



GAUTENG
PROVINCIAL GOVERNMENT
REPUBLIC OF SOUTH AFRICA

Member of the Executive Council (MEC)

ECONOMIC DEVELOPMENT | AGRICULTURE, ENVIRONMENT & RURAL DEVELOPMENT

Our Ref: 2020/21 Revised APP
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Date: Wednesday, 22 July 2020

HON LH MEKGWE
Speaker of the Gauteng Provincial Legislature
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SUBMISSION OF DEPARTMENTAL REVISED 2020/21 ANNUAL PERFORMANCE PLAN – DEPARTMENT OF ECONOMIC DEVELOPMENT

Dear Speaker

I refer to section 2.6 of the revised National Department of Planning, Monitoring and Evaluation Framework, read with section 114 (2)(a) of the Constitution of the Republic of South Africa. Consequently, I hereby table the revised Annual Performance Plan (APP) 2020/2021 for the Department of Economic Development and the following Entities reporting to it

- Gauteng Growth and Development Agency (GGDA)
 - Gauteng Enterprise Propeller (GEP)
 - Gauteng Gambling Board (GGB)
 - Gauteng Tourism Agency (GTA)
 - Cradle of Humankind and Dinokeng (Trading Entity)
-

**SUBMISSION OF DEPARTMENTAL REVISED 2020/21 ANNUAL PERFORMANCE
PLAN – DEPARTMENT OF ECONOMIC DEVELOPMENT**

Yours sincerely

Ms Winifred Morakane Mosupyoe (MPL)



**MEMBER OF THE EXECUTIVE COUNCIL (MEC)
ECONOMIC DEVELOPMENT, AGRICULTURE, ENVIRONMENT AND RURAL
DEVELOPMENT
DATE: 22 JULY 2020**



GAUTENG PROVINCE
ECONOMIC DEVELOPMENT
REPUBLIC OF SOUTH AFRICA

Gauteng Department of Economic Development

**Revised Annual Performance Plan
2020 – 2021**

21 July 2020

EXECUTIVE AUTHORITY STATEMENT

Gauteng is Africa's 7th biggest economy and the economic powerhouse of South Africa due to its significant contribution to the country's economic output. The province has the highest number of economically active people and generates 35% of the country's GDP, mostly through sectors such as mining, agriculture, manufacturing, finance, business services and public administration. However, some of these sectors have been showing signs of contraction for a number of years, leading to the provincial economy recording slow growth since 2014.

Notwithstanding this, South Africa's economy had not grown by more than 2% annually since 2013 and had been in a technical recession (2018-2019), the country was poised for resuscitating the economy to create jobs, narrow the income inequality gap and reduce poverty. SONA and SOPA (Growing Gauteng Together 2030) pronouncements by President Ramaphosa and Premier Makhura, respectively, were a clear indication of the commitment of the 6th Administration towards leading the country down the road to the 'Nayi le Walk' scenario which is the best-case scenario of the MISTRA Indlulamithi Scenarios. However, the unprecedented COVID-19 pandemic dealt a major blow to these ambitious plans. Skyrocketing healthcare costs and lockdowns instituted to curb the exponential spread of the virus brought even the world's strongest developed economies to their knees. The OECD warned that the pandemic is likely to cause the worst recession outside of wartime in 100 years and that its shock to the global economy and living standards will have long-lasting effects.

The stimulus packages reaction of countries to the socio-economic woes of COVID-19 embodies Keynesianism which was developed by John Maynard Keynes in the 1930s as a response to the Great Depression. Keynes had recommended urgent government action to jumpstart economic activity as a crisis-management strategy. In what is tipped to be government's most ambitious social spending effort in the democratic era, on 21 April 2020, the President announced a massive R500bn socio-economic response package to cushion the human and economic impact of the pandemic. The stimulus package outlined allocations to programmes aimed at helping both individuals and businesses weather the COVID-19 storm. Government funded its R130bn portion of this extraordinary coronavirus budget through baseline reprioritization in 2020/21FY. It is against this backdrop that on 06 May 2020, the Premier's Budget Committee (PBC) met and mandated Gauteng Provincial Treasury to drive large-scale budget reprioritization to free up resources. As a Department, we have accordingly reviewed our APPs and adjusted budgets to incorporate COVID-19 interventions and contribute towards the R130bn required by government, respectively. Our reviewed APPs

are informed by the Remodelled Growing Gauteng Together Plan 2030 which envisages an increased role of SMEs', localisation and local procurement as well as infrastructure development as a bedrock of a developmental state. However, despite the mentioned reprioritisation of resources and budget towards COVID-19 interventions, constitutional mandates of government departments have not been suspended.

As custodians of economic growth and development in a province which is the financial capital and economic powerhouse of the country, the Department of Economic Development and its Agencies bear the brunt of changing the trajectory of country's economy through a robust economic recovery plan which is aligned to the GGT2030 and COVID-19 interventions. While it is our resolve to strive towards fulfilling our constitutional mandate and delivering on the Premier's SOPA commitments, we are cognizant of the harsh reality of the impact of COVID-19 in derailing our efforts. Through a new social compact, we are optimistic and confident that we will steer the economy of Gauteng and that of the country at large towards a road to recovery.

To this effect, we will work towards boosting aggregate demand, promote localisation and drive industrialization. We will invest in catalytic economic infrastructure such as industrial hubs and SEZs across the five development corridors of Gauteng, to grow our economy and create much needed jobs. Through support for SMMEs, Cooperatives and township enterprises, we seek to create an inclusive economy. The enactment of the Township Economic Bill into law will give impetus and momentum to our efforts to upscale support for initiatives such as the Pick n Pay Market Stores, the proposed Gauteng Township Restaurant Bulk Supply Initiative and the conversion of taxi ranks into retail and commercial hubs. We will utilize Ekasi Labs to position SMMEs to take advantage of new opportunities in the digital economy. We will promote rapid development of e-Commerce in line with the shift to online business platforms. We will also prioritize trade and investment facilitation with the aim of promoting local economic development.


True to our commitment to a new social compact, we have partnered with the Public Private Growth Initiative (PPGI) to establish Covid-19 Public- Private Task Teams, laying the groundwork for Action Labs for each sector towards the recovery and expansion of the economy.

As we traverse through the treacherous COVID-19 climate, we are guided by an economic recovery plan that is not only aimed at moving our economy out of COVID-19 ICU. Our plan also seeks to take advantage of opportunities presented by the pandemic by reducing our import dependency and bolstering local manufacturing capabilities in a number of sectors including the pharmaceutical and medical devices sectors, to safeguard against future

vulnerabilities to disruptions in global supply chains similar to the one caused by the coronavirus turmoil. It undeniable that the pandemic has thrown global supply chains into chaos and the critical supply shortage of medical devises, diagnostic test kits and PPEs in the country has exposed our over-reliance on imports. Currently, most ($\pm 90\%$) medical devices and pharmaceuticals utilised in South Africa are imported. To respond to this challenge and align to the Africa Medical Supplies Portal initiative announced by President Ramaphosa on 17 June 2020, the Gauteng Industrial Development Zone (GIDZ) is engaging with relevant public and private sector stakeholders and has identified manufacturing of medicaments, medical devises as well as diagnostic and telehealth services for location at ORTIA SEZ. Capitalising on the strategic positioning of SEZ as the gateway into African markets, we are working on attracting local SMME's that desire to expand their capabilities to cater for local and regional market as well as FDI in the pharmaceutical and medical devices sectors, that have expressed interest on expanding their manufacturing plants into Africa.

While most interventions to COVID-19 are reactive due to the unpredictable nature of the pandemic, the revised APP demonstrates being deliberately proactive in our efforts as we steer the economy towards adapting to the new normal and rising from the ashes of the COVID-19 pandemic.

Lastly, our commitment to social compacting is evidenced by our partnership with the Public Private Growth Initiative (PPGI) to establish Covid-19 Public-Private Task Teams, laying the groundwork for further Action Labs for each sector towards the recovery and expansion of our economy. As we traverse through the treacherous COVID-19 climate, we are guided by an economic recovery plan that is not only aimed at moving our economy out of COVID-19 ICU. Our plan also seeks to take advantage of opportunities presented by the coronavirus outbreak by among other things reducing our import dependency and bolstering local industrial capacity.



Morakane Mosupye
Executive Authority of Economic, Environmental, Agriculture, and Rural Development
Date: 27/07/2020

ACCOUNTING OFFICER STATEMENT

The mandate of the Gauteng Department of Economic Development (GDED) is to facilitate, promote economic growth and development in the province, with a targeted commitment to focus on enhancing inclusivity of the economy, while not neglecting to improve its competitiveness. In pursuit of implementing the Departmental strategic plans, the country was threatened by the Coronavirus (COVID-19) pandemic which negatively impacted on various sectors of the economy. As South Africa remains with just 10 years towards reaching 2030 targets as outlined in the National Development Plan (NDP), we are still faced with severe inequality, high unemployment, poverty which reflect racial and gender fault-lines. This negatively affects the implementation of the 2019-2024 MTSF, as an engine that identified seven outcomes and **priority 2: economic transformation and job creation** relates to the Department.

Transforming Gauteng, requires a developmental state that is capable enough to realise the socio-economic structure. The fiscal year 2020, has presented an overwhelming contagion, which has left the world with the cosmological challenge, thus snowballing the levels of poverty and unemployment. The great depression in the economic activities that has been felt in 2019, has already destroyed some sectors of the economy including businesses and investments. The outbreak of COVID-19 has changed the near-term of responding swiftly to the NDP priorities. The country at large has been confronted with load shedding that inhibited productivity in major economic sectors such as mining and manufacturing which created precarious situation that demanded urgent remedies. Trading operations such as exports have been negatively impacted, due to lower productivity. National Treasury has warned that South Africa could potentially shed up to 7 million jobs due to this pandemic. The national lockdown in March 2020, resulted in interruptions in the public services, growth challenges and deepening destitution to many social communities. The National Government, took radical actions, when the virus was detected as various partners gathered their experiences to evaluate and mitigate the risks.

The Gauteng Provincial Government has announced its key priorities enounced in the GGT 2030 aimed at fast tracking the provinces path to prosperity as the country forges ahead to realise the 2030 NDP priorities. Therefore, the Department will continue with efforts in relation to the economy, jobs, infrastructure, etc. The evidence-based initiatives, namely the macro-economic strategies (Gauteng Trade and Investment Strategy, Gauteng Informal Business Sector Upliftment Strategy, Gauteng Cooperatives Development Strategy) will be revised

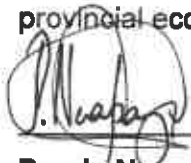
while the, Gauteng SEZ Strategy, Alexandra Economic Development Strategy and Gauteng Care Economy Strategy will be developed. Vigorous and regulatory inspections will be conducted to assess the state of compliance by various sectors of the economy to the government legislation within the Gauteng Liquor environment and consumer related affairs. Joint sector-based initiatives between various stakeholders to unlock the growth and job creation for different regional economies or corridors will be pursued. Efforts will be strengthened to reconfigure the Gauteng Enterprise Propeller as the key engine for SMME and cooperative support initiatives thus boosting innovation models geared at creating efficiencies and fostering sustainable and competitive advantage. The Departmental entities will be repetitively monitored in terms of service provision related to tourism, export, township economy, gambling, investment facilitation, strategic infrastructure development and social transformation in line with the established economic and industrial policies of the province.

The implementation of the Gauteng City Region Economic Development Plan (GCR EDP) is sector based and was implemented in 2019/20 financial year. Various interventions were put in place in each identified sectors and performance information was reported on a quarterly basis. However, though it is worth noting that the majority of the economic sectors did not perform well in terms of jobs and growth for the period under review. This was equally the same for the country as the manufacturing sector experienced decline in output and employment. As a response, the province has since prioritized the implementation of the corridor based special economic zones (SEZs). Through GGT 2030 the SEZ's have been identified as strategic apex programmes for accelerating and stimulating inclusive economic growth in the Gauteng City Region. To this end the expansion of the ORTIA SEZ in Ekurhuleni, establishment of the High Tech SEZ in Tshwane, Vaal SEZ in Sedibeng and TASEZ in Tshwane form an integral part of realizing the strategic goals as set out in the GGT 2030. The establishment, development, refurbishment of industrial parks and agri-parks is at the centre of ensuring seamless integration of the second economy into the main economy. The implementation of these will be directed towards the existing ones including Babelegi, Ekandustria, Chamdor, Soweto Economic Zone and Randfontein. In addition to this effort will be directed towards identification of new establishments across the five corridors of the Province.

The tourism sector remains one of the most negatively impacted by the near-closure of the international travel industry during the COVID-19 pandemic. The sector now faces a potential 75% revenue reduction in 2020, putting a further R149.7 billion in output, 438,000 jobs and R80.2 billion in foreign receipts at risk. As the country gradually opens the sector, Gauteng will mobilise the sector towards full implementation of the Gauteng Tourism Recovery Plan,

aimed at stimulating demand for inclusive tourism growth, and restoring the productive capacity of tourism supply in Gauteng by building the tourism sector's capabilities and identifying opportunities amid the current situation. The Gauteng tourism portfolio will work with the sector in order to ensure that new innovation and investments is directed towards sustaining state-owned tourism infrastructure, prioritizing the Cradle of Humankind, Dinokeng Game Reserve, Conhill, and the provincial reserves. Gauteng will see an elevated focus on branding and marketing the destination, prioritising domestic campaigns in the short to medium term, and eventually reaching our regional and international source markets. We will continue to build an events pipeline that will see the return of destination Gauteng's exemplary hosting capability for signature, local and mega events.

The Department will continue the implementation as services gradually return into operations. Support will be given to the programmes as part of cushioning the impact of COVID-19 to the vulnerable groups in various sectors. While we acknowledge that the uncertainty of our economy during the pandemic and limited resources due to baseline reprioritization to partly fund the R500bn stimulus package will impact negatively on our efforts, we are however confident that Gauteng's comprehensive economic recovery plan which is biased towards building the capacity of SMME and unlocking the potential of township enterprises; using infrastructure development as a catalyst for economic growth; actively attracting investment in high growth sectors and lastly, forging a new social compact to improve the state of the provincial economy, will succeed.



Pumla Ncapayi

Accounting Officer

Date: 23 July 2020

OFFICIAL SIGN-OFF

It is hereby certified that this revised 2020/21 Annual Performance Plan:

- Was developed by the management of the Gauteng Department of Economic Development under the guidance of MEC: Morakane Mosupye
- Takes into account all the relevant policies, legislation and other mandates for which the Gauteng Department of Economic Development is responsible.
- Accurately reflects the outcomes and outputs which the Gauteng Department of Economic Development will endeavour to achieve over the period 2020/21.

Manamela Fati
Chief Director: Consumer Affairs

Signature: 
Date: 21 July 2020

Raymond Martin
Chief Director: Gauteng Liquor Board

Signature: 
Date: 21 July 2020

Letlonkane Joy
Chief Director: Agency Oversight and Governance

Signature: 
Date: 21 July 2020

Puleng Botlhole
Chief Director Economic Infrastructure

Signature: 
Date: 21 July 2020

Serekego Molelekoa
Chief Director: Sector and Industry Development

Signature: 
Date: 21 July 2020

Moyasi Mvelase
Acting DDG: Economic Planning

Signature: 
Date: 21 July 2020

Lemmy Chappie
Acting DDG: Corporate Services



Signature:
Date: 21 July 2020

Kgomotso Mojapelo
Chief Financial Officer




Signature:
Date: 21 July 2020

Seenat Mirazi
Acting Head Official responsible for Planning



Signature:
Date: 21 July 2020

Pumla Ncapayi
Accounting Officer



Signature:
Date: 23 July 2020

Approved By:
Morakane Mosupye
Executive Authority



Signature:
Date: 27/07/2020

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ABBREVIATION

AOG	Agency Oversight and Governance
APP	Annual Performance Plan
BAS	Basic Accounting System
BAC	Bid Adjudication Committee
BEC	Bid Evaluation Committee
BBBEE	Broad-Based Black Economic Empowerment
CA	Consumer Affairs
CA (UBP) A	Consumer Affairs (Unfair Business Practices) Act
CAOW	Consumer Affairs Office on Wheels
CCI	Consumer Confidence Index
CFI	Co-operative Financial Institution
CI	Consumers International
COHWHS	Cradle of Humankind World Heritage Site
COVID-19	Coronavirus
CPA	Consumer Protection Act
CRM	Complaints Record Management
CS	Corporate Services
DDI	Direct Domestic Investment
DGR	Dinokeng Game Reserve
DIN	Dinokeng
DPME	Department of Performance Monitoring and Evaluation
DTI	Department of Trade and Industry
ERS	Economic Recovery Strategy
EP	Economic Planning
EXCO	Executive council
FDI	Foreign Direct Investment
FY	Financial Year
MFPPi	Framework for Managing Programme Performance Information
GCR	Gauteng City Region
GEDP	Gauteng Economic Development Plan
GCREDP	Gauteng City Region Economic Development Plan
GDED	Gauteng Department of Economic Development
GDP	Gross Domestic Product
GEP	Gauteng Enterprise Propeller
GGB	Gauteng Gambling Board
GGDA	Gauteng Growth and Development Agency
GLB	Gauteng Liquor Board
GPG	Gauteng Provincial Government
GTA	Gauteng Tourism Authority
GWME	Government-Wide Monitoring and Evaluation System
HCM	Human Capital Management
HOD	Head of Department
ICT	Information Communications Technology
IGR	Inter-Governmental Relations
IDMS	Infrastructure Delivery Management System
IDZ	Industrial Development Zone
IFS	Interim Financial Statement
IMF	International Monetary Fund

IYM	In-Year Monitoring
MEC	Member of Executive Council
MTEF	Medium Term Expenditure Framework
MTSF	Medium Term Strategic Framework
NA	Not Applicable
NDP	National Development Plan
PPGI	Public Private Growth Initiative
PFMA	Public Finance Management Act
RoW	Rest of the World
SARB	South African Reserve Bank
SARS	South African Revenue Services
SEZ	Special Economic Zones
SMME	Small, Medium and Micro Enterprises
SPIR	Strategic Partnership, International Relations
TER	Township Economic Revitalisation
TMR	Transformation, Modernisation and Reindustrialisation
ToR	Terms of Reference
UIF	Unemployment Insurance Fund
US	United States of America
VAT	Value Added Tax
WEO	World Economic Outlook

PART A: OUR MANDATE

1. Constitutional mandate

Constitution 1996

Section 195 (1) of the Constitution of South Africa states that public administration must be governed by the democratic values and principles enshrined in the constitution including the following:

- Efficient, economic and effective use of resources must be promoted.
- Public administration must be development-oriented.
- Public administration must be accountable.
- Transparency must be fostered by providing the public with timely, accessible and accurate information.

Section 215 (1) of the Constitution states that National, provincial and municipal budgets and budgetary processes must promote transparency, accountability and effective financial management of the economy, debt and the public sector. Section 215 (3) (a) of the Constitution states that Budgets in each sphere of government must contain estimates of revenue and expenditure, differentiating between capital and current expenditure.

2. Legislative and Policy Mandates

Public Service Act of 1994, amended in 2007

The Public Service Act forms the basis for national and provincial planning and reporting and promotes integrated planning. Section 7B (4) (C) of the Public Service Act of 1994 outlines that the Executive Authority shall, subject to applicable legislation determine the reporting requirements to the head of the department, including, but not limited, to enabling that head to advise the relevant executive authority on the oversight of the unit on policy implementation, performance, integrated planning, budgeting and service delivery.

Public Service Regulations, 2016

Chapter 3 of the Public Service Regulations provide requirements for the preparation of Strategic Plans, Annual Reports and the Service Delivery Improvement Plan. Regulation 25 outlines the requirements for the development of strategic plans and related reporting systems. Regulation 31 makes provision for the development, tabling and submission of Annual Reports. Regulation 38

provides the requirements for the development of Service Delivery Improvement Plans which must be informed by the Strategic Plans.

Public Finance Management Act (PFMA), 1999

Section 27(4) of the PFMA makes provision for the development of measurable objectives which must be included in the annual budgets of national and provincial institutions. While Section 40 (3) (a) and 55 (2) (a) makes provision for the reporting of performance against predetermined objectives in institutions' Annual Reports.

Treasury Regulations, 2005

The Treasury Regulations outlines the requirements for the development and submission of Strategic Plans, as well as, related quarterly performance reporting. In addition, National Treasury Instruction Note 33 of 2011 regulates the development of Strategic and Annual Performance Plans according to the Framework for Strategic Plans and Annual Performance Plans (2010), however the DPME has then revised the Framework in 2019.

The Revised Framework for Strategic Plans and Annual Performance Plans

On the 15th of November 2019, the National Treasury issued an instruction to all National and Provincial departments along with their respective agencies to implement the 2019 Revised Framework for Strategic Plans and Annual Performance Plans in preparation of the 2020-2025 Strategic Plans and the 2020/21 Annual Performance Plans. The Revised Planning Frameworks aims to:

- Institutionalise government's national development planning agenda through institutional plans.
- Institutionalise planning for women, youth and people with disabilities in line with the relevant frameworks.
- Provide information about the legislation which informs government planning.

Institutionalise the Results-Based Approach.

- Provide planning tools which can be used for the different types of plans.
- Describe the alignment between the planning, budgeting, reporting, monitoring and evaluation processes.
- Outline the roles and responsibilities of the stakeholders and institutions that participate in the planning processes.

- Encourage evidence-based policy making, planning and implementation.

The Policy Framework for the Government-Wide Monitoring and Evaluation System

The framework for Government–Wide Monitoring and Evaluation System (GWME) identifies programme performance information as one of the data terrains underpinning GWME, focusing on information that is collected by the Department to fulfil its mandates and implement the policies of government.

The Framework for Managing Programme Performance Information [FMPPi]

The FMPPi outlines key planning concepts [i.e. results based concepts - impacts, outcomes, outputs, inputs and activities] in the design and implementation of management systems to define, collect, report and use performance information in the public sector.

3. Institutional Policies and Strategies over the five-year Planning Period Sustainable Development Goals (SDGs)

The Sustainable Development Goals (SDGs), also known as the Global Goals, were adopted by all United Nations Member States in 2015 as a universal call to action to end poverty, protect the planet and ensure that all people enjoy peace and prosperity by 2030. In Angola, Ethiopia and South Africa, working with the UN Country Teams, UNDP has provided support to raise awareness about the SDGs among government officers, members of Parliaments, civil society and private sector actors. In supporting the United Nations agenda, 17 Sustainable Development Goals were developed. These goals are aimed at ending the overall poverty in the world. The SDG's are supported by 17 goals and 169 targets. South Africa has made progress during the years in terms of achieving the SDG indicators/targets. Though the department is responding to all the goals indirectly, the department is responding to the following goals directly:

- SDG 1: End poverty in all its form everywhere.
- SDG 5: Achieve gender equality and empower all women and girls.
- SDG 8: Promote inclusive and sustainable growth employment and decent work for all.
- SDG 9: Build resilient infrastructure promote inclusive and sustainable industrialisation and foster innovation.

Agenda 2063

AGENDA 2063 is Africa's blueprint and master plan for transforming Africa into the global powerhouse of the future. It is the continent's strategic framework that aims to deliver on its goal for inclusive and sustainable development and is a concrete manifestation of the pan-African drive for unity, self-determination, freedom, progress and collective prosperity pursued under Pan-Africanism and African Renaissance. The genesis of Agenda 2063 was the realisation by African leaders that there was a need to refocus and reprioritise Africa's agenda from the struggle against apartheid and the attainment of political independence for the continent which had been the focus of The Organisation of African Unity (OAU), the precursor of the African Union; and instead to prioritise inclusive social and economic development, continental and regional integration, democratic governance and peace and security amongst other issues aimed at repositioning Africa to becoming a dominant player in the global arena. The department is responsible for the implementation of the following 2063 goals and priority areas:

- A high standard of living, quality of life and well-being for all citizens (Incomes, jobs and decent work, Poverty, inequality and hunger)
- Transformed economies. (Sustainable and inclusive economic growth, Economic diversification and resilience.

National Development Plan [NDP]

The NDP is a long-term vision for the country which provides a broad strategic framework to guide key government choices and actions and focuses on the critical capabilities needed to transform the economy and society. The GDED is implementing Outcome 4: "Decent employment through inclusive economic growth" and Outcome 6: "An efficient, competitive and responsive economic infrastructure" of the NDP. To realise the National Development Plan, Vision 2030, GPG adopted a vision 2030 of Growing Gauteng Together (GGT).

Medium Term Strategic Framework [MTSF]

The 2019-2024 Medium Term Strategic Framework (MTSF), was developed in line with the National Development Plan 2030 which was issued in 2012. The 2019-2024 which is being implemented by the sixth term of office, outlines government strategic intent to implementing the National Development Plan and builds on the lessons learnt from the 2014-2029 MTSF. Whilst the 2014-2019 MTSF had identified 14 outcomes, the 2019-2024 MTSF identified the following seven outcomes which will be achieved through more focused implementation, coordination and

integration by various levels of government including state owned entities, the private sector and civil society:

1. Priority 1: A capable, ethical and developmental state.
2. Priority 2: Economic transformation and job creation.
3. Priority 3: Education, skills and health.
4. Priority 4: Consolidating the social wage through reliable and quality basic services.
5. Priority 5: Spatial integration, human settlements and local government.
6. Priority 6: Social cohesion and safe communities.
7. Priority 7: A better Africa and world.

In the context of the Gauteng Provincial Government, GDEDs mandate and vision is aligned to Priority 2, which according to the 2019-2024 MTSF aims to achieve the following goals at national level by the end of 2024 year:

1. Reduction of unemployment to between 20-24%
2. Create 2 million new jobs for the youth
3. Achieve economic growth of 2-3%
4. Grow levels of investment to 23% of the GDP.

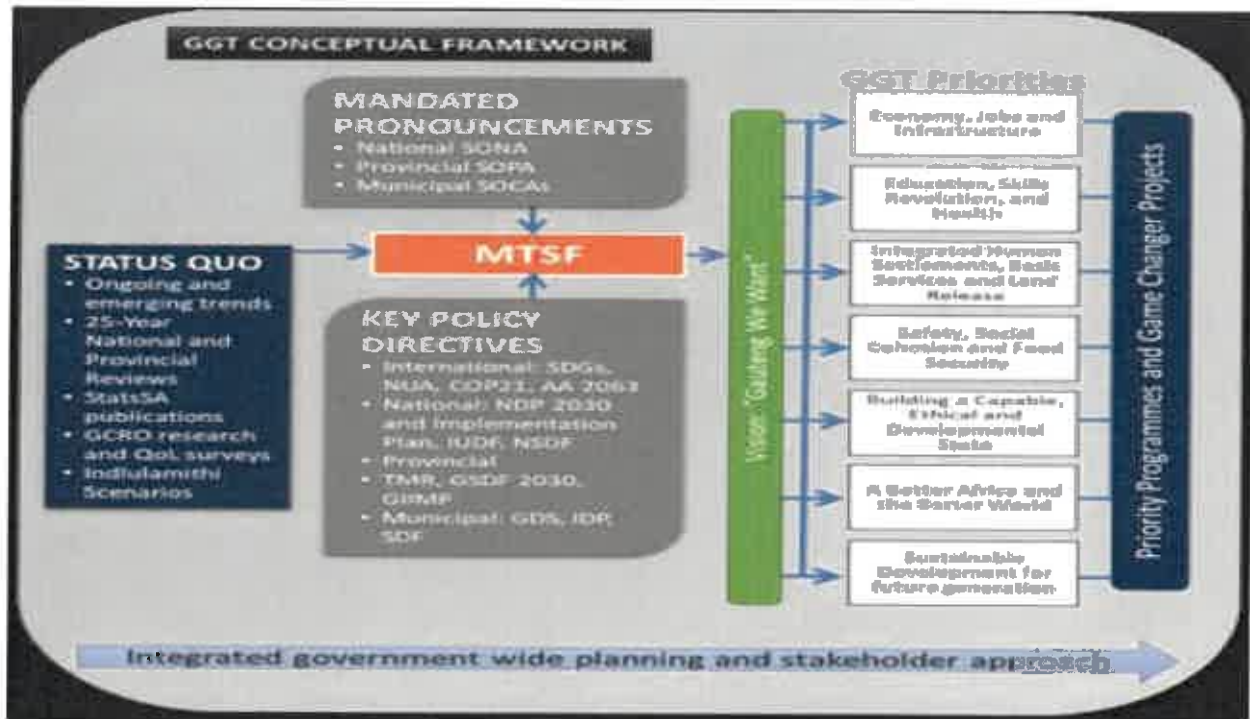
The 2019-2020 MTSF further states that Gauteng's contribution to the targets identified above should be as follows:

1. Targeting procurement from businesses in townships to the value of 30% of GPG's procurement budget
2. Facilitate the creation of 100 000 jobs in the construction sector.
3. Empower 50 emerging black firms as contractors and sub-contractors, including women and youth-owned businesses.

Growing Gauteng Together (GGT 2030)

In response to both domestic and international challenges faced by the citizens of the Gauteng City Region, The Gauteng Provincial Government developed and committed to implement the Growing Gauteng Together 2030 plan (GGT 2030). The GGT 2030 which was largely influenced by the Sustainable Development Goals, New Urban Agenda, the 2019-24 Medium Term Strategy

Framework as reflected by the alignment between the 7 National Priorities identified in the 2019-2024 National priorities and the & priorities identified in the GGT 2030.



The GGT2030 also draws further insights from stakeholder engagements, government-wide planning, analysis arising from the work undertaken by role-players such as Statistics South Africa (Stats SA) and the Gauteng City Region Observatory(GCRO) and insights such as those shared within the Indlulamithi Scenarios 2030. The Indlulamithi identifies three different scenarios on the future of South Africa (which can be replicated at provincial level) are as follows:

- **Gwara Gwara:** this is the worst-case scenario where things get worse on every development indicator, leading to a total breakdown of public disorder fueled by anger at a dysfunctional and self-serving state, rising poverty, increasing inequality, rampant corruption and an unrelenting climate crisis.
- **Isbhujwa:** this scenario represents where we are right now. There are flickers of hope and moments of despair as the country zigzags forward and backward. Change is happening but not fast and deep enough. People can get exhausted, lose hope and retreat into their

own enclaves of either privilege or poverty. Unless something drastic and urgent is done, this scenario can lead to Gwara Gwara.

- **Nayi le Walk:** this is best-case scenario where South Africa recovers from the current socio-economic, political and moral crises. Drastic and far-reaching interventions are made in all sectors. A better life for all becomes more tangible. Unemployment, poverty and crime are reduced drastically. The state implements the NDP vigorously and regains credibility through upholding high ethical standards and ability to deliver.

The GGT 2030 demonstrates the ambition of GPG to work towards the “Nayi le walk” scenario and this requires the collaboration with national government, focusing and executing with a great sense of discipline the appropriate policies towards the implementation of seven priorities and 162 interventions which are envisaged to have the following impact:

1. **ECONOMIC GROWTH:** The size of Gauteng economy is expected to more than double over the next 11 years, from its current size of about R1 trillion rand to slightly above R2 trillion rand in 2010 prices.
2. **EMPLOYMENT AND UNEMPLOYMENT:** The provincial economy is expected to add 3.1 million jobs to total employment by 2030. As a result, and taking into account the province's population growth, the unemployment rate is expected to halve from current 31% to close to 15% by 2030.
3. **PER CAPITA GDP:** The province's real per capita GDP is expected to increase by 70%, from about R68,000 currently to about R115,000 in 2030.
4. **POVERTY RATE:** The Gauteng's Nayi-le-Walk growth path is estimated to reduce the provincial poverty rate by 40% over the next decade, from 25.3% in 2019 to about 16% in 2030.

5. **INCOME INEQUALITY:** The high-income inequality in the province, measured by the Gini index, is expected to decline by 8 percentage points over the course of the next 11 years. It is expected to decline from its current value of 70% to 62% by 2030.
6. **INDUSTRIAL RESTRUCTURING:** The sector composition of output and employment is expected to change. The shares of primary and secondary sectors in total output and employment are likely to increase. Their sector shares of total output are expected to increase from 2.9 and 21.3 per cent to 4.2 and 35.3 per cent respectively. Their shares of total employment are also estimated to improve accordingly.

GGT 2030 also identifies 10 high-growth sectors which will enable it to accomplish most the economic aspirations which are identified in "Nayi-le Walk" growth path as follows:

1. Energy, with a focus on new technologies and a diverse energy mix.
2. Transportation and logistics.
3. ICT and digital services with a focus on the gig economy.
4. Tourism and Hospitality.
5. Food, Beverages, Agro-processing and agribusiness.
6. Construction and Infrastructure.
7. Automotive, Aerospace and Defense.
8. Financial services.
9. Cultural and creative services.
10. Cannabis industry.

4. Updates to the Relevant Court Rulings

Court Case	Background	Progress	Challenges
<p>Yeoville Bellevue Ratepayers Association</p>	<p>On the 29th October 2019 an urgent application seeking an order to suspend the declaration of invalidity of the Gauteng Liquor Regulations 2013 was granted.</p> <p>The court ordered that the period of suspension in respect of the declaration of invalidity is extended until the court has determined a pending application which was brought by the Department on the same matter.</p>	<p>The court granted the order which meant that shebeen permit holders can continue to trade.</p> <p>The Department is in the process of ensuring that all Shebeeners are brought into the mainstream of the Act and comply with the provisions of section 23 as envisaged by the Act. This implementation plan will be rolled out for a period of 12 months.</p>	<p>GLB needs to have adequate resources (to be able to deal with the number of applications that will be received during this time).</p>

PART B: OUR STRATEGIC FOCUS

1. Updated Situation Analysis
2. External Environment Analysis

Global Economy Developments

The ongoing COVID-19 pandemic has led to much uncertainty and growing risks across global financial markets and economies. Following consecutive downward revisions of the world economic growth forecasts by the International Monetary Fund (IMF) and World Bank in January and April this year, both institutions have recently (in June 2020) further downgraded the global economic growth for the year ahead.

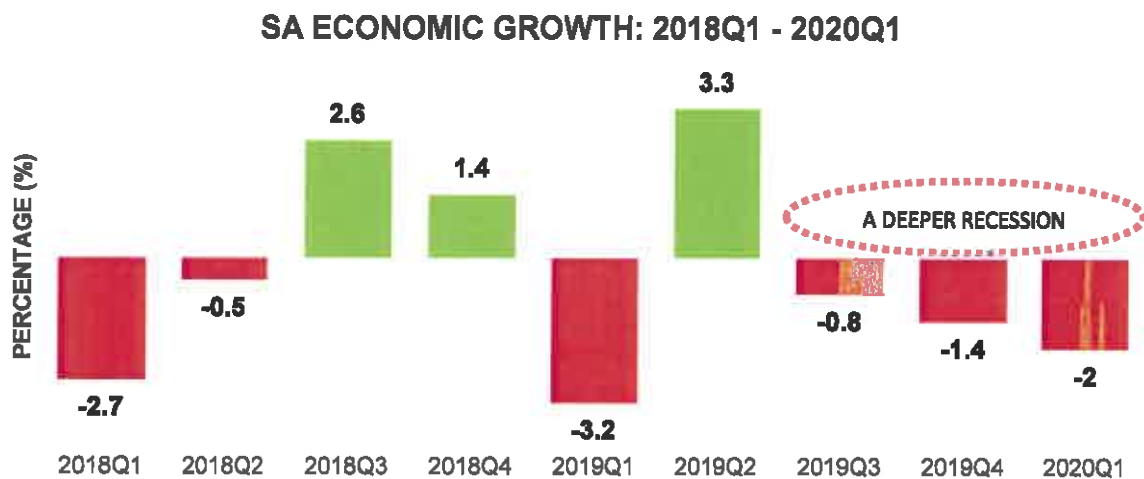


The World Bank expects the global economic output to decline by 5.2% in 2020, as severe measures to contain the spread of COVID-19 hamper economic activity and global trade. The pandemic has caused a global health and economic crisis characterised by ongoing uncertainty which has called for extensive government (fiscal and monetary) interventions due to unprecedented shocks to global economic, financial and trade systems. In addition, the World Bank believes that the pandemic is likely to exert lasting damage to fundamental determinants of long-term growth prospects which could further erode progress made in advancing living standards. Special emphasis is placed on countries facing relatively weak health systems, those that rely heavily on global trade, tourism or remittances from abroad, as well as those that depend on industrial commodity exports (including South Africa) as they will be particularly hard-hit given the notable shocks to these variables.

Similarly, the IMF expects the global economy to register negative growth of -4.9% in 2020, which is 1.9 percentage points below the April 2020 World Economic Outlook (WEO) forecast. Key reasons for the downward revision include: (i) the COVID-19 pandemic has had a more negative impact on economic activity in the first half of 2020 than previously anticipated, and (ii) recovery is projected to be slower than previously forecast. In 2021, both institutions expect the global economy to recover, with projections at 5.4% and 4.2% for IMF and the World Bank respectively.

Domestic Economic Output Developments

South Africa's economic activity contracted by -2.0% quarter-on-quarter (q/q) in the first quarter of 2020, slipping deeper into the technical recession registered in the last half of 2019. The sluggish performance was attributed to broad-based declines in primary (-11.8%) and secondary (-7.5%) sector production volumes owing to unprecedented stage-6 load shedding during the first quarter of 2020 coupled with slowing global economic activity due to the global outbreak of COVID-19.



Data Source: Statistics South Africa

Despite the overall contraction in primary activity, agricultural production rebounded from a contraction of -7.6% in 2019Q4 to 27.8% in the first quarter of 2020. The improvement in activity was credited to increases in field crops, horticulture and animal products supported by bumper harvests in some summer fruit and record-breaking citrus yields. Meanwhile, mining production weighed primary activity down by -21.5% due to sizable contractions in iron ore, manganese ore, other metallic mineral and chromium volumes. In the same vein, utilities and manufacturing activity contracted for the third successive quarter to register at -5.6% and -8.5%, respectively. The manufacturing activity was weaker due to sluggish figures for petroleum and chemicals, metal products and machinery, and automotive products.

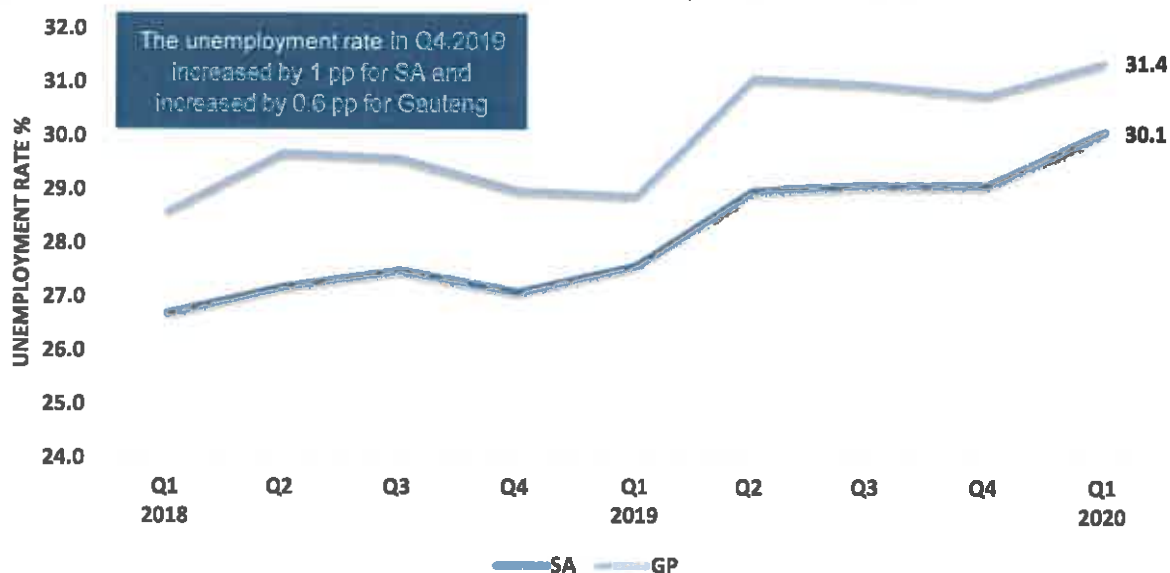
Looking ahead, manufacturing production volumes are expected to remain low, particularly in the automotive sector, partially due to global supply chain disruptions as well as weaker investment levels. The subdued growth prospects for the sector are also evidenced by the broad-based decline in Gross Fixed Capital Formation (investment), which declined by -20.5% in the first quarter of 2020. The expected contraction in manufacturing activity, coupled with the downturn in commodity (mining) activity is likely to weaken the economic growth estimate base for the year.

This does not augur well for Gauteng, given the plans for re-industrialisation. The World Bank expects South Africa's economy to contract by 7.1% in 2020, the largest decline in nearly a century. The new forecast is 8 percentage points lower than the official forecast published in January this year, which further highlights the severity of pandemic-induced hit on SA's economy. Similarly, the IMF has forecast a decline of 8.0% in the South African economic growth in 2020, which is 2.2 percentage points below its previous forecast. The revised forecast stems growing concerns about the country's ability to effectively manage and overcome a COVID-19 induced health crisis.

Domestic Labour Market Developments

In the absence of the looming effects of the lockdown, the unemployment rate in the first quarter of 2019 (Q1:2019), increased by 1 percentage point from 29.1% to 30.1% to reach a new high above the 30% mark. However, new record highs in the unemployment rate are likely to be recorded in the coming quarter as the job bloodbath intensifies on the back of the COVID-19 pandemic. The implementation of the national lockdown effective on the 26th of March 2020, means that much of the impact of the economic disruptions on employment will only be captured in the coming quarters. As such, the National Treasury's worst-case scenario has forecast that the unemployment rate could reach 50% in 2020.

SOUTH AFRICA AND GAUTENG UNEMPLOYMENT RATES, Q1:2018 – Q1:2020



Data Source: Statistics South Africa, 2020

The quarterly increase in the unemployment follows a net decline of 38 000 in employment numbers to 1.63 million. Major job losses were recorded in the formal sector, with a total of 50

000 job losses. Worryingly, a larger portion of jobs (-94 000) were lost amongst those with permanent employment contracts whilst those with limited duration employment contract recorded 49 000 additional jobs. This implies that post the lockdown, job gains in the latter employment category during the first quarter are more likely to be reversed. This is because as firms restructure and reduce personnel numbers, labour laws are less stringent on those with limited duration employment contracts, leaving them exposed to suspension of contracts.

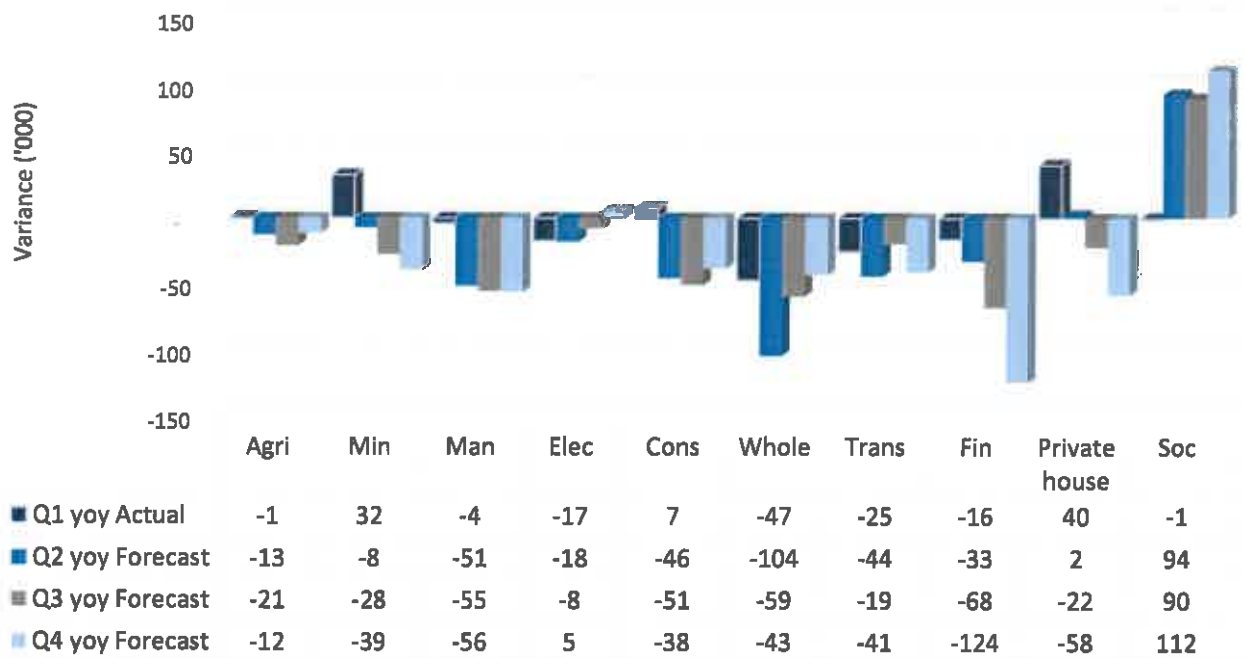
Meanwhile, the number of unemployed individuals increased by 34 000 to 7,1 million. Notably, over 90% (6 million) of the unemployed have matric or less than matric as their highest level of education. At the industry level, employment declined in seven of the ten industries, with major job cuts in Finance (-50 000), Community services (-33 000) and Agriculture (-21 000). Meanwhile employment in manufacturing declined by 15 000, marking its third consecutive quarterly decline.

Gauteng Labour Market Developments

Employment in Gauteng increased by 36 000 (to 2.4 million) in the first quarter of 2020, almost single-handedly cushioning the overall net job losses across the Western Cape, Eastern Cape, Free State, North West and Limpopo provinces. The other three remaining provinces together recorded a net increase of 10 000 jobs. Despite the increase in employment, the number of unemployed individuals increased by 83 000 to 3 million, nudging the unemployment rate slightly upwards by 0.6 percentage point to a record high of 31.4%. In-line with the historic trend, Gauteng's unemployment rate hovers above that of the country although the forecasts are somewhat similar.

On the other hand, contrary to the trend at national level, aggregate employment increased in seven of the ten industries in Gauteng. Notable employment gains were recorded for Private household (23 000), Construction (15 000), Trade and Manufacturing (10 000). According to the Gauteng Department of Economic Development Econometric Modelling team, employment in the Province is forecast to decrease by 4.5% compared to the same quarter in 2019. It is worth noting that during the 2008/09 global recession, Gauteng employment contracted by 3.3% year-on-year. Job losses will likely be driven by reductions in employment in the Wholesale trade (-103 985), Manufacturing (-51 448), Construction (-45 535) and Transport (-44 031) sectors.

GAUTENG SECTORAL EMPLOYMENT FORECASTS FOR 2020 (YEAR-ON-YEAR)

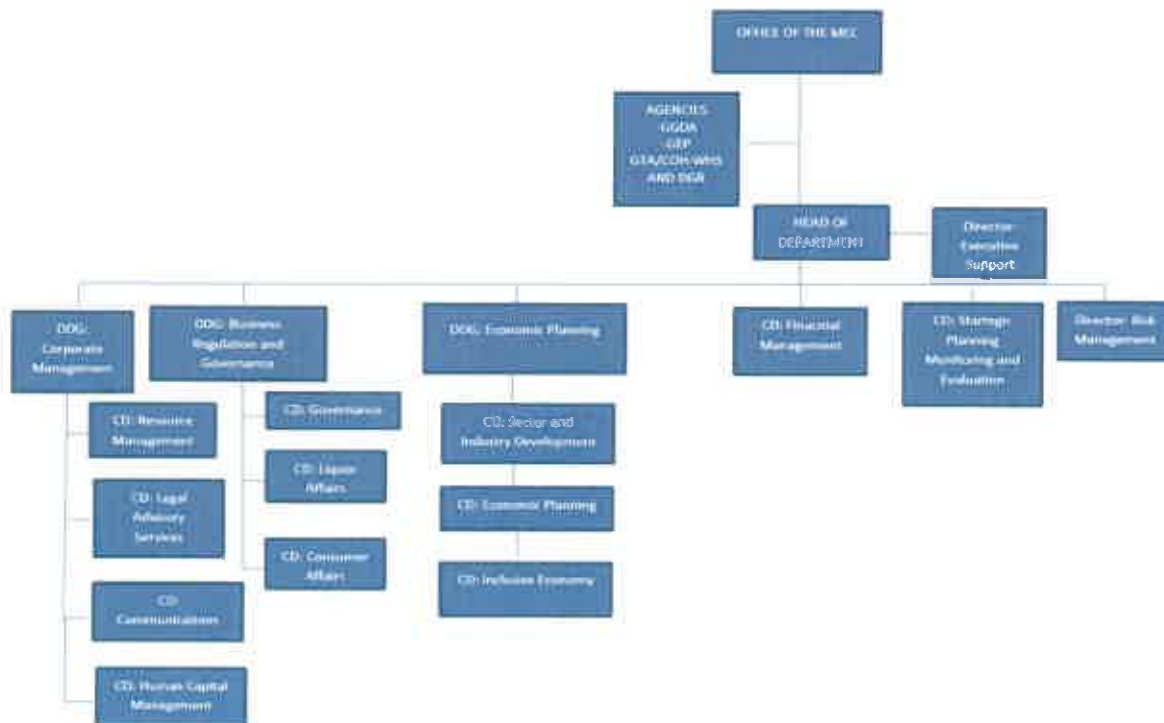


Source: GDED Economic Modelling and Forecasting (2020)

3. Internal Environment Analysis

The Department's Functional and Organisational structure below was endorsed by the Minister of Public Service and Administration (MPSA) in November 2012, and it was implemented by GDED in August 2013. The current approved structure comprises of three Branches, three Chief Directorates, and two Directorates directly reporting to the Head of Department. To ensure that the department is geared towards achieving the 2019-2024 priorities and objectives, the department is in the process of reviewing the current organisational structure. To this end, the organisational structure was submitted to the Department of Public Service and Administration (DPSA) in December 2018. In February 2019 the department received the response from the Minister. The Minister did not concur with the proposed structure. The MPSA made recommendations and advised that the process be kept in abeyance until after the 2019 National Elections so that the department can align the structure to the new mandate. A process to engage with DPSA will be initiated as informed by their comments and review of what had been presented.

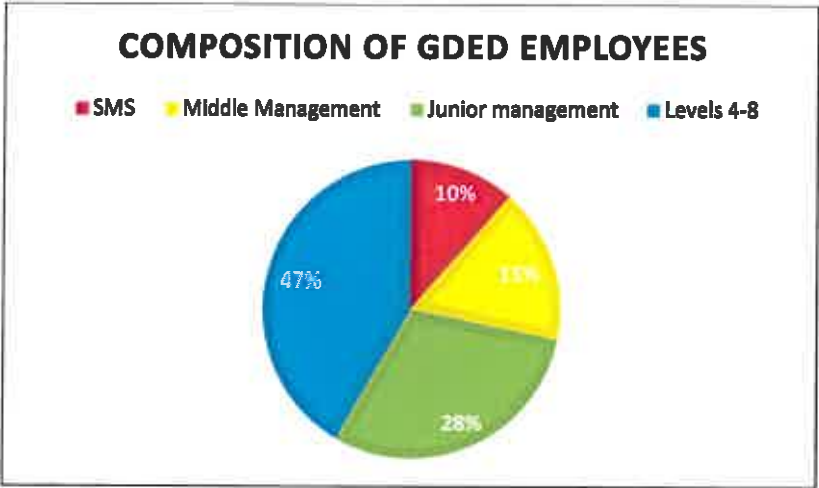
DED ORGANISATIONAL STRUCTURE



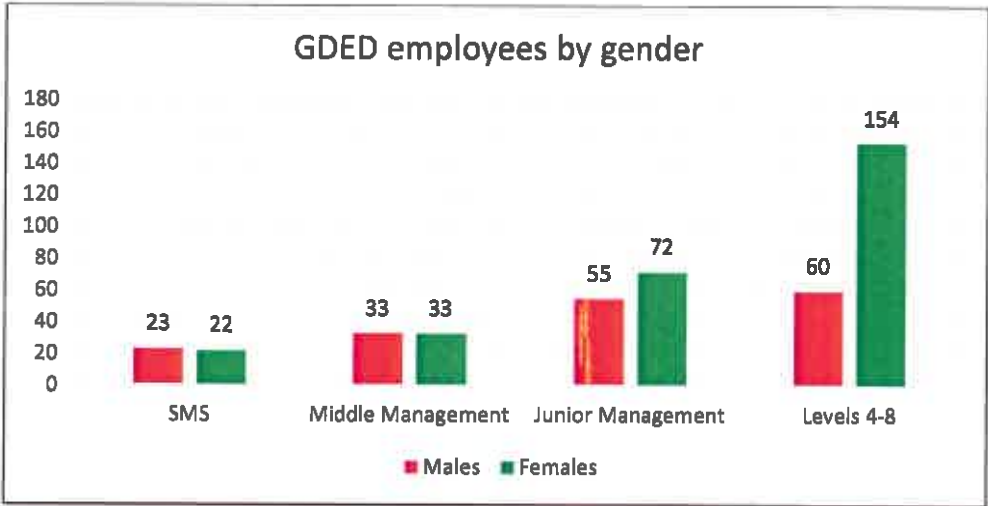
Women, Youth and People with Disability

The GDED has a draft Employment Equity Plan in place which aims to provide the basis of ensuring the employment of women and people with disabilities in all occupational levels and

categories of employment. The departmental persal report of June 2020 was utilised to compile the stats below. With a staff compliment of 452 by the end of June 2020, the staff compliment was configured as follows:



The figure above looks at the composition of GDED employees according to both rank and skills that they possess. Employee levels 4-8 are made up of most employees in the organisation accounting for around forty-seven percent of GDED employees. Junior managers, which consists of levels 9-10 accounted for twenty-eight percent of employees. Middle managers accounted for fifteen percent of the GDED work force. Senior Management Services, which consists of level 13-16 employees accounted for ten percent of GDED employees.



The graph above demonstrates the reduction in the representation of women as the levels increase. The ratio of men to women is favourable for levels 4-8 and junior management. At

middle management level the ratio between females and males is equivalent with a decline at SMS level for females. This demonstrates a need for the department to focus efforts for female representation at SMS level.

Compliance with the Broad-Based Black Economic Empowerment Act 46 of 2013

GDED is one public entity that is leading in B-BBEE compliance in the province, followed by some of its agencies. This was highlighted in the award the Department received as the only Department that verified by an accredited verification agency as required by the BEE commission. Some GDED agencies also went through this verification.

Stakeholder Analysis

The Department operates in a multi facet area, where other stakeholders are required to fulfil its mandate. The following table reflects key stakeholder considerations and programmes considered in the planning discussions.

Key Stakeholder Group	Key projects/programmes required to meet the expectations of the Department
External Stakeholder Groupings	
Gauteng Provincial Government	<ul style="list-style-type: none"> ▪ Collaboration with respective Departments in ensuring that the Department meets the objective on the local content framework.
Institutions of Higher Learning	<ul style="list-style-type: none"> ▪ Focused interventions targeting research studies as well as capacity building initiatives.
Key sector players: <ol style="list-style-type: none"> 1. Energy, with a focus on new technologies and a diverse energy mix 2. Transportation and logistics 3. ICT and digital services with a focus on the gig economy 4. Tourism and Hospitality 5. Food, Beverages, Agro-processing and agribusiness 6. Construction and Infrastructure 7. Automotive, Aerospace and Defense 8. Financial services 9. Cultural and creative services 10. Cannabis industry 	<ul style="list-style-type: none"> ▪ Focused interventions: <ul style="list-style-type: none"> ▪ sector specific plans. ▪ sector specific implementation plans. ▪ provision of support to industrial parks and agri-parks. ▪ linking the industrial sites to SEZ ecosystem. ▪ incubation of SMMEs and provision of tailor made support upon graduation.
Informal business sector	<ul style="list-style-type: none"> ▪ Informal Business Upliftment Strategy with focus on Sedibeng and the West Rand, although the Department will not be providing infrastructure the Department will provide business development and financial support through the agencies.

Key Stakeholder Group	Key projects/programmes required to meet the expectations of the Department
Private sector	<ul style="list-style-type: none"> ▪ A plan has been developed in line with social compacting within the private sector.
Internal Stakeholder Groupings	
GDED Group (department and its entities)	<ul style="list-style-type: none"> ▪ Ensure the roll out and full implementation of the respective strategies developed by the Department can we specify, programmes in support of interventions in the high growth sectors, interventions to enhance township and solidarity economy, programmes to enhance tourism development

PART C: MEASURING OUR PERFORMANCE

1. PROGRAMME 1: ADMINISTRATION

BUDGET PROGRAMME	PURPOSE	SUB-PROGRAMMES	PURPOSE
Administration	To provide strategic leadership, support and transversal business solutions to enable the MEC, HOD and GDED group to effectively deliver on the mandate of the Department	Office of the MEC	<ul style="list-style-type: none"> ▪ Supports the MEC to perform his role; and ▪ Provides political and strategic direction to the GDED group
		Office of the HOD	<ul style="list-style-type: none"> ▪ Provides strategic direction to the GDED Group; ▪ Oversees and ensures service delivery and implementation; and ▪ Responsible for programme performance management
		Financial Management	<ul style="list-style-type: none"> ▪ Financial Management; ▪ Management Accounting; and ▪ Supply Chain Management
		Corporate Services	<ul style="list-style-type: none"> ▪ Human Capital Management; ▪ Communication, Marketing and Branding; ▪ Auxiliary Services and Legal Services ▪ Information and Communication Technology; and ▪ Risk management

2. Outcomes, Outputs, Performance Indicators and Targets

Outcome	Output	Output Indicator	Annual Targets						
			Audited/Actual Performance			Estimated Performance 2019/20	MTEF Period		
			2016/17	2017/18	2018/19		2020/21	2021/22	2022/23
An enabled business environment	Invoices paid within 30 days	Percentage of supplier invoices paid within 30 days	-	-	-	100%	100%	100%	100%

3. Outcome Indicators, Annual and Quarterly Targets

Output Indicator	Annual Target	Q1	Q2	Q3	Q4
Percentage of supplier invoices paid within 30 days	100%	100%	100%	100%	100%

4. Explanation of Planned Performance Over the Medium -Term Period

In line with the MTSF priority which seeks establish "a capable, ethical and developmental state outcome" the indicators above aim to ensure that the Department is capacitated to contribute to the national standard of paying suppliers within 30 days. The Department also aims to ensure that all the invoices processed timeously as this could be the detrimental to small businesses survival.

5. Programme Recourse Considerations
5.1 Expenditure estimates

	Outcome		Main Appropriation	Adjusted Appropriation	Revised Estimates	Medium-Term Estimates		
	2016/17	2017/18				2018/19	2020/21 Covid-19 Adjusted budget	2021/22
R thousand				2019/20				
1. Office of the MEC	8 285	9 539	15 756	6 334	8 334	5 084	8 642	8 988
2. Office of the HO/D	13 127	22 721	24 038	15 818	16 919	15 837	18 769	19 835
3. Financial Management	36 842	52 046	58 327	46 080	46 080	58 802	64 426	68 883
4. Corporate Services	169 434	186 366	208 583	175 370	175 370	205 684	221 211	236 964
Total payments and estimates	227 488	270 671	307 704	243 712	243 712	285 417	313 048	332 491

5.2 Economic Classification

	Outcome		Main Appropriation	Adjusted Appropriation	Revised Estimates	Medium-Term Estimates		
	2016/17	2017/18				2018/19	2020/21 Covid-19 Adjusted Budget	2021/22
R thousand				2019/20				
Current payments	209 237	242 262	293 189	232 290	232 290	270 087	296 036	314 829
Compensation of employees	97 334	115 854	146 029	126 360	126 360	158 622	168 091	181 357
Goods and services	111 803	126 409	147 160	105 910	105 910	113 285	127 944	133 472
Transfers and subsidies to:	888	313	-	341	341	-	-	-
Provinces and municipalities	-	-	-	-	-	-	-	-
Departmental agencies and accounts	-	-	-	-	-	-	-	-
Non-profit institutions	500	-	-	-	-	-	-	-
Households	358	313	-	341	341	-	-	-
Payments for capital assets	17 257	17 205	14 616	11 081	11 081	15 330	17 013	17 662
Buildings and other fixed structures	-	-	-	-	-	-	-	-
Machinery and equipment	16 888	17 205	14 615	11 081	11 081	15 330	17 013	17 662
Software and other intangible assets	269	-	-	-	-	-	-	-
Payments for financial assets	106	10 891	-	-	-	-	-	-

R thousand	Outcome		Main Appropriation	Adjusted Appropriation	Revised Estimates	Medium-Term Estimates			
	2016/17	2017/18				2018/19	2020/21 Covid-19 Adjusted Budget	2021/22	2022/23
	227 488	270 671	225 482	307 704	243 712	243 712	285 417	313 048	332 481
Total economic classification									

6. Explanation of the Contribution of Resources Towards Achievement of Outputs

The Administration budget is utilised for the items that are centralised to Corporate Services and Financial Management such as lease payments for office buildings, security services, cleaning services, bursaries, telephones payment, LAN upgrades, payment of software licences, disaster recover management, fleet services, municipal rates and taxes, legal costs, ICT equipment and internal audit costs that are allocated under the CFO's office budget. Over the 2020 MTEF, the allocation increases from R285 million to R332 million in the 2022/23 financial year. The largest portion is allocated to Corporate Services for payment of leases, municipal rates and taxes, provision of ICT equipment and training of staff.

The Compensation of Employees expenditure increased from R97 million in 2016/17 to R122 million in the 2018/19 financial year. The budget is R146 million in 2019/20 and increases to R181 million in 2022/23 due to the envisaged implementation of the Department's approved structure, which is intended to increase the operational capacity in the Department and ensure that all the TMR, NDP, GGT2030 and SOPA targets are met. Machinery and Equipment expenditure decreased from R17 million in 2016/17 to R9 million in 2018/19. The immense decrease is due to the non - procurement of security equipment and office furniture. An amount of R14.5 million is allocated in 2019/20 and increased to R17 million in 2022/23, due to the planned implementation of projects such as the disaster recovery site for the purposes of system recovery and implementation of community ICT hubs for SMMEs to access internet, broadband, and payment of software licenses.

7. Updated Key Risks and Mitigation from the SP

Outcome	Key Risks	Risk Mitigation
An enabled business environment	Non-compliance with the OHS act	<ul style="list-style-type: none"> ▪ Communicate OHS strategy ▪ Communicate approved Emergency Preparedness Plan ▪ Conduct OHS Risk assessments ▪ Develop OHS Compliance checklist ▪ Review and update OHS Policy and guidelines ▪ Establish OHS committee and appoint representatives
	Inability to continue with business operation in an event of a disruption (disaster/virus outbreak)	<ul style="list-style-type: none"> ▪ Implement Disaster Recovery Site ▪ Test Disaster Recovery Site ▪ Implement ICT Continuity Plan ▪ Software Patch Management ▪ Implement User Backup System ▪ Continues Monitoring of Malicious Activity ▪ Implement Information Security Policy ▪ Conduct Cyber Security Awareness ▪ Data Encryption ▪ Conduct business impact analysis ▪ Review Business Continuity Management Policy ▪ Conduct business continuity Risk assessments

1. PROGRAMME 2: INTEGRATED ECONOMIC DEVELOPMENT SERVICES

BUDGET PROGRAMME	PURPOSE	SUB-PROGRAMMES	PURPOSE
Integrated Economic Development Services	To create an environment towards sustainable job creation taking in to account 3.1 million 2030 target	Enterprise Development	<ul style="list-style-type: none"> ▪ Inclusion of SMME's, township enterprises and cooperatives into the value of the 11 identified sectors; is it not 10 high growth sectors ▪ Building the capacity of SMMEs, township enterprises and cooperatives to participate in mainstream economic activities; and ▪ Revitalising and modernising township economies
		Regional and Local Economic Development	<ul style="list-style-type: none"> ▪ Make a responsive approach by developing a detailed plan with a focus to intervene on the depressed areas
		Sector and Industry Development	<ul style="list-style-type: none"> ▪ Support high growth, competitive, labour absorbing sectors plus local manufacturing; ▪ Stimulate competitiveness and transformation of identified sectors; ▪ Radically transform the energy sector; and ▪ Revitalise and modernise old industries and Tourism and creative industries

2. Outcomes, Outputs, Performance Indicators and Targets

Outcomes	Outputs	Output Indicators	Annual Targets						
			Audited/Actual Performance		Estimated Performance	MTEF Period			
			2016/17	2017/18		2018/19	2020/21	2021/22	2022/23
Strengthened and responsive GDED agencies	Reconfiguration of GEP	Level of development of the GEP turnaround strategy	-	-	-	-	Development of the GEP turnaround strategy completed	-	-

3. Output Indicators, Annual and Quarterly Targets

Output Indicators	Annual Targets			
	Q1	Q2	Q3	Q4
Level of development of the GEP turnaround strategy	Development of the GEP turnaround strategy completed	-	-	Development of the GEP turnaround strategy completed

4. Explanation of performance over the medium-term period

In an effort to streamline processes, the Department will develop the Gauteng Enterprise Propeller [GEP] turnaround strategy. Through the strategy development, the Department aims to support innovation and internalisation of the entity, GEP, responsible for mobilising entrepreneurial development and industrial sector growth including the township enterprises by their respective target groups accessing aimed at creating jobs.

5. Programme Recourse Considerations
5.1 Expenditure Estimates

	Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimates	Medium-Term Estimates	
	2016/17	2017/18	2018/19				2020/21 Covid-19 Adjusted Budget	2021/22
R thousand								
1. Enterprise Development	236 718	244 930	242 689	251 017	245 771	245 771	481 351	254 238
2. Regional and Local Economic Development		2 067	-	1 225	-	-	-	-
3. Economic Empowerment	9 294	10 410	11 699	17 550	-	-	-	-
Total payments and estimates	246 012	257 407	254 388	269 792	245 771	245 771	481 351	254 238

5.2 Economic Classification

	Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimates	Medium-Term Estimates	
	2016/17	2017/18	2018/19				2020/21 Covid-19 Adjusted Budget	2021/22
R thousand								
Current payments	9 288	12 438	11 643	24 021	-	-	-	-
Compensation of employees	9 222	12 364	11 641	24 021	-	-	-	-
Goods and services	46	73	2	-	-	-	-	-
Transfers and subsidies to: Provinces and municipalities	236 744	244 969	242 745	245 771	245 771	245 771	481 351	254 238
Departmental agencies and accounts								
Households	236 718	244 930	242 689	245 771	245 771	247 771	481 351	254 238
Payments for capital assets	26	39	56	-	-	-	-	-
Buildings and other fixed structures								
Software and other intangible assets								
Payments for financial assets								
Total economic classification	246 012	257 407	254 388	269 792	245 771	245 771	481 351	254 238

6. Explanation of The Contribution of Resources Towards Achievement of Outputs

The expenditure under Integrated Economic Development services increased from R246 million in 2016/17 to R254 million in 2018/19. Enterprise development accounts for the largest share of the budget, followed by Economic empowerment and then Regional and Local Economic Development. In 2019/20 the budget is R269 million and increases to R481 in 2020/21, as an additional amount of R250 million was allocated to fund the Covid-19 (SMME support) through GEP during the special budget adjustment. The allocation for GEP increases from R246 million in 2021/22 to R254 million in 2022/23. The allocation will cater for the following programmes and projects such as: financial support to township, support to Informal Businesses, Youth Accelerator Programme, supporting Bakery Clusters, supporting the Footwear Industry, Support SMMEs in the Automotive Sector and Supplier Development Programme. The Compensation of Employees expenditure increased from R9 million in 2016/17 to R11 million in 2018/19. The increase is attributed to the cost of living salary adjustments and filling in of vacant posts. In 2019/20, the budget allocation for compensation of employees are shifted to programme 4 and programme 5 to ensure that the personnel are aligned to the approved organisational structure. Goods and Services expenditure decreases from R46 thousand in 2016/17 to R2 thousand in 2018/19.

The expenditure under Departmental transfers increased from R236 million in 2016/17 to R242 million in the 2018/19 financial year. The entity utilised its budget to fund the Qondisishishini Lakho campaign and provided financial support to new and existing SMME. The 2018/19 financial allocation under transfers which amounted to R242 million excluded the budget for the Bio-science Park and the JMP top structure which was transferred from GEP to GGDA for implementation. During the 2019 MTEF planning cycle the department made a strategic decision to migrate the construction of the JMP top structure and The Bio science park projects from GEP to GGDA which resulted to reprioritisation of funds over the MTEF period between the two entities. The budget allocation increases from R 245 million in 2019/20 to R254 million in 2022/23.

1. PROGRAMME 3: TRADE AND SECTOR DEVELOPMENT

BUDGET PROGRAMME	PURPOSE	SUB-PROGRAMMES	PURPOSE
Trade and Sector Development	To ensure re-industrialisation of the Gauteng economy targeting the ten (10) identified high growth sectors as levers to achieve high economic growth, jobs and infrastructure	Trade and Investment	<ul style="list-style-type: none"> ▪ Attract Domestic Direct Investment (DDI); and Foreign Direct Investment (FDI); ▪ Increase trade, investment and export opportunities on the African; continent and globally; and ▪ Invest in strategic economic infrastructure
		Sector and Industry Development	<ul style="list-style-type: none"> ▪ Support high growth, competitive, labour absorbing sectors plus local manufacturing; ▪ Stimulate competitiveness and transformation of identified sectors; ▪ Radically transform the energy sector; and ▪ Revitalise and modernise old industries; and Tourism and creative industries

2. Outcomes, Outputs, Performance Indicators and Targets

Outcomes	Outputs	Output Indicators	Annual Targets						
			Audited/Actual Performance			Estimated Performance 2019/20	MTEF Period		
			2016/17	2017/18	2018/19		2020/21	2021/22	2022/23
Industrialized economy anchored on localization, local content and government procurement	Industrial sites supported	Number of industrial sites supported	-	-	-	3	5	7	
Evidence based decision making in the GDED group promoted	GDED sector strategies implemented	Number of sector specific plans developed Level of development of the sector specific implementation monitoring tool	-	-	-	10	-	-	
			-	-	-	Development of the specific implementation monitoring tool completed	25% of Sector Specific plans implemented	50% of Sector Specific plans implemented	

3. Output Indicators, Annual and Quarterly Targets

Output Indicators	Annual Targets			
	Q1	Q2	Q3	Q4
Number of industrial parks sites supported	-	-	3	-
Number of sector specific plans developed	-	10	-	-
Level of development of the sector specific implementation monitoring tool	-	Development of the sector specific implementation monitoring tool completed	Development of the sector specific implementation monitoring tool completed	-

4. Explanation of Planned Performance Over the Medium -Term Period

The implementation of the Gauteng City Region Economic Development Plan (GCR EDP) is sector based and various interventions are essentially put in place as deliverables in each of the identified sectors and performance is reported on a quarterly basis. However, for the 2019/20 financial year it is worth noting that most of the economic sectors did not perform well in terms of jobs and growth. This was equally the same for the manufacturing sector in as it experienced a decline in outputs and employment. This was further exacerbated by the Covid-19 pandemic that ravaged the economy and literally brought it to a stand-still. The Department acknowledges that to meet the set targets it would need to place considerable effort and resources towards industrialisation. This is due to the multiplier effect of industries and their ability to create jobs, develop skills and introduction of new technologies.

The Department will continue with the revitalisation of industrialisation parks. Furthermore, the Department will develop sector specific plans linked to the new growth sectors that were pronounced by the province, including sector specific implementation plan.

5. Programme Recourse Considerations

5.1 Expenditure Estimates

R thousand	Outcome		Main Appropriation	Adjusted Appropriation	Revised Estimates	Medium-Term Estimates		
	2016/17	2017/18				2018/19	2020/21 Covid-19 Adjusted Budget	2021/22
1. Trade and Investment Promotion	-	3 749	6 728	-	-	-	-	-
2. Sector Development	211 903	208 185	212 399	233 260	233 260	189 222	246 778	248 938
3. Strategic Initiatives	465 282	525 019	598 888	636 813	636 813	781 000	610 119	632 516
Total payments and estimates	677 185	737 953	818 015	870 073	870 073	970 222	856 897	881 454

5.2 Economic Classification

R thousand	Outcome		Main Appropriation	Adjusted Appropriation	Revised Estimates	Medium-Term Estimates		
	2016/17	2017/18				2018/19	2020/21 Covid-19 Adjusted Budget	2021/22
Current payments	-	6 921	6 728	-	-	-	-	-
Compensation of employees	-	6 887	6 606	-	-	-	-	-
Goods and services	-	34	122	-	-	-	-	-
Transfers and subsidies to: Provinces and municipalities	677 185	731 032	811 287	870 073	870 073	970 222	856 897	881 454
Departmental agencies and accounts	677 185	731 032	811 287	870 073	870 073	970 222	856 897	881 454
Households	-	-	-	-	-	-	-	-
Payments for capital assets	-	-	-	-	-	-	-	-
Payments for financial assets	-	-	-	-	-	-	-	-
Total economic classification	677 185	737 953	818 015	870 073	870 073	970 222	856 897	881 454

6. Explanation of The Contribution of Resources Towards Achievement of Outputs

The expenditure for Trade and Sector development has increased from R677 million in 2016/17 to R863 million in 2018/19. The budget allocation over the MTEF increased from R818 million in 2019/20 to R881 million in 2022/23. A significant share of the budget is allocated between Sector development and Strategic initiatives where Cradle of Humankind, Dinokeng, GTA and GGDA are located. The Compensation of Employees expenditure decrease from R6,8 million in 2017/18 to R5,7 million in 2018/19. In 2019/20, the budget allocation for compensation of employees are shifted to programme 4 and programme 5 to ensure that the personnel are aligned to the approved organisational structure.

The expenditure under goods and services decreases from R34 000 to R2000 in 2018/19. Expenditure incurred relates to travel and subsistence claims. Over the 2020 MTEF, there is no allocation for goods and services in Trade and Sector Branch, which coincide with the correct alignment of personnel as per the department's organisational structure. The expenditure under Departmental Agencies and Transfers increased from R677 million in 2016/17 to R858 million in 2018/19. The budget increases from R811 million in 2019/20 to R881 million in 2022/23. The budget under this programme is mainly allocated to cater for transfers of funds for GTA, Cradle of Humankind, Dinokeng and GGDA towards the implementation of core projects/ programmes some of which include; eKasi labs roll out; Completion of the Visitor's Centre construction; Working on Fire Programme; Tourism routes implementation. During the planning cycle the department took a decision to shift the implementation of the JMP top structure and the Bio-science park from GEP to GGDA together with the respective budgets over the MTEF.

7. Updated Key Risks and Mitigation from the SP

Outcomes	Key Risks	Risk Mitigation
Increased economic growth resulting from the infrastructure programme	Construction delays on sites	<ul style="list-style-type: none"> ▪ Social facilitation with the local communities
Evidence based decision making in the GDED group promoted	Lack of access to comprehensive economic data and statistical software packages	<ul style="list-style-type: none"> ▪ Procurement of a suite of economic data services and statistical software packages ▪ IGR and one-on-one engagements with local and national governments ▪ Secure EXCO resolution and Provincial Treasury enforcement
	Inadequate collaboration and alignment with local and national governments	
	Finalization of the Terms of Reference for the appointment of a service provider GEP turnaround strategy	<ul style="list-style-type: none"> ▪ Appoint the BAC and BEC committee members, as well as the Chairperson to finalize the Terms of Reference ▪ Ensure that the ToR calling for bids is clear in terms of the requirements

1. PROGRAMME 4: BUSINESS REGULATION AND GOVERNANCE

BUDGET PROGRAMME	PURPOSE	SUB-PROGRAMMES	PURPOSE
Business Regulation and Governance	To create a seamless business regulation and good governance environment that promotes ethical conduct, transforms industry, realises sustainable revenue generation and contributes towards achievement of TMR goals.	Liquor Affairs	<ul style="list-style-type: none"> ▪ Effective governance and regulation of the liquor industry; ▪ Ensure ethical business practice and empowered stakeholders; ▪ To promote and maintain an effective and efficient regulatory system for the liquor industry; and ▪ To maximise the benefits derived from the liquor industry and minimise the potential negative impact.
		Consumer affairs	<ul style="list-style-type: none"> ▪ Ensure awareness of consumer rights through consumer and business education; awareness programmes and stakeholder liaison ▪ Ensure consumer protection and compliance of business with applicable consumer legislation; and ▪ Provide secretarial support to the consumer affairs court.
		Governance	<ul style="list-style-type: none"> ▪ To ensure good compliance to governance legislations and delivery of services by Entities.
		IGR and Strategic Partnerships	<ul style="list-style-type: none"> ▪ Manage strategic partnership engagement on behalf of the department; and ▪ Facilitate and build effective intergovernmental relationships.

2. Outcomes, Outputs, Performance Indicators and Targets

Outcomes	Outputs	Output Indicators	Annual Targets						
			Audited/Actual Performance		Estimated Performance 2019/20	MTEF Period			
			2016/17	2017/18		2018/19	2020/21	2021/22	2022/23
An enabled business environment	Business compliance monitoring inspections conducted	Number of business compliance monitoring inspections conducted	-	-	120	144	168	192	192
	Liquor compliance campaigns conducted	Number of liquor compliance blitzes conducted	-	-	-	4	3	10	12
	Liquor education and Awareness activities conducted	Number of Liquor awareness activities conducted	-	-	-	220	100	220	220
	Promotion of tourism practices during and post COVID-19 period	Number of responsible tourism awareness workshops held	-	-	-	-	35	60	80
Strengthened and responsive GDED agencies	Agencies performance monitored	Percentage achievement of planned target by agencies	-	-	-	-	80%	80%	80%

3. Output Indicators, Annual and Quarterly Targets

Output Indicators	Annual Targets	Q1	Q2	Q3	Q4
Number of business compliance monitoring inspections conducted	168	42	42	42	42
Number of liquor compliance blitz conducted	3	-	1	1	1
Number of liquor awareness activities conducted	100	-	50	50	50

Number of responsible tourism awareness workshops held	35	-	-	5	30
Percentage achievement of planned target by agencies	80%	80%	80%	80%	80%

4. Explanation of Planned Performance Over the Medium -Term Period

The unit will embark on awareness campaigns on counterfeit goods and illicit trade in adulterated goods. These campaigns will incorporate various stakeholders with expertise in this area. Compliance-monitoring inspections of small businesses and big business in general; and pro-active investigations of the market, will continue to ensure compliance with consumer protection legislation. Alcohol abuse and the level of non-compliance by liquor traders is a common challenge country-wide and more so in the Gauteng Province which has the highest number of liquor outlets. As a result, the Department has included a focus on compliance visits. Furthermore, education and compliance activities feature very high in the priorities of the organization. Liquor outlets have been identified as hotspots for crime by the police and joint efforts to combat crime are conducted amongst law enforcement agencies including GLB, SAPS, Metro Police and other agencies.

This will enhance consumer protection; increase consumer satisfaction and ensure a conducive environment to increase the participation of SMME's and Co-operatives in the province's mainstream economy. Further, this will contribute to the growth and the development of the 11 identified sectors, by developing capabilities, conscience, knowledge and awareness of the regulatory environment in which these businesses operate. To ensure that the entities' perform in a manner that allows the successful implementation of strategies, the department will monitor the extent to which the entities achieve their Annual Performance Plans and identify areas for intervention to ensure that they are speedily resolved to improve the performance of the Agencies and implement the strategies that will improve the economy of the province and contribute towards GGT 2030.

5. Programme Recourse Considerations

5.1 Expenditure Estimates

R thousand	Outcome		Main Appropriation	Adjusted Appropriation	Revised Estimates	Medium-Term Estimates		
	2016/17	2017/18				2018/19	2020/21 Covid-19 Adjusted Budget	2021/22
	5 219	16 678	3 702	3 339	3 339	10 374	11 682	10 920
1. Governance	6 700	4 457	6 474	18 632	18 632	28 868	31 828	35 953
2. IGR And Strategic Partnerships	20 353	22 224	22 192	24 010	24 010	23 022	24 662	25 846
3. Consumer Protection	40 670	23 029	25 871	26 352	26 352	23 912	24 789	25 702
4. Liquor Regulation	-	-	-	33 391	33 391	26 473	-	-
5. Gambling and Betting								
Total payments and estimates	72 942	66 388	58 239	105 724	105 724	112 649	92 961	98 421

5.2 Economic Classification

R thousand	Outcome		Main appropriation	Adjusted appropriation	Revised estimate	Medium-term estimates		
	2016/17	2017/18				2018/19	2020/21 Covid-19 Adjusted Budget	2021/22
	32 222	43 068	32 323	45 874	45 874	62 264	68 172	72 719
Current payments	26 805	26 106	29 732	42 280	42 280	54 886	60 344	65 837
Compensation of employees	5 417	16 962	2 591	3 594	3 594	7 378	7 828	6 882
Goods and services	40 719	23 320	25 916	59 850	59 850	50 385	24 789	25 702
Transfers and subsidies to:	40 669	23 029	25 871	59 743	59 743	50 385	24 789	25 702
Departmental agencies and accounts	50	291	45	107	107	-	-	-
Households	-	-	-	-	-	-	-	-
Payments for capital assets	-	-	-	-	-	-	-	-

R thousand	Outcome			Main appropriation	Adjusted appropriation 2019/20	Revised estimate	Medium-term estimates			
	2016/17	2017/18	2018/19				2020/21 Covid-19 Adjusted Budget	2021/22	2021/22	2021/22
Payments for financial assets	1	-	-	-	-	-	-	-	-	-
Total economic classification	72 942	66 388	58 239	68 406	105 724	105 724	112 649	92 961	98 421	98 421

6. Explanation of The Contribution of Resources Towards Achievement of Outputs

Business Regulation and Governance total expenditure for 2016/17 decreased from R72 million to R58 million in the 2018/19. The 2019/20 budget has increased from R68 million to R98 million in 2022/23. The expenditure for compensation of employees increased from R26 million in 2016/17 to R29 million in the 2018/19 financial year. Over the MTEF, the budget increased from R33 million in 2019/20 to R65 million in 2022/23 financial year. Expenditure under goods and services for 2016/17 was R5 million decreasing to R2,5 million in 2018/19. Over the 2020 MTEF the budget for goods and services remains around R7 million. The budget caters for projects such as Trade Exchange Programme with community radio stations for consumer awareness campaigns; financial education for young entrepreneurs; international engagements, Spaza- shop summit and the consumer affairs court holding its sittings as well as the Special projects and Strategic partnerships working groups and the annual Joint IGR retreat and Economic cluster forum.

Transfers to the GLB decreased from R40 million in 2016/17 to R25 million in 2018/19 due to the improved revenue collection from GLB, which compelled the department to decrease its funding to assist the GLB to fund operational costs. Over the 2020 MTEF, the allocation indicates a slight increase from R23 million to R25 million to fund the following: the verification project to determine the total number of liquor outlets in the Province; the lodgment of liquor license applications; processing liquor license applications and; renewal of licenses. The transfer allocation in 2019/20 have increased by R33 million and with an additional funding of R26 million in 2020/21 to the Gauteng Gambling Board (GGB) for the implementation of the GGB Business Automation project.

7. Updated Key Risks and Mitigation from the SP

Outcomes	Key Risks	Risk Mitigation
An enabled business environment	Inadequate consumer protection	<ul style="list-style-type: none"> ▪ Improve enforcement of consumer protection laws and compliance ▪ Implement the Consumer Protection Act ▪ Provide training on the amended Consumer Protection Act
	Non-compliance with the Gauteng Liquor and Gambling Acts	<ul style="list-style-type: none"> ▪ Review the Gauteng Liquor Act ▪ Full implementation of the automation system ▪ Restructuring of working conditions for inspectors to allow capacity to conduct enforcement and compliance activities beyond working hours
	Fraud and corruption	<ul style="list-style-type: none"> ▪ Monitoring of fraud risk registers

		<ul style="list-style-type: none"> ▪ Continuous awareness sessions, Ethics, Fraud and corruption ▪ Implementation of GLB automation system ▪ Referral of Fraud and corruption cases to GPT: Forensics Services
	Unregulated Shebeens	<ul style="list-style-type: none"> ▪ Implementation of shebeen strategy ▪ All shebeen permit holders to apply for new licences in terms of section 23 of the Gauteng Liquor Act and lodgements will be as from April 2020
Strengthened and responsive GDED agencies	<p>Non- co-operation of public entities</p> <p>Misalignment between the Department and the Agencies</p>	<ul style="list-style-type: none"> ▪ Signed agreement of undertaking in respect of funding by the shareholder and Entities ▪ Shareholder compact signed by shareholder and entities ▪ Continuous engagement (EMT/SMT)

1. PROGRAMME 5: ECONOMIC PLANNING

BUDGET PROGRAMME	PURPOSE	SUB-PROGRAMMES	PURPOSE
Economic Planning	To provide thought leadership to transform and re-industrialize economic Gauteng City Region through, policy and strategy development	Policy and Planning	<ul style="list-style-type: none"> ▪ Modelling and scenario planning on economic policies to anticipate needs of economy; ▪ Identify areas requiring enhanced coherence and alignment as well as policy gaps; ▪ Evaluate policies and strategies that could lead to sustainable, shared and faster economic growth; and ▪ Identify critical interventions that will enable Gauteng province to accelerate the implementation and realise its policy objectives
		Research and Development	<ul style="list-style-type: none"> ▪ Conduct and publish on-going economic reviews and provide comprehensive insights on the provincial economic landscape; ▪ Produce intelligence reports for decision making; ▪ Prepare indicator studies documenting and mapping the performance of the Gauteng economy on an annual basis; ▪ Develop and implement knowledge management concept, strategy and systems; ▪ Identify areas of transversal research to support implementation of GDED strategy; and ▪ Collect data and update the GDED database of statistics and management research information
		Economic Modelling and Forecasting	<ul style="list-style-type: none"> ▪ Develop and maintain economic models for the GCR economy ▪ Conduct economic impact analysis studies for the GCR economy to guide employment creation, poverty eradication and reduction of inequality ▪ Development and maintenance of an economic database for GCR; and ▪ Advise on the spatial economic development issues and high-impact economic development interventions or initiatives across economic sectors and five economic development corridors
		Inclusive Economy	<ul style="list-style-type: none"> ▪ Facilitate the empowerment of previously disadvantaged individuals and communities; ▪ Facilitate and support the establishment of viable and sustainable cooperatives sector in the province that contributes positively to economic growth and creates decent work; and ▪ Mobilise, align, coordinate and capacitate local economies towards enhanced and sustainable regional economic development and integration

2. Outcomes, Outputs, Performance Indicators and Targets

Outcomes	Outputs	Output Indicators	Audited/Actual Performance					Annual Targets			
			2016/17		2017/18		2018/19		Estimated Performance		
									2019/20		
			2016/17	2017/18	2018/19	2020/21	2021/22	2022/23	MTEF Period		
Industrialization supported through localisation and government procurement	Township Economic Development bill approved	Township Economic Development bill approved by EXCO	-	-	-	-	Township Economic Development bill approved by EXCO	-	-	-	
	GPG local production and content framework approved	GPG local production and content framework approved	-	-	-	-	GPG local production and content framework approved by EXCO	Local content and production framework implementation monitored	Local content and production framework implementation monitored	Local content and production framework implementation monitored	
	Off-take agreement approved	Off-take agreement approved by EXCO	-	-	-	-	Off-take agreement approved by EXCO	Implement the off-take agreement	Monitor the off-take agreement	Monitor the off-take agreement	

3. Outcome Indicators, Annual and Quarterly Targets

Output Indicators	Annual Targets			
	Q1	Q2	Q3	Q4
Township Economic Development bill approved by EXCO	Township Economic Development bill approved by MEC	Township Economic Development bill approved by EXCO	-	-
GPG local production and content framework approved	-	-	GPG local production and content framework approved by EXCO	GPG local production and content framework approved by EXCO
Off-take agreement approved by EXCO	-	-	Off-take agreement approved by EXCO	-

4. Explanation of Planned Performance Over the Medium -Term Period

In line with the premier's commitments, the Department will develop strategies aimed at capitalizing on the 10 high growth sectors identified by the premier and GGT2030. The successful implementation of these strategies, through the GDED entities will propel the province to improve the economy and create jobs in relation to priority 2 of the MTSF. The Department will focus on the Township Economic Bill to ensure that small businesses are regulated, and in turn loosen up the red tape. This combined with the Off-take agreement which aim to ensure that GPG procurement process are refined to the benefit of township businesses such that they also have a market which they can rely upon to sell their products.

The Department will champion the development of a much-awaited Local Production and Content Framework to address non-compliance and continued sector departments failure to meet procurement targets. The BBBEE *Regulations* aptly opens a platform to come up with instruments to ensure reciprocal program implementation. An Off-Take Framework has been developed as an enabler for small enterprise expansion thereby stimulating local manufacturing and job creation in the process. The Framework is positioned to secure real market access opportunities through public procurement and implementation partners. Moreover, the framework represents a legal binding agreement wherein supplier development, market access opportunities and real enterprise expansion converges. A real value proposition includes market access opportunities (consistent with designated sectors and sector demand plan) for a predetermined period will open technical support and development.

1. Programme Recourse Considerations

5.1 Expenditure Estimates

R Thousand	Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimates	Medium-Term Estimates		
	2016/17	2017/18	2018/19				2020/21 Covid-19 Adjusted Budget	2021/22	2022/23
1. Policy and Planning	21 017	19 342	23 791	23 358	23 368	23 368	34 124	34 249	38 490
2. Research and Development	2 698	1 817	7 900	6 073	5 416	5 416	7 823	9 467	9 015
3. Knowledge Management	1 350	1 631	2 127	2 000	2 125	2 125	2 119	2 438	2 555
4. Monitoring and Evaluation	5 099	10	-	-	-	-	-	-	-
5. Economic Infrastructure Development	49 511	838	-	11 876	-	-	-	-	-
6. Sector and Industry Development	46 010	41 533	47 094	59 508	49 067	49 067	90 461	102 143	107 532
7. Inclusive Economy	9 957	12 235	13 568	14 508	13 723	13 723	14 688	20 262	18 734
Total payments and estimates	135 642	77 406	94 480	117 323	93 700	93 700	149 215	168 559	176 326

5.2 Economic Classification

R thousand	Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimates	Medium-Term Estimates		
	2016/17	2017/18	2018/19				2020/21 Covid-19 Adjusted Budget	2021/22	2022/23
Current payments	135 153	77 259	87 114	117 323	93 298	93 298	149 215	168 559	176 326
Compensation of employees	51 357	46 370	51 259	65 291	56 793	56 793	82 094	89 459	94 542
Goods and services	83 796	30 889	35 855	52 032	36 505	36 505	67 121	79 100	81 794
Transfers and subelides to:	221	146	344	-	199	199	-	-	-
Non-profit institutions	-	-	-	-	-	-	-	-	-
Households	221	146	344	-	199	199	-	-	-
Payments for capital assets	268	-	6 989	-	203	203	-	-	-
Machinery and equipment	-	-	6 989	-	203	203	-	-	-

	Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimates	Medium-Term Estimates			
	2016/17	2017/18	2018/19				2020/21 Covid-19 Adjusted Budget	2021/22	2022/23	
R thousand										
Software and other intangible assets	268	-	-	-	-	-	-	-	-	-
Payments for financial assets	-	1	33	-	-	-	-	-	-	-
Total economic classification	135 642	77 406	94 480	117 323	93 700	93 700	149 215	168 559	176 326	

2. Explanation of the Contribution of Resources Towards Achievement of Outputs.

The programme expenditure decreased from R135 million in 2016/17 to R94 million in 2018/19 for the implementation of projects such as the Industrial High-Impact Tooling Initiatives, SMMEs support, state owned bank feasibility studies, barometer and as the tooling initiatives. Over the 2019 MTEF, the programme budget grew from R117 million in 2019/20 to R176 million in 2022/23 for the implementation of the mid-term impact assessment of the TER strategy; business case for the Gauteng Provincial Government Economic modelling and capacity building. The expenditure trend for Compensation of Employees remained R51 million during the 2016/17 to 2018/19 period. The MTEF budget for compensation increased from R65 million in 2019/20 to R94 million in 2022/23 to provide for annual salary increases and benefits. The budget for goods and services increased from R52 million in 2019/20 before it increased to R81 million in the 2022/23 to implement the following projects such as Quarterly Economic Bulletin; Gauteng Economic Barometer; Economic Growth Model; Economic Impact Assessments; Implementation; GCR EDP Monitoring & Evaluation tool; and Job Creation Tracking. Furthermore, funds were reprioritised to fund the Water Sanitation, the e-waste management, the Energy projects and the Advance Manufacturing over the 2020 MTEF.

3. Updated Key Risks and Mitigation from the SP

Outcomes	Key Risks	Risk Mitigation
Evidence based decision making in the GDED group promoted	Lack of access to comprehensive economic data and statistical software packages.	<ul style="list-style-type: none"> ▪ Procurement of a suite of economic data services and statistical software packages. ▪ IGR and one-on-one engagements with local and national governments. ▪ Secure EXCO resolution and Provincial Treasury enforcement.
	Inadequate collaboration and alignment with local and national governments	
	Lack of participation of key stakeholders in the review process of the economic and sector strategies	<ul style="list-style-type: none"> ▪ Conduct regular industry visit and stakeholder engagement ▪ Share the review timelines with key stakeholders
Industrialization supported through localization and government procurement	Ineffective implementation of the programmes in the targeted high growth sectors	<ul style="list-style-type: none"> ▪ Alignment of Annual Performance Plans of GDED Group with respective sector strategies ▪ Development of Sector Plans ▪ Development of sector specific implementation plans
	Lack of support from the Gauteng Provincial government to procure goods and services produced in the industrial sites	<ul style="list-style-type: none"> ▪ Lobby support through recognised structures ▪ Engage with respective departments and municipalities on the various goods and services that can be procured in the industrial sites.
	Non-implementation of various sector projects	<ul style="list-style-type: none"> ▪ Development of Sector Plans ▪ Develop and approve MOU/SLA with strategic partners ▪ Engage with possible strategic partners prior to finalisation of their annual plans

4. Public Entities

Name of Public Entity	Mandate	Outcomes	Current Annual Budget (R thousand)
Gauteng Gambling Board	To regulate and control gambling in the Province with a view to promote ethical business conduct, inclusive economy, revenue generation for the fiscus and promotion of responsible gambling	A regulated gambling industry	R195 531 981
Gauteng Enterprise Propeller (GEP)	<p>GEP is mandated to:</p> <p>Promote entrepreneurship, mobilise resources and facilitate an integrated approach to entrepreneurial development and support within the Province;</p> <p>Provide financial and non-financial support for the development, growth and sustainability of small enterprises; and</p> <p>Facilitate investment in high-impact business enterprises that transform the structure and competitiveness of industrial sectors in the Province.</p>	<p>Outcome 1: Resources mobilised for entrepreneurial development and industrial sector growth</p> <p>Outcome 2: Township enterprises and enterprises owned by target groups accessing markets <i>(Black, women, youth, PwD and MV)</i></p> <p>Outcome 3: Sustainable small enterprises that are creating jobs</p>	R231 531 000
Gauteng Growth and Development Agency	The core mandate of the GGDA as per the Blue IQ Act is to: enable economic development focused of sustainable jobs; drive growth in provincial growth domestic products and employment rates; strategically position province into a globally competitive city region; facilitate partnerships and create linkages across province in order to maximize service delivery outcomes; and support the development of key sectors in the economy in line with established economic and industrial policies of the province.	Creating an enabling environment in the Gauteng City Region for growth targeted investment facilitation, strategic infrastructure development and social transformation, thus positioning Gauteng as a leading Global City Region.	R781 652 000
Gauteng Tourism Authority	<p>Implement projects aimed at growing the Gauteng tourism sector and positioning the destination as a globally competitive destination of choice for trade, investment and tourism, which includes:</p> <ul style="list-style-type: none"> ▪ The promotion of Gauteng, as a top-of-mind 	Growing the visitor economy	96,168,709

	<ul style="list-style-type: none"> destination, at both domestic and international platforms, and Inspiring sector role players to promote, develop, coordinate and facilitate sustainable tourism. 		
Dinokeng Projects	The Cradle of Humankind World Heritage Site (COHWS) and Dinokeng Projects are geo-spatial development initiatives of the Gauteng Provincial Government (GPG) aimed at developing premier tourist destinations in the economically depressed regions in the north western and north eastern portions of the Gauteng province respectively.	Sustainability of the Dinokeng Project	R40 925 000
Cradle of Humankind World Heritage Site		Sustainability of the Cradle of Humankind World Heritage Site Project.	R57 681 000

5. Infrastructure Projects

No	Project Name	Program me	Description	Outputs	Start sate	Completion date	Total estimated cost	Current year expenditure
1.	Babelegi Industrial Park refurbished	Trade and Sector Development	Refurbishment of the industrial parks, with attention to black industrialists	Babelegi Industrial Park refurbished	22 Jan 21	26 Aug 21	R3.1m	-
2.	Garankua Industrial Park refurbished			Garankua Industrial Park refurbished	22 Jan 21	26 Aug 21	R3.1m	-
3.	Ekandustria Industrial Park refurbished			Ekandustria Industrial Park refurbished	22 Jan 21	26 Aug 21	R3.1m	-

6. Public Private Partnerships

Not Applicable

PART D: TECHNICAL INDICATOR DESCRIPTIONS (TID)

PROGRAMME 1: ADMINISTRATION

Indicator Title	Percentage of supplier invoices paid within 30 days
Definition	This indicator measures the percentage of supplier invoices paid within 30 days after supplier legitimacy has been approved
Source of data	CFO financial report
Method of Calculation / Assessment	Qualitative- the number of approved invoices paid within 30days divided by the total number of approved invoices received
Means of verification	CFO financial report
Assumptions	Suppliers are registered on the central database. Suppliers have a tax clearance certificate for the FY Invoices are received a month prior to the closing of the financial books
Disaggregation of beneficiaries [where applicable]	Not Applicable
Spatial transformation [where applicable]	Not Applicable
Calculation Type	Non-cumulative
Reporting Cycle	Quarterly
Desired performance	100% of supplier invoices paid within 30 days
Indicator Responsibility	Financial Management

PROGRAMME 2: INTEGRATED ECONOMIC DEVELOPMENT SERVICES

Indicator Title	Level of development of the GEP turnaround strategy
Definition	This indicator refers to the development of the turnaround strategy for the Gauteng Enterprise Propeller (GEP)
Source of data	Planning documents, sector strategies, GGT2030, Gauteng Economic Response strategy
Method of Calculation / Assessment	Qualitative- Simple Count
Means of verification	Approval of the turnaround strategy by EXCO
Assumptions	Availability and access to economic data, statistical packages and cooperation of key stakeholders, the covid-19 pandemic would not affect delivery of the project.
Disaggregation of beneficiaries [where applicable]	Not Applicable
Spatial transformation [where applicable]	Not Applicable
Calculation Type	Non-cumulative
Reporting Cycle	Annually
Desired performance	Reconfigured GEP able to respond to the imperatives of the SMME sector and providing industrial financing.
Indicator Responsibility	Sector and Industry Development

PROGRAMME 3: TRADE AND SECTOR DEVELOPMENT

Indicator Title	Number of industrial site supported
Definition	This indicator aims to assess the state of the industrial parks, with attention to black industrialists. The aim is it to assess or create an enabling environment towards the development of SMMEs and cooperatives
Source of data	Procurement Plans
Method of Calculation / Assessment	Quantitative- Simple Count
Means of verification	Construction site visit reports
Assumptions	Social unrest on sites
Disaggregation of beneficiaries [where applicable]	Not Applicable
Spatial transformation [where applicable]	Babelegi, Eka Industria and Ga Rankuwa
Calculation Type	Non-cumulative
Reporting Cycle	Annually
Desired performance	Three industrial parks supported
Indicator Responsibility	Sector and Industry Development

Indicator Title	Number of sector specific plans developed
Definition	This indicator refers to the development of sector plans in line with the 10 high priority sectors identified in the GGT2030
Source of data	Planning documents, sector strategies, GGT2030 and Gauteng Economic Response Plan
Method of Calculation / Assessment	Quantitative - Simple Count
Means of verification	Sector plans approved by EXCO
Assumptions	Availability and access to economic data, statistical packages and cooperation of key stakeholders
Disaggregation of beneficiaries [where applicable]	Not Applicable
Spatial transformation [where applicable]	Not Applicable
Calculation Type	Non-cumulative
Reporting Cycle	Annually
Desired performance	Strategically aligned sector plans with the provincial priorities outlined in the GGT2030
Indicator Responsibility	Sector and Industry Development

Indicator Title	Level of development of the sector specific implementation monitoring tool
Definition	This indicator refers to the development of the implementation plan document for the identified 10 high priority sectors as per the GGT2030
Source of data	Planning documents, sector strategies, GGT2030 and Gauteng Economic Response Plan
Method of Calculation / Assessment	Qualitative- Simple Count
Means of verification	Implementation plans approved by EXCO
Assumptions	Availability and access to economic data, statistical packages and cooperation of key stakeholders
Disaggregation of beneficiaries [where applicable]	Not Applicable
Spatial transformation [where applicable]	Not Applicable
Calculation Type	Non-cumulative
Reporting Cycle	Annually
Desired performance	Strategically aligned sector plans with the provincial priorities outlined in the GGT2030
Indicator Responsibility	Sector and Industry Development

PROGRAMME 4: BUSINESS REGULATION AND GOVERNANCE

Indicator Title	Number of business compliance monitoring inspections conducted
Definition	This indicator refers to the number of planned compliance inspections conducted to identify possible contraventions of consumer protection laws. Compliance inspections will take place in the general retail of fast moving consumer goods (FMCG).
Source of data	Compliance registers and scheduled plan
Method of Calculation / Assessment	Quantitative – Simple Count
Means of verification	Compliance monitoring inspection reports
Assumptions	Contraventions occur in a regulated environment wilfully or by default, regardless of complaints being reported
Disaggregation of beneficiaries [where applicable]	Not Applicable
Spatial transformation [where applicable]	Not Applicable
Calculation Type	Non- Cumulative
Reporting Cycle	Quarterly
Desired performance	To conduct compliance monitoring inspections comprehensively; enhance business education to promote and ensure business compliance to consumer protection laws.
Indicator Responsibility	Consumer Affairs & Business Compliance

Indicator Title	Number of liquor compliance blitz conducted
Definition	This indicator refers to compliance inspections conducted jointly with other law enforcement agencies where a non-compliant area is identified and profiled. During the blitz, various departments are brought together. Liquor inspectors focus on liquor outlets, monitoring compliance and non-compliant matters and joint intervention brought on board together with the law enforcement agencies.
Source of data	Inspectors reports of the premises visited, indicating status and action taken on each premise together with the report of the general outcomes and focus area.
Method of Calculation / Assessment	Quantitative - Simple Count
Means of verification	Signed inspection reports emanating from the blitz.
Assumptions	Blitz are at times planned but not made public for strategic and security reason, there may be no formal invites in some circumstances depending on the nature of the operation.
Disaggregation of beneficiaries [where applicable]	Not Applicable
Spatial transformation [where applicable]	Not Applicable
Calculation Type	Cumulative year end
Reporting Cycle	Quarterly
Desired performance	To ensure liquor compliance and ensure the smooth and effective enforcement of the liquor act.
Indicator Responsibility	Gauteng Liquor Board

Indicator Title	Number of liquor awareness activities conducted
Definition	This refers to education and awareness activities /events, workshops, meetings exhibition, imbizo and road shows initiated by the unit and its stakeholders within the five regions of Gauteng.
Source of data	Attendance registers of the activities /workshops conducted
Method of Calculation / Assessment	Quantitative - Simple Count
Means of verification	Proof of evidence of the actual attendance registers and information related to the event
Assumptions	The assumptions are that the targets will be achieved based on the hypothesis that focus areas and objectives/mandate of the unit are not changed in course of the financial year.
Disaggregation of beneficiaries [where applicable]	Not Applicable
Spatial transformation [where applicable]	Not Applicable
Calculation Type	Non – cumulative
Reporting Cycle	Quarterly
Desired performance	To educate the liquor traders and the public on underage drinking, alcohol abuse, responsible drinking and on the liquor license application procedures.
Indicator Responsibility	Gauteng Liquor Board

Indicator Title	Number of responsible tourism awareness workshops held
Definition	This indicator refers to the number of workshops conducted to educate the tourism sector stakeholders on how to observe and apply health and safety protocols as prescribed by the Department of Health, in the tourism business environment.
Source of data	Planning documents, sector strategies, GCR EDP and GGT2030
Method of Calculation / Assessment	Quantitative- Simple Count
Means of verification	Guide approved by Programme Manager
Assumptions	Cooperation of key stakeholders
Disaggregation of beneficiaries [where applicable]	Not Applicable
Spatial transformation [where applicable]	Not Applicable
Calculation Type	Non-cumulative
Reporting Cycle	Quarterly
Desired performance	Strategically aligned sector plans with the provincial priorities outlined in the GGT2030
Indicator Responsibility	Sector and Industry Development

Indicator Title	Percentage achievement of planned target by agencies
Definition	This indicator aims to assess the average performance of GDED entities in achieving targets that they have set in their Annual Performance Plans
Source of data	Agencies quarterly reports
Method of Calculation / Assessment	Total number of achieved indicators / total indicators reporting in the quarter *100/1
Means of verification	Quarterly reports from agencies
Assumptions	Not Applicable
Disaggregation of beneficiaries [where applicable]	Not Applicable
Spatial transformation [where applicable]	Not Applicable
Calculation Type	Non- cumulative
Reporting Cycle	Quarterly
Desired performance	All GDED agencies achieve average 80% of planned targets
Indicator Responsibility	Agency Oversight and Governance

PROGRAMME 5: ECONOMIC PLANNING

Indicator Title	Township economic bill approved by EXCO
Definition	This indicator refers to a process of developing and facilitating approval of the township economy bill by EXCO.
Source of data	SA Constitution, Municipal Systems Act, Spatial Development Frameworks, Municipal by-laws.
Method of Calculation / Assessment	Qualitative – Simple Count
Means of verification	Signed off reports from the Economic Planning Branch Head
Assumptions	Cooperation from GPG departments, Municipalities and national government departments, civil society
Disaggregation of beneficiaries [where applicable]	Not applicable
Spatial transformation [where applicable]	Not applicable
Calculation Type	Non-Cumulative
Reporting Cycle	Bi Annually
Desired performance	Enhanced regulatory management of the township economy
Indicator Responsibility	Inclusive Economy

Indicator Title	GPG local production and content approved
Definition	This indicator refers to a process of developing and facilitating approval of the GPG local production and content framework GPG local production and content
Source of data	Quarterly reports
Method of Calculation / Assessment	Qualitative– Simple Count
Means of verification	Signed off reports from the Economic Planning Branch Head
Assumptions	There will be cooperation from GPG departments and agencies.
Disaggregation of beneficiaries [where applicable]	Not applicable
Spatial transformation [where applicable]	Not applicable
Calculation Type	Non-Cumulative
Reporting Cycle	Annual
Desired performance	Facilitate market access opportunities and enterprise development

Indicator Responsibility	Inclusive Economy
Indicator Title	Off-take agreement approved by EXCO
Defintion	This indicator refers to a framework articulating how the Off-take Agreement for SMMEs and cooperatives will be implemented in the province
Source of data	Procurement reports
Method of Calculation / Assessment	Qualitative – Simple Count
Means of verification	Signed off reports from the Economic Planning Branch Head
Assumptions	Data received will be accurate
Disaggregation of beneficiaries [where applicable]	Not applicable
Spatial transformation [where applicable]	Not applicable
Calculation Type	Non-Cumulative
Reporting Cycle	Annually
Desired performance	Promote growth and sustainability SMMEs and cooperatives in the province thus stimulating township manufacturing
Indicator Responsibility	Inclusive Economy

ANNEXURES TO THE ANNUAL PERFORMANCE PLAN

Annexure A: Amendments to the Strategic Plan

Not Applicable

Annexure B: Conditional Grants

Not Applicable

Annexure C: Consolidated Indicators

Not Applicable

Annexure D: District Development Model

Area of Intervention	Medium Term (3 years – MTEF)					
	Project Description	Budget Allocation	District Municipality	Location: GPS Coordinates	Project Leader	Social Partners
Infrastructure	Refurbishment of the industrial parks, with attention to black industrialists: Babelegi Industrial Park Garankua Industrial Park Ekandustria Industrial Park	62 Million	City of Tshwane Metropolitan Municipality	Babelegi - 25.3554° S, 28.2790° E Garankuwa- 25.5864° S, 27.9876° E Eka Industria - 25.8146° S, 27.7349° E	Sector and Industry Development	North-West Development Corporation City of Tshwane Department of Trade, Industry and Competition Development bank of Southern Africa