Women: N/A Target for Youth: N/A Target for People with Disabilities: N/A
<i>Spatial Transformation (where applicable)</i>	N/A
<i>Calculation type</i>	Non-cumulative
<i>Reporting cycle</i>	Bi-annually
<i>Desired performance</i>	100%
<i>Indicator responsibility</i>	Senior Manager: HRD

PROGRAMME 2: ECONOMIC DEVELOPMENT AND TOURISM

Indicator title	1. # of Sustainable Energy Initiatives Facilitated
<i>Definition</i>	Support to projects, institutions and initiatives in the Eastern Cape that directly or indirectly result in the sustainable generation or consumption of energy.
<i>Source of data</i>	Records from the Sustainable Energy Directorate
<i>Method of Calculation or Assessment</i>	Simple count of sustainable energy initiative facilitated ¹³ .
<i>Means of verification</i>	Signed schedule/ narrative (Director: Sustainable energy and General Manager: Economic Development) of sustainable energy initiatives facilitated listing support provided to institutions and initiatives that directly or indirectly leads to sustainable generation or consumption of energy. Source documents in the form of at least one of the following: meeting agendas, minutes, reports, attendance registers, correspondence or any other relevant documentation, must be provided as part of the PoE.
<i>Assumptions</i>	Demand for sustainable energy will continue to increase

¹³ The term *facilitation* relates to enabling processes for the growth of the sustainable energy sector. Facilitation may include institutional capacity development processes, processes which remove blockages for the growth of the sector, or direct interventions which enable specific sustainable energy projects, programmes or initiatives.

Indicator title	1. # of Sustainable Energy Initiatives Facilitated
<i>Disaggregation of Beneficiaries (where applicable)</i>	Target for Women: N/A Target for Youth: N/A Target for People with Disabilities: N/A
<i>Spatial Transformation (where applicable)</i>	Province wide
<i>Calculation type</i>	Non-Cumulative
<i>Reporting cycle</i>	Annually
<i>Desired performance</i>	The growth of the sustainable energy sector together with improved socio-economic outcomes is desirable
<i>Indicator responsibility</i>	Director: Sustainable Energy

Indicator title	2. # of Manufacturing Initiatives Facilitated
<i>Definition</i>	Support to enterprises, projects, institutions (which includes DEDEAT entities – ECDC, ELIDZ, CDC) and initiatives in the Eastern Cape that directly or indirectly result in the retention or growth of the EC manufacturing sectors namely Automotive-, Non- Automotive-: (Furniture, Plastics, Chemicals, Clothing and Leather, Metals, Electrical and Electronics)- and Agro-Industrial Manufacturing sectors.
<i>Source of data</i>	Records from the Director: Manufacturing
<i>Method of Calculation or Assessment</i>	Simple count of manufacturing initiatives facilitated.
<i>Means of verification</i>	Signed schedule/ narrative (Director: Manufacturing and General Manager: Economic Development) of manufacturing initiatives facilitated listing i) support provided; ii) institutions and initiatives that result in the retention or growth of the manufacturing sector. Source documents in the form of at least one of the following: meeting agendas, minutes, reports, attendance registers, action plans, correspondence or any other relevant documentation must be provided as part of the PoE.
<i>Assumptions</i>	There is less de-industrialization
<i>Disaggregation of Beneficiaries (where applicable)</i>	Target for Women: N/A Target for Youth: N/A Target for People with Disabilities: N/A
<i>Calculation type</i>	Non-Cumulative
<i>Reporting cycle</i>	Quarterly towards annual target
<i>Desired performance</i>	More manufacturing initiatives are desired
<i>Indicator responsibility</i>	Director: Manufacturing

Indicator title	3. # of Agro-Processing Initiatives Facilitated
<i>Definition</i>	Support to enterprises, projects, institutions and initiatives in the Eastern Cape that promote agro-processing.
<i>Source of data</i>	Signed schedule/ narrative (Director: Agro –processing and General Manager: Economic Development) of agro-processing initiatives facilitated listing i) support provided; ii) institutions and initiatives that result in the retention or growth of the agro-processing sector. Source documents in the form of at least one of the following: meeting agendas, minutes, reports, attendance registers, correspondence or any other relevant documentation must be provided as part of the PoE.
<i>Method of Calculation or Assessment</i>	Simple count of agro-processing initiatives facilitated and supported.
<i>Means of verification</i>	Records from the Sector Specialist: Agro-Processing
<i>Assumptions</i>	More Agro-processing initiatives are desired

Indicator title	3. # of Agro-Processing Initiatives Facilitated
<i>Disaggregation of Beneficiaries (where applicable)</i>	Target for Women: N/A Target for Youth: N/A Target for People with Disabilities: N/A
<i>Spatial Transformation (where applicable)</i>	Focus is on the poorer regions of the province
<i>Calculation type</i>	Non-Cumulative
<i>Reporting cycle</i>	Annually
<i>Desired performance</i>	More agro-processing initiatives will be desirable
<i>Indicator responsibility</i>	Director: Agro-Processing

Indicator title	4. # of investment promotion Initiatives Facilitated
<i>Definition</i>	Support to enterprises, projects, institutions (which includes DEDEAT entities – ECDC, ELIDZ, CDC,), municipalities and initiatives in the Eastern Cape that directly or indirectly result in the retention or attraction of foreign and direct investment in the province.
<i>Source of data</i>	Records from the Director: Trade and Investment Promotion Business Plan and Strategic Plans of the Investment Promotion Entities (ECDC, ELIDZ and CDC) Quarterly Reports from the public entities.
<i>Method of Calculation or Assessment</i>	Simple count of trade and investment initiatives facilitated.
<i>Means of verification</i>	Signed schedule/ narrative (Director: Investment and General Manager: Economic Development) of trade and investment promotion initiatives facilitated listing i) support provided; ii) institutions and initiatives that result in the retention or growth of the manufacturing sector. Source documents in the form of at least one of the following: meeting agendas, minutes, reports, attendance registers, action plans, correspondence or any other relevant documentation must be provided as part of the PoE.
<i>Assumptions</i>	Recovery of foreign and domestic investments
<i>Disaggregation of Beneficiaries (where applicable)</i>	Target for Women: N/A Target for Youth: N/A Target for People with Disabilities: N/A
<i>Spatial Transformation (where applicable)</i>	All regions
<i>Calculation type</i>	Non-Cumulative
<i>Reporting cycle</i>	Quarterly towards annual target
<i>Desired performance</i>	More investment promotion initiatives are desired
<i>Indicator responsibility</i>	Director: Trade and Investment Promotion

Indicator title	5. # of Interventions undertaken to create a conducive business environment
<i>Definition</i>	The ease of doing business is usually negatively affected by repetitive movements, protracted processes, issuing of vague instructions and a demand for unnecessary information which are examples of factors that constitute some of the barriers. This leads to delays and additional expenses that do not add value to decision-making and risk moderation. Sessions refer to interactive engagements which could be in the form of meetings, workshops, focus groups, interviews, enquiries etc. The affected groups are stakeholders who provide services, consumers of such services and those who suffer or are victims of barriers. The indicator is about assessing a range of factors, their impact on achieving business purpose and benefit to adding value instead of creating prolonged, confusing and counterproductive protocols.
<i>Source of data</i>	Business Regulation
<i>Method of Calculation or Assessment</i>	Add number of interventions implemented to create a conducive business environment.
<i>Means of verification</i>	Signed schedule/ narrative (Director: BRAG and General Manager: Economic Development) of interventions implemented listing i) support provided; ii) institutions and initiatives that contribute to a creation of a conducive business environment

Indicator title	5. # of Interventions undertaken to create a conducive business environment
	Source documents in the form of at least one of the following: meeting agendas, minutes, reports, attendance registers, action plans, correspondence or any other relevant documentation must be provided as part of the PoE
<i>Assumptions</i>	Barriers to ease of doing business are standard
<i>Disaggregation of Beneficiaries (where applicable)</i>	Target for Women: N/A Target for Youth: N/A Target for People with Disabilities: N/A
<i>Spatial Transformation (where applicable)</i>	Province wide
<i>Calculation Type</i>	Cumulative year-to-date
<i>Reporting Cycle</i>	Annually
<i>Desired Performance</i>	More policies should be reviewed to improve ease of doing business
<i>Indicator responsibility</i>	Director: Business Regulation

Indicator title	6. # of socio-economic intelligence reports produced
<i>Definition</i>	Report on the development of key economic and social indicators at the provincial level.
<i>Source of data</i>	StatSA, SARB, BER, CDC, Research Unit and Data Subscription Consultancies, Institutions of Higher Learning
<i>Method of Calculation or Assessment</i>	Simple count of provincial economic intelligence reports produced
<i>Means of verification</i>	Signed schedule/ narrative (sub-programme manager and programme 2 manager) of provincial economic intelligence reports produced. Supporting evidence in the form of completed provincial economic intelligence reports produced, dated and signed off by the lead researcher (internal or external) in form of a hand over letter to the Department (or programme manager for internal research) or any form of declaration that the provincial economic intelligence report has been completed should be attached.
<i>Assumptions</i>	Resources (budget, human) for research purposes will be available
<i>Disaggregation of Beneficiaries (where applicable)</i>	Target for Women: N/A Target for Youth: N/A Target for People with Disabilities: N/A
<i>Spatial Transformation (where applicable)</i>	N/A
<i>Calculation Type</i>	Cumulative year-to-date
<i>Reporting Cycle</i>	Quarterly
<i>Desired Performance</i>	More reports are desirable
<i>Indicator responsibility</i>	Director: Economic Planning

Indicator title	7. # of Qualifying Economic Development Projects Funded at Local and Regional Levels
<i>Definition</i>	Refers to local and regional economic development projects provided with funding under the LRED programme using the LRED Policy, funding Criteria and Funding Matrix
<i>Source of data</i>	Records from DEDEAT regional managers
<i>Method of Calculation or Assessment</i>	LRED Applications made through the regional offices Spreadsheet of applications received

Indicator title	7. # of Qualifying Economic Development Projects Funded at Local and Regional Levels
<i>Means of verification</i>	Signed schedule/ narrative (Director: Local and Regional Economic Development and General Manager: Economic Development) of LRED projects funded. The schedule should have the following fields: i) # of LRED projects funded, ii) the projected number of jobs to be created, iii) the regions where these LRED projects are located and v) the sector in which the LRED projects are involved in. Source documents such as payment stubs must be attached to the PoE. Signed funding approval letters for LRED projects.
<i>Assumptions</i>	The risk of counting a project more than once if funding provided runs across quarters
<i>Disaggregation of Beneficiaries (where applicable)</i>	Target for Women: N/A Target for Youth: N/A Target for People with Disabilities: N/A
<i>Spatial Transformation (where applicable)</i>	More projects from depressed regions are desirable
<i>Calculation type</i>	Non-cumulative
<i>Reporting cycle</i>	Annually
<i>Desired performance</i>	It is desirable to fund more local economic development projects
<i>Indicator responsibility</i>	Director: Local and Regional Economic Development

Indicator title	8. # of cooperatives provided with non-financial support
<i>Definition</i>	This refers to Cooperatives that have been provided with technical assistance, that is, training, on governance and financial management, capacity building.
<i>Source of data</i>	Records from DEDEAT Regional Offices And Head office. ECDC Database (Imvaba Fund) Referrals from Sector Departments and other Institution (municipalities etc)
<i>Method of Calculation or Assessment</i>	Simple count of existing cooperatives supported in each quarter
<i>Means of verification</i>	Signed schedule/narrative (Director: Enterprise Development and General Manager: Economic Development) of Cooperatives supported during the quarter. The schedule should have the following fields: i) name of Cooperatives supported, ii) the nature of support rendered, iii) iv) the regions where these Cooperatives are located and v) the sector in which the Cooperatives are involved in. vi) the demographics-breakdown in terms Gender, Youth, PWD, vii) Attendance registers with members of the cooperatives supported. Signed narrative report on the nature of support provided.
<i>Assumptions</i>	The risk of counting a cooperative more than once if support provided runs across quarters
<i>Disaggregation of Beneficiaries (where applicable)</i>	Target for Women: Target for Youth: Target for People with Disabilities: 7%
<i>Spatial Transformation (where applicable)</i>	All Regions
<i>Calculation type</i>	Cumulative year-to-date
<i>Reporting cycle</i>	Quarterly
<i>Desired performance</i>	It is desirable to have functional cooperatives that comply with legislation and regulations governing cooperatives in South Africa.
<i>Indicator responsibility</i>	Director: Enterprise Development

Indicator title	9. # of Provincial Economic Stimulus Fund projects monitored
<i>Definition</i>	The number of strategic projects funded and/or subsequently supported and monitored by the Department through the Economic Stimulus Fund.
<i>Source of data</i>	Documents from the office of the General Manager: Economic Development Programme and/or implementing agencies and/or partners.
<i>Method of Calculation or Assessment</i>	Add up the total number of projects supported and monitored during the year.
<i>Means of verification</i>	Signed schedule/narrative (Manager: Economic Development and General Manager: Economic Development) of projects monitored. List of projects monitored. Monitoring Report, site verification reports, attendance register. Minutes for the Project Steering Committee.
<i>Assumptions</i>	There will be enough resources to monitor the projects
<i>Disaggregation of Beneficiaries (where applicable)</i>	Target for Women: N/A Target for Youth: N/A Target for People with Disabilities: N/A
<i>Spatial Transformation (where applicable)</i>	Province wide
<i>Calculation type</i>	Non-cumulative
<i>Reporting cycle</i>	Quarterly
<i>Desired performance</i>	9 Projects should be monitored
<i>Indicator responsibility</i>	General Manager: Economic Development

Indicator Title	10. Status report on the implementation of Tourism Master Plan 2022-2032
<i>Definition</i>	Refers to the half-yearly reports on the implementation of the Tourism Master Plan & Action Plan 2020. These reports monitor and track progress on the legislative review process and identified indicators on the Tourism Master Plan & Action Plan 2020 in relation to achievement of set targets and/or key outputs.
<i>Source of data</i>	Quarterly reports from the ECPTA. Reports from the Department of Tourism. Reports for districts and local municipalities and implementing agencies.
<i>Method of Calculation / Assessment</i>	Add the number of reports produced.
<i>Means of verification</i>	Signed schedule /narrative reports (Director: Tourism and General Manager: Economic Development) on the implementation of the 2020 Tourism Master Plan. Signed schedules and narratives from the ECPTA; where applicable, attendance registers, agendas, presentations and reports on projects/should be attached.
<i>Assumptions</i>	All reports from the ECPTA will be endorsed by the Board of Directors. All reports from other spheres of government will have been verified through their management structures.
<i>Disaggregation of Beneficiaries (where applicable)</i>	Target for Women: N/A Target for Youth: N/A Target for People with Disabilities: N/A
<i>Spatial Transformation (where applicable)</i>	N/A
<i>Reporting Cycle</i>	Bi-Annually
<i>Desired performance</i>	Performance as planned
<i>Indicator Responsibility</i>	Director: Tourism

Indicator title	11. # of Consumer Education Programmes Implemented
<i>Definition</i>	Interventions undertaken to facilitate access to information on consumer protection policy provisions, available redress mechanisms and related consumer responsibility.
<i>Source of data</i>	Records from the Office of the Consumer Protector
<i>Method of Calculation or Assessment</i>	Simple count of consumer education programmes conducted.

Indicator title	11. # of Consumer Education Programmes Implemented
<i>Means of verification</i>	Signed schedule/ narrative (Director: Consumer Protector and General Manager: Economic Development) of consumer education programmes implemented. The schedule should list i) name of consumer education programme; ii) The virtual or media platform utilized; iii) regions where the education programme took place; iv) dates when the virtual or media event took place and v) the target audience. As an annexure to this register the following must be attached: programme material; and signed facilitators' reports of each of the awareness sessions conducted.
<i>Assumptions</i>	There is demand for consumer education and awareness sessions
<i>Disaggregation of Beneficiaries (where applicable)</i>	Target for Women: N/A Target for Youth: N/A Target for People with Disabilities: N/A
<i>Calculation type</i>	Cumulative
<i>Reporting cycle</i>	Quarterly
<i>Desired performance</i>	More awareness workshops or virtual sessions in support of the campaigns are desirable
<i>Indicator responsibility</i>	Director: Consumer Protector

PROGRAMME 3: ENVIRONMENTAL MANAGEMENT

Indicator title	1. # of Climate Change Response Interventions Implemented
<i>Definition</i>	This refers to interventions implemented to respond to challenges and potential impacts of climate change. These include provincial climate change programmes, green-house gas mitigation responses, vulnerability and adaptation responses.
<i>Source of data</i>	Implementation reports approved by delegated authority (as per target)
<i>Method of Calculation or Assessment</i>	Actual Annual progress reports per tool implemented
<i>Means of Verification</i>	Signed schedule/ narrative (Deputy Director: Climate Change and General Manager: Environmental Affairs) of climate change response tools developed (green-house gas mitigation response and adaptation projects). Supporting evidence in the form of climate change response tools developed (signed off by the accounting officer or his delegated authority) must be attached to this report.
<i>Assumptions</i>	
<i>Disaggregation of Beneficiaries (where applicable)</i>	Target for Women: Target for Youth: Target for People with Disabilities:
<i>Spatial Transformation (where applicable)</i>	All Districts
<i>Calculation type</i>	Non-cumulative
<i>Reporting cycle</i>	Annually
<i>Desired performance</i>	Development and implementation of tools to improve mitigation and resilience to climate change.
<i>Indicator responsibility</i>	Deputy Director: Climate Change

Indicator title	2. Percentage of Complete Atmospheric Emission Licenses Issued Within Legislated Timeframes
<i>Definition</i>	It shows the percentage of complete air emission license applications where final decisions are made in the reporting period within legislated timeframe
<i>Source of data</i>	Provincial Air emission licenses' registers (Record of air emission licenses' files), and the National Atmospheric Emissions Inventory System (NAEIS).
<i>Method of Calculation or Assessment</i>	<p>The Formula that talks to how the percentage is calculated</p> $x = \frac{a}{a+b} \times 100; \text{ where:}$ <p>a = number of AELs / refusal notices issued within legislated timeframes; b = number of AELs / refusal notices issued outside legislated timeframes;</p> <p>Count the number of AELs issued, every AEL application refused, withdrawn and closed in the reporting period within the legislated timeframe. In addition, express this as a percentage of the total number of applications finalized within legislated timeframe divided by total number of all finalized applications including those finalized outside timeframes. The source document is a manual register as the system continues counting even if the application is returned or additional information is required.</p>
<i>Means of verification</i>	<p>Signed schedule/ narrative (Director: Air Quality and Waste Management and General Manager: Environmental Affairs) of Atmospheric Emission Licenses with complete applications issued within legislated timeframes during each quarter. The legislated timeframe should be listed on top of the schedule. The schedule should list i) name of license; ii) date license application was submitted; and iii) the time (days) taken to issue the license (in which the license was finalized). The schedule should show the calculation of the indicator to two decimal points.</p> <p>Consolidated excel spreadsheet register signed by Senior Manager</p>
<i>Assumptions</i>	N/A
<i>Disaggregation of Beneficiaries (where applicable)</i>	Target for Women: Target for Youth: Target for People with Disabilities:
<i>Spatial Transformation (where applicable)</i>	N/A
<i>Calculation type</i>	Cumulative year-to-date
<i>Reporting cycle</i>	Annually
<i>Desired performance</i>	100% of all AELs issued within legislated timeframes
<i>Indicator responsibility</i>	Director: Air Quality and Waste Management

Indicator title	3. # of Compliance Inspections Conducted
<i>Definition</i>	Number of inspections conducted to assess compliance with authorizations/permits issued in terms of pollution, waste, air quality, impact assessment, protected areas, biodiversity and integrated costal management requirements. This includes inspections arising from complaints and reports of non-compliance.
<i>Source of data</i>	Signed complete inspection forms from all regions submitted quarterly.
<i>Method of Calculation or Assessment</i>	Actual number of inspections conducted following complaints and / or monitoring compliance with environmental legislative requirements and / or authorizations inspected.

Indicator title	3. # of Compliance Inspections Conducted
<i>Means of Verification</i>	<p>Signed schedule/ narrative (Director: Compliance and Enforcement and General Manager: Environmental Affairs) of compliance inspections conducted in the quarter under review. Inspections should be related to authorizations/permits issued. The schedule should highlight i) the regions where these inspections were conducted and ii) the decision of the inspectors. The inspections should be on completed compliance inspection form reflecting the inspection number for the financial year (compliance monitoring inspection number contained in the pre-approved compliance monitoring list. Unplanned compliance monitoring inspections e.g. rhino hunts should be included.</p> <p>Snr Manager: C&E pre-approved compliance monitoring inspection list (Inspections should be related to authorizations/ permits issued.) Supporting evidence in the form of compliance monitoring forms approved for closure by the Regional Manager. For inclusion as POE the attached report should not include annexures.</p>
<i>Assumptions</i>	N/A
<i>Disaggregation of Beneficiaries (where applicable)</i>	Target for Women: Target for Youth: Target for People with Disabilities:
<i>Spatial Transformation (where applicable)</i>	N/A
<i>Calculation type</i>	Cumulative year-end
<i>Reporting cycle</i>	Quarterly
<i>Desired performance</i>	Number of inspections generally covers all permits/authorizations issued (proactive).
<i>Indicator responsibility</i>	Director: Compliance and Enforcement

Indicator title	4. # of administrative enforcement notices issued for non-compliance with environmental management legislation
<i>Definition</i>	<p>The number of administrative enforcement actions issued (including administrative notices issued, pre-Directives, Directives, pre-Compliance notices, Compliance notices and warning form/letters) in response to non-compliances with pollution, waste, air quality, impact assessment, protected areas, biodiversity and integrated coastal management legislative and regulatory requirements including environmental authorizations, etc.</p> <p>Note: A single case of non-compliance can have multiple enforcement actions issued against it.</p>
<i>Source of data</i>	Quarterly statistics submitted on a register of applications finalized or an excel spreadsheet from all regional offices OBs.
<i>Method of Calculation or Assessment</i>	Add the number of administrative actions issued.
<i>Means of verification</i>	Signed schedule/ narrative (Director: Compliance and Enforcement and General Manager : Environmental Affairs)) of enforcement actions finalized for non-compliance with environmental management legislation listing i) name of person or company issued with notice of non-compliance with environmental management legislation; ii) date of issue iii) date when the administrative enforcement was issued or finalized.
<i>Assumptions</i>	Notices will be issued in each region
<i>Disaggregation of Beneficiaries (where applicable)</i>	Target for Women: N/A Target for Youth: N/A Target for People with Disabilities: N/A
<i>Spatial Transformation (where applicable)</i>	N/A
<i>Calculation type</i>	Cumulative year-end
<i>Reporting cycle</i>	Quarterly

Indicator title	4. # of administrative enforcement notices issued for non-compliance with environmental management legislation
<i>Desired performance</i>	Less notices should be issued when there is compliance with environmental laws
<i>Indicator responsibility</i>	Director: Compliance and Enforcement

Indicator title	5. # of completed criminal investigations handed to the NPA for prosecution
<i>Definition</i>	The number of criminal enforcement actions completed for prosecution (finalized investigations in the form of criminal dockets handed to the NPA) in response to non-compliances with pollution, waste, air quality, impact assessment, protected areas, biodiversity and integrated coastal management legislative and regulatory requirements including environmental authorizations, etc.
<i>Source of data</i>	Quarterly statistics submitted on a register of applications finalized or an excel spreadsheet from all regions (also refer to the National Environmental Compliance and Enforcement Report for annual statistics). The entry point is the SAPS charge office/ NPAoffice
<i>Method of Calculation or Assessment</i>	Actual number of criminal investigations undertaken i.e. finalized and submitted to NPA, criminal dockets and finalized by the province authorized for prosecution by stateprosecutors.
<i>Means of Verification</i>	Signed schedule/ narrative (Director: Compliance and Enforcement and General Manager: Environmental Affairs)of completed criminal investigations handed to the NPA through SAPS for prosecution conducted in the quarter under review. The schedule should highlight i) the regions wherecriminal activity took place ii) SAPS case reference number and iii) OB entry reference Supporting evidence in the form of a completed DGF and case docket cover.
<i>Assumptions</i>	The police will accept and process the cases
<i>Disaggregation of Beneficiaries (where applicable)</i>	N/A
<i>Spatial Transformation (where applicable)</i>	N/A
<i>Calculation type</i>	Cumulative (per quarter) year-to-date
<i>Reporting cycle</i>	Quarterly
<i>Desired performance</i>	Number of criminal enforcement actions enough to protect the environment, instill a respect for environmental law in the regulated community and deter would-be offenders. Less actions indicates higher compliance, which is desired. (Resource constraints skew this thinking; less resources less ability to fight environmental crime.)
<i>Indicator responsibility</i>	Senior Manager: Compliance and Enforcement

Indicator title	6. % of Complete EIA Applications Finalized Within Legislated Time-Frames
<i>Definition</i>	An application refers to when the Competent Authority has received an application form and complete information. The indicator shows the percentage of environmental authorization applications where final decisions are made in the reporting period within legislated timeframes (also included are amendments to authorizations).
<i>Source of data</i>	Provincial EIA register.
<i>Method of Calculation or Assessment</i>	<p>FORMULA FOR CALCULATING PERCENTAGE OF COMPLETE EIA APPLICATIONS FINALISED WITHIN LEGISLATED TIMEFRAMES:</p> $x = \frac{a+c}{a+b+c} \times 100; \text{ where:}$ <p>x = % of complete EIA Applications finalized within legislated timeframes; a = number of Environmental Authorizations / Refusal Notices issued <u>within</u> legislated timeframes; b = number of Environmental Authorizations / Refusal Notices issued <u>outside</u> legislated timeframes; c =number of EIA Application withdrawn/closed</p> <p>NB: Please note that the complete <u>EIA Applications finalized</u> for the purpose of calculatingthis percentage includes all Environmental Authorizations and all Refusal Notices issuedand closed applications.</p>

Indicator title	6. % of Complete EIA Applications Finalized Within Legislated Time-Frames
	Count the number of Environmental authorizations (EA) issued, every application refused, withdrawn and closed in the reporting period within the legislated timeframe. In addition, express this as a percentage of the total number of applications finalized within legislated timeframe divided by total number of all finalized applications including those finalized outside timeframes. The source document is the excel spreadsheet register.
<i>Means of Verification</i>	Signed schedule/ narrative (Director Waste Management and General Manager: Environmental Affairs) of EIA applications finalized within legislated time-frames during the quarter under review. The legislated timeframe should be listed at the top of the schedule. The schedule should list i) date when the EIA application was received; ii) the activity to be undertaken; iii) the sector; iv) the regions where the EIA applications are coming from; v) the name of the applicant and vi) the date when the application was finalized. Signed consolidated excel spreadsheet register by Director
<i>Assumptions</i>	All required document is submitted in time and is free of errors
<i>Disaggregation of Beneficiaries (where applicable)</i>	Target for Women: Target for Youth: Target for People with Disabilities:
<i>Spatial Transformation (where applicable)</i>	N/A
<i>Calculation type</i>	Cumulative year-to-date
<i>Reporting cycle</i>	Quarterly
<i>Desired performance</i>	More applications should be processed on time
<i>Indicator responsibility</i>	Director: Air Quality and Waste Management

Indicator title	7. % of Complete Waste License Applications Finalized Within Legislated Time-Frames
<i>Definition</i>	The indicator shows the percentage of waste license applications where final decisions are made in the reporting period within legislated timeframes (also included are amendments to authorizations).
<i>Source of data</i>	Waste licenses' register (Record of waste licenses' files)
<i>Method of Calculation or Assessment</i>	The Formula that talks to how the percentage is calculated $x = \frac{a}{a+b} \times 100; \text{ where:}$ $x = \% \text{ of complete Waste License Applications finalized within legislated timeframes; } a = \text{ number of Waste licenses /refusal notices issued within legislated timeframes;}$ $b = \text{ number of waste licenses/refusal notices issued outside legislated timeframes;}$ Count the number of WMLs issued, every WML application refused, withdrawn and closed in the reporting period within the legislated timeframe. In addition, express this as a percentage of the total number of applications finalized within legislated timeframe divided by total number of all finalized applications including those finalized outside timeframes. In the event of a landfill site application, there is a ninety (90) day waiting period of a record of decision from Department of Human Settlement, Water and Sanitation (DHSWS). The source document is the application forms and decisions kept in files at the Regional Offices and may be availed on request.
<i>Means of Verification</i>	Signed schedule/ narrative (Director: and General Manager: Environmental Affairs) of Waste Licenses applications finalized within legislated time-frames. The schedule should list the legislated timeframe at the top. The schedule should list i) the name of the applicant ii) when the waste license application was received; ii) the type of waste site; iv) the date when the application was finalized and v) the region / location of the waste site. Only applications finalized within applicable legislated time frame upon receipt of all information will be valid. Consolidated excel spreadsheet register signed by Senior Manager
<i>Assumptions</i>	All information is submitted on time and is free of errors

Indicator title	7. % of Complete Waste License Applications Finalized Within Legislated Time-Frames
<i>Disaggregation of Beneficiaries (where applicable)</i>	Target for Women: N/A Target for Youth: N/A Target for People with Disabilities: N/A
<i>Spatial Transformation (where applicable)</i>	New areas and poorer regions should apply
<i>Calculation type</i>	Output
<i>Reporting cycle</i>	Cumulative year-to-date
	Quarterly
<i>Desired performance</i>	More waste processing should be done within timeframes
<i>Indicator responsibility</i>	Director: EIM

Indicator title	8. # of Legislated Tools Developed
<i>Definition</i>	Shows the number of environmental legislative tools; including regulations, norms and standards, guidelines and environmental management plans developed to inform environmental decision making. Examples of such tools include EMF, SOER/Outlook, SEA, EIP, AQMP, IWMP, Biodiversity Plans, etc.
<i>Source of data</i>	Approved Tools (Signed off by the delegated authority)
<i>Method of Calculation or Assessment</i>	Actual number when approved by the delegated authority
<i>Means of verification</i>	Signed schedule/ narrative (General Manager: Environmental Affairs) of legislative tools developed (in relation to legislation, guidelines, policies, procedures) annually. The schedule should list among other regions and date of review. Comments received from Stakeholders Minutes of BTC and SECSICOM Meetings Gazetted Annual Hunting Proclamation
<i>Assumptions</i>	Accuracy depends on the reliability and validity of data received that informs the development of the legislative tools.
<i>Disaggregation of Beneficiaries (where applicable)</i>	Target for Women: N/A Target for Youth: N/A Target for People with Disabilities: N/A
<i>Spatial Transformation (where applicable)</i>	N/A
<i>Calculation type</i>	Cumulative year-to-date
<i>Reporting cycle</i>	Bi-Annually
<i>Desired performance</i>	More environmental tools should be developed
<i>Indicator responsibility</i>	General Manager: Environmental Affairs

Indicator title	9. # of Inter-Governmental Sector Programmes implemented
<i>Definition</i>	Review of sector provincial and municipal tools (e.g. IDPs, PDPs, SDFs, AQMPs, etc.) to facilitate integration of environmental content into tools. The review reports are developed externally but will also include the Environmental Implementation Plan (EIP) Annual Review reports coordinated by the provincial department but involving and in consultation with external stakeholders.
<i>Source of data</i>	Review reports approved and signed off by delegated authority.
<i>Method of Calculation or Assessment</i>	Actual number of municipalities reviewed (tools) in the Province. The documentation should be signed off by the delegated authority.

Indicator title	9. # of Inter-Governmental Sector Programmes implemented
<i>Means of verification</i>	Signed schedule/ narrative (General Manager: Environmental Affairs) of intergovernmental sector tools reviewed annually. The schedule should list among other regions and date of review. The regional annual narrative reports should cover inter-governmental sector tools reviewed in relation to IDPs, PDGS, SDF etc. Key issues presented and/or highlighted should be evident in the report. Supporting evidence in the form of tools developed (dated and approved by the accounting officer) should be attached to the report.
<i>Assumptions</i>	N/A
<i>Disaggregation of Beneficiaries (where applicable)</i>	Target for Women: N/A Target for Youth: N/A Target for People with Disabilities: N/A
<i>Spatial Transformation (where applicable)</i>	N/A
<i>Calculation type</i>	Non-cumulative
<i>Reporting cycle</i>	Annually
<i>Desired performance</i>	Improved integration of environment issues and content into sector provincial and municipal tools.
<i>Indicator responsibility</i>	General Manager: Environmental Affairs

Indicator title	10. # of Environmental Research Projects Completed
<i>Definition</i>	The collective number of different types of research projects completed during the reporting period. This includes reviews, scientific research projects, monitoring projects and collaborative projects.
<i>Source of data</i>	Final research and scientific project reports approved by delegated authority.
<i>Method of Calculation or Assessment</i>	A research project is counted when a project has been finalized and approved by the delegated authority or scientific paper been published in the national or international journal. A project is counted only once when finalized irrespective of the number of surveys done or reports compiled on the project during the reporting period.
<i>Means of Verification</i>	Signed schedule/ narrative (General Manager: Environmental Affairs) of environmental research projects undertaken (reviews, scientific research, monitoring and collaborative research), completed or finalized during the year. Supporting evidence in the form of research reports completed/finalized (signed off by the lead researcher who may be an official of the Department or an external researcher if the research was outsourced as well as the Programme Manager as confirmation of completion) should be attached to the report.
<i>Assumptions</i>	N/A
<i>Disaggregation of Beneficiaries (where applicable)</i>	Target for Women: N/A Target for Youth: N/A Target for People with Disabilities: N/A
<i>Spatial Transformation (where applicable)</i>	N/A
<i>Calculation type</i>	Non-cumulative
<i>Reporting cycle</i>	Annually
	No
<i>Desired performance</i>	More research tools desired
<i>Indicator responsibility</i>	General Manager: Environmental Affairs

Indicator title	11. # of Functional Environmental Information Management Systems Maintained
<i>Definition</i>	It shows the number of relevant environmental knowledge and information management systems developed and effectively maintained by the department (e.g. e-Permit).
<i>Source of data</i>	Reports approved by delegated authority with attached records of operational environmental information management systems that are maintained.
<i>Method of Calculation or Assessment</i>	Count every environmental information management system that is effectively maintained and reported on (Number)
<i>Means of Verification</i>	Signed schedule/ narrative (General Manager: Environmental Affairs) of functional environmental information management systems. The narrative report (on functional environmental information management systems - ePermitting in this case), can be in the form of audit reports on the functionality of systems maintained by the department. The report(s) must list common challenges experienced and measures taken by the Programme Manager to resolve these.
<i>Assumptions</i>	N/A
<i>Disaggregation of Beneficiaries (where applicable)</i>	Target for Women: N/A Target for Youth: N/A Target for People with Disabilities: N/A
<i>Spatial Transformation (where applicable)</i>	N/A
<i>Calculation type</i>	Non-Cumulative
<i>Reporting cycle</i>	Annually
<i>Desired performance</i>	More functional systems are desirable
<i>Indicator responsibility</i>	General Manager: Environmental Affairs

Indicator title	12. % of complete biodiversity management permits issued within legislated timeframes
<i>Definition</i>	Measure the turnaround time and level of adherence to prescribed timeframes for processing applications for biodiversity permits issued in terms of NEMBA: Threatened or Protected Species (TOPS) Regulations
<i>Source of data</i>	Provincial permits database ePermits System
<i>Method of Calculation or Assessment</i>	A count of the biodiversity permits issued within the legislative timeframes (and service standards where there are no legislative timeframes (Number of permits issued within the timeframes / Total number of completed permit applications finalized) x 100
<i>Means of Verification</i>	Signed schedule/ narrative (Director: Biodiversity and General Manager: Environmental Affairs of all biodiversity permits issued within legislated time-frames during each quarter. The schedule should list at least i) permit recipient ii) permit number iii) date received iv) date issued and v) region / location Consolidated excel spreadsheet register of permits issued from Regions and Head Office, Number of permits issued within time frames. Copies of the permits issued in the regions will be available in the respective regions on request. Copies of permits issued at Head Office will be available at Head Office on request
<i>Assumptions</i>	Climate change does not impact on the population of flora and fauna
<i>Disaggregation of Beneficiaries (where applicable)</i>	Target for Women: N/A Target for Youth: N/A Target for People with Disabilities: N/A
<i>Spatial Transformation (where applicable)</i>	N/A
<i>Calculation type</i>	Non-cumulative

Indicator title	12. % of complete biodiversity management permits issued within legislated timeframes
<i>Reporting cycle</i>	Quarterly
<i>Desired performance</i>	To finalize and make decisions on all permits applications within timeframes)
<i>Indicator responsibility</i>	Director: Biodiversity Management

Indicator title	13. # of work opportunities created through environment sector public employment programmes
<i>Definition</i>	To facilitate creation of work opportunities with a focus on women, youth and people with disabilities through environmental programmes and may include internship, learnerships, volunteer programmes, recycling and buy-back centers, nurseries, etc) This is in relation to formal and informal job opportunities created through environmental programmes.
<i>Source of data</i>	Beneficiaries copy of ID, signed contract, daily time sheets from source e.g., Municipalities
<i>Method of Calculation or Assessment</i>	Add number of jobs as per the contracts and IDs.
<i>Means of Verification</i>	Signed schedule/ narrative (Deputy Director: EES and General Manager: Environmental Affairs) of work opportunities created through environmental programmes. The schedule should list at least i) job participants and ii) start date iii) end date. Jobs created through the departments such as internships, volunteer programmes, EPWP, recycling, buy-back centers, nurseries, etc. should be covered in the report. Beneficiaries Contracts Beneficiaries Certified ID Copies of Daily Attendance Registers and Payment Sheets
<i>Assumptions</i>	Environmental work opportunities will continue to be available
<i>Disaggregation of Beneficiaries (where applicable)</i>	Target for Women: 30% Target for Youth: 30% Target for People with Disabilities: 2%
<i>Spatial Transformation (where applicable)</i>	Province wide
<i>Calculation type</i>	Cumulative (Year-End)
<i>Reporting cycle</i>	Annually
<i>Desired performance</i>	More work opportunities are desirable for improved socio-economic benefits within the environmental sector
<i>Indicator responsibility</i>	Deputy Director: Environmental Empowerment Services

Indicator title	14. # of Environmental Awareness Activities Conducted
<i>Definition</i>	This indicator refers to the 1) environmental commemorative days celebrated, 2) participation in the Greenest Municipality Awards, 3) schools in career programmes 4) communities in environmental programmes 5) environmental media campaigns
<i>Source of data</i>	Attendance registers of commemorative day celebrations; entry form and participation certificates for GMA programme; participation certificates for school programme; participation certificates for community programme, newspaper articles; text of radio / TV interviews; time slots of radio / TV broadcasts.
<i>Method of Calculation or Assessment</i>	Add total number of environmental awareness activities conducted

Indicator title	14. # of Environmental Awareness Activities Conducted
<i>Means of Verification</i>	Signed schedule/ narrative (Deputy Director: EES and General Manager: Environmental Affairs schedule of environmental awareness activities conducted in communities and schools in the Province. The schedule should list i) the type of activities; ii) the number of activities undertaken; and iii) the location where the activities took place. Attendance Register(s) Invitation letter Presentation & Agenda or Programme
<i>Assumptions</i>	There is demand for environmental awareness
<i>Disaggregation of Beneficiaries (where applicable)</i>	Target for Women: N/A Target for Youth: N/A Target for People with Disabilities: N/A
<i>Spatial Transformation (where applicable)</i>	Province wide
<i>Calculation type</i>	Cumulative year-to-date
<i>Reporting cycle</i>	Quarterly
<i>Desired performance</i>	More environmental awareness sessions should be achieved in order to increase the level of environmental awareness and literacy in the province.
<i>Indicator responsibility</i>	Deputy Director: Environmental Empowerment Services

Indicator title	15. # of Environmental Capacity Building Activities Conducted
<i>Definition</i>	Refers to the number of activities conducted in order to build stakeholder capacity to implement environmental regulatory framework and/or create work opportunities in environmental programmes and / or improve municipal and community environmental capacity.
<i>Source of data</i>	Activity reports and attendance registers
<i>Method of Calculation or Assessment</i>	Count the total number of separate sessions held on environmental capacity building
<i>Means of Verification</i>	Signed schedule/ narrative (Deputy Director: EES and General Manager: Environmental Affairs) of environmental capacity building activities conducted quarterly. The schedule should list i) the names of stakeholders that attended the environmental capacity building activities; ii) type of environmental activity, and iii) location where the activities took place. Attendance Register Invitation letter Presentation & Agenda or Programme
<i>Assumptions</i>	There is demand for capacity building
<i>Disaggregation of Beneficiaries (where applicable)</i>	Target for Women: N/A Target for Youth: N/A Target for People with Disabilities: N/A
<i>Spatial Transformation (where applicable)</i>	Province wide
<i>Calculation type</i>	Cumulative year-to-date
<i>Reporting cycle</i>	Quarterly
<i>Desired performance</i>	More environmental capacity building activities should be achieved for improved sustainable utilization of natural resources and management.
<i>Indicator responsibility</i>	Deputy Director: Environmental Empowerment Services



ANNEXURES

Annexures to the Annual Performance Plan

Annexure A: Amendments to the Strategic Plan

There were no amendments made to the Strategic Plan.

Annexure B: Conditional Grants

Name of Grant	Purpose	Outputs	Current Annual Budget (R'000)	Period of Grant
EPWP	Job creation through EPWP on Environmental Sector projects. Encourage municipalities to improve environmental management services in accordance with the environmental legislation	<p>Improve the scope and standard of environmental management and conservation of biological resources in the Local Municipalities funded, by providing assistance in their respective areas.</p> <p>Ensure that the agreed minimum numbers of jobs are created.</p> <p>Improve the scope and standard of waste management in the Province, by helping Municipalities.</p>	3 691	2023/24

Annexure C: Consolidated Indicators

Institution	Output Indicator	Annual Target	Data Source
Corporate Management			
DEDEAT	% network uptime	95%	DGITO
DEDEAT	Public Entities Accountability index	10	HOD's office; all public entities
DEDEAT	% of suppliers paid within 30 days	100%	SCM
DEDEAT	Annual audit outcome	Clean	CFO
DEDEAT	% implementation of the work skills plan	95%	HRPP
DEDEAT	% of staff complying with all PMDS processes (contracts and reviews)	95%	HRPP
Economic Development & Tourism			
DEDEAT	#Interventions undertaken to create a conducive business environment	2	Business regulation
DEDEAT	# of socio-economic intelligence reports produced	4	Economic planning & research
DEDEAT	# of sustainable energy initiatives facilitated	3	Trade & Industry
DEDEAT	# of manufacturing initiatives facilitated	5	Trade & Industry
DEDEAT	# of agro-processing initiatives facilitated	3	Trade & Industry
DEDEAT	# of trade and investment promotion initiatives facilitated	3	Trade & Industry
ECDC, DEDEAT	# of cooperatives provided with non-financial support	200	Enterprise development & ECDC
DEDEAT	# of Provincial Economic Stimulus Fund projects monitored	9	GM: Economic Development
DEDEAT	# of qualifying economic development projects funded at local and regional levels	10	Local and regional economic development
ECPTA, DEDEAT	Status report on implementation of the Tourism Master Plan 2022-2032	2	Tourism
DEDEAT	# of consumer education programmes implemented	6	Consumer protection
Environmental Management			
DEDEAT	# of climate change response interventions implemented	1	Air Quality
DEDEAT	% of complete Atmospheric Emission Licenses issued within legislated timeframes	100%	Air Quality
DEDEAT	# of compliance inspections conducted	91	Compliance and enforcement
DEDEAT	# Number of administrative enforcement notices issued for non-compliance with environmental management legislation	75	Compliance and enforcement
DEDEAT	# of completed criminal investigations handed to the NPA for prosecution	53	Compliance and enforcement
DEDEAT	% of complete EIA applications finalized within legislated timeframes	100%	Environmental impact management
DEDEAT	% of complete Waste License applications finalized within legislated time-frames	100%	Waste management
DEDEAT	# of legislated tools developed	1	Environmental Policy, Planning and Coordination
DEDEAT	# Number of inter-governmental sector programmes implemented	1	Environmental Policy, Planning and Coordination
DEDEAT	# of environmental research projects completed	0	Environmental Policy, Planning and Coordination
DEDEAT	# of functional environmental information management systems maintained	1	Environmental Policy, Planning and Coordination
DEDEAT	% of complete biodiversity management permits issued within legislated timeframes	80%	Biodiversity management
DEDEAT	# of work opportunities created through environmental public employment programmes	593	Environmental empowerment
DEDEAT	# of environmental awareness activities conducted	24	Environmental empowerment
DEDEAT	# of environmental capacity building activities conducted	24	Environmental empowerment

District Development Model Projects

Areas of intervention	Five-year planning period			Partners
	Project description	Budget allocation	Location: GPS coordinates	
MSME Development	Support of informal and micro-enterprises	R18 million	-	SEDA/LM/SETA'S/THE dtic
Eastern Seaboard	Wild Coast SEZ Development-establishment of an agroindustry platform with world class infrastructure for the development of the Wild Coast region	R81 million	- 31°33'0.70"S 28°39'52.53"E	dtic DRDAR DARDLR CDC SEZ ECDC ECRDA Private sector Ncise Community Trust

¹¹ Depends on allocation of funds from the Provincial Treasury.

Areas of intervention	Five-year planning period			Partners
	Project description	Budget allocation	Location: GPS coordinates	
Biodiversity economy	N2 wild coast road biodiversity offset, protected area expansion and environmental management	R320 M (10 years)	The project spreads across from Port St Johns to Mthentu River Mbizana	DEDEAT, DFFE, SANRAL, Municipalities affected
LRED	Klaushe: Manufacturing furniture products	R1 490 236.39	No factory space yet. (31°34'16.20"S 28°47'51.52"E)	None
	Sobag: Chemical manufacturer producing clean chemicals	R804 542.61	31°36'54.44"S 28°44'20.59"E	None
	Aminachem: Chemical manufacturer producing clean chemicals	R1 348 851.67	31°34'16.20"S 28°47'51.52"E	None
	Mthatha River Kyaking: Purchase a customized safari	R815 974.38	31°57'7.61"S 29°10'48.43"E	None

Areas of intervention	Project description	Budget allocation	Five-year planning period		Partners	
			District Municipality	Location: GPS coordinates		
Agro-processing	vehicle and Canoe concept combo					
	Fresh produce multi user facility: Support local agriculture fresh produce access to markets	R1 000 000	OR Tambo	31°34'16.20"S 28°47'51.52"E	DRDAR; DEDEAT	
Areas of intervention	Project description	Budget allocation	District Municipality	Location: GPS coordinates	Project leader	Social partners
Tourism	Upgrade and construction of hikers' huts from Port St Johns to Coffee Bay: Mngcibe site	R11 million	OR Tambo: Port St Johns & Nyandeni Municipalities	31°54'26.01"S 29°14'7.07"E	ECPTA	Department of Tourism; OR Tambo DM & LMs
	Environmental Awards	R1 .8m	Province wide	-	Programme 3	Department of Basic Education; Department of Environment, Forestry and Fisheries; WESSA; Municipalities; Department of Rural development and Agrarian Reform
Enhancing behavioural change towards the Environment	Greenest Municipality Awards	R1m	Province wide	-	Programme 3	6 X District Municipalities and COGTA
	Alien and Invasive plant species control	R2 500 000.00 (two million five hundred thousand)	Province wide		DEDEAT	
Environmental Rehabilitation	Waste Management	R20 Million	Province wide		DEDEAT	