



destea

department of
economic, small business development,
tourism and environmental affairs
FREE STATE PROVINCE

**Department of Economic, Small Business
Development, Tourism and Environmental Affairs**

**Annual Performance Plan
2016/17**

Free State Province

FOREWORD

The year 2016 has been declared "the year of advancing people's power: Local Government is in your hands". Towards achieving this content and our mandate which is "To improve the socio-economic livelihoods of Free State communities through economic, small business, tourism and environmental development programmes", the plans we are tabling will support a capable developmental state, which is accessible and offers efficient social services, a growing economy, a skilled population and low levels of unemployment and inequality.

We will continue to address the economic legacy of apartheid where race and class are inextricably linked to systematic discrimination, dispossession and super-exploitation on the basis of race. The department's programmes and plans will strive for ongoing active interventions to ensure that all our people benefit, equitably, from the government's programme of action.

The focus of the department to achieve its mandate, among others, is on

- Championing economic development in the Free State
- Radical socio economic transformation
- Addressing declining mining and agriculture
- Implementing national development plan
- Broaden ownership of assets to historically disadvantaged groups.

With such high levels of unemployment and poverty in the province, job creation is still at the centre of government's programme of action for this financial year. The department shall put job creation at the forefront of all its programmes and activities to reorganise the economy therefore contributing to the socio economic development of our communities.

Going forward, we shall make sure that small businesses and co-operatives flourish in our rural towns. The policies that are put together are meant to enable the creation of a conducive environment and support services for small and medium enterprises.

To achieve this, the department will improve collaboration between NGOs, Municipalities and the Corporate businesses. The partnership of all these elements and labour will be put in sharp focus for economic growth and to attain the goals of the National Development Plan.

With these plans, we seek to give momentum to the tourism industry by promoting "The Free State's Big Five" routes and government owned resorts and reserves, thus encourage the Free Staters to be ambassadors of their own province. We will promote tourism as a career of choice and excellent service in tourism through programmes like the National Tourism Career Expo and the Lilizela Tourism Awards. Climate change puts the global business at risk. We will continue to find ways to mitigate the worst effects of climate change, as Africa is particularly vulnerable to economic setbacks attributed to changing climate conditions.

We shall make sure that the environmental management is sustained by continuing with the implementation of green jobs. We should be able to teach the community to adopt green practices which will ensure a seamless transition of Green Economy. They should be familiar with the principle of reducing, reusing and recycling

S MASHININI

MEC: ECONOMIC, SMALL BUSINESS DEVELOPMENT, TOURISM AND ENVIRONMENTAL AFFAIRS

OFFICIAL SIGN-OFF


It is hereby certified that this Annual Performance Plan:

- Was developed by the management of the Department of Economic, Small Business Development, Tourism and Environmental Affairs (DESTEA) under the guidance of the honourable MEC S.Mashinini.
- Was prepared in line with the current Strategic Plan of the DESTEA.
- Accurately reflects the performance targets which the DESTEA will endeavour to achieve given the resources made available in the budget for 2016/17.

Mr.DJ Hagen
Head Official responsible for Planning

Signature: 

Mr. T. Moremi
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Signature: 

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Ms. P. Dimpone
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Ms.M. Gasela
Accounting Officer

Signature: 

Mr.S.Mashinini
Executive Authority

Signature: 

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ACRONYMS

AIDS	Acquired Immune Deficiency Syndrome
ANC	African National Congress
APP	Annual Performance Plan
AQMP	Air Quality Management Plan
BAS	Basic Accounting System
BBBEE	Broad Based Black Economic Empowerment
CA	Comparative Advantage
DESTEA	Department of Economic, Small Business Development, Tourism and Environmental Affairs
DPME	Department of Planning, Monitoring and Evaluation
DM	District Municipality
DMP	Demand Management Plan
EIA	Environmental Impact Assessment
EIP	Environmental Implementation Plan
EHWP	Employee Health and Wellness Programme
EMC	Environmental Management Committee
EPWP	Expanded Public Works Programme
ETEYA	Emerging Tourism Entrepreneur of the Year Awards
FDC	Free State Development Corporation
FS	Free State
FSGDS	Free State Growth and Development Strategy
FSWIT	Free State Women in Tourism
GDP	Gross Domestic Product
GDPR	Gross Domestic Product by Region
GP	Gauteng Province
HIV	Human Immune Deficiency Virus
HOD	Head of Department
HR	Human Resource
ICT	Information Communication Technology

IDP	Integrated Development Plan
IR	Intergovernmental Relations
CCCU	Central Communication Coordinating Unit
IT	Information Technology
IWMP	Integrated Waste Management Plan
KM	Knowledge Management
KZN	KwaZulu-Natal
LED	Local Economic Development
LQ	Location Quotient
MEC	Member of the Executive Council
MISS	Minimum Information Security Standards
MTSF	Medium-Term Strategic Framework
MTEF	Medium-Term Expenditure Framework
NEM	National Environmental Management
NSSD	National Strategy on Sustainable development
OHC	Operation Hlasela Campaign
PAs	Protected Areas
PCF	Provincial Co-operative Forum
PEC	Permit Evaluation Committee
PFMA	Public Finance Management Act
PGDS	Provincial Growth and Development Strategy
PSBAC	Provincial Small Business Advisory
RIDS	Regional Industrial Development Strategy
SA	South Africa
SEZ	Special Economic Zones
SITA	State Information Technology Agency
SMME	Small, Medium and Micro Enterprise
DTI	Department of Trade and Industry

PART A: Strategic Overview

Below is a description of performance, policy organisational environments within which the Department operates.

1.1. Performance Delivery Environment

1.1.1. NDP, MTSF and FSGDS alignment summary

The table below explains the various areas contained in the NDP, MTSF and FSGDS to which this annual performance plan will contribute:

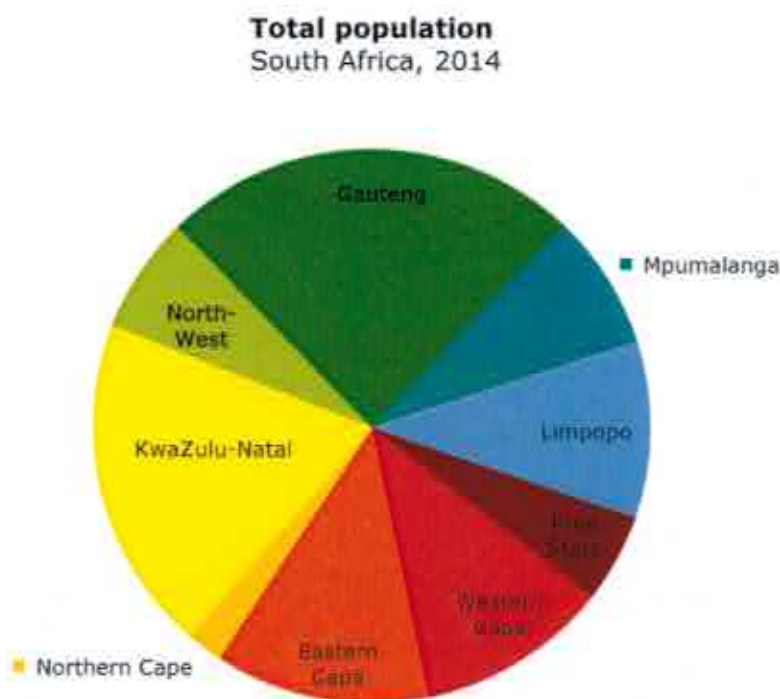
NDP	MTSF	FSGDS
Chapter 3: Economy and employment	Outcome 4: Decent employment through inclusive growth	Driver 3: Expand and diversify manufacturing opportunities
Chapter 5: Environmental sustainability	Outcome 6: An efficient, competitive and responsive infrastructure network (SIP's and SEZ's)	Driver 5: Harness and increase tourism potential and opportunities
Chapter 13: Building a capable and developmental state	Outcome 10: Protect and enhance our environmental assets and national resources	Driver 12: Integrate environmental concerns into growth and development planning
Chapter 14: Fighting Corruption	Outcome 12: An efficient, effective and developmental orientated public service	Driver 15: Foster good governance to create a conducive climate for growth and development

1.1.2. Demographics

Population statistics is important when analysing an economy, as population growth impacts directly and indirectly on employment and unemployment, as well as on other economic indicators such as economic growth and per capita income.

Statistics SA, according to the *Mid-year population estimates, 2015* indicates that the Free State Province has an estimated population of 2 817 900, which is the second smallest share (5.1%) of the South African population. Females represent the majority of the population with a total of 1 447 582 (51.4%) followed by males with a total of 1 370 360 (48.6%). The chart below, according to Global Insight, compares Free State's population with that of other provinces in South Africa.

Figure: Total Population – Free State and the rest of National Total, 2014 (percentage)



Source: IHS Global Insight Regional eXplorer version 832

When compared to other regions, Free State Province accounts for a total population of 2.8 million. The ranking in terms of the size of Free State compared to the other regions remains the same between 2004 and 2014. In terms of its share, the Free State Province was slightly smaller in 2014 (5.2%) compared to what it was in 2004 (5.8%). When looking at the average annual population growth rate, it is noted that the Free State ranked lowest (relative to its peers in terms of growth) with an average annual growth rate of 0.3% between 2004 and 2014.

Most of the Free State's population, in 2014, resides, as per table below, in Mangaung Metro (786 000), followed by Thabo Mofutsanyane (738 000) and Lejweleputswa (631 000). Xhariep recorded the lowest population of 146 000.

Table: Total population – Metropolitan and non-metropolitan municipalities of Free State Province, 2004, 2009 and 2014 [numbers & percentage]

	2004	2009	2014	Average Annual growth
Mangaung	680,000	730,000	786,000	1.46%
Xhariep	163,000	151,000	146,000	-1.12%
Lejweleputswa	641,000	633,000	631,000	-0.17%

Thabo Mofutsanyane	780,000	747,000	738,000	-0.56%
FezileDabi	470,000	483,000	504,000	0.71%
Free State	2,734,946	2,744,224	2,804,961	0.25%

Source: IHS Global Insight Regional eXplorer version 832

The Mangaung Metropolitan Municipality increased the most, in terms of population, with an average annual growth rate of 1.5%. The FezileDabi District Municipality (DM) had the second highest growth in terms of its population, with an average annual growth rate of 0.7%. The Xhariep DM had the lowest average annual growth rate of -1.12% relative to the other municipalities within Free State Province.

1.1.2.1 Population Projections

Based on the present age-gender structure and the present fertility, mortality and migration rates, Free State's population is projected to grow at an average annual rate of 0.4% from 2.8 million in 2014 to 2.85 million in 2019.

Table: Population projections - Free State and National Total, 2014-2019

	Free State	National Total	Free State as % of national
2014	2,800,000	53,800,000	5.2%
2015	2,820,000	54,500,000	5.2%
2016	2,830,000	55,300,000	5.1%
2017	2,840,000	56,000,000	5.1%
2018	2,850,000	56,700,000	5.0%
2019	2,850,000	57,400,000	5.0%
Average Annual growth			
2014-2019	0.35%	1.31%	

Source: IHS Global Insight Regional eXplorer version 832

The average annual growth rate in the population over the forecast period for South Africa is 1.3%. South Africa as a whole is estimated to have an average annual growth rate of 1.3% which is higher than that of Free State's growth rate.

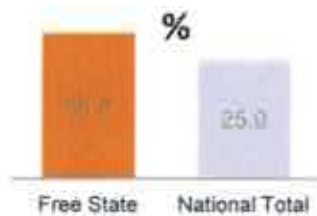
1.1.3. Economic Analysis

1.1.3.1. Facts on the Provincial Economy: 2014

- Gross Domestic Product - R190 billion (Current prices), 5.0% of national GDP
- Economic growth – annual % change:

	2013-2014	10 year avg.
Free State	0.9%	2.2%
National Total	1.5%	2.9%

- Employment – 727 000 (number of jobs), 5.0% of national employment
- Unemployment:



- Productivity growth annual % change

	2014	10 year avg.
Free State	-0.6%	0.9%
National Total	0.5%	2.3%

- Human Development Index (HDI)

	2004	2014	Change
Free State	0.52	0.60	0.08
National Total	0.55	0.63	0.072

- People below upper poverty line

Free State 48.5%	South Africa 46.5%
------------------	--------------------

- Total Population

2.8 million people	5.2% of national population
--------------------	-----------------------------

- Growth in population annual % change

	2014	10 year avg.
Free State	0.4%	0.3%
National Total	1.4%	1.3%

- Household backlog

	2004	2014
Sanitation	35.2%	17.9%
Water	8.5%	6.3%
Electricity	17.2%	8.1%
Refuse	33.1%	24.1%

1.1.3.2. Gross Domestic Product (GDP) by Region

The Gross Domestic Product (GDP), an important indicator of economic performance, is used to compare economies and economic states.

Gross Domestic Product by Region (GDP-R) represents the value of all goods and services produced within a region, over a period of one year, plus taxes and minus subsidies.

GDP-R can be measured using either current or constant prices, where the current prices measure the economy in actual Rand, and constant prices measure the economy by removing the effect of inflation, and therefore captures the real growth in volumes, as if prices were fixed in a given base year.

With a GDP of R 190 billion in 2014 (up from R 78.6 billion in 2004) as indicated in Table 3 below, the Free State Province contributed 4.99% to the South Africa GDP of R 3.8 trillion in 2014 increasing in the share of the National Total from 5.32% in 2004. Its contribution to the national economy stayed similar in importance from 2004 when it contributed 5.32% to South Africa, but it is lower than the peak of 5.50% in 2006.

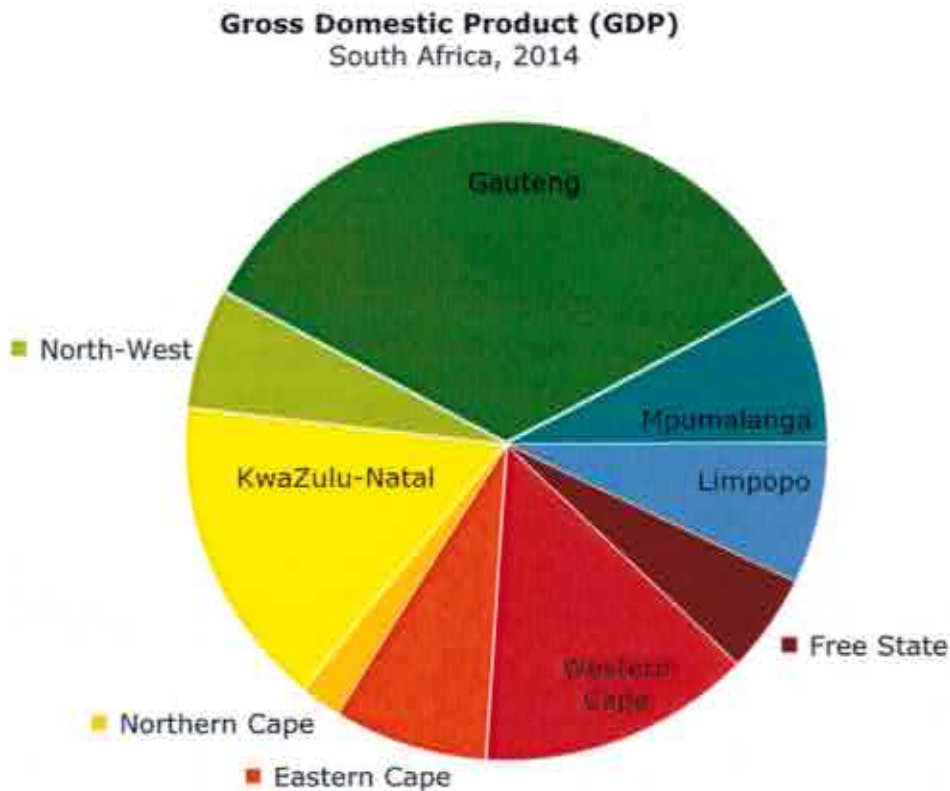
Table: GDP - Free State and National Total, 2004-2014 [R Billions, Current Prices]

	Free State	National Total	Free State as % of national
2004	78.6	1,476.6	5.3%
2005	85.5	1,639.3	5.2%
2006	101.2	1,839.4	5.5%
2007	114.0	2,109.5	5.4%
2008	129.7	2,369.1	5.5%
2009	135.9	2,507.7	5.4%
2010	147.2	2,748.0	5.4%
2011	157.8	3,025.0	5.2%
2012	164.8	3,262.5	5.1%
2013	179.8	3,534.3	5.1%
2014	189.5	3,796.5	5.0%

Source: IHS Global Insight Regional eXplorer version 832

The Free State Province had a total GDP of R 190 billion (as indicated in the table above) and in terms of total contribution towards South Africa, the Free State Province ranked eighth relative to all the regional economies to National Total GDP. This ranking, as indicated in figure below, in terms of size compared to other regions of Free State remained the same since 2004.

Figure: GDP - Free State Province and the rest of national total, 2014 [Percentage]



Source: IHS Global Insight Regional eXplorer version 832

In terms of its share, it was in 2014 (5.0%) slightly smaller compared to what it was in 2004 (5.3%). For the period 2004 to 2014, the average annual growth rate of 2.2% of Free State was the eighth relative to its peers in terms of growth in constant 2010 prices.

Table: GDP – Metropolitan Municipalities of Free State, 2004 to 2014, Share and growth

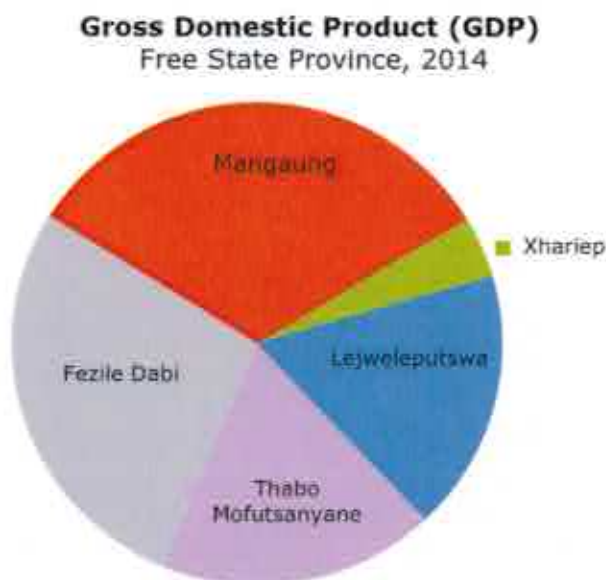
	2014 (Current prices)	Share of province	2004 (Constant prices)	2014 (Constant prices)	Average Annual growth
Mangaung	61.41	32.40%	37.11	50.93	3.22%
Xhariep	7.90	4.17%	4.99	6.66	2.92%
Lejweleputswa	33.18	17.50%	33.84	28.74	-1.62%
Thabo Mofutsanyane	34.82	18.37%	21.85	28.59	2.73%
FezileDabi	52.23	27.56%	30.24	43.59	3.72%
Free State	189.53		128.03	158.52	

Source: IHS Global Insight Regional eXplorer version 832

Fezile Dabi, as indicated in the table above, had the highest average annual economic growth, averaging 3.72% between 2004 and 2014, when compared to the

rest of the regions within the Free State Province. The Mangaung Metropolitan Municipality had the second highest average annual growth rate of 3.22%. Lejweleputswa DM had the lowest average annual growth rate of -1.62% between 2004 and 2014.

Figure: GDP contribution - Metropolitan and non-metro municipalities of FS Province, 2014 [Current prices, Percentage]



Source: IHS Global Insight Regional eXplorer version 832

The greatest contributor to the Free State's economy, is Mangaung Metro with a share of 32.40% or R 61.4 billion, increasing from R 24.4 billion in 2004. The economy with the lowest contribution is the Xhariep District Municipality with R 7.9 billion growing from R 3.2 billion in 2004.

1.1.3.3 Gross Value Added by Region (GVA-R)

The Free State Province's economy is made up of various industries. The GVA-R variable provides a sector breakdown, where each sector is measured in terms of its *value added* in the local economy.

Gross Value Added (GVA) is a measure of output (total production) of a region in terms of the value that was created within that region. GVA can be broken down into various production sectors.

The summary table below puts the Gross Value Added (GVA) of all the regions in perspective to that of the Free State Province.

Table: Gross Value Added (GVA) by broad economic sector - Free State Province, 2014
 [R Billions, Current Prices]

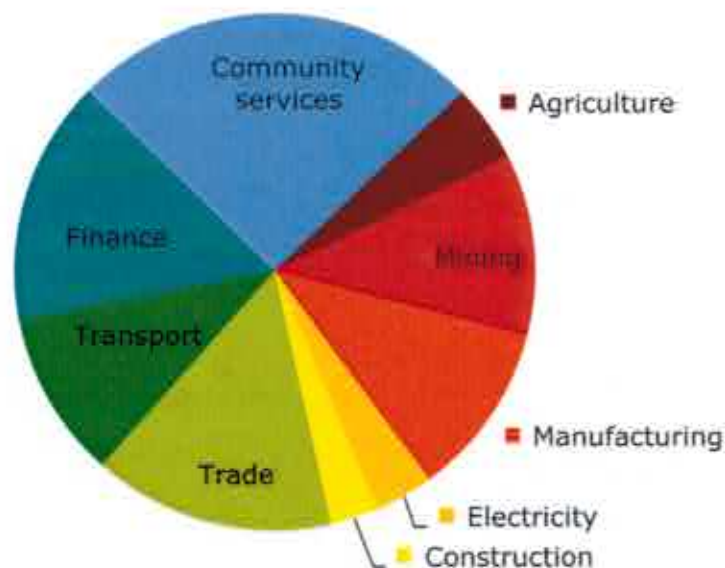
	Free State	National Total	Free State as % of national
Agriculture	8.3	84.7	9.8%
Mining	19.2	286.6	6.7%
Manufacturing	18.4	452.3	4.1%
Electricity	6.3	125.4	5.0%
Construction	4.9	138.9	3.6%
Trade	25.4	504.9	5.0%
Transport	17.5	339.9	5.1%
Finance	26.2	699.5	3.7%
Community services	43.0	772.3	5.6%
Total Industries	169.1	3,404.5	5.0%

Source: IHS Global Insight Regional eXplorer version 832

In 2014, the community services sector is the largest within Free State Province accounting for R 43 billion or 25.4% of the total GVA in the province's economy. The sector that contributes the second most to the GVA of the Free State Province is the finance sector at 15.5%, followed by the trade sector with 15.0%. The sector that contributes the least to the economy of Free State Province is the construction sector with a contribution of R 4.93 billion or 2.92% of the total GVA.

Figure: Gross Value Added (GVA) by broad economic sector - Free State Province, 2014
 [Percentage Composition]

Gross Value Added (GVA) by broad economic sector
 Free State Province, 2014

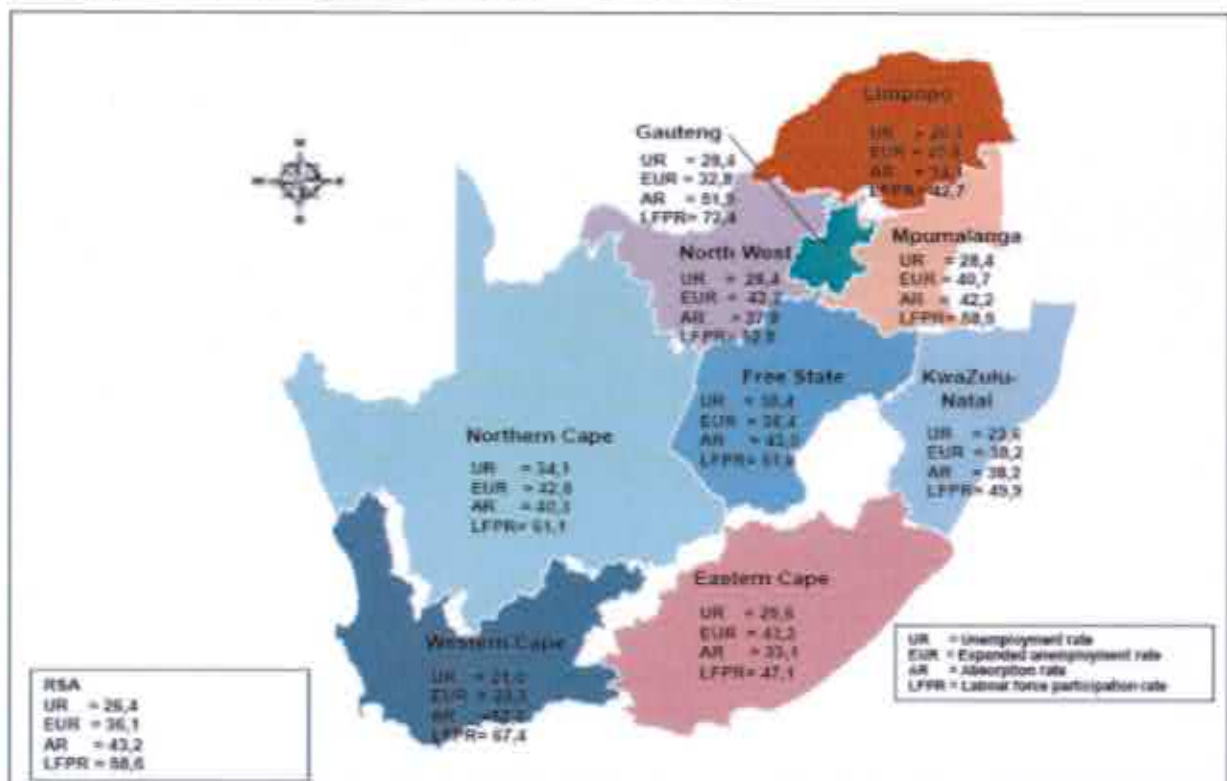


Source: IHS Global Insight Regional eXplorer version 832

The community sector, which includes the government services, is generally a large contributor towards GVA in smaller and more rural local municipalities. When looking at the regions within Free State Province it is clear that community services sector within Mangaung Metro contributed 45.42% towards its own GVA. Mangaung Metro contributed R 56.2 billion or 33.21% to the GVA of Free State Province, making it the largest municipality in terms of its contribution to the overall GVA of Free State Province.

1.1.3.4. Free State Labour Market

SA Labour market measures at a glance, Q1: 2015



1.1.3.5. Employment

For the year ended March 2015, employment gains were recorded in eight of the nine provinces. The largest year-on-year employment gains were observed in Gauteng (117 000), followed by Free State (79 000) and Limpopo (72 000). Northern Cape was the only province where employment remained virtually unchanged.

Table 6: Employment by Province

	Jan – Mar 2014	Oct-Dec 2014	Jan-Mar 2015	Qtr-to-Qtr Change	Year-on-year Change	Qtr-to-Qtr Change	Year-on-year Change
	Thousand				Percentage points		
South Africa	15 055	15 320	15 459	140	405	0,9	2,7

Western Cape	2 237	2 170	2 261	91	24	4,2	1,1
Eastern Cape	1 332	1 336	1 358	22	26	1,6	1,9
Northern Cape	308	320	307	-13	-1	-4,0	-0,3
Free State	724	772	802	30	79	3,9	10,9
KwaZulu-Natal	2 527	2 520	2 546	26	19	1,0	0,7
North West	870	948	912	-36	42	-3,8	4,9
Gauteng	4 794	4 881	4 911	31	117	0,6	2,4
Mpumalanga	1 127	1 138	1 154	16	27	1,4	2,4
Limpopo	1 136	1 235	1 208	-27	72	-2,2	6,3

Source: Stats SA, QLFS, Q1 2015

*Note: Q1:2015 estimates (column Jan-Mar 2015) are from the 2013 Master Sample.
Due to rounding, numbers do not necessarily add up to totals.

An increase, quarter-to-quarter, of 30 000 jobs was recorded in the Free State province (from 772 000 to 802 000).

Table: Employment by province and metropolitan municipality, Q1: 2015

	Municipality	Employment Thousand
	RSA	
	Total employment	15 459
	Metro	7 659
	Non-metro	7 801
Free State		
	Total	802
	Mangaung	232
	Non-metro	570

Source: Stats SA, QLFS, Q1 2015

The table above shows that at the national level, non-metropolitan municipalities accounted for more jobs compared to metropolitan municipalities. Three of the five provinces with large municipalities recorded more jobs in non-metropolitan municipalities (KwaZulu-Natal, Eastern Cape and Free State). Non-metro municipalities in the Free State recorded 570 000 jobs compared to the Mangaung Metro with 232 000 jobs.

1.1.3.6. Unemployment

The official unemployment rate, between Q1: 2014 and Q1: 2015, in the Free State Province decreased by 4, 3 percentage points. This decrease represents the largest annual decrease in the official unemployment rate amongst the nine provinces. Increases in the unemployment rate were observed in seven of the nine provinces. Mpumalanga was the only other province that recorded a decrease of 2, 0 percentage points in the official unemployment rate year-on-year.

Table: Unemployment rate by province

	Official unemployment rate					Expanded unemployment rate		
	Jan – Mar 2014	Oct-Dec 2014	*Jan-Mar 2015	Qtr-to- Qtr Change	Year- on-year Change	Jan – Mar 2014	*Jan-Mar 2015	Year-on- year change
	Per cent			Percentage points		Per cent		%
South Africa	25,2	24,3	26,4	2,1	1,2	35,1	36,1	1,0
Western Cape	20,9	22,9	21,0	-1,9	0,1	22,6	23,3	0,7
Eastern Cape	29,4	29,1	29,6	0,5	0,2	44,2	43,2	-1,0
Northern Cape	29,0	28,7	34,1	5,4	5,1	39,8	42,6	2,8

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Free State	34,7	32,2	30,4	-1,8	-4,3	41,5	38,4	-3,1
KwaZulu-Natal	20,7	20,8	23,6	2,8	2,9	37,4	38,2	0,8
North West	27,7	25,2	28,4	3,2	0,7	42,6	43,2	0,6
Gauteng	25,8	24,6	28,4	3,8	2,6	29,8	32,8	3,0
Mpumalanga	30,4	26,6	28,4	1,8	-2,0	41,9	40,7	-1,2
Limpopo	18,4	15,9	20,1	4,2	1,7	39,2	40,8	1,6

Source: Stats SA, QLFS, Q1 2015

*Note: Q1 2015 estimates (column Jan-Mar 2015) are from the 2013 Master Sample.

Due to rounding, numbers do not necessarily add up total

NB. According to the strict definition only those people who take active steps to find employment, but fail to do so, are regarded as unemployed. The expanded definition, on the other hand, includes everyone who desires employment, irrespective of whether or not they actively tried to obtain a job.

Compared to Q1: 2014, the expanded unemployment rate in Free State decreased by 3, 1 percentage points to 38, 4% in Q1: 2015. During this period, six of the nine provinces recorded increases in the expanded unemployment rate. The largest increase was recorded in Gauteng (3, 0 percentage points), Northern Cape (2, 8 percentage points) and Limpopo (1, 6 percentage points).

Table: Unemployment rate by province and metropolitan municipality, Q1: 2015

		Official unemployment rate	Expanded unemployment rate
		%	
RSA	Both metro and non-metro	26,4	36,1
Free State	Mangaung	26,9	35,8
	Non-metro	31,7	39,4

Source: Stats SA, QLFS, Q1 2015

The non-metropolitan municipalities in Free State recorded higher unemployment rates (both official and expanded) compared to Mangaung Metro. Both the metro and non-metropolitan municipalities in the province recorded large differences between official and expanded unemployment rates of 8, 9 and 7, 7 percentage points.

1.1.3.7. Employment by industry

The highest employment, on a year-to-year basis, was created in the following sectors: Agriculture (25 000), Trade (19 000), Manufacturing (15 000) and Finance (13 000). Jobs however were lost in the Community and Social Services (6 000), Private households (5 000) and Transport (2 000).

Table: Employment by industry - Free State

Industry	Jan-Mar 2014	Oct-Dec 2014	*Jan-Mar 2015	Qtr-to-Qtr change	Year-on-year change	Qtr-to-Qtr change	Year-on-year change
Thousand				Per cent			
Agriculture	57	54	82	28	25	52,2	43,8
Mining	27	26	34	8	7	32,2	25,6
Manufacturing	56	76	71	-4	15	-5,7	26,4
Utilities	3	5	11	5	8	104,0	306,7
Construction	52	54	57	3	5	5,5	10,0
Trade	148	170	167	-4	19	-2,1	12,7

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Transport	36	32	35	2	-2	6,9	-4,7
Finance	58	58	71	13	13	22,3	22,0
Community & Social Services	206	221	200	-22	-6	-9,9	-3,0
Private Households	80	75	75	0	-5	0,3	-6,2

For all values of 10 000 or lower, the sample size is too small for reliable estimates.

Due to rounding, numbers do not necessarily add up to totals.

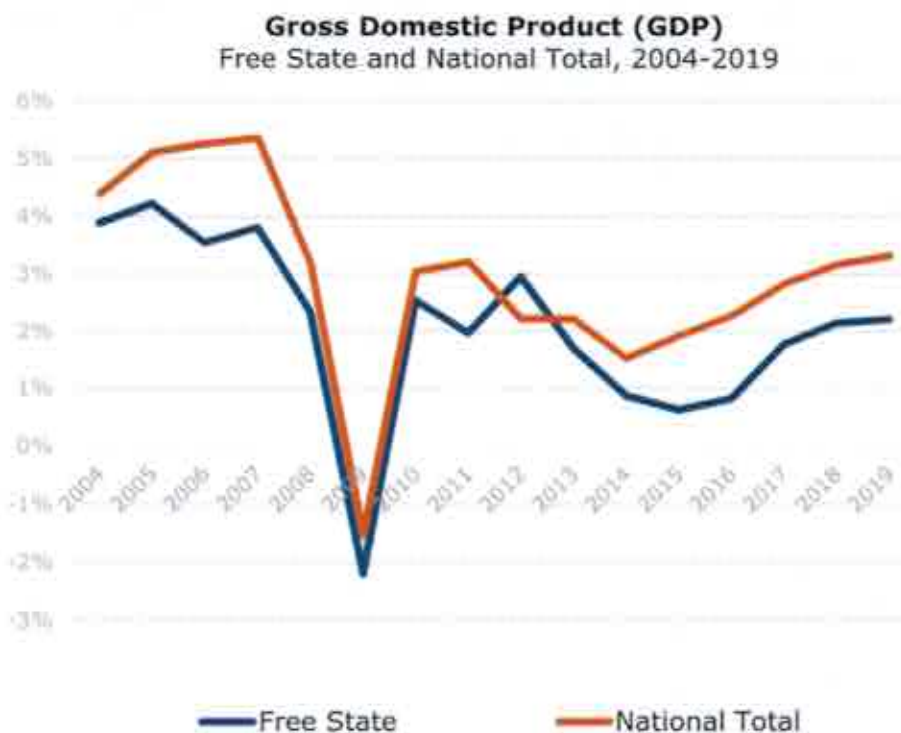
*Q1 : 2015 estimates (column Jan-Mar 2015) are from the 2013 Master Sample.

Source: Stats SA, QLFS, Q1 2015

1.1.3.8. Economic Growth Forecast

It is expected, according to IHS Global Insight, that Free State Province's GDP will grow at an average annual rate of 1.51% from 2014 to 2019. South Africa as a whole is forecast to grow at an average annual growth rate of 2.70%, which is higher than that of the Free State Province.

Figure: Gross Domestic Product (GDP) - Free State and national total, 2004-2019 [average annual growth rate, constant 2010 prices]



Source: IHS Global Insight Regional Explorer version 832

In 2019, Free State's forecasted GDP will be an estimated R 171 billion (constant 2010 prices) or 5.0% of the total GDP of National Total. The ranking in terms of size of the Free State Province will remain the same between 2014 and 2019, with a contribution to the South Africa GDP of 5.0% in 2019 compared to the 5.3% in 2014. At a 1.51% average annual GDP growth rate between 2014 and 2019, the Free State ranks the lowest compared to the other regional economies.

Table: GDP - Metropolitan and non-municipalities of FS, 2014 to 2019, share and growth

	2019 (Current prices)	Share of province	2014 (Constant prices)	2019 (Constant prices)	Average Annual growth
Mangaung	90.56	34.05%	50.93	57.01	2.28%
Xhariep	11.61	4.36%	6.66	7.56	2.57%
Lejweleputswa	38.41	14.44%	28.74	26.78	-1.41%
Thabo Mofutsanyane	50.40	18.95%	28.59	31.55	1.99%
FezileDabi	75.00	28.20%	43.59	47.99	1.94%
Free State	265.98		158.52	170.90	

Source: IHS Global Insight Regional eXplorer version 832

When looking at the regions within the Free State Province, it is expected that from 2014 to 2019 the Xhariep DM will achieve the highest average annual growth rate of 2.57%. The region that is expected to achieve the second highest average annual growth rate is that of Mangaung Metro, averaging 2.28% between 2014 and 2019. On the other hand the region that will perform the poorest relative to the other regions within Free State Province will be Lejweleputswa DM with an average annual growth rate of -1.41%.

1.13.9. Conclusion

The analysis of the above-mentioned data presents a dynamic picture of the realities faced by provincial policy-makers, officials across the three spheres of government and the province citizenry. All available resources, human, as well as capital should be optimally utilised to drive massive infrastructure projects and the use of labour intensive projects, rather than capital intensive projects. Infrastructure projects such as SIP 11: Agri-Logistics and Rural Infrastructure, e.g. Lejweleputswa DM Poultry Hub, SIP 12: Revitalisation of Public Hospitals and other Health Facilities should be embarked upon. This Annual Performance Plan of DESTEA should be implemented in such a way that it creates a conducive environment for radical economic transformation.

The provincial and national labour markets, where Free State recorded an unemployment rate of 30.4% and South Africa 26.4% (Q1:2015) still bear the effects of the 2009 recession, where countless jobs were lost due to reduced output demand and consequent reduced labour demand.

The Free State's economy, however, remains promising in its potential for growth. Sound government policies, such as the new FSGDS Vision 2030 strive towards reducing inequality and eradicating poverty. Through active steps taken by the department, infrastructure development, strengthening of the textile industries and other labour intensive industries, the province will contribute towards building a strong provincial economy. Focus of provincial initiatives, such as the Micro-Enterprise Support Program (MESP) administered by DESTEA, can tremendously assist in capacitating entrepreneurs to do business outside the borders of the province, as well, as globally.

Partnerships between the department, business and civil society will furthermore continue to strengthen the drive towards a faster and inclusive provincial economic growth. It is thus important to foster good working relationships, especially with the private sector, Higher Education Institutions, mining houses and others to ensure that they contribute towards growing the provincial economy.

Much greater attention will have to be devoted to downstream beneficiation opportunities and the enormous potential that exists to deepen and extend the upstream value chain, with a sharp eye towards meeting the explosion of future demand associated with the emerging markets in the Sub-Saharan region, as well as the African continent as a whole.

1.1.3.10. Tourism

The province experienced a continuous increase of international tourists during the period 2002 to 2011 with the exception of 2009 due to the global recession.

An overall analysis of Figure 4 concludes that the Free State has experienced an increase of international tourists from 15.6% in 2002 to 26% in 2011, an increase of 10.4%. A decrease in international tourists occurred in 2009 (from 23.1% in 2008 to 21.6%). An increase of 1.5% however was recorded in 2010 (to 23.1%) and the number further rose to 26% in 2011.

The above trends are however different in relation to the domestic tourists. Figure 4 clearly indicates the overall decline from 84.4% in 2002 to 74% in 2011 (a decline of 10.4% over a ten year period). This trend indicates the declining significance of the Free State province as a tourism hotspot for South African tourists. Effort should be made to market the province's tourist hotspots and create an awareness of the province's tourism potential.

Today, tourism is estimated to contribute approximately 10% to the global Gross Domestic Product (GDP), considering its direct, indirect and induced impacts. According to UNWTO, in 2014, there were 1.1 billion international tourist arrivals, up from a mere 25 million in 1950. These tourists generated US\$ 1.5 trillion in exports to the visited economies or 6% of the world's total exports. It is estimated that one out of every eleven jobs worldwide is directly or indirectly linked to tourism. Source: UNWTO, 2015.

In South Africa, tourist arrivals continue to grow every year. The direct and indirect contribution of tourism to the country's GDP is currently R323 billion which is about 9.5% of total GDP. The tourism sector supports over 1.4 million jobs, representing about 10% of total employment in the country.

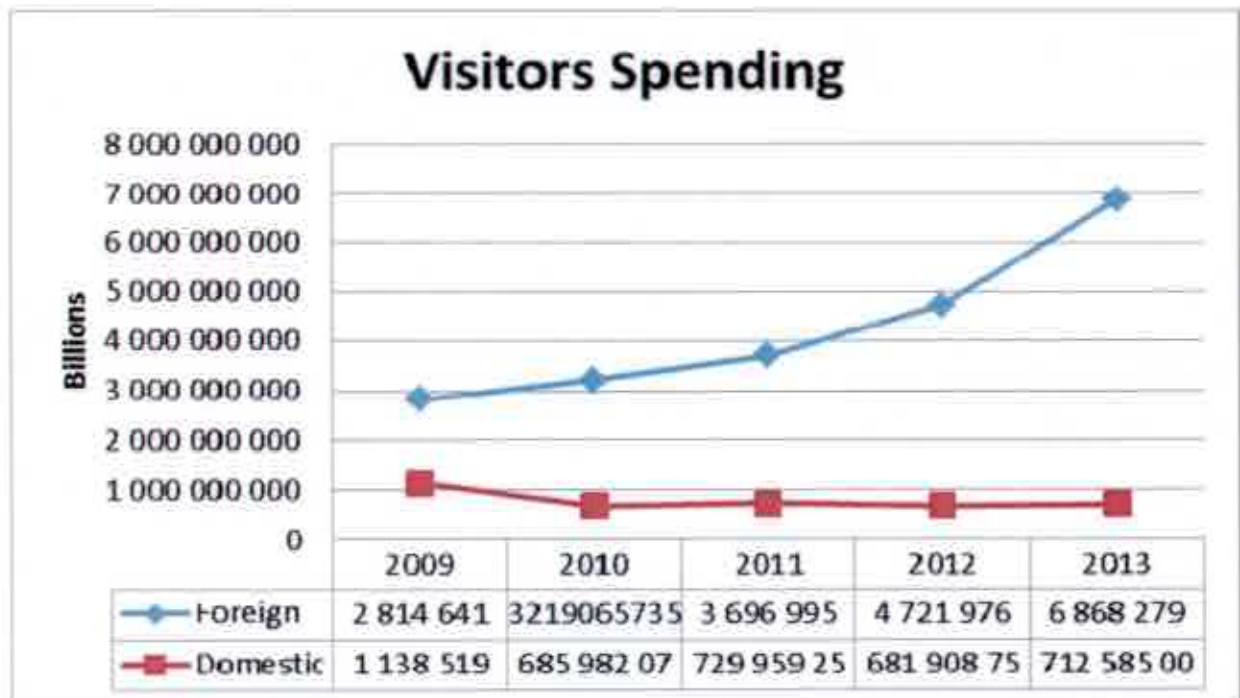
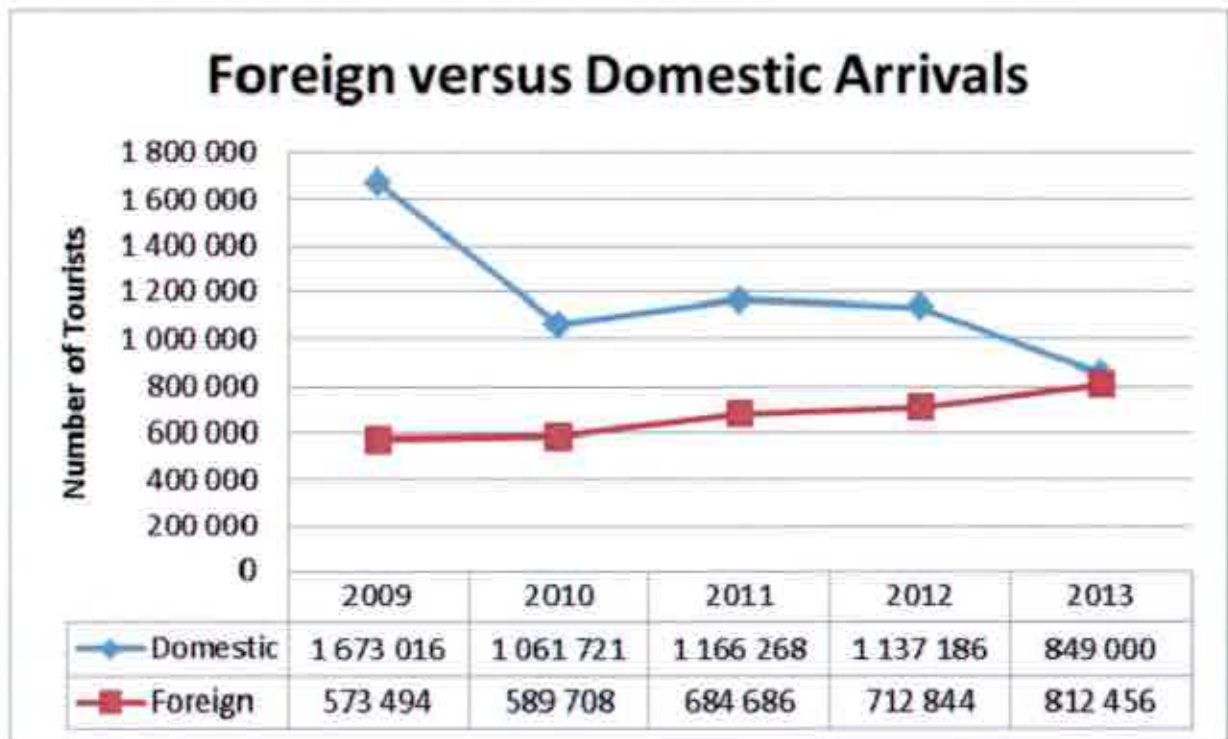
In the Free State Province, it is important that on the demand side the province intensifies its efforts to ensure effective marketing of the province in order to attract domestic tourists as well as international tourists. On the supply side, the province must continue to enhance tourism infrastructure, up skill the sector, inculcate the culture of service excellence and enhance the provision of world class visitor experiences.

Free State Tourism Provincial Indicators.

	2009	2010	2011	2012	2013																																																																																																									
Tourist Arrivals	Foreign - 573 494 8.2% Domestic - 1 673 016 5.4% Same day- 7 438 887 3.5 %	Foreign - 589 708 7.3% Domestic - 1 061 721 3.6% Same day- 8 129 744 3.6 %	Foreign - 664 696 8.2% Domestic - 1 166 268 4.4% Same day- 5 290 073 1.9 %	Foreign - 712 844 7.8% Domestic - 1 137 186 4.5% Same day- 6 683 330 2.1 %	Foreign - 512 458 8.4 % Domestic - 649 000 3.4% Same day- 4 354 000 1.7%																																																																																																									
Spent	Foreign - R2 814 641 626 Domestic - R1 138 519 322	Foreign - R3 219 055 735 Domestic - R685 982 076	Foreign - R3 696 995 848 Domestic - R729 959 258	Foreign - R4 721 976 988 Domestic - R681 908 759	Foreign - R 6 968 279 255 Domestic - R 712 586 000																																																																																																									
Length of stay	Foreign tourists - 4.8 nights Domestic tourists- 3.8 nights	Foreign tourists - 5.2 nights Domestic tourists- 4.0 nights	Foreign tourists - 5.3 nights Domestic tourists- 3.6 nights	Foreign tourists - 6.1 nights Domestic tourists- 3.5 nights	Foreign tourists - 10.0 nights Domestic tourists- 4.2 nights																																																																																																									
Mode of visit	<table border="1"> <thead> <tr> <th colspan="3">Foreign Domestic</th> </tr> </thead> <tbody> <tr> <td>Holiday</td> <td>6.1%</td> <td>13.4%</td> </tr> <tr> <td>Business</td> <td>4.1%</td> <td>7.2 %</td> </tr> <tr> <td>VFR</td> <td>54.6%</td> <td>77.8%</td> </tr> <tr> <td>Medical</td> <td>9.0%</td> <td>0.78%</td> </tr> <tr> <td>Religious</td> <td>N/A %</td> <td>0.9%</td> </tr> <tr> <td>Other</td> <td>1.6%</td> <td>N/A</td> </tr> </tbody> </table>	Foreign Domestic			Holiday	6.1%	13.4%	Business	4.1%	7.2 %	VFR	54.6%	77.8%	Medical	9.0%	0.78%	Religious	N/A %	0.9%	Other	1.6%	N/A	<table border="1"> <thead> <tr> <th colspan="3">Foreign Domestic</th> </tr> </thead> <tbody> <tr> <td>Holiday</td> <td>10.7%</td> <td>4.6%</td> </tr> <tr> <td>Business</td> <td>4.7%</td> <td>7.4%</td> </tr> <tr> <td>VFR</td> <td>51.8%</td> <td>73.5%</td> </tr> <tr> <td>Medical</td> <td>7.9%</td> <td>4.7%</td> </tr> <tr> <td>Religious</td> <td>N/A %</td> <td>10.51%</td> </tr> <tr> <td>Other</td> <td>3.1%</td> <td>N/A</td> </tr> </tbody> </table>	Foreign Domestic			Holiday	10.7%	4.6%	Business	4.7%	7.4%	VFR	51.8%	73.5%	Medical	7.9%	4.7%	Religious	N/A %	10.51%	Other	3.1%	N/A	<table border="1"> <thead> <tr> <th colspan="3">Foreign Domestic</th> </tr> </thead> <tbody> <tr> <td>Holiday</td> <td>3.6%</td> <td>15.6%</td> </tr> <tr> <td>Business</td> <td>4.6%</td> <td>2.7%</td> </tr> <tr> <td>VFR</td> <td>63.8%</td> <td>70.5%</td> </tr> <tr> <td>Medical</td> <td>9.1 %</td> <td>5.5%</td> </tr> <tr> <td>Religious</td> <td>N/A%</td> <td>5.7%</td> </tr> <tr> <td>Other</td> <td>3.1%</td> <td>N/A</td> </tr> </tbody> </table>	Foreign Domestic			Holiday	3.6%	15.6%	Business	4.6%	2.7%	VFR	63.8%	70.5%	Medical	9.1 %	5.5%	Religious	N/A%	5.7%	Other	3.1%	N/A	<table border="1"> <thead> <tr> <th colspan="3">Foreign Domestic</th> </tr> </thead> <tbody> <tr> <td>Holiday</td> <td>3.7 %</td> <td>7.0%</td> </tr> <tr> <td>Business</td> <td>4.2 %</td> <td>16.0%</td> </tr> <tr> <td>VFR</td> <td>64.9%</td> <td>66.3%</td> </tr> <tr> <td>Medical</td> <td>5.2%</td> <td>N/A%</td> </tr> <tr> <td>Religious</td> <td>N/A%</td> <td>8.5 %</td> </tr> <tr> <td>Other</td> <td>2.9%</td> <td>N/A</td> </tr> </tbody> </table>	Foreign Domestic			Holiday	3.7 %	7.0%	Business	4.2 %	16.0%	VFR	64.9%	66.3%	Medical	5.2%	N/A%	Religious	N/A%	8.5 %	Other	2.9%	N/A	<table border="1"> <thead> <tr> <th colspan="3">Foreign Domestic</th> </tr> </thead> <tbody> <tr> <td>Holiday</td> <td>3.1%</td> <td>11.1%</td> </tr> <tr> <td>Business</td> <td>N/A</td> <td>10.0%</td> </tr> <tr> <td>VFR</td> <td>72.6%</td> <td>78.0%</td> </tr> <tr> <td>Medical</td> <td>7.2%</td> <td>N/A</td> </tr> <tr> <td>Religious</td> <td>0.2%</td> <td>0.7%</td> </tr> <tr> <td>Other</td> <td>5.6%</td> <td>N/A</td> </tr> </tbody> </table>	Foreign Domestic			Holiday	3.1%	11.1%	Business	N/A	10.0%	VFR	72.6%	78.0%	Medical	7.2%	N/A	Religious	0.2%	0.7%	Other	5.6%	N/A
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Spent nights	Foreign - 2 651 085 4.6% Domestic- 6 387 851 5.1% 2009	Foreign - 2 963 599 4.4% Domestic- 4 228 482 3.3% 2010	Foreign - 3 445 399 5.2% Domestic- 4 151 462 3.6% 2011	Foreign - 4 170 467 6.2% Domestic- 3 797 063 3.1% 2012	Foreign - 7 809 840 9.8 % Domestic- 3 725 000 3.2% 2013																																																																																																									
Intra vs. inter provincial trips	Intra: 49% Inter: 54%	Intra: 42% Inter: 58%	Intra: 28% Inter: 72%	Intra: 28% Inter: 72%	Intra: 35% Inter: 55%																																																																																																									

Source: 2013 Annual Tourism Performance

Arrivals: TFDS versus TDDS



- The provincial percentage share of foreign tourists shows fluctuation in the percentage share of foreign tourists visiting the province over the past five years; the above figure however reflects a steady increase in the number of foreign tourists arriving in the Free State province. The increase experienced over the years in the Free State can be a result of the large number of tourists visiting from Lesotho and travelling into the province to buy goods and services in towns

such as Ladybrand and Ficksburg. The increase could also be attributed to the international events such as Macufe, Tour de Free State which occurred during 2012 and 2013, as well as the newly lobbied F2 powerboat championships, which started in the province in 2013.

- The provincial percentage share of domestic arrivals indicates improvement when compared to previous years, the above figure nevertheless interprets a different outcome; the total number of domestic trips shows a decline in arrivals, there reason for this decline can be as a result of a lack of sufficient tourist amenities in the province for them to stay and enjoy as compared to leading destinations such as Western Cape and Kwa-Zulu Natal.
- The figure above illustrates an increase in the number of foreign visitors into the province as opposed to the domestic visitors. Foreign visitors statistics have grown from 573 000 visitors in 2009 to 812 456 visitors in 2013. On the national barometer, the Free State has seen an increase of 8.4% in 2013 compared to 7.8% of 2012. The domestic visitors declined from 1 600 000 million visitors in 2009 to 849 000 visitors in 2013, which is a 3.4% share of national arrivals compared to that of 4.5% in 2012.
- The above figure provides an indication that, in support of the increasing number of foreign visitors, their spending patterns have increased as their numbers into the province increased. When there are not enough tourists visiting a destination, not enough revenue will be created from their visits; the decrease in spending of domestic tourists is due to low numbers of arrivals in the province which could be due to reason provided earlier.

1.1.3.11. Environment

Game and Nature Reserves in the Free State Province include:

1. Caledon Nature Reserve
2. Erfenis Dam Nature Reserve
3. Gariep Dam Nature Reserve
4. Kalkfontein Dam Nature Reserve
5. Mount Everest Game Reserve
6. Sandveld Nature Reserve
7. Seekoeivlei Nature Reserve
8. Soetdoring Dam Reserve
9. Sterkfontein Dam Reserve
10. Tussen die Riviere Reserve
11. Willem Pretorius Game Reserve
12. Karee Nature Reserve
13. Wuras Dam Nature Reserve
14. Ficksburg Nature Reserve
15. Koppies Dam Nature Reserve
16. Rustfontein Dam Nature Reserve

Various factors have influenced land use patterns in the Free State Province, the most important of which are soil type, rainfall distribution, mineral deposits, transport

routes and political background. Of the total FS surface area, agriculture accounts for 90% of land use, 7% is used for settlements, 1.6% is set aside for formal conservation, while mining activity occupies approximately 0.4% of the Province. Biodiversity is defined in the Biodiversity Act (Act No. 10 of 2004) as "the variability among living organisms from all sources, including terrestrial, marine and other aquatic ecosystems and the ecological complexes of which they are part and also includes diversity within species, between species and of ecosystems". Only about 3.4% of the land surface of the FS was formally conserved. The Vredefort Dome and Maluti-Drakensberg Transfrontier Conservation Area are World Heritage sites. A wide range of wetland types occur in the Free State, which contribute towards the overall biological diversity of the Province with Seekoeivlei Nature Reserve a Ramsar site of international importance. Climate change is expected to bring considerable warming and drying to much of this already semi-arid region, with greater frequency and intensity of extreme weather events such as heat waves, flooding and drought. Three biomes occur within the Free State, namely the Grassland (72% of the Province), Nama Karoo (22%), and Savannah (6%). The three key, inter-related threats to biodiversity and ecosystem health are habitat destruction, invasive alien species and climate change. About 34% of the grassland biome in the Free State has been irreversibly transformed through development, such as urban settlements, mining, agriculture and industrial facilities.

The average rainfall in South Africa is about 450 mm per annum, which is well below the world average of 860 mm per annum. In terms of the United Nations definition, South Africa is a water stressed country, bordering on water scarce. As a result, sound management of this valuable resource is essential to ensure optimum social and economic benefit to further the aims and aspirations of all the people.

The Free State Province is bordered in the north and northwest by the Vaal River, in the south by the Orange/Gariep River and in the east by the Caledon/Mohokare River. Numerous major tributaries, the Wilge, Liebenbergsvlei, Renoster, Vals, Sand, Vet, Modder and Riet Rivers divide the Province into eleven secondary drainage regions. Two primary catchment areas (an area of land from which any rainfall will drain into the water course) are located in the Free State, namely the Vaal River catchment and the Orange River catchment. Surface water resources are well developed through the construction of several large dams. The water supply is augmented by various transfer schemes that import water from other water management areas (WMA), as well as from the Kingdom of Lesotho. Future water supply will depend on increased water transfers. Groundwater is currently used for rural domestic supplies, stock watering and water supply to several towns, where surface water supply is inadequate or bulk water supply is not financially feasible. Groundwater is well utilised for water supply in the Middle Vaal, Lower Vaal and Upper Orange WMAs and is the only water resource available in many areas.

Deteriorating water quality is impacting on the quantity of water available for the different uses. Key issues of concern include the poor quality effluent discharged from municipal sewage treatment works due to overloading and/or poor operations and maintenance, polluted storm water run-off, high salinity pollution due to mining activities, as well as elevated salinity and nutrient pollution from poor farming practices. As a consequence of increased pollution levels, river health has

deteriorated, resulting in loss of river functions and services, as well as the sustainability of the river ecosystem. Many wetlands of the Free State have also been directly and/or indirectly impacted upon by a variety of different land uses and from chemical and biological pollutants.

Ambient air quality is impacted by human activities. Coal and wood is still often used as a fuel for cooking and heating in lower income communities, which generates emissions that are harmful to health and quality of life. Parameters are monitored continuously and reported to the national DEA and DESTEA on a monthly basis. Methane, a greenhouse gas, is emitted from mining ventilation shafts. Waste incinerators have been identified as the principle source of dioxins and furans (Persistent Organic Pollutants (POPs)). Other sources of POPs include obsolete pesticides, which have not been quantified in the Free State.

1.1.4. Policy Environment

The mandate of the Department emanates from national and provincial policies as well as legislative frameworks, as described in our 2015 – 2020 Strategic Plan. In addition to the policies and legislation mention in the Strategic Plan of the Department, the Presidency has developed a National Development Plan (NDP) Vision 2030. This plan, which maps out the direction South Africa should take to achieve Vision 2030, has been considered when developing the 2013/14 Annual Performance Plan. The main themes emphasised by the NDP includes:

- Economy and employment
- Economic infrastructure
- Transitioning to a low carbon economy
- Inclusive rural economy
- Positioning South Africa in the world
- Human settlement
- Promoting health and
- Social protection

The Medium Term Strategic Framework (MTSF), the Nine Point Plan of Government, the Provincial Growth and Development Strategy and the Provincial Programme of Action has also been encapsulated in the content of this plan.

1.1.5. Demand for services

The demand for environmental services is largely driven by the legislative mandate of the department to protect and sustain the natural resources of the province. The services provided by the department in this regard therefore focusses in the main on the enforcement of environmental legislation, the management of bio-diversity and climate change, as well as environmental awareness and education.

The demand for economic related services is attributable to both push and pull factors. The macro-economic policies of government has resulted in the rendering of certain services in order to achieve the various policy objectives, such as tourism and industrial development. On the other hand, the current low GDP and GVA levels in the province, coupled with significantly high levels of unemployment has

necessitated the delivery of certain services, such as SMME support, mining town support and township revitalization.

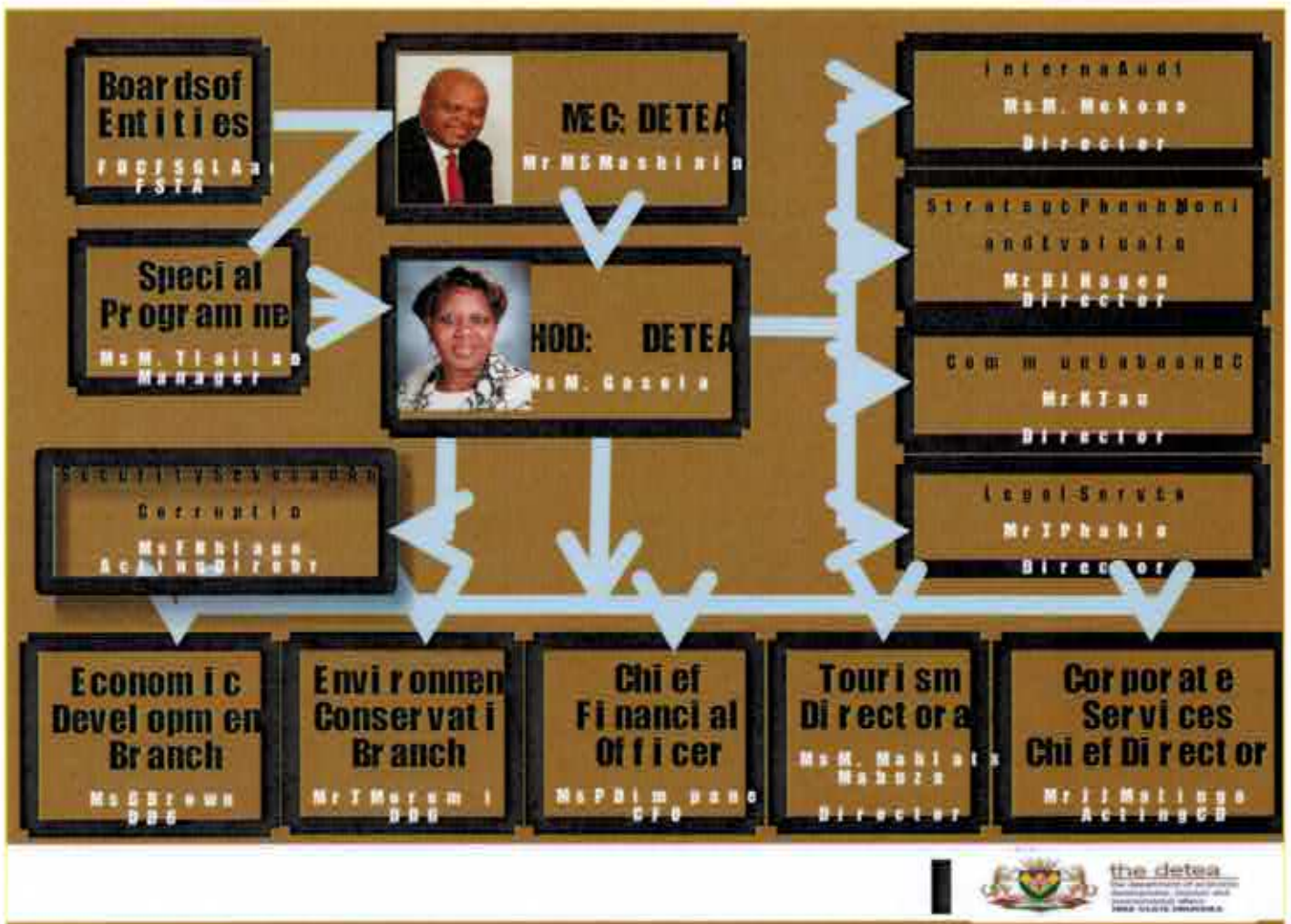
1.2. Organisational Environment

1.2.1. Programme structure

There are currently no changes in the programme structure of the Department.

The programme structure of the Department is illustrated by the table below:

Programme	Sub programme
1. Administration	1.1 Office of the MEC 1.2 Management Services 1.3 Financial Management 1.4 Corporate Services
2. Environmental Affairs	2.1 Environmental Policy, Planning and Coordination 2.2 Compliance and Enforcement 2.3 Environmental Quality Management 2.4 Biodiversity Management 2.5 Environmental Empowerment Services
3. Economic and Small Business Development	3.1 Integrated Economic Development Services 3.2 Economic Planning 3.3 Small Business Development
4. Tourism	4.1 Tourism Planning 4.2 Tourism Growth and Development 4.3 Tourism Sector Transformation



1.2.2. Personnel and capacity to deliver services

The department currently has a staff complement of 685 employees. Of the 685 employees, 623 were appointed on a permanent basis and 62 on contract. Thirty-five (35) employees left the department during the previous financial year and the staff turnover rate was 5.32%. The stability rate in the department during the previous financial year was 94.72%.

The organization is still substantially understaffed in certain critical areas, such as economic, small business and tourism development, hampering it in the delivery of crucial services. In an effort to mitigate this situation, the department will embark on the following:

- Identify critical posts to be filled during the 2016/17 financial year. This will contribute towards the reduction of the high vacancy rate and the employees who are overworked will be relieved of some additional responsibilities.
- Roll out training programmes in order to empower departmental employees.

- Provide a comprehensive employee health and wellness programme by offering treatment, care and support to the departmental employees and their families.
- Maintaining a sound labour peace in order to create a conducive environment for efficient service delivery.
- Ensuring that the organisational structure is aligned to the departmental mandates.

1.2.3. Budget

The Department is continuously challenged with inadequate compensation and operational budget allocations, effecting the efficiency of services provided by the organization. The budget estimates for the MTEF is discussed in Section 3, below. We will however continue to seek and employ innovative methods of securing funding for some of the planned outputs. These include collaborating with other government departments, state enterprises and the private sector in implementing some initiatives.

1.2.4. Challenges experienced

The department is faced with an array of challenges, amongst others the following:

- Personnel and critical skills deficits in crucial areas as explained above;
- Fiscal deficits as explained above;
- Synergy between the different spheres of government;
- Local and global economic phenomena;
- Climate change.

2. REVISION TO LEGISLATIVE AND OTHER MANDATES

The Department will continue to implement the Free State Growth and Development Strategy, MTSF and the National Development Plan, Vision 2030.

During 2014/15, Small Business Development was added as a new and additional mandate of DESTEA, residing in Programme 3: Economic and Small Business Development.

3. OVERVIEW OF 2015 BUDGET AND MTEF ESTIMATES

Below is an overview of the departmental expenditure since 2012/13 financial year to 2015/16 and the estimated budget for 2016/17 to 2018/19. A trend analysis is also provided in section 3.2.

3.1. Expenditure Estimates

Programmes	2012/13		2013/14		2014/15		2015/16			2016/17		2017/18		2018/19	
	Audited Outcomes						Voted (Main appropriation)	Adjusted Appropriation	Revised Estimate	Medium Term Estimates					
Administration	96 942	127 005	123 726	137 393	132 207	132 402	141 219	144 495	153 592						
Environmental Affairs	154 307	136 426	125 390	154 403	141 679	142 821	171 745	177 355	187 845						
Economic Development	97 885	117 784	120 851	124 645	129 664	132 350	122 500	134 944	137 930						
Tourism	58 005	51 139	59 805	55,738	65 238	61 238	58 084	54 993	58 182						
Total payments and estimates	407,139	432,354	429,772	472,179	468 788	468 811	493 548	511 786	537 550						
<u>Economic classification</u>															
Current payments	247 682	270 166	281 146	321 298	312 238	313 987	336 020	349 277	373 766						
Compensation of employees	163 024	179 251	195 033	209 579	213 979	213 362	222 654	237 890	254 657						
Goods and services	84 658	90 915	85 223	111 719	98 259	100 625	113 367	111 387	119 110						
Interest and rent on land	-	-	-	-	-	-	-	-	-						
Transfers and subsidies	123 625	137 361	133 361	117 071	129 946	126 789	112 433	114 929	115 823						
Provinces and municipalities	-	3 222	-	-	-	-	-	-	-						
Departmental agencies and accounts	95 615	93 255	101 332	92 392	102 822	96 435	98 924	97 620	103 282						
Universities and technicians	-	-	5 000	-	2 000	2 000	-	-	-						
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-						
Public corporations and private enterprises	27 245	39 545	27 004	24 679	24 179	25 679	13,508	17,309	12,541						
Non-profit institutions	-	-	-	-	-	-	-	-	-						
Households	765	1 339	2 025	-	945	2 675	-	-	-						
Payments for capital assets	35 304	24 539	13 273	33 810	26 344	28 035	45 095	47 580	47 959						

Programmes	2012/13	2013/14	2014/15	2015/16			2016/17	2017/18	2018/19
				Voted (Main appropriation)	Adjusted Appropriation	Revised Estimate			
	Audited Outcomes			Medium Term Estimates					
Buildings and other fixed structures	32 430	21 242	9 831	29 476	16 460	16 460	39 148	43 205	44 000
Machinery and equipment	2 874	3 297	3 442	4 334	9 884	11 575	5 947	4 375	3 959
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	-	-	-	-	-
Payments for financial assets	528	288	882						
Total economic classification	407 139	432 354	429 772	472 179	468 788	468 811	493 548	511 786	537 550

3.2. Relating expenditure trends to strategic outcome oriented goals

- The Department spent R432 354 in 2013/14, and in 2014/15 spent R 429 773.
- In 2014/15 financial year, the department had a budget of R 439 767 and managed to spend R 429 772 of the allocated budget, which translates to 97.7% expenditure.
- An eminent lack of capital to invest in development programmes over the MTEF is also anticipated.

PART B: Programmes and Sub-programme Plans

4. STRATEGIC OBJECTIVES AND TARGETS

This section will outline indicators and performance targets for each strategic objective identified in Part 2 of the 2015-20 Strategic Plan.

For each Programme the following are outlined:

1. The aim of the programme;
2. Strategic objective annual targets for 2016/17;
3. Performance indicators and annual targets for 2016/17;
4. Quarterly targets for 2016/17.

4.1. Programme 1: Administration

The aim of Programme 1 is to provide leadership and strategic management in accordance with Policy and Legislation and to provide appropriate support service to other programmes.

4.1.1 SUB-PROGRAMME: OFFICE OF MEC

1.1.1 Strategic objective annual targets for 2016-19

Strategic Objectives	Audited/Actual performance				Estimated performance 2015/16	Medium-term targets		
	2012/13	2013/14	2014/15	2015/16		2016/17	2017/18	2018/19
OFFICE OF MEC - SPECIAL PROGRAMMES								
1 Mainstreaming of targeted and vulnerable groups.	12 Campaigns	5 Campaigns organised	5 Campaigns	Mainstreaming of targeted vulnerable groups, being women, youth and persons with disabilities through 5 campaigns in the province.	Mainstreaming of targeted vulnerable groups, being women, youth and persons with disabilities through 4 campaigns in the province.	Mainstreaming of targeted vulnerable groups, being women, youth and persons with disabilities through 4 campaigns in the province.	Mainstreaming of targeted vulnerable groups, being women, youth and persons with disabilities through 4 campaigns in the province.	Mainstreaming of targeted vulnerable groups, being women, youth and persons with disabilities through 4 campaigns in the province.

4.1.1.2 Programme performance indicators and annual targets for 2016-19

Programme Performance Indicator	Audited/Actual performance			Estimated performance 2015/16	Medium-term targets			
	2012/13	2013/14	2014/15		2016/17	2017/18	2018/19	
SPECIAL PROGRAMMES								
1.1 Number of Departmental and Provincial campaigns organized as well as celebrated.	12 Campaigns	2 Campaigns	5	5 Campaigns	4	4	4	
1.2 Number of plans submitted to DPSA.	Not applicable	Not applicable	Not applicable	Not applicable	2	2	2	
1.3 Number of reports submitted to DPSA.	4 Reports	Not applicable	3	5 Reports	5	5	5	
1.4 Number of Youth Development plans developed according to	Not applicable	Not applicable	Not applicable	Not applicable	1	1	1	

Programme Performance Indicator	Audited/Actual performance		Estimated performance 2015/16	Medium-term targets		
	2012/13	2013/14		2014/15	2016/17	2017/18
Youth Accord						
1.5 Number of Youth Development reports prepared according to Youth Accord	Not applicable	Not applicable	Not applicable	4	4	4

4.1.1.3 Quarterly targets for 2016-17

Performance Indicators	Reporting period	Annual target 2016/17	Quarterly targets			
			1 st	2 nd	3 rd	4 th
SPECIAL PROGRAMMES						
1.1 Number of Departmental and Provincial campaigns organized as well as celebrated.	Quarterly	4 Campaigns	1	1	2	-
1.2 Number of plans submitted to DPSA	Annually	2 Plans	-	-	-	2
1.3 Number of reports submitted to DPSA	Bi-Annually	5 Reports	-	3	-	2
1.4 Number of Youth Development plans developed according to Youth Accord	Annually	1 Plan	-	-	-	1
1.5 Number of Youth Development reports prepared according to Youth Accord	Quarterly	4 Reports	1	1	1	1

4.1.2 SUB-PROGRAMME: MANAGEMENT SERVICES

4.1.2.1 Strategic objective annual targets for 2016-19

Strategic Objectives	Audited/Actual performance			Estimated performance 2015/16	Medium-term targets		
	2012/13	2013/14	2014/15		2016/17	2017/18	2018/19
1.1 Improve business processes and management controls within all programmes of the department.	-	-	-	Business processes improved and controls efficiently implemented via through the generation of 16 Internal Audit reports, 4 risk management committee meetings and 4 performance reports.	Business processes improved and controls efficiently implemented via through the generation of 12 Internal Audit reports, 4 risk management committee meetings and 4 performance reports.	Business processes improved and controls efficiently implemented through the generation of 12 Internal Audit reports, 4 risk management committee meetings and 4 performance reports.	Business processes improved and controls efficiently implemented via through the generation of 12 Internal Audit reports, 4 risk management committee meetings and 4 performance reports.

4.1.2.2 Programme performance indicators and annual targets for 2016-19

Programme Performance Indicator	Audited/Actual performance			Estimated performance 2015/16	Medium-term targets		
	2012/13	2013/14	2014/15		2016/17	2017/18	2018/19
INTERNAL AUDIT							
1.1 Develop three year and annual internal audit plan.	Not applicable	Not applicable	Not applicable	1	1	1	1
1.2 Develop internal audit charter.	Not applicable	Not applicable	Not applicable	1	1	1	1
1.3 Develop audit committee charter.	Not applicable	Not applicable	Not applicable	1	1	1	1

Programme Performance Indicator	Audited/Actual performance			Estimated performance 2015/16	Medium-term targets		
	2012/13	2013/14	2014/15		2016/17	2017/18	2018/19
RISK MANAGEMENT							
1.4	Annual review of risk related policies.	Not applicable	1 Review	1	1 Review	1 Review	1 Review
1.5	Annual review of risk registers.	Not applicable	1 Review	1	1 Review	1 Review	1 Review
1.6	Review of Risk Management Implement Plan.	Not applicable	Not applicable	1	1 Plan	1 Plan	1 Plan
STRATEGIC PLANNING, MONITORING AND EVALUATION							
1.7	Number of plans facilitated and submitted to Treasury.	1 APP	1 Plan	2	1 APP	1 APP	1 APP
1.8	An annual report submitted for tabling.	1 Annual report	1 Annual report	1	1 Annual report	1 Annual report	1 Annual report
1.9	Number of Service Delivery planning documents developed	3	3	4	4	3	4
1.10	MPAT Self-Assessment facilitated	1	1	1	1	1	1
1.11	Number of unit asset, SCM and financial reports compiled.	Not applicable	Not applicable	Not applicable	Not applicable	36	36
SECURITY SERVICES AND ANTI-CORRUPTION							
1.12	Number of security-awareness sessions conducted	3 Awareness sessions	5 Awareness sessions	5	4	6	4
1.13	Monitoring reports on security related matters.	Not applicable	Not applicable	12	8 Reports	8 Reports	8 Reports
COMMUNICATION							
1.14	Annual communication strategy developed in line with government priorities.	Approved strategy	1 Approved strategy	1	Approved annual communication strategy	Approved annual communication strategy	Approved annual communication strategy
1.15	Number of communication programmes submitted to central communication	4 Programmes	4 Programmes	11	12 Programmes	12 Programmes	12 Programmes

Programme Performance Indicator	Audited/Actual performance		Estimated performance 2015/16	Medium-term targets		
	2012/13	2013/14		2014/15	2016/17	2017/18
coordinating unit (CCCU).						
1.16 Number of campaigns managed	4 Campaigns	6 Campaigns	4 Campaigns	4 Campaigns	6 Campaigns	6 Campaigns
INFORMATION TECHNOLOGY AND KNOWLEDGE MANAGEMENT						
1.17 Number of reports compiled on the implementation of Corporate ICT plans.	Not applicable	Not applicable	2 Reports	2 Reports	2 Reports	2 Reports
1.18 Number of projects implemented as per the ICT strategy.	2 Projects	2 Projects	2 Projects	2 Projects	2 Projects	2 Projects
1.19 Number of monitoring reports compiled for ICT services, usage of IT resources and ICT security risks.	1 Report	4 Reports	4 Reports	4 Reports	4 Reports	4 Reports
1.20 Number of e-governance implementation plans developed	-	-	-	1	0	0
LEGAL SERVICES						
1.21 Number of reports on provision, management and coordination of legal support to the department.	Not applicable	Not applicable	Not applicable	4 Reports	4 Reports	4 Reports
1.22 Number of departmental legislation drafted.	Not applicable	Not applicable	2 Legislation drafted	1 Legislation drafted	1 Legislation drafted	1 Legislation drafted
1.23 Number of departmental agreements drafted or assessed	Not Applicable	Not Applicable	4 Agreements	4 Agreements	4 Agreements	4 Agreements
1.24 Conduct Training workshops on the Implementation of PAJA and PAJA.	Not Applicable	Not Applicable	Not applicable	2 Workshops	2 Workshops	2 Workshops

4.1.2.3 Quarterly targets for 2016-17						
Performance Indicators						
	Reporting period	Annual target 2016/17	1 st	2 nd	3 rd	4 th
INTERNAL AUDIT						
1.1	Develop three year and annual internal audit plan.	1	1	-	-	-
1.2	Develop internal audit charter.	1	1	-	-	-
1.3	Develop audit committee charter.	1	1	-	-	-
RISK MANAGEMENT						
1.4	Annual review of risk related policies.	1 Review	-	-	-	1 Review
1.5	Annual review of risk registers.	1 Review	-	-	-	1 Review
1.6	Review of Risk Management Implement Plan.	1 Plan	1 Plan	-	-	-
STRATEGIC PLANNING, MONITORING AND EVALUATION						
1.7	Number of plans facilitated and submitted to Treasury.	1 APP	-	-	-	1 Plan
1.8	An annual report submitted for tabling.	1 Annual report	-	1 Annual report	-	-
1.9	Number of Service Delivery planning documents developed	3	-	-	-	3
1.10	MPAT Self-Assessment facilitated	1	-	1	-	-
1.11	Number of unit asset, SCM and financial reports compiled.	36	9	9	9	9
SECURITY SERVICES AND ANTI-CORRUPTION						
1.12	Information security-awareness sessions.	4 Awareness Campaigns	1	1	1	1
1.13	Monitoring reports on security related matters.	8 Reports	2	2	2	2
COMMUNICATION						
1.14	Annual Communication strategy developed in line with government priorities.	Approved annual communication strategy	1 Approved annual communication strategy	-	-	-

Performance Indicators	Reporting period	Annual target 2016/17	Quarterly targets			
			1 st	2 nd	3 rd	4 th
1.15 Number of communication programmes submitted to central communication coordinating unit (CCCU).	Quarterly	12 Programmes	3	3	3	3
1.16 Number of campaigns managed.	Quarterly	4 Campaigns	1	1	1	1
INFORMATION TECHNOLOGY AND KNOWLEDGE MANAGEMENT						
1.17 Number of reports compiled on the implementation of Corporate ICT plans.	Bi -Annually	2 Reports	-	1 Report	-	1 Report
1.18 Number of projects implemented as per the ICT strategy.	Bi- Annually	2 Projects	-	1 Project	-	1 Project
1.19 Number of monitoring reports compiled for ICT services, usage of IT resources and ICT security risks.	Quarterly	4 Reports	1 Report	1 Report	1 Report	1 Report
1.20 Number of e-governance implementation plans developed	Annual	1	-	-	-	1
LEGAL SERVICES						
1.21 Number of reports on provision, management and coordination of legal support to the department.	Quarterly	4 Management Reports	1 Report	1 Report	1 Report	1 Report
1.22 Number of departmental legislation drafted.	Annually	1 Legislation drafted	-	-	-	1 Legislation drafted
1.23 Number of departmental agreements drafted or assessed	Quarterly	4 Agreements	1 Agreement	1 Agreement	1 Agreement	1 Agreement
1.24 Conduct Training workshops on the implementation of PAIA and PAJA.	Quarterly	2 Workshops	1 Workshop	1 Workshop	-	-

4.1.3 SUB-PROGRAMME: FINANCIAL MANAGEMENT**4.1.3.1 Strategic objective annual targets for 2016-19**

Strategic Objective	Audited/Actual performance		Estimated performance 2015/16	Medium-term targets		
	2012/13	2013/14		2014/15	2016/17	2017/18
1.1 Effective and efficient financial management	-	-	1	Improved financial management achieved through 12 IYM reports, 4 Interim Statements, 1 Procurement Plan and an annual stocktaking report.	Improved financial management achieved through 12 IYM reports, 4 Interim Statements, 1 Procurement Plan and an annual stocktaking report.	Improved financial management achieved through 12 IYM reports, 4 Interim Statements, 1 Procurement Plan and an annual stocktaking report.

4.1.3.2 Programme performance indicators and annual targets for 2016-19

Programme Performance Indicator	Audited/Actual performance		Estimated performance 2015/16	Medium-term targets		
	2012/13	2013/14		2014/15	2016/17	2017/18
MANAGEMENT ACCOUNTING						
1.1 Credible budget statement submitted to treasury on time.	1 Budget statement compiled	1 Budget statement	1	1 Budget statement	1 Budget statement	1 Budget statement
1.2 Credible adjustment budget submitted to Treasury on time.	Not applicable	1 Adjustment budget report	1	1 Adjustment budget report	1 Adjustment budget report	1 Adjustment budget report
1.3 Number of in-year monitoring reports submitted to treasury on time.	12 Reports	12 Reports	12	12 Reports	12 Reports	12 Reports
FINANCIAL MANAGEMENT						
1.4 Annual financial statement compiled according to prescripts.	1 Annual financial statement 2011/12	1 Financial statement	1	1 Financial statement	1 Financial statement	1 Financial statement

Programme Performance Indicator	Audited/Actual performance			Estimated performance 2015/16	Medium-term targets		
	2012/13	2013/14	2014/15		2016/17	2017/18	2018/19
1.5	4 Interim statements compiled according to prescripts.	3 Interim Statements	3	4 Statements	3 Statements	4 Statements	4 Statements
1.6	Value of revenue collection annually (R'000)	Not applicable	R78592	R86 043	R90 945	R95 937	-
SUPPLY CHAIN MANAGEMENT							
1.7	Percentage of payments made to creditors within 30 days from receipt of an invoice.	97.7%	99%	100%	100%	100%	100%
1.8	Number of days to conclude quotes/bids <ul style="list-style-type: none"> Transversal Contracts: <ul style="list-style-type: none"> Price quotations(<30000) Price quotation (30000-500000) Bid/Tenders. 	Not applicable	4 90	7 days 90 days	2 days 4 days 10 days 60 days	2 days 4 days 10 days 60 days	2 days 4 days 10 days 60 days
1.9	Annual procurement plan (PP) developed.	1 Approved plan	1	1 Approved plan	1 Approved plan	1 Approved plan	1 Approved plan
1.10	Number of expenditure analysis reports done. <ul style="list-style-type: none"> Catering Stationery Labour saving devices. Targeted procurement spend (70%). Cell-phones Travelling agency Transport and Shuttle service Event Management 	40 Reports	40	40 Reports	128 Reports	128 Reports	128 Reports
1.11	Number of inventory count	Not applicable	Not applicable	Not applicable	2	4	4

Programme Performance Indicator	Audited/Actual performance		Estimated performance 2015/16	Medium-term targets		
	2012/13	2013/14		2014/15	2016/17	2017/18
reports						
FLEET AND ASSET MANAGEMENT						
1.12 Number of stocktaking and disposal reports.	Not applicable	Not applicable	Not achieved	1 Report	1 Report	1 Report
1.13 Review disposal policy.	Not applicable	Not applicable	Not applicable	1 Policy reviewed	1 Policy reviewed	1 Policy reviewed
1.14 Number of fleet management utilization reports.	Not applicable	Not applicable	4	12 Reports	12 Reports	12 Reports
1.15 Number of facilities management plan (U-AMP).	Not applicable	Not applicable	Not applicable	1 Report	4 Reports	4 Reports

4.1.3.3 Quarterly targets for 2016-17

Performance indicators	Reporting period	Annual target 2016/17	Quarterly targets			
			1 st	2 nd	3 rd	4 th
MANAGEMENT ACCOUNTING						
1.1 Credible budget statement submitted to treasury on time.	Annually	1 Budget statement	-	-	-	1 Budget statement
1.2 Credible adjustment budget submitted to treasury on time.	Annually	1 Adjustment budget report	-	-	1 Adjustment budget report	-
1.3 Number of in-year monitoring reports submitted to Treasury on time.	Quarterly	12 Reports	3 Reports	3 Reports	3 Reports	3 Reports
FINANCIAL MANAGEMENT						
1.4 Annual financial statement compiled according to prescripts	Annually	1 Financial statement	1 Financial statement	-	-	-
1.5 Quarterly interim statements compiled according to prescripts.	Quarterly	3 Statements	1 Interim Statement	1 Interim Statement	1 Interim Statement	-
1.6 Value of revenue collection	Quarterly	R90 945	R 29 984	R 22 736	R 21 112	R 17 113

Performance indicators	Reporting period	Annual target 2016/17	Quarterly targets			
			1 st	2 nd	3 rd	4 th
quarterly (R'000);						
SUPPLY CHAIN MANAGEMENT						
1.7	Percentage of payments made to creditors within 30 days from receipt of an invoice.	100%	100%	100%	100%	100%
1.8	Number of days to conclude quotes/bids <ul style="list-style-type: none"> • Transversal Contracts: • Price quotations(<30000) • Price quotation (30000-50000) • Bid/Tenders. 	Quarterly	Quarterly	Quarterly	Quarterly	Quarterly
		2 days 4 days 10 days 60 days	2 days 4 days 10 days 60 days	2 days 4 days 10 days 60 days	2 days 4 days 10 days 60 days	2 days 4 days 10 days 60 days
1.9	Annual procurement plan (PP) developed.	Annually	1 Approved plan	-	-	-
1.10	Number of expenditure analysis reports done. <ul style="list-style-type: none"> • Catering. • Stationery. • Labour saving devices. • Targeted procurement spend (70%). • Cell-phones • Travelling agency • Transport and Shuttle service • Event Management 	Quarterly	128 Reports	32 Reports	32 Reports	32 Reports
1.11	Number of inventory count reports	Quarterly	2 Reports	1	-	1
FLEET AND ASSET MANAGEMENT						
1.12	Number of stocktaking and disposal reports.	Annually	1 Report	-	-	1 Report
1.13	Review disposal policy.	Annually	1 Policy	1 Policy reviewed	-	-

Performance indicators	Reporting period	Annual target 2016/17	Quarterly targets			
			1 st	2 nd	3 rd	4 th
1.14 Number of fleet management utilization reports.	Quarterly	12 Reports	3 Reports	3 Reports	3 Reports	3 Reports
1.15 Number of facilities management plan (U-AMP).	Annually	1 Report	-	-	-	1 Report

4.1.4 SUB-PROGRAMME: CORPORATE SERVICES

4.1.4.1 Strategic objective annual targets for 2016-19

Strategic Objectives	Audited/Actual performance		Estimated performance 2015/16	Medium-term targets		
	2012/13	2013/14		2014/15	2016/17	2017/18
1.1 Efficient organisational development, labour relations and wellness support.	-	-	33	Improved organizational design, discipline and wellness achieved through 20 evaluations, 10 training programmes and an annual HR Plan.	Improved organizational design, discipline and wellness achieved through 22 evaluations, 10 training programmes and an annual HR Plan.	Improved organizational design, discipline and wellness achieved through 27 evaluations, 14 training programmes and an annual HR Plan.

4.1.4.2 Programme performance indicators and annual targets for 2016-19

Programme Performance indicator	Audited/Actual performance		Estimated performance 2015/16	Medium-term targets		
	2012/13	2013/14		2016/17	2017/18	
1.1 Number of training programmes provided according to WSP and HR plan.	6 Programmes listed in the WSP and HR Plan.	8 Training programmes	Ten training programmes conducted according to the WSP and HR Plan (10)	10	12	14

Programme Performance Indicator	Audited/Actual performance		Estimated performance 2015/16	Medium-term targets		
	2012/13	2013/14		2016/17	2017/18	2018/19
1.2 Number of HIV Counselling and Testing (HCT) and Health Risk Assessments (HRA) conducted	2	2	-	2	2	
1.3 Number of posts evaluated	32	41	-	22	25	27
1.4 HR Plan reviewed annually.	Not Applicable	Not achieved	HR plan reviewed and implemented	HR plan reviewed	HR plan reviewed	HR plan reviewed
1.5 Percentage of grievances resolved within prescribed time frames (30 days)(Baseline = 35 grievances)	Of the 34 grievances received, 29 were resolved within 30 days, 3 outside 30 days and 2 still outstanding	52 grievances reported, 33 resolved within 30 days, 14 not resolved within 30 days and 3 cases are still within 30 days	All grievances resolved	90%	95%	99%
1.6 Percentage of misconduct cases finalised within prescribed time frames (90 days) (Baseline = 5 cases)	Of the 9 misconduct cases received, 5 were resolved outside the 90 days and 4 still outstanding	6 Misconduct cases reported, 2 resolved within 90 days	All misconduct cases finalised	85%	90%	95%

4.1.4.3 Quarterly targets for 2016-17

Performance indicators	Reporting period	Annual target 2016/17	Quarterly targets			
			1 st	2 nd	3 rd	4 th

Performance indicators	Reporting period	Annual target 2016/17	Quarterly targets			
			1 st	2 nd	3 rd	4 th
1.1 Training provided according to WSP and HR plan.	Quarterly	Ten (10) training programmes conducted according to the WSP and HR Plan	-	4	4	2
1.2 Number of HIV Counselling and Testing (HCT) and Health Risk Assessments (HRA) conducted	Bi-annually	2 HCT and HRAs	1	-	1	-
1.3 Number of posts evaluated.	Quarterly	22	6	6	4	6
1.4 HR Plan reviewed annually	Annually	HR plan reviewed	-	HR Plan reviewed	-	-
1.5 Percentage of grievances resolved within prescribed time frames (30 days)(Baseline = 35 grievances)	Quarterly	90%	90%	90%	90%	90%
1.6 Percentage of misconduct cases finalised within prescribed time frames (90 days). (Baseline = 5 cases)	Quarterly	85%	85%	85%	85%	85%

4.1.5.1. Reconciling performance targets with the Budget and MTEF

Sub-Programme	2012/13	2013/14	2014/15	2015/16			2016/17	2017/18	2018/19
	Audited outcome			Voted (Main Appropriation)	Adjusted Appropriation	Revised Estimated	Medium Term Estimates		
Office of the MEC	9 207	12 887	10 727	12 529	12 305	11 051	11 933	13 417	11 193
Management Services	20 173	35 959	21 736	28 478	23 825	23 384	26 504	26 114	30 774
Financial Management	40 612	50 320	59 328	62 568	61 827	59 416	66 298	67 436	71 921
Corporate Services	26 950	27 839	31 935	33 818	34 250	38 551	36 483	37 527	39 704
Total payments and estimates: Programme 1:	96 942	127 005	123 726	137 393	132 207	132 402	141 219	144 495	153 592
<u>Economic classification</u>									
Current payments	95 655	124 870	120 299	135 614	129 288	127 795	139 545	142 542	152 196
Compensation of employees	60 621	70 793	75 058	83 319	83 319	80 958	88 284	91 910	99 493
Goods and services	35 034	54 077	45 241	52 295	45 969	46 837	51 261	50 632	52 702
Interest and rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies	251	59	477	4	304	457	4	4	5
Provinces and municipalities	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	44	4	-	4	4	4	4	4	5
Universities and technikons	-	-	-	-	-	-	-	-	-

Foreign governments and international organisations	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Non-profit institutions	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Households	251	15	477	300	453															
Payments for capital assets	978	2 010	2 272	2 550	2 810	1 670	1 948	1 670	1 948	1 670	1 948	1 392								
Buildings and other fixed structures	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Machinery and equipment	978	2 010	2 272	2 550	4 150	1 670	1 948	1 670	1 948	1 670	1 948	1 392								
Heritage Assets	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Payments for financial assets	59	66	678	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total economic classification: Programme 1	96 942	127 005	123 726	132 207	132 402	141 219	144 495	141 219	144 495	141 219	144 495	153 592								

4.1.5.2. Expenditure Trend

For the financial year 2014/15 a total budget of R 126 005 was allocated to Programme 1: Administration to implement outcome 12 and the above listed strategic objectives of the Department. During this period R 123 726 was spent, which is 98.2% of the budget allocated.

2. Programme 2: Environmental Affairs

The aim of the programme

To implement and monitor legislation and policies in the areas of Air Quality, Biodiversity, Climate Change, Compliance Monitoring, Environmental Impact, Protected Areas, Pollution Control, Protected Areas and Waste Management.

4.2.1 SUB-PROGRAMME: ENVIRONMENTAL POLICY PLANNING AND COORDINATION

4.2.1.1 Strategic objective annual targets for 2016-19

Strategic Objectives	Audited/Actual performance			Estimated performance 2015/16	Medium-term targets		
	2012/13	2013/14	2014/15		2016/17	2017/18	2018/19
1 Sustainable Development ensured	24 IDP's	24 IDP's reviewed	24	24 Municipalities supported with environmental issues via various policies, tools and systems.	24 Municipalities supported with environmental issues via various policies, tools and systems.	24 Municipalities supported with environmental issues via various policies, tools and systems.	24 Municipalities supported with environmental issues via various policies, tools and systems.

4.2.1.2 Programme performance indicators and annual targets for 2016-19

Programme Performance indicator	Audited/Actual performance			Estimated 2015/16 performance	Medium-term targets		
	2012/13	2013/14	2014/15		2016/17	2017/18	2018/19
1.1 Number of intergovernmental sector tools reviewed.	3 Sector tools	24	1	2	1	2	2

Programme Performance Indicator	Audited/Actual performance		Estimated 2015/16 performance	Medium-term targets		
	2012/13	2013/14		2014/15	2016/17	2017/18
1.2 Number of legislative tools developed.	Not applicable	3	1	-	-	1
1.3 Number of environmental research projects undertaken.	Not applicable	13	5	5	5	8
1.4 Number of functional environmental information management systems (EIMS).	Not applicable	1	1	1	1	1
1.5 24 IDPs reviewed for environmental content as per requirements (DA/3.5)	Not applicable	24	24	24	24	24
1.6 Submission of EIP reports.	Not applicable	Not applicable	1	1	1	1
1.7 Green economy strategy implemented.	Not applicable	Not applicable	1	Green economy strategy approved	5 Green economy strategy implementation workshops	5 Green economy strategy implementation workshops
1.8 Number of climate change response tools developed.	Not applicable	Not applicable	-	1	-	-
1.9 Climate Change Policy Alignment Process	Not applicable	Not applicable	Not applicable	2 Aligned sector policies	-	-

4.2.1.3 Quarterly targets for 2016-17

1.10 Number of road shows conducted at municipal level relating to climate change.	Not applicable	Not applicable	Not applicable	Not applicable	5	5
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Performance indicators	Reporting period	Annual target 2016/17	Quarterly targets			
			1 st	2 nd	3 rd	4 th
			1 st	2 nd	3 rd	4 th

Performance indicators	Reporting period	Annual target 2016/17	Quarterly targets			
			1 st	2 nd	3 rd	4 th
1.1 Number of intergovernmental sector tools reviewed.	Annually	1	-	-	-	-
1.2 Number of legislative tools developed.	Not applicable	-	-	-	-	-
1.3 Number of environmental research projects undertaken.	Annually	5	-	-	-	5
1.4 Number of functional environmental information management systems (EIMS).	Annually	1	-	-	-	1
1.5 24 IDPs reviewed for environmental content as per requirements (DA/3.5).	Annually	24	24	-	-	-
1.6 Submission of EIP reports.	Annually	1	-	1	-	-
1.7 Green economy strategy implemented.	Quarterly	5	-	3 Workshops	2 Workshops	-
1.8 Number of climate change response tools developed.	Annually	1	-	-	-	1
1.9 Climate Change Policy Alignment Process	Annually	2 Aligned sector policies	-	-	-	2 Aligned sector policies
1.10 Number of road shows conducted at municipal level relating to climate change.	Quarterly	5	1	1	2	1

4.2.2 SUB-PROGRAMME: COMPLIANCE AND ENFORCEMENT

4.2.2.1 Strategic objective annual targets for 2016-2019

Strategic Objectives	Audited/Actual performance			Estimated performance 2015/16	Medium-term targets		
	2012/13	2013/14	2014/15		2016/17	2017/18	2018/19
1 Improved compliance with Environmental Legislation.	394 Enforcement actions undertaken for non-compliance	87 Enforcement actions	51	Ensure compliance in the sector through 250 compliance inspections, 50 criminal enforcements and 30 administrative enforcements.	Ensure compliance in the sector through 280 compliance inspections, 50 criminal enforcements and 12 administrative enforcements.	Ensure compliance in the sector through 270 compliance inspections, 45 criminal enforcements and 10 administrative enforcements.	Ensure compliance in the sector through 260 compliance inspections, 40 criminal enforcements and 8 administrative enforcements.

4.2.2.2 Programme performance indicators and annual targets for 2016-19

Programme Performance Indicator	Audited/Actual performance			Estimated performance 2015/16	Medium-term targets		
	2012/13	2013/14	2014/15		2016/17	2017/18	2018/19
1.1 Number of criminal enforcement (green issues) actions undertaken for non-compliance with environmental management legislation.	35	44	42	50	50	45	40
1.2 Number of administrative enforcement actions taken for non-compliance with environmental legislation	43	53	9	30	12	10	8
1.3 Number of compliance inspections conducted.	346	586	220	250	280	270	260
1.4 Number of permits issued within legislative time-frame.	4231	5156	4000	4200	4500	4550	4600

Programme Performance Indicator	Audited/Actual performance		Estimated performance 2015/16	Medium-term targets		
	2012/13	2013/14		2014/15	2016/17	2017/18
1.5 Number of Admission of Guilt Fines Issued for Biodiversity related transgressions	Not applicable	Not applicable	Not applicable	30	32	34

4.2.2.3 Quarterly targets for 2016-17

Performance Indicators	Reporting period	Annual target 2016/17	Quarterly targets			
			1 st	2 nd	3 rd	4 th
1.1 Number of criminal enforcement (green issues) actions undertaken for non-compliance with environmental management legislation.	Quarterly	50	10	15	15	10
1.2 Number of administrative enforcement actions taken for non-compliance with environmental legislation.	Quarterly	12	3	3	3	3
1.3 Number of compliance inspections conducted	Quarterly	280	60	80	80	60
1.4 Number of permits issued within legislative time-frame.	Quarterly	4500	1100	1300	1100	1000
1.5 Number of Admission of Guilt Fines Issued for Biodiversity related transgressions.	Quarterly	30	7	7	8	8

4.2.3 SUB-PROGRAMME: ENVIRONMENTAL QUALITY MANAGEMENT

4.2.3.1 Strategic objective annual targets for 2016-19

Strategic Objectives	Audited/Actual performance		Estimated performance 2015/16	Medium-term targets		
	2012/13	2013/14		2014/15	2016/17	2017/18
1 Ensure a healthy environment.	-	-	70	Manage the quality of the environment and environment	Manage the quality of the environment	Manage the quality of the environment

Strategic Objectives	Audited/Actual performance		Estimated performance 2015/16	Medium-term targets		
	2012/13	2013/14		2014/15	2016/17	2017/18
			and climate change through ensuring that at least 80% of licensing applications are finalised with the legislated timeframes.	climate change through ensuring that at least 80% of licensing applications are finalised with the legislated timeframes.	and climate change through ensuring that at least 80% of licensing applications are finalised with the legislated timeframes.	and climate change through ensuring that at least 80% of licensing applications are finalised with the legislated timeframes

4.2.3.2 Programme performance indicators and annual targets for 2016-19

Programme Performance Indicator	Audited/Actual performance		Estimated performance 2015/16	Medium-term targets		
	2012/13	2013/14		2014/15	2016/17	2017/18
1.1 Number of facilities trained on the Waste Information System.	7 Facilities trained on WIS	31 Facilities	5	5	6	7
1.2 Percentage of waste licenses applications finalised within legislated time-frames.	Not applicable	Not applicable	80%	80%	80%	80%
1.3 Number of waste pickers supported.	-	-	-	100	150	200
1.4 Percentage of EIA applications finalized within legislated time-frames.	Not applicable	Not applicable	98%	98%	98%	98%
1.5 Percentage of atmospheric emissions licences with complete applications issued within legislated time-frames.	Not applicable	Not applicable	100%	100%	100%	100%
1.6 Number of S24G applications received.	1	7 Applications	5	3	3	3
1.7 Number of S24G fines paid.	Not applicable	Not applicable	2	3	3	3

Programme Performance Indicator	Audited/Actual performance		Estimated performance 2015/16	Medium-term targets		
	2012/13	2013/14		2014/15	2016/17	2017/18
1.8 Percentage of facilities with atmospheric emission licences reporting to the National Atmospheric Emission Inventory System (NAEIS).	Not applicable	Not applicable	Not applicable	100%	-	100%
1.9 Percentage of compliance with National Annual Ambient Air Quality Standards.	Not applicable	Not applicable	Not applicable	100%	-	100%
1.10 Number of designated organs of state with approved and implemented AQMP's.	Not applicable	Not applicable	Not applicable	1	-	-

4.2.2.3 Quarterly targets for 2016-17

Performance indicators	Reporting period	Annual target 2016/17	Quarterly targets			
			1 st	2 nd	3 rd	4 th
1.1 Number of facilities trained on the Waste information system.	Quarterly	5	1	2	1	
1.2 Percentage of waste licenses applications finalised within legislated time-frames.	Quarterly	80%	80%	80%	80%	80%
1.3 Number of waste pickers supported.	Quarterly	100	25	25	25	25
1.4 Percentage of EIA applications finalized within legislated time-frames.	Quarterly	98%	98%	98%	98%	98%
1.5 Percentage of atmospheric emissions licences with complete applications issued within legislated time-frames.	Quarterly	100%	100%	100%	100%	100%
1.6 Number of S24G applications received.	Annually	3	-	-	-	3
1.7 Number of S24G fines paid.	Annually	3	-	-	-	3

Performance indicators	Reporting period	Annual target 2016/17	Quarterly targets			
			1 st	2 nd	3 rd	4 th
1.8 Percentage of facilities with atmospheric emission licences reporting to the National Atmospheric Emission Inventory System (NAEIS).	Not applicable	-	-	-	-	-
1.9 Percentage of compliance with National Annual Ambient Air Quality Standards.	Not applicable	-	-	-	-	-
1.10 Number of designated organs of state with approved and implemented AQMP's.	Annually	1	-	-	-	1

4.2.4 SUB-PROGRAMME: BIODIVERSITY MANAGEMENT

4.2.4.1 Strategic objective annual targets for 2016-19

Strategic Objectives	Audited/Actual performance		Estimated performance 2015/16	Medium-term targets			
	2012/13	2013/14		2014/15	2016/17	2017/18	2018/19
1 Management of provincial nature reserves, resorts and biodiversity.	13 Reserves 7 Resorts	13 Reserves 7 Resorts	13 Nature Reserves 7 Resorts	Increase the conservation estate of the province to 905000ha, through effective planning and management practises.	Increase the conservation estate of the province to 907000ha, through effective planning and management practises.	Increase the conservation estate of the province to 909000ha, through effective planning and management practises.	Increase the conservation estate of the province to 911000ha, through effective planning and management practises.

4.2.4.2 Programme performance indicators and annual targets for 2016-19

Programme	Performance	Audited/Actual performance	Estimated	Medium-term targets
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Indicator	2012/13	2013/14	2014/15	performance 2015/16	2016/17	2017/18	2018/19
1.1 Number of new Black Game Farmers Introduced into a Game Farming Programme.	Not applicable	Not applicable	Not applicable	Not applicable	8	8	8
1.2 Number of marketing sessions for Resorts conducted	Not applicable	Not applicable	Not applicable	4	4	4	4
1.3 Increase land under conservation through the implementation of the Biodiversity Stewardship Programme (BSP).	2 new Stewardship sites – processes underway	29 Landowner Engaged for Stewardship	1	1 new stewardship site	1 new stewardship site	1 new stewardship site	1 new stewardship site
1.4 Percentage of state managed protected areas assess with a METT score above 67%.	Not applicable	Not applicable	5	38% (5)	60%	70%	90%
1.5 Number of hectares in the conservation estate.	Not applicable	Not applicable	Not applicable	903027ha	907 000ha (+2000ha)	909000ha (+2000ha)	911 000ha (+2000ha)

4.2.4.3 Quarterly targets for 2016-17

Performance indicators	Reporting period	Annual target 2016/17	Quarterly targets			
			1 st	2 nd	3 rd	4 th
1.1 Number of new Black Game Farmers Introduced into a Game Farming Programme.	Quarterly	8	2	2	2	2
1.2 Number of marketing sessions for Resorts conducted	Quarterly	4	1	1	1	1
1.3 Increase land under conservation through the implementation of the Biodiversity Stewardship Programme (BSP).	Annually	1 new stewardship site	-	-	-	1 new stewardship site
1.4 Percentage of state managed protected areas assess with a METT score above 67%.	Annually	60%	-	-	-	60%

Performance indicators	Reporting period	Annual target 2016/17	Quarterly targets			
			1 st	2 nd	3 rd	4 th
1.5 Number of hectares in the conservation estate.	Annually	907000ha (+2000ha)	-	-	-	907 000ha

4.2.5 SUB-PROGRAMME: ENVIRONMENTAL EMPOWERMENT SERVICES

4.2.5.1 Strategic objective annual targets for 2016-19

Strategic Objectives	Audited/Actual performance		Estimated performance 2015/16	Medium-term targets		
	2012/13	2013/14		2016/17	2017/18	2018/19
1 Environmental Empowerment and Capacity Building.	376 Schools	201 Schools	251	Empower the sector through 15 environmental awareness campaigns, training of 400 community members and inclusion of 110 schools in environmental programmes.	Empower the sector through 14 environmental awareness campaigns, training of 380 community members and inclusion of 110 schools in environmental programmes.	Empower the sector through 13 environmental awareness campaigns, training of 360 community members and inclusion of 110 schools in environmental programmes.

4.2.5.2 Programme performance indicators and annual targets for 2016-19

Programme Performance Indicator	Audited/Actual performance		Estimated performance 2015/16	Medium-term targets		
	2012/13	2013/14		2014/15	2016/17	2017/18
1.1 Number of conservancies supported.	8	5	24	6	8	8
1.2 Number of community members' work shopped on environmental management	1161	535	753	200	400	360
1.3 Number of registered schools for participation in an environmental programme.	376	201	251	110	110	110
1.4 Number of work opportunities created through environmental programmes.	64	24	160	60	10	20
1.5 Number of environmental community awareness activities conducted.	29	26	26	25	15	13
1.6 Number of environmental capacity building activities through workshops and informal training conducted.	Not applicable	13	32	8	30	26
1.7 Number of quality environmental education resource materials developed.	Not applicable	Not applicable	Not applicable	1	1	1
1.8 Number of environmental calendar days celebrated.	Not applicable	Not applicable	Not applicable	4	4	4
1.9 Number of seedlings cultivated at the Karee Nursery	Not applicable	Not applicable	Not applicable	Not applicable	2500	3500
1.10 Number of Greenest and Cleanest Municipality Competitions facilitated	Not applicable	Not applicable	Not applicable	Not applicable	1	1
1.11 Number of cleaning campaigns conducted	Not applicable	Not applicable	Not applicable	Not applicable	12	12
1.12 Number of job opportunities created through departmental EPWP grant.	24	24	60	75	159	159

4.2.5.3 Quarterly targets for 2016-17

Performance Indicators	Reporting period	Annual target 2016/17	Quarterly targets			
			1 st	2 nd	3 rd	4 th
1.1 Number of conservancies supported.	Quarterly	8	2	2	2	2
1.2 Number of community members' work shopped on environmental management.	Quarterly	400	100	100	100	100
1.3 Number of registered schools for participation in an environmental programme.	Annually	110	110	-	-	-
1.4 Number of work opportunities created through environmental programmes.	Annual	10	-	-	-	10
1.5 Number of environmental community awareness activities conducted.	Quarterly	15	4	4	4	3
1.6 Number of environmental capacity building activities through workshops and informal training conducted.	Quarterly	30	-	10	10	10
1.7 Number of quality environmental education resource materials developed.	Annually	1	1	-	-	-
1.8 Number of environmental calendar days celebrated.	Bi-annually	4	-	2	-	2
1.9 Number of seedlings cultivated at the Karee Nursery	Annual	2500	-	-	-	2500
1.10 Number of Greenest and Cleanest Municipality Competitions facilitated	Annually	1	-	-	-	1
1.11 Number of cleaning campaigns conducted	Quarterly	12	3	3	3	3
1.12 Number of job opportunities created through departmental EPWP grant.	Annually	159	-	-	-	159

4.2.4. Budget Reconciliation

4.2.4.1. Reconciling performance targets with the Budget and MTEF

Sub-Programme	2012/13	2013/14	2014/15	2015/16			2016/17	2017/18	2018/19
	Audited outcome			Voted (Main Appropriation)	Adjusted Appropriation	Revised Estimated	Medium Term Estimates		
Policy Coordination & Environmental Planning	3 937	11 567	15 048	5 758	4 275	13 747	4 541	6 366	6 736
Compliance and Enforcement	15 157	16 652	18 222	13 811	14 353	13 747	17 307	15 179	16 060
Environmental Quality Management	8 627	7 211	5 927	18 392	17 766	8 788	19 692	21 545	22 794
Biodiversity Management	111 547	92 642	82 745	103 204	93 316	102 290	114 731	119 631	126 773
Environmental Empowerment service	150 39	8 354	3 448	13 238	11 969	4 249	15 474	14 633	15 482
Total payments and estimates: Programme 2:	154 307	136 426	125 390	154 403	141 679	142 821	171 745	177 355	187 845
Economic classification									
Current payments of employees	120 272	110 949	113 543	123 769	119 575	119 520	129 267	132 871	142 492
Goods and services	82 843	86 967	89 523	88 711	91 711	91 831	93 363	93 952	98 607
Interest and rent on land	37 429	23 982	24 020	35 058	27 864	27 689	35 904	38 920	43 885
Transfers and subsidies to:	263	3 863	1 134	173	518	1 701	182	191	202
Provinces and municipalities	-	3 222	-	-	-	-	-	-	-
Departmental agencies and accounts	50	38	98	173	173	173	182	191	202
Universities and technikons	-	-	-	-	-	-	-	-	-

Foreign governments and international organisations	-	-	-	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-	-	-	-
Non-profit institutions	-	-	-	-	-	-	-	-	-	-	-	-
Households	213	603	1036	345	-	-	-	-	-	-	-	-
Payments for capital assets	33 330	21 553	10 539	21 510	30 461	21 600	42 296	44 292	45 150			
Buildings and other fixed structures	32 430	21 242	9 831	16 460	29 476	16 460	39 148	43 205	44 000			
Machinery and equipment	900	311	708	5 050	985	5 140	3 148	1 087	1 150			
Heritage Assets	-	-	-	-	-	-	-	-	-			
Specialised military assets	-	-	-	-	-	-	-	-	-			
Biological assets	-	-	-	-	-	-	-	-	-			
Land and sub-soil assets	-	-	-	-	-	-	-	-	-			
Software and other intangible assets	-	-	-	-	-	-	-	-	-			
Payments for financial assets	442	61	174									
Total economic classification:	154 307	136 426	125 390	141 679	154 403	142 821	171 745	177 355	187 844			

4.2.4.2. Expenditure Trend

- The expenditure incurred in this programme was to contribute to the achievement of goal 2 of the Department, which is to ensure sustainable environmental conservation within the Province. This also contributed to Outcome 10 as set out in the prioritised national Outcome Based Plan. Expenditure pattern in this programme changed from 96.8% in 2013/14 and 97% in 2014/15.

4.3. Programme 3: Economic and Small Business Development

The aim of programme 3

The aim of this programme is to enhance economic development, small business development and growth in the province.

4.3.1 SUB-PROGRAMME: INTEGRATED ECONOMIC DEVELOPMENT SERVICES

4.3.1.1 Strategic objective annual targets for 2016-19

Strategic Objectives	Audited/Actual performance			Estimated performance 2015/16	Medium-term targets		
	2012/13	2013/14	2014/15		2016/17	2017/18	2018/19
1 To promote and support radical economic development	Not applicable	Not applicable	-	Support 3 value chains, 2 industrial developments and 2 businesses through various developmental initiatives, partnerships and alternative funding resource facilitation.	Support 3 value chains, 3 industrial developments and 3 businesses through various developmental initiatives, partnerships and alternative funding resource facilitation.	Support 5 value chains, 3 industrial developments and 3 businesses through various developmental initiatives, partnerships and alternative funding resource facilitation.	Support 5 value chains, 3 industrial developments and 3 businesses through various developmental initiatives, partnerships and alternative funding resource facilitation.

4.3.1.2 Programme performance indicators and annual targets for 2016-19

Programme Performance Indicator	Audited/Actual performance			Estimated performance 2015/16	Medium-term targets		
	2012/13	2013/14	2014/15		2016/17	2017/18	2018/19
1.1 Number of value chains mapped: <ul style="list-style-type: none"> - Agro-processing. - Mining. - Manufacturing. 	Not applicable	Not applicable	Not applicable	Not applicable	5	5	
1.2 Number of enterprises assisted with access to markets	Not applicable	Not applicable	Not applicable	Not applicable	30	35	

Programme Performance Indicator	Audited/Actual performance		Estimated performance 2015/16	Medium-term targets		
	2012/13	2013/14		2014/15	2016/17	2017/18
1.3	935	277	223	200	250	250
1.4	Not applicable	Not applicable	Not applicable	4	5	5
	Industrial Development					
1.5	Not applicable	Not applicable	1	2	3	3
1.6	Not applicable	Not applicable	Not applicable	1	3	4
1.7	Not applicable	Not applicable	Not applicable	Not applicable	1	1

4.3.1.3 Quarterly targets for 2016-17

Performance indicators	Reporting period	Annual target 2016/17	Quarterly targets			
			1 st	2 nd	3 rd	4 th
1.1	Annually	3	-	-	-	3
1.2	Bi-Annually	30	-	18	12	-
1.3	Annually	200	-	-	-	200
1.4	Annually	4	-	-	-	4

Performance indicators	Reporting period	Annual target 2016/17	Quarterly targets			
			1 st	2 nd	3 rd	4 th
- Mining. - Manufacturing.						
Industrial development						
1.5 Number of initiatives to support Industrial Development	Annually	3	-	-	-	3
1.6 Number of black industrialist developed	Annually	3	-	-	-	3
1.7 Number of business to business or business to consumer marketing platforms arranged	Annually	1	-	-	-	1

4.3.2 SUB-PROGRAMME: ECONOMIC PLANNING

4.3.2.1 Strategic objective annual targets for 2016-19

Strategic Objectives	Audited/Actual performance			Estimated performance 2015/16	Medium-term targets		
	2012/13	2013/14	2014/15		2016/17	2017/18	2018/19
1 To promote effective and efficient economic planning, research and innovation.	4 Reports	4 R&D initiatives supported	3	Coordinate and facilitate the initiation of 4 research and development projects, development of 4 economic intelligence reports and conducting of 2 seminars to support economic planning, research and innovation in the province.	Develop internal policies and procedures on research and policy formulation, coordinate and facilitate the initiation of 4 research and development projects, development of 4 economic intelligence reports and conducting of 2 seminars to support economic	Develop internal policies and procedures on research and policy formulation, coordinate and facilitate the initiation of 5 research and development projects, development of 4 economic intelligence reports and conducting of 3 seminars to support	Develop internal policies and procedures on research and policy formulation, coordinate and facilitate the initiation of 6 research and development projects, development of 4 economic intelligence reports and conducting of 3 seminars to

Strategic Objectives	Audited/Actual performance		Estimated performance 2015/16	Medium-term targets		
	2012/13	2013/14		2014/15	2016/17	2017/18
2 To affirm and protect the consumer rights of all people in the province.	Not applicable.	Not applicable	302	planning, research and innovation in the province.	economic planning, research and innovation in the province.	support economic planning, research and innovation in the province.
				36 information sessions held, 1 World Consumer Day celebrated, 2 consumer investigations conducted, conclude all consumer complaints received in 90 days and facilitate 40 consumer court sittings in order to affirm and protect the rights of all citizens in the province.	36 information sessions held, 1 World Consumer Day celebrated, 2 consumer investigations conducted, conclude all consumer complaints received in 90 days and facilitate 40 consumer court sittings in order to affirm and protect the rights of all citizens in the province.	36 information sessions held, 1 World Consumer Day celebrated, 2 consumer investigations conducted, conclude all consumer complaints received in 90 days and facilitate 40 consumer court sittings in order to affirm and protect the rights of all citizens in the province.

4.3.2.2 Programme performance indicators and annual targets for 2016-19

Programme Performance	Audited/Actual performance	Estimated	Medium-term targets
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Indicator	2012/13	2013/14	2014/15	performance 2015/16	2016/17	2017/18	2018/19
1.1 Research policy developed	Not applicable	Not applicable	Not applicable	Not applicable	1	-	-
1.2 R&D projects completed within planned time frames	Not applicable	7	3	4	4	6	6
1.3 Intelligence reports produced	12	6	4	4	4	4	4
1.4 SOP on policy formulation process developed	Not applicable	Not applicable	Not applicable	Not applicable	1	-	-
1.5 Sector strategies developed	Not applicable	Not applicable	1	1	2	1	1
1.6 Policy briefs released	Not applicable	Not applicable	Not applicable	Not applicable	4	4	4
1.7 Seminars held on research findings and new policy directives	Not applicable	Not applicable	Not applicable	2	2	3	3
1.8 Information sessions on consumer topics held	Not applicable	Not applicable	Not applicable	Not applicable	36	36	36
1.9 World Consumer Day celebrated	1	1	1	1	1	1	1
1.10 Number of investigations on rife unfair business practices conducted	Not applicable	Not applicable	Not applicable	2	2	2	2
1.11 Percentage of all received complaints mediated and concluded within 90 days	Not applicable	Not applicable	Not applicable	Mediation for 100 % of received complaints concluded in 90 days	100%	100%	100%
1.12 Number of Consumer Court sittings conducted	Not applicable	Not applicable	Not applicable	40	40	40	40
1.13 Number of partnerships and networks established	Not applicable	Not applicable	Not applicable	Not applicable	2	1	1

4.3.2.3 Quarterly targets for 2016-17

Performance indicators	Reporting period	Annual target 2016/17			
		1 st	2 nd	3 rd	4 th

Performance indicators	Reporting period	Annual target 2016/17	Quarterly targets			
			1 st	2 nd	3 rd	4 th
1.1 Research policy developed	Annually	1	-	1	-	-
1.2 R&D projects completed within planned time frames	Quarterly	4	1	1	1	1
1.3 Intelligence reports produced	Quarterly	4	1	1	1	1
1.4 SOP on policy formulation process developed	Annually	1	1	-	-	-
1.5 Sector strategies developed	Bi-annually	2	-	1	-	1
1.6 Policy briefs released	Quarterly	4	1	1	1	1
1.7 Seminars held on research findings and new policy directives	Bi-annually	2	-	1	-	1
1.8 Information sessions on consumer topics held	Quarterly	36	9	9	9	9
1.9 World Consumer Day celebrated	Annually	1	-	-	-	1
1.10 Number of investigations on rife unfair business practices conducted	Bi-annually	2	-	1	-	1
1.11 Percentage of all received complaints mediated and concluded within 90 days	Quarterly	100%	100%	100%	100%	100%
1.12 Number of Consumer Court sittings conducted	Quarterly	40	12	12	12	4
1.13 Number of partnerships and networks established	Quarterly	2	1	1	-	-

4.3.3 SUB-PROGRAMME: SMALL BUSINESS DEVELOPMENT

4.3.3.1 Strategic objective annual targets for 2016-19

Strategic Objectives	Audited/Actual performance		Estimated performance 2015/16	Medium-term targets	
	2012/13	2013/14		2016/17	2017/18

Strategic Objectives	Audited/Actual performance			Estimated performance 2015/16	Medium-term targets		
	2012/13	2013/14	2014/15		2016/17	2017/18	2018/19
1 To support radical SMME and cooperative development through partnerships.	-	-	Not applicable	Coordinate, facilitate and monitor the development and support of 100 sustainable SMME's and 20 sustainable cooperatives respectively through various business development initiatives.	Coordinate, facilitate and monitor the development and support of 120 sustainable SMME's and 30 sustainable cooperatives respectively through various business development initiatives.	Coordinate, facilitate and monitor the development and support of 150 sustainable SMME's and 50 sustainable cooperatives respectively through various business development initiatives.	Coordinate, facilitate and monitor the development and support of 150 sustainable SMME's and 50 sustainable cooperatives respectively through various business development initiatives.

4.3.3.2 Programme performance indicators and annual targets for 2016-19

Programme Performance Indicator	Audited/Actual performance			Estimated performance 2015/16	Medium-term targets		
	2012/13	2013/14	2014/15		2016/17	2017/18	2018/19
Small Micro and Medium Enterprises							
1.1 Number of existing SMME's and Co-operatives supported.	454	117	175	100	150	200	200
1.2 Number of new and existing SMME's and Co-operatives developed.	200	147	Not applicable	150	220	290	290
Cooperatives							
1.3 Number of co-operatives and SMME's supported through sector	Not applicable	Not applicable	Not applicable	10	20	30	30

Programme Performance Indicator	2012/13		Audited/Actual performance 2013/14		2014/15		Estimated performance 2015/16	Medium-term targets			
								2016/17	2017/18	2018/19	
departments.											
Service Centres											
Local Economic Development											
1.4	Number of alignment consultation and capacity building sessions with local government stakeholders on local Economic Development	Not applicable	Not applicable	Not applicable	12	14	16	18			
1.5	Number of linkages established with local Entities.	Not applicable	Not applicable	Not applicable	Not applicable	4	6	8			
Business Regulatory Support & Red Tape Reduction											
1.6	Number of municipalities supported with various interventions relating to business regulation.	Not applicable	Not applicable	Not applicable	8	12	16	16			
Stakeholder Management											
1.7	Number of B-BBEE compliance capacity building sessions facilitated	Not applicable	Not applicable	Not applicable	4	5	10	12			
1.8	Number of business forums facilitated.	Not applicable	Not applicable	Not applicable	2	4	6	6			
1.9	Number of consultation sessions with Entities aimed at strengthening the relationship between DESTE and its Entities.	Not applicable	Not applicable	Not applicable	Not applicable	4	6	8			

4.3.3.3 Quarterly targets for 2016-17

Performance indicators	Reporting period	Annual target 2016/17	Quarterly targets			
			1 st	2 nd	3 rd	4 th
Small Micro and Medium Enterprises						
1.1	Number of existing SMME's and Co-operatives supported.	150	30	45	45	30
1.2	Number of new and existing SMME's and Co-operatives developed.	220	40	60	60	60
Cooperatives						
1.3	Number of co-operatives and SMME's supported through sector departments.	20	5	5	5	5
Service Centres						
Local Economic Development						
1.4	Number of alignment consultation and capacity building sessions with local government stakeholders on local Economic Development	14	3	4	4	3
1.5	Number of linkages established with local Entities.	4	1	2	1	0
Business Regulatory Support & Red Tape Reduction						
1.6	Number of municipalities supported with various interventions relating to business regulation.	12	3	3	3	3
Stakeholder Management						
1.7	Number of B-BBEE compliance capacity building sessions facilitated	5	1	1	2	1
1.8	Number of business forums facilitated.	4	1	1	1	1
1.9	Number of consultation sessions with Entities aimed at strengthening the relationship between DESTEA and its Entities.	4	1	2	1	0

4.3.5. Budget Reconciliation

4.3.5.1. Reconciling performance targets with the Budget and MTEF

Sub-Programme	2012/13	2013/14	2014/15	2015/16			2016/17	2017/18	2018/19
	Audited outcome			Voted (Main Appropriation)	Adjusted Appropriation	Revised Estimated	Medium Term Estimates		
Integrated Economic Development Services	34569	31210	13850	21893	24 045	26 485	14 852	14 851	15 712
Economic Planning	58845	62282	70138	69048	71 254	69 468	72 866	71 765	75 928
Small Business Development	4471	24292	36863	33704	34 365	36 397	34 782	48 328	46 290
Total payments and estimates: Programme 3:	97885	117784	120 851	124645	129 664	132 350	122 500	134 944	137 930
Economic classification									
Current payments	21 804	25 661	38 364	48 304	49 574	52 059	52 560	63 237	67 836
Compensation of employees	14 019	15 758	24 522	30 286	31 686	22 428	32 659	44 050	48 116
Goods and services	7 785	9 903	12 842	18 018	17 888	18 631	19 901	19 187	19 720
Interest and rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies to:	75 600	91 268	83 196	75 030	78 030	78 349	69 059	70 658	68 984
Provinces and municipalities	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	48 251	51 309	50 870	50 351	51 851	50 351	55 551	53 349	56 443
Universities and technicians	-	-	5 000	-	-	2 000	-	-	-
Foreign governments and international	-	-	-	-	-	-	-	-	-

organisations														
Public corporations and private enterprises	27 245	39 545	27 004	24 679	24 179	25 679	13 508	17 309			12 541			
Non-profit institutions	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Households	104	414	322	-	-	319	-	-	-	-	-	-	-	-
Payments for capital assets	453	809	261	1 311	1 941	1 942	881	1 049			1 110			
Buildings and other fixed structures	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Machinery and equipment	453	809	261	1 311	1 941	1 942	881	1 049			1 110			
Heritage Assets	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Payments for financial assets	28	46	30	-	119	-	-	-			-			
Total economic classification: Programme 3	97 885	117 784	120 851	124 645	129 664	132 350	122 500	134 944			137 930			

4.3.5.2. Expenditure Trend

The expenditure incurred in this programme was to contribute to the achievement of goal 1 of the Department, which is to stimulate integrated sustainable economic development within the Province. This also contributed to the Outcome 4 as set out in the prioritised national Outcome Based Plan. Expenditure pattern in this programme changed from 99.4% in 2013/14 and in 2014/15 97.7%.

4.4. Programme 4: Tourism

The aim of programme 4

The aim of this programme is to ensure adequate planning, growth, development and transformation of the Tourism industry.

4.4.1 SUB-PROGRAMME: TOURISM PLANNING

4.4.1.1 Strategic objective annual targets for 2016-19

Strategic Objectives	Audited/Actual performance			Estimated performance 2015/16	Medium-term targets		
	2012/13	2013/14	2014/15		2016/17	2017/18	2018/19
1 Development and implementation of tourism policies and strategies.	Not applicable	Not applicable	4	Conduct 24 IDP assessments, 8 regulatory inspections to ensure alignment to the Tourism Master Plan.	Conduct 24 IDP assessments, 10 regulatory inspections to ensure alignment to the Tourism Master Plan.	Conduct 24 IDP assessments, 10 regulatory inspections to ensure alignment to the Tourism Master Plan.	Conduct 24 IDP assessments, 10 regulatory inspections to ensure alignment to the Tourism Master Plan.

4.4.1.2 Programme performance indicators and annual targets for 2016-19

Programme Performance indicator	Audited/Actual performance			Estimated performance 2015/16	Medium-term targets		
	2012/13	2013/14	2014/15		2016/17	2017/18	2018/19
1.1 Number of policy documents developed on the implementation of Free State Tourism Master Plan and Tourism Act No 3 of 2014.	Not applicable	Not applicable	Not applicable	-	2	2	2
1.2 Number of stakeholder/trade engagements facilitated.	Not applicable	Not applicable	Not applicable	-	4	4	4
1.3 Number of Tourism Sector Plans facilitated for municipalities.	Not applicable	-	-	-	4	5	7
1.4 Tourist guiding regulatory framework implemented.	Not applicable	8	11	8 Enforcement inspections	10 Enforcement inspections	10 Enforcement inspections	10 Enforcement inspections

Programme Performance Indicator	Audited/Actual performance		Estimated performance 2015/16	Medium-term targets		
	2012/13	2013/14		2014/15	2016/17	2017/18
1.5 Number of initiatives to support growth of tourist guiding sector.	Not applicable	Not applicable	Not applicable	6 Reports	8 Reports	10 Reports
1.6 Tourist safety implemented.	Not applicable	Not applicable	Tourist Safety Plan developed	4 Implementation on reports	1 Implementation reports	1 Implementation reports
1.7 Comprehensive Free State Tourism Signage Strategy implemented.	Not applicable	Not applicable	1 Strategy developed	4 Implementation on reports	4 Implementation reports	4 Implementation reports

4.4.1.3 Quarterly targets for 2016-17

Performance Indicators	Reporting period	Annual target 2016/17	Quarterly targets			
			1 st	2 nd	3 rd	4 th
1.1 Number of policy documents developed on the implementation of Free State Tourism Master Plan and Tourism Act No 3 of 2014.	Bi-annually	2	-	1	-	1
1.2 Number of stakeholder/trade engagements facilitated.	Quarterly	4	1	1	1	1
1.3 Number of Tourism Sector Plans facilitated for municipalities	Quarterly	4	1	1	1	1
1.4 Tourist guiding regulatory framework implemented.	Quarterly	10 Enforcement inspections	2	2	3	3
1.5 Number of initiatives to support growth of tourist guiding sector.	Quarterly	6 reports	1	2	2	1
1.6 Tourist safety plan implemented.	Quarterly	4 implementation reports	1	1	1	1
1.7 Comprehensive Free State Tourism Signage Strategy implemented.	Quarterly	4 implementation reports	1	1	1	1

4.4.2 SUB-PROGRAMME: TOURISM GROWTH AND DEVELOPMENT

4.4.2.1 Strategic objective annual targets for 2016-19

Strategic Objectives	Audited/Actual performance			Estimated performance 2015/16	Medium-term targets		
	2012/13	2013/14	2014/15		2016/17	2017/18	2018/19
1 Radically grow the Tourism Sector's contribution to the Provincial Economy.	Not applicable	Not applicable	Not applicable	Increase provincial bed nights consumption, through 2 capacity building sessions, 3 SRI funded initiatives and support to 5 annual tourism events.	Increase provincial bed nights consumption, through 2 capacity building sessions, 4 SRI funded initiatives and support to 5 annual tourism events.	Increase provincial bed nights consumption, through 2 capacity building sessions, 5 SRI funded initiatives and support to 5 annual tourism events.	Increase provincial bed nights consumption, through 2 capacity building sessions, 5 SRI funded initiatives and support to 5 annual tourism events.

4.4.2.2 Programme performance indicators and annual targets for 2016-19

Programme Performance indicator	Audited/Actual performance			Estimated performance 2015/16	Medium-term targets		
	2012/13	2013/14	2014/15		2016/17	2017/18	2018/19
1.1 Flea markets facilitated in support of district tourism.	Not applicable	Not applicable	4	2	2	2	1
1.2 Number of capacity programs on tourism information systems, services implemented.	Not applicable	Not applicable	3	2 Capacity building sessions	2 Capacity building sessions	2 Capacity building sessions	2 Capacity building sessions
1.3 Number of SRI and/or FDI funded initiatives supported.	Not applicable	Not applicable	Not applicable	3 Reports	4	5	5
1.4 Provincial accommodation database developed and updated.	Not applicable	Not applicable	Not applicable	1	1	1	1
1.5 Audit of provincial tourism attractions conducted.	Not applicable	Not applicable	Not applicable	5	5	5	5

Programme Performance Indicator	Audited/Actual performance			Estimated performance 2015/16	Medium-term targets		
	2012/13	2013/14	2014/15		2016/17	2017/18	2018/19
1.6	Not applicable	Not applicable	5	5	5	5	5
1.7	Not applicable	Not applicable	Not applicable	2 Campaigns	1 Campaign	1 Campaign	1 Campaign
1.8	Not applicable	Not applicable	Not applicable	1 Concept document and TOR	4 Reports on support provided	4 Reports on support provided	4 Reports on support provided
1.9	Not applicable	Not applicable	Not applicable	1 Concept document and TOR	2 Facilitation Reports	Bureau established	Bureau established
1.10	Not applicable	Not applicable	Not applicable	Not applicable	12 Consultations with FSTA, FSLGA and FDC	12 Consultations with FSTA, FSLGA and FDC	12 Consultations with FSTA, FSLGA and FDC

4.4.2.3 Quarterly targets for 2016-17

Performance indicators	Reporting period	Annual target 2016/17	Quarterly targets			
			1 st	2 nd	3 rd	4 th
1.1	Annually	2	-	-	-	2
1.2	Bi-Annually	2 Capacity building sessions	-	1	-	1
1.3	Bi-Annually	4	-	2	-	2
1.4	Annually	1	-	-	-	1
1.5	Annually	5	-	-	-	5

Performance indicators	Reporting period	Annual target 2016/17	Quarterly targets			
			1 st	2 nd	3 rd	4 th
1.6	Annually	5	-	-	-	5
1.7	Annually	1 Campaign	-	1 Campaign	-	-
1.8	Quarterly	4 Reports	1	1	1	1
1.9	Bi-Annually	Facilitation of the Conventions & Events Bureau – 2 Reports	1	-	-	1
1.10	Quarterly	12 - FSTA, FSLGA & FDC	3	3	3	3

4.4.2 SUB-PROGRAMME: TOURISM SECTOR TRANSFORMATION

4.4.2.1 Strategic objective annual targets for 2016-19

Strategic Objectives	Audited/Actual performance		Estimated performance 2015/16	Medium-term targets		
	2012/13	2013/14		2014/15	2016/17	2017/18
1	Not applicable	Not applicable	Not applicable	Ensure compliance with the Tourism Transformation Plan through 2 training programmes, an annual career EXPO and 2 community beneficiation initiatives.	Ensure compliance with the Tourism Transformation Plan through 2 training programmes, an annual career EXPO and 2 community beneficiation initiatives.	Ensure compliance with the Tourism Transformation Plan through 2 training programmes, an annual career EXPO and 2 community beneficiation initiatives.

Strategic Objectives	Audited/Actual performance			Estimated performance 2015/16	Medium-term targets		
	2012/13	2013/14	2014/15		2016/17	2017/18	2018/19
					initiatives.		

4.4.2.2 Programme performance indicators and annual targets for 2016-19

Programme Performance indicator	Audited/Actual performance			Estimated performance 2015/16	Medium-term targets		
	2012/13	2013/14	2014/15		2016/17	2017/18	2018/19
1.1 Schools competition programmes implemented.	Not applicable	Not applicable	Not applicable	1	1	1	1
1.2 Number of Community Beneficiation initiatives with emphasis on rural tourism development supported.	Not applicable	Not applicable	Not applicable	2 Cooperatives	2	3	4
1.3 Tourism events facilitated.	Not applicable	1 Tourism career expo	Not applicable	1 Tourism career expo	1 Provincial tourism awards	1 Provincial tourism awards	1 Provincial tourism awards
1.4 Free State Tourism transformation plan developed and implemented.	Not applicable	Not applicable	Not applicable	Draft and approval of tourism transformation plan	1 Tourism career expo	1 Tourism career expo	1 Tourism career expo
1.5 Tourism specific training provided.	Not applicable	Not applicable	4	2 Specialised hospitality training programmes implemented	2 Specialised hospitality/tourism training programmes implemented	2 Specialised hospitality/tourism training programmes implemented	2 Specialised hospitality/tourism training programmes implemented

4.4.2.3 Quarterly targets for 2016-17

Performance indicators	Reporting period	Annual target 2016/17	Quarterly targets			
			1 st	2 nd	3 rd	4 th
			1 st	2 nd	3 rd	4 th

Performance indicators	Reporting period	Annual target 2016/17	Quarterly targets			
			1 st	2 nd	3 rd	4 th
1.1 Schools competition programmes implemented.	Annually	1	-	1	-	-
1.2 Number of Community Beneficiation initiatives with emphasis on rural tourism development supported.	Bi- Annually	2	-	1 initiative	-	1 initiative
1.3 Tourism events facilitated.	Quarterly	1 provincial tourism awards	-	1 provincial tourism awards	1 tourism career expo	-
1.4 Free State Tourism transformation plan developed and implemented.	Annually	1 Tourism career expo	-	-	-	1
1.5 Tourism specific training provided.	Annually	2 Specialised hospitality/tourism training programmes implemented.	-	-	-	2 Specialised hospitality/tourism training programmes implemented.

4.3.5. Budget Reconciliation

4.3.5.1. Reconciling performance targets with the Budget and MTEF

Sub-Programme	2012/13	2013/14	2014/15	2015/16		2016/17	2017/18	2018/19
				Voted (Main Appropriation)	Adjusted Appropriation			
Tourism Planning	58 005	51 139	59 805	55 738	65 138	57 584	54 993	58 182
Tourism Growth and Development	-	-	-	-	50	250	-	-
Tourism Sector Transformation	-	-	-	-	50	250	-	-
Total payments and estimates: Programme 4:	58 005	51 139	59 805	55 738	65 238	58 084	54 993	58 182
Economic classification								

	9 951	8 686	9 050	13 611	13 801	14 613	14 648	10 626	11 243
Current payments									
Compensation of employees	5 541	5 733	5 930	7 263	7 263	7 145	8 348	7 978	8 441
Goods and services	4 410	2 953	3 120	6 348	6 538	7 468	6 300	2 649	2 802
Interest and rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies to:	47 511	42 171	50 554	41 864	51 094	46 282	43 187	44 076	46 632
Provinces and municipalities	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	47 314	41 864	50 364	41 864	51 094	45 907	43 187	44 076	46 632
Universities and technikons	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Non-profit institutions	-	-	-	-	-	-	-	-	-
Households	197	307	190	-	300	375	-	-	-
Payments for capital assets	543	167	201	263	343	343	249	291	308
Buildings and other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	543	167	201	263	343	343	249	291	308
Heritage Assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	-	-	-	-	-
Payments for financial assets	-	115	-	-	-	-	-	-	-
Total economic classification: Programme 4	58 005	51 139	59 805	55 738	65 238	61 238	58 084	54 993	58 182

4.3.5.2. Expenditure Trend

- For the financial year 2014/15 a total budget of R 60 771 was allocated to Programme 4: Tourism, which implements Outcome 4 and the above listed strategic objectives of the Department. During this period R59 805 was spent, which is 98.4% of the allocated budget.

PART C: Links to Other Plans

5. LINKS TO THE LONG-TERM INFRASTRUCTURE AND OTHER CAPITAL PLANS

5.1. Below is a list of infrastructure projects that will be undertaken by the Department in 2016/17:

5.2. Factors influencing the institutions ability to deliver on the infrastructure plan

The Department's ability to delivery on it infrastructure plan for 2016/17, will in the main by influenced by the following:

- Provincial Treasury's commitment to allocate an Infrastructure Enhancement Allocation to the Department;
- The ability of the Department's implementing agent, in this case the Department of Public Works, to deliver on infrastructure developments within planned budget and time allocations.

6. CONDITIONAL GRANTS

The Department receives the following conditional grant:

Conditional Grant	Budget ('000)
EPWP Integrated Grant	2 629

Name of grant	EPWP Integrated Grant
Purpose	The Extended Public Works Programme: It is utilized in the establishment of firebreaks and the eradication of alien plant species in reserves and resorts.
Performance indicator	Create 159 job opportunities through the departmental EPWP grant.
Continuation	The grant will continue if prioritized by Provincial Treasury.
Motivation	Integral role in provincial job creation.

Name of grant	Infrastructure Enhancement Allocation.
Purpose	Infrastructure Enhancement Allocation: This is a Provincial conditional grant to build and improve new infrastructure assets.
Performance indicator	Continuous upgrades and improvements to reserves and resorts within the province.
Continuation	The grant will continue if prioritized by Provincial Treasury.
Motivation	Integral role in provincial job creation.

No major changes to the status quo of the EPWP grant is foreseen for the 2016/17 financial year.

7. PUBLIC ENTITIES

7.1. Mandates and Outputs of Departmental Entities

The table below lists the various public entities associated with the Department. There have been no significant changes to the status of public entities related to the Department.

Public Entities, 2016

Name of Entity	Mandates	Outputs	Current Annual Budget (R '000)	Date of Next Evaluation
Free State Development Corporations	<ul style="list-style-type: none"> • To finance and advance economic growth and development, Black Economic Empowerment and SMME development and growth. • To promote investment and trade within the province and to identify, analyze, publicize and market investment and trade opportunities in the provincial economy 	<ul style="list-style-type: none"> • Investment opportunities for the province; • Stimulate economic growth; • Assist small and medium enterprises with financial assistance; • Promote economic activity within the province; • Provide for trade promotion 	1 200	2017
Free State Gambling and Liquor Authority	<ul style="list-style-type: none"> • To regulate the gambling and racing activities in the province on behalf of the Provincial Department. • To reduce socio-economic and other costs of alcohol abuse. Regulate the micro-manufacturing and retail sale of liquor or methylated spirits 	<ul style="list-style-type: none"> • Implementation of essential national norms and standards in the liquor industry. • Regulation of the micro-manufacturing and retail sale of liquor or methylated spirits. • Promotion of responsible and sustainable liquor industry. • Regulate, license, control and police gambling activities. • Protect public who participate in any licensed gambling activity. • License gambling activities in a transparent, fair and equitable manner 	55 551	2017
Free State Tourism Authority	To promote tourism and increase market share in the tourism industry and to coordinate marketing activities of all role players.	<p>Ensure effective and efficient:</p> <ul style="list-style-type: none"> • Marketing of tourism; • Promotion of tourism; • Development of sustainable tourism within the Province; • Promotion of major sport events to promote tourism. • Broaden the participation in tourism of previously disadvantaged communities and persons in order to contribute to the improvement of the quality of life of every inhabitant of the Province 	43 187	2017

7.2. Oversight on Departmental Entities

To improve its oversight role, the Department intends to enforce integrated planning with the Public Entities to ensure alignment of goals and objectives. In addition, entity performance will be continuously evaluated aligned to Treasury and DPME guidelines.

- The following plans and reports of the Public Entities will be used to monitor and evaluate their performance:

PLANS/REPORTS	PERIOD
Plans/Agreements	
Strategic Plan	5 year cycle
Shareholders Compact	Annually
Annual Performance Plan	Annually
Annual Budget	Annually
Reports	
Monthly Financial Reports (Expenditure)	Monthly
Quarterly Performance Reports	Quarterly
Misconduct Cases	Quarterly
Internal Audit Reports	Quarterly
Annual Financial Statements	Annually
Assurance in terms of the PFMA	Annually

- Quarterly review meetings will be held with Public Entities to review performance and to identify challenges.

8. PUBLIC-PRIVATE PARTNERSHIPS

Two projects have been registered as Public-Private Partnerships (PPP); however these are proposed projects/programmes that have not yet started functioning.

Annexure D

Vision

"A transformed economy and a prosperous society that is living in harmony with its natural resources through integrated and sustainable economic growth"

Mission

"Radically create a conducive, enabling environment for the creation of decent jobs, poverty and inequality reduction through sustainably managed environment and economic development programmes in the Free State"

Values

CORE VALUES/ PRINCIPLES	
Passion	We build and promote an energising and inspiring work environment
People Centric	We support and involve others in their endeavours to learn and expand their strengths (Learning & Innovation)
Performance	We involve everyone who is affected in our plans, goals and decisions (Professionalism)
Proactive	We adopt best available science and knowledge practices (Responsiveness)
Integrity	We drive the department's agenda above pursuing self-interest (Honesty, Trustworthy).

Strategic outcome oriented goals

Strategic outcome oriented goal 1	An integrated and sustainable economic development.
Goal statement	To stimulate integrated, regulated, informed and sustainable economic development through trade & Investment facilitation, Sector Development and Industrialisation, by providing services to the stakeholders which we service.
Strategic outcome oriented goal 2	Environmental assets conserved, valued, sustainably used, protected and continually enhanced to benefit the present and future generations.
Goal statement	To manage the Environment in order to lead sustainable development of the environment for a better life for all in the province.
Strategic outcome oriented goal 3	Radical efficacy in business processes.
Goal statement	To ensure rapid and efficient business processes within the Department
Strategic outcome oriented goal 4	To create a conducive environment for sustainable tourism growth and development in the Province
Goal statement	A tourism industry that is supported by sound policies that seek to transform the tourism industry through robust product development to effectively promote and market in the Province as a tourist destination of choice.

