



ANNUAL CITIZEN REPORT





WHO WE ARE?

We are the Gauteng Department of Economic Development (GDED). The aim of the GDED is to radically transform, modernise and re-industrialise the economy of Gauteng. Radical Transformation, Modernisation and Re-industrialisation are the main drivers in addressing the country`s triple challenge of poverty, inequality and unemployment. In order to fulfil its mandate, the Department has to ensure that it is capacitated to function effectively and efficiently.

WHAT DO WE DO

Facilitate the development of Enterprises

- Inclusion of SMMEs, township enterprises and cooperatives into eleven (11) identified sectors;
- Build the capacity of SMMEs, township enterprises and cooperatives to participate in mainstream economic activities; and
- Revitalising and modernising township economies.

Support Regional and Local Economic Development

- New, Smart, green, knowledge-based economy and industries;
- Green technologies, processes, and industries;
- Township economies; and
- Energy security and project management support.

Promote Trade and Investment Promotion

- 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.

Manage and coordinate the development of economic research, strategy and planning

- Aid evidence-based decision-making through use of models by developing and maintain a suit of models for the Gauteng City Region (GCR) economy;
- Provide thought-leadership to transform and re-industrialise GCR economy through policy and strategy development;
- Coordinate and facilitate on the implementation of employment programmes; and
- Provide the economic intelligence that informs the economic agenda.

Create an enabling environment for Sector Development

- Support high growth, competitive and labour absorbing sectors;
- Support local manufacturing;
- Stimulate competitiveness and transformation of identified sectors;
- Radically transform the energy sector;
- Revitalise and modernise old industries; and
- Tourism and Creative Industries.

Issue Liquor Licenses and permits in compliance with the Gauteng Liquor Act

- Effective governance and regulation of the liquor industry;
- Ensure ethical business practice and empowered stakeholders;
- Promote and maintain an effective and efficient regulatory system for the liquor industry;
- Maximise the benefits derived from the liquor industry and minimise the potential negative impact thereof; and
- Generate revenue from the industry and the regulation services offered for socio- economic development in Gauteng.

WHO IS IN CHARGE

The MEC for the Department of Economic Development, Environment, Agriculture and Environment, Honourable Mr. Mpho Parks Tau, is an elected politician and is responsible for directing the department's activities in line with National and Provincial priorities.

Mr. Blake Mosley-Lefatola is the Head of the Department, appointed by the Premier, to ensure that the Department implements the policies of the Provincial Executive Committee effectively and efficiently.

OUR STANDARDS AND HOW WE MEET THEM

Our service standards are set in consultation with our customers. These are our service standards, and the results we achieved in 2021/2022:

Consumer Affairs

Outcomes, Outputs, Output Indicators, Targets and Actual Achievements

In an effort to create an enabled business environment, the department conducted 96 business compliance monitoring inspections as planned. The target of 120 consumer awareness activities was exceeded by 19 due to invites outside of the planned activities from stakeholders. The consumer education and awareness baseline survey were also conducted.

The department trained 200 SMMEs to be compliant with the consumer protection and insurance legislation, and recruited 50 township youth to serve as consumer champions as planned.

Liquor Affairs

Outcomes, Outputs, Output Indicators, Targets and Actual Achievements

The GLB has a mandate to create an enabling business environment through regulation of the liquor industry and providing awareness in the province. Liquor awareness activities were conducted to create awareness on the application procedures for the prospective applicants and the general public on harm caused by alcohol. The advent of Covid-19 pandemic has further increased the need to create awareness on responsible drinking, responsible trade and compliance with regulations. The departments' focus went beyond creation of awareness on the harm alcohol abuse causes and was expanded to deal with the Covid-19 protocols applicable to liquor outlets.

The business case on transformation of the liquor industry was approved. Transformation within the liquor industry is lagging behind and has not yielded the desired results. The industry's outlook, as a result, is not reflective of transformation. It is against this background that the department has crafted a business case on the transformation of the liquor industry. The outcomes of the business case will therefore shape the approach to transformation, as well as the agenda for the liquor industry in Gauteng and the rest of the country.

As part of fighting against contraventions of conditions of trade, the department worked with liquor industry players to recruit the youth in various townships to visit liquor outlets within their communities to ensure compliance with the basic conditions of their licences. Harm reduction initiatives in townships contribute towards the fight against the scourge of alcohol abuse that our communities in these areas are grappling with.

Inclusive Economy

Outcomes, Outputs, Output Indicators, Targets and Actual Achievements

In an effort to create industrialisation supported through localisation and government procurement, the department approved the Gauteng Township Economic Development Act and established two (2) installation repair and maintenance (IRM) township hubs in Kathorus and Bara as planned.

The department implemented the Township Economy Action Plan with 15,15% component of GPG construction materials sourced from township suppliers against a target of 10%. The technical support given for implementation resulted in 31,6% of GPG goods and services spending sourced from township clusters against a target of 15%. This also resulted in 16,1% of consumables on all capital projects sourced from manufacturing clusters in townships against a target of 10%.

The project that has provided market opportunities for township contractors is being implemented at an accelerated pace, meaning that more contractors are required in a short period of time than in other projects, this resulted in 101 townships based IRM contractors gaining market access against a target of 100. The partnership with TUT resulted in 202 townships based IRM contractors providing work experience for IRM technicians against a target 200 township based IRM contractors.

Township backyard real estate Initiative implemented resulted in 847 new township backyard units constructed against a target of 500. The availing of resources by the department enabled the implementing partners to implement with ease, the department upgraded 60 new commercial units in townships against a target of 50.

The department developed 11 co-operative financial institutions (CFIs). The technical support given for implementation resulted in 26 975 of historically disadvantaged people accessing economic opportunities in the province against a target of 2000, goods and services that complied with local production and content regulation were achieved by 82 against a target of 5. In the implementation of B-BBEE policy, 75% of budget was spent on locally produced goods and services, 0.2% of budget was spent on supplier development initiatives, 0.1% of budget spent on enterprise development initiatives, 0.1% of budget spent on socio-economic development with 3,26% of budget spent on skills development due to availing of financial resources by the department to the implementing partners

IGR and Strategic Partnerships

Outcomes, Outputs, Output Indicators, Targets and Actual Achievements

In creating an enabling environment, the department created 35 market access opportunities for SMMEs.

OUR ORGANISATION AND STAFFING

The Department's total staff establishment as at the 31 March 2022 was 359.

RACE DISTRIBUTION

- African : 341
- Coloured : 12
- Indian : 02
- White : 04

GENDER DISTRIBUTION

- Male : 131
- Female : 228

GENDER DISTRIBUTION AT SENIOR MANAGEMENT LEVEL

- Male : 18
- Female : 15

EMPLOYEES WITH DISABILITY

- Male : 05
- Female : 12

Our employees are diverse in that all staff members can speak at least one of the eleven national languages.

BUDGET:

During the financial year under review, the total expenditure for the department amounted to R1 733 billion against an adjusted appropriation budget of R1 782 billion, which constitute 97% spending for the year. The total underspending amounts to R48,9 million (3%). Factors that contributed to the three percent (3%) year to date underspending were:

- Invoices that were received after final year-end payment run cut off time;
- Delays in finalising the MOU/SLA between the department and the Development Bank of Southern Africa (DBSA) for the Lanseria Smart City Phase 1 implementation;
- The impact evaluation for the Pick n Pay Market Stores and the Partnership Management System, which were not implemented due to the delays in the finalisation of the revised terms of reference of the two projects; and
- Late signing of the SLA for the Furniture Manufacturing Hub, which was signed after the year end closure.

COMPENSATION OF EMPLOYEES

Salaries and Wages

Basic salary	R 1 466 87, 000, 00
Performance award	R 952, 000, 00
Service Based	R 47, 000, 00
Compensative/circumstantial	R 2 928, 000, 00
Other non-pensionable allowances	R 366 27, 000, 00
Total	R 187 241, 000, 00

GOODS AND SERVICES

Administrative fees	R 115, 000, 00
Advertising	R 2112, 000, 00
Minor assets	R 244, 000, 00
Bursaries (employees)	R 1 638, 000, 00
Catering	R 231, 000, 00
Communication	R 2 921, 000, 00
Computer services	R 2 12 617, 000, 00
Consultants: Business and advisory services	R 90 599, 000, 00
Legal services	R 1 238, 000, 00
Contractors	R 1 285, 000, 00
Agency and support / outsourced services	R 597, 000, 00
Entertainment	R 4, 000, 00
Audit cost – external	R 7 061, 000, 00
Fleet services	R 1 679, 000, 00
Consumables	R 3 095, 000, 00
Operating leases	R 4 157, 000, 00
Property payments	R 28 257, 000, 00
Rental and hiring	R 339, 000, 00
Travel and subsistence	R 655, 000, 00
Venues and facilities	R 1 025, 000, 00
Training and development	R 799, 000, 00
Other operating expenditure	R 376, 000, 00
Total	R 161 044, 000, 00

DEPARTMENT GENERAL INFORMATION

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Umnotho House
Johannesburg

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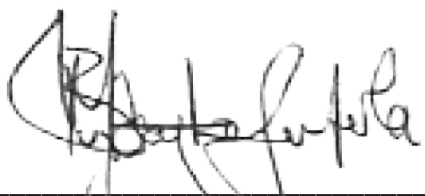
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The above Annual Citizens Report outlines an overview of the achievements of Gauteng Department of Economic Development for the 2021/22 financial year.



MR. BLAKE MOSLEY-LEFATOLA
HOD: ECONOMIC DEVELOPMENT
DATE: 26 October 2022

NOTE



GAUTENG PROVINCE

ECONOMIC DEVELOPMENT
REPUBLIC OF SOUTH AFRICA

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GROWING GAUTENG TOGETHER