



the detea

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

ANNUAL REPORT 2013/2014

VOTE 3 : DEPARTMENT OF ECONOMIC DEVELOPMENT,
TOURISM AND ENVIRONMENTAL AFFAIRS

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PART A: GENERAL INFORMATION



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TOURISM AND ECONOMIC AFFAIRS

1. GENERAL INFORMATION

DEPARTMENT	DEPARTMENT OF ECONOMIC DEVELOPMENT, TOURISM AND ENVIRONMENTAL AFFAIRS
PHYSICAL ADDRESS (HEAD OFFICE)	34 MARKGRAAF STREET WESTDENE 9301
POSTAL ADDRESS	PRIVATE BAG X20801 BLOEMFONTEIN 9300
CONTACT NUMBERS	051 400 9542
E-MAIL ADDRESS	tauk@detea.fs.gov.za
WEBSITE ADDRESS	www.detea.fs.gov.za

2. LIST OF ABBREVIATIONS

ACRONYMS DESCRIPTIONS

AIDS	ACQUIRED IMMUNE DEFICIENCY SYNDROME
AMKPI	ASSET MANAGEMENT KEY PERFORMANCE INDICATOR
APP	ANNUAL PERFORMANCE PLAN
AQMP	AIR QUALITY MANAGEMENT PLAN
BAS	BASIC ACCOUNTING SYSTEM
BBBEE	BROAD BASED BLACK ECONOMIC EMPOWERMENT
CCCU	CENTRAL COMMUNICATION COORDINATING UNIT
DCC	DEPARTMENTAL CONSULTATIVE COMMITTEE
DETEA	DEPARTMENT OF ECONOMIC DEVELOPMENT, TOURISM AND ENVIRONMENTAL AFFAIRS
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
EXCO	EXECUTIVE COUNCIL
FDC	FREE STATE DEVELOPMENT CORPORATION
FS	FREE STATE
FSGDS	FREE STATE GROWTH AND DEVELOPMENT STRATEGY
GDP	GROSS DOMESTIC PRODUCT
GIAMA	GOVERNMENT IMMOVABLE ASSET MANAGEMENT ACT
HIV	HUMAN IMMUNE DEFICIENCY VIRUS
HOD	HEAD OF DEPARTMENT
HR	HUMAN RESOURCE
ICT	INFORMATION COMMUNICATION TECHNOLOGY
IDP	INTEGRATED DEVELOPMENT PLAN

ACRONYMS DESCRIPTIONS

IEMF	INTEGRATED ENVIRONMENTAL MANAGEMENT FRAMEWORK OF
FS	FREE STATE
IT	INFORMATION TECHNOLOGY
IWMP	INTEGRATED WASTE MANAGEMENT PLAN
LED	LOCAL ECONOMIC DEVELOPMENT
MEC	MEMBER OF THE EXECUTIVE COUNCIL
MSP	MASTER SYSTEMS PLAN
MTSF	MEDIUM-TERM STRATEGIC FRAMEWORK
MTEF	MEDIUM-TERM EXPENDITURE FRAMEWORK
NEMA	NATIONAL ENVIRONMENTAL MANAGEMENT ACT
NSSD	NATIONAL STRATEGY ON SUSTAINABLE DEVELOPMENT
PAs	PASPROTECTED AREA
PP	PROCUREMENT PLAN
PMDS	PERFORMANCE MANAGEMENT DEVELOPMENT SYSTEM
PFMA	PUBLIC FINANCE MANAGEMENT ACT
PGDS	PROVINCIAL GROWTH AND DEVELOPMENT STRATEGY
PMG	PAY MASTER GENERAL
PSBAC	PROVINCIAL SMALL BUSINESS ADVISORY COUNCIL
RIDS	REGIONAL INDUSTRIAL DEVELOPMENT STRATEGY
SDIP	SERVICE DELIVERY IMPROVEMENT PLAN
SITA	STATE INFORMATION TECHNOLOGY AGENCY
SMME	SMALL, MEDIUM AND MICRO ENTERPRISE
SMS	SENIOR MANAGEMENT SERVICES
SRI	SOCIAL RESPONSIBILITY INITIATIVES
Stats SA	STATISTICS SOUTH AFRICA
The DTI	DEPARTMENT OF TRADE AND INDUSTRY
UAMP	USER ASSET MANAGEMENT PLAN
VCCT	VOLUNTARY AND CONFIDENTIAL COUNSELING AND TESTING
WIS	WASTE INFORMATION SYSTEM

3. FOREWORD BY THE MEC



MOSEBENZI ZWANE
 MEC OF THE DEPARTMENT OF ECONOMIC DEVELOPMENT,
 TOURISM AND ENVIRONMENTAL AFFAIRS

The assessment of our performance for 2013/14 also gives us an opportunity to look at the past 20 years as our country and nation celebrate 20 years of Freedom and Democracy. This assessment will indicate the extent to which all interventions we undertook to change the economic landscape of the Free State have indeed ushered in a new wave in the Free State promising independence, effectiveness, efficiency, productivity and growth.

This report will give account on the priorities we set for ourselves for the year under review. These were;

- Creating a conducive environment to promote sustainable economic development and growth whilst championing transformation.
- Improving communication with our stakeholders particularly the business community.
- Restructuring and repositioning the department in order to render better and faster assistance to SMMEs.
- Facilitating mutually beneficial relationships between macro and micro enterprises through targeted enterprise development programmes.
- Positioning the Free State as a preferred domestic tourism destination through effective Tourism Routes Strategy.
- Correcting the environmental damage or conserving natural resources by focusing on:
 - o Environmental governance
 - o Law enforcement

It is our firm view that we have, collectively as a department and individually as public representative and servants performed well against the budget injunctions that we announced during our policy statement at the beginning of the past financial year.

Guided by Operation Hlasela, after interaction with survivalist businesses in street corners, pavements, and small shelters throughout our towns we have introduced our Service Deliver Programme, Jwale ke Nako ya Kotulo where deserving businesses were offered new hope by receiving productive assets to improve their productivity and sustainability.

Our consumer education programme aimed at raising awareness on the rights of consumers against harmful business practices continue to reach a great number of the members of the community in the Free State. Many more people have now come forward after receiving information about this programme offered free of charge by the Department.

Our efforts to vigorously market the province to enhance its position as a preferred inland tourism destination received further attention during this period. We undertook to enhance our Innovative programmes such as stokvel and Kasie tourism during the period under review. Tourism promotion and marketing efforts were boosted through our continuous participation at the Indaba Tourism as well as through the F1 Power boat Championship and the inaugural F2 World Powerboat Champion that attracted 19 teams from 10 countries, the first for the African Continent.

As alluded to in the public statement our best assets as a Province are our natural resources and we have to do everything in our power to protect them. Our conservation programmes continue to attract attention of other players throughout the country. These include the management of our wetlands, nature reserves including the Vredefort Dome World Heritage.

Our greening programme took off in 12 identified towns under the theme, "Ntlatfatsi ya Metse ya Rona. Re Jala Difate". Fifteen thousand plants were distributed to municipalities for planting and further maintenance. This programme will gain impetus in the new financial year.

Throughout the year, we were guided by the departmental values and culture which cultivated among all role-players in the department. These values include Batho Pele, learning and innovation, professionalism, team work, trustworthiness, integrity, honesty and responsiveness.

Every single achievement, small or big, during the period under review is as a result of the renewed determination by all in the department to be part of a winning team. All the hard work and efforts by every single employee of this department to make sure that the Department realizes its mandate is very much appreciated.

The cooperation and support of all stakeholders of the department to help us improve communication with our stakeholders particularly the business community did not go unnoticed. We also thank the guidance of portfolio committee on Economic Development, Tourism and Environmental Affairs under the stewardship of Honourable Mantoa Thobabala.



Mosebenzi Zwane

MEC of the Department of Economic Development, Tourism and Environmental Affairs
30 May 2014

4. REPORT OF THE ACCOUNTING OFFICER

4.1. OVERVIEW OF THE OPERATIONS OF THE DEPARTMENT



MOGOKARE SELEKE
HOD OF THE DEPARTMENT OF ECONOMIC DEVELOPMENT,
TOURISM AND ENVIRONMENTAL AFFAIRS

The objective of the Department of Economic Development, Tourism and Environmental Affairs is to facilitate economic growth and development in the Free State province through development and promotion of tourism, environmental management in all relevant sectors of the economy which are in line with the priorities of the National Development Plan and the Free State Growth and Development Strategy.

During the period under review, the department did very well in realizing its targets for the 2013/14 financial year. Overall, 10% more annual targets were realized in the financial year vs. the previous year and only 12% of our annual targets were not realized due to various factors. Specific performance details are discussed in Part B of this document.

Ongoing services and support was provided to the citizens of the Free State through, amongst others, the following programmes: Micro Enterprise Support, Cooperative Development, Consumer Rights, Tourism Development, Environmental regulation and preservation.

We have strengthened internal processes such as governance, financial and asset management, planning and communication in support of efficient service delivery to our clients.

The department further focused on the decentralization of key services, with an objective to work closely with district and local municipalities. The service centres will also host all economic development services offered by other entities to provide a single stop centre to the business communities.

The critical vacancies within the Economic Development Branch and other functions such as stakeholder management, remains vacant and slows the speed at which the department could be moving. Our intention is to prioritise the existing resources to correct our weaknesses.

Our strategic focus in the next financial year will be to renew our relationship with all stakeholders and jointly achieve the broader goals of government.

4.2. FINANCIAL OVERVIEW

The Annual Financial Statements set out on pages 115 to 208 have been approved by the Accounting Officer.

Departmental receipts

The Departmental revenue collection for the previous financial year (2012/13) as well as the year under review (2013/14) is displayed in the table below.

	2013/2014			2012/2013		
Departmental Receipts	Estimate	Actual Amount Collected	Actual Amount	Estimate	Actual Amount	Actual Amount
	R'000	R'000	R'000	R'000	R'000	R'000
Tax Receipts	48,284	50,428	2,144	45,600	45,970	370
- Casino taxes	34,909	36,050	1,141	32,961	33,137	176
- Horse racing taxes	7,615	8,073	458	7,252	6,984	-268
- Liquor Licences	5,760	6,305	545	5,387	5,849	462
- Motor vehicle licences						
Sale of goods and services other than capital assets	11,664	9,959	-1,705	11,354	8,629	-2,725
Transfer receiver						
Fines, penalties and forfeits	221	150	-71	77	284	207
Interest, dividends and rent on land	307	418	111	265	389	124
Sale of capital assets	11,012	11,012	-	8,159	8,159	-
Financial transactions in assets and liabilities	365	486	118	412	778	366
Total	71,853	72,453	600	65,867	64,209	-1,658

Tax Receipts

The Department has successfully reached and exceeded the revenue target for 2013/14 with 1%. This is due to the effective management and regulation of the gambling industry, as well as the effective enforcement of compliance with the liquor license legislation.

In the 2013/14 financial year, there has been a 10% increase from tax receipts when compared to the 2012/13 financial year.

Sales of Goods & Services

Revenue from the sales of goods also resulted in a lot of income from accommodation, camping and entrance fees. The completion of chalets at Koppies Dam and Sandveld Resorts improved revenue collection. Revenue from private accommodation was exceeded due to the popularity of these resorts, including Sterkfontein Dam Resort that is also contributing largely to income from accommodation facilities.

In terms of comparative performance; collection in 2013/14 has improved with 15% from 2012/13 due to the popularity of Sandveld, Koppies and Sterkfontein Resorts. Revenue from fishing & game licenses exceeded expectations due enforcement of compliance on the import, export, game translocation requirements as well as general permits like possession and keeping of game (including fencing certificates) as examples. The Departmental Permit and evaluation committee holds weekly meetings and provides timely feedback to the applicants, thereby ensuring timely payment of the applicable revenue.

There is more than R3 million owed from the company that is renting Phillip Saunders Resort and this affected collection of revenue from the sales of goods and services, which is where this rent is accounted for.

Legal Prescripts Impacting on Revenue

Revenue tariffs are reviewed annually by the Department and approved by Treasury for implementation. Some tariffs are, however, regulated by the Free State Nature Conservation Ordinance 8 of 1696 (currently under review), Game theft Act 105 of 1991, Biodiversity Act, Threatened and Protected Species Regulations

(TOPS). These different forms of legislation prescribe minimum requirements for transport, capture and hunting of game; amongst others.

Fines

There has been a less than expected collection of revenue from domestic fines due to the strict inspection of non-compliance to Section 24G the National Environmental Management Act (NEMA). This legislation provides the Department with powers to issue fines to companies and organizations that do not comply to applicable environmental authorizations before commencing with development/construction. This item will change with the implementation of the fee structure regulations developed by the Department of Environmental Affairs. This will be for the consideration and processing of:

- Applications for Environmental authorisation
- Waste Management License
- Amendment of an Environmental Authorisation
- Renewal and Transfer of Waste Management License

Sale of Capital Assets

The Department sold game as part of the game management plan to ensure sustainable environmental management. This process provides the Department with an opportunity to sell game in order to avoid over-grazing and also generate revenue in the process.

Financial Transaction in Assets and Liabilities

Revenue from financial transactions and liabilities exceeded the budget due to collection of ex-employee debts that resigned in previous financial years but was only recovered in the 2013/14 financial year. This matter has always been a challenge to the Department due to the refusal of ex-employees to acknowledge these debts, thereby making it difficult to note/record them on their pension benefits for recovery purposes.

The Departmental expenditure for the previous financial year (2012/13) as well as the year under review (2013/14) is displayed in the table below.

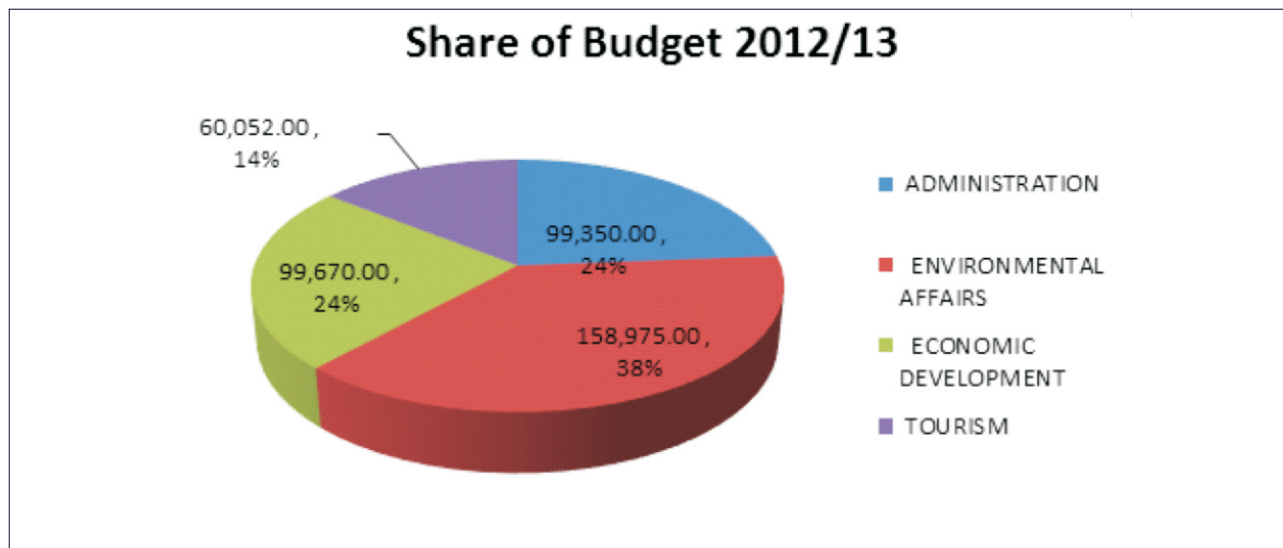
Programme Expenditure

Programme Name	2013/2014			2012/2013		
	Final Appropriation	Actual Expenditure	(Over) Under Expenditure	Final Appropriation	Actual Expenditure	(Over) Under Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000
Administration	129 696	127 005	2 691	99 350	96 942	2 408
Environmental Affairs	140 767	136 426	4 341	158 975	154 307	4 668
Economic Development	118 469	117 784	685	99 670	97 885	1 785
Tourism	51 264	51 139	125	60 052	58 005	2 047
Total	440 196	432 354	7 842	418 047	407 139	10 908

The initial budget of the department amounted to R450 195 000, during the adjustment budget it was reduced to R440 196 000, which reflects a cut of 2.2%. The under spending of R7 842 reflects 1.7% of the entire budget.

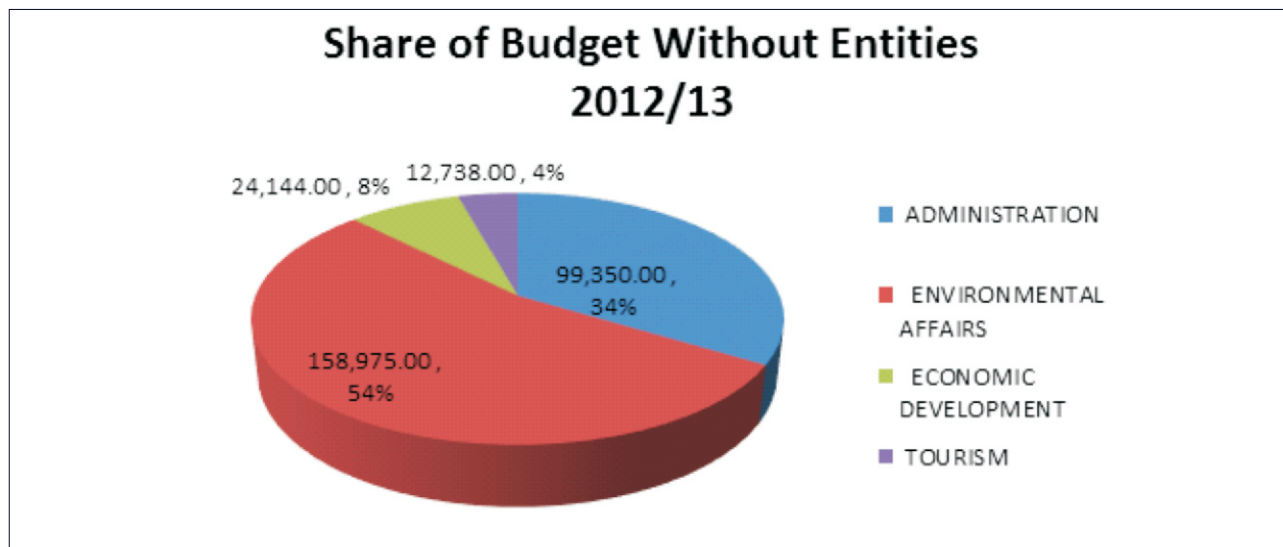
The budget allocated to the entities was all transferred. The contribution to under spending was mainly on infrastructure, upgrading of facilities.

Below is a chart illustrating how the departmental budget is shared amongst the different programmes for 2012/13:



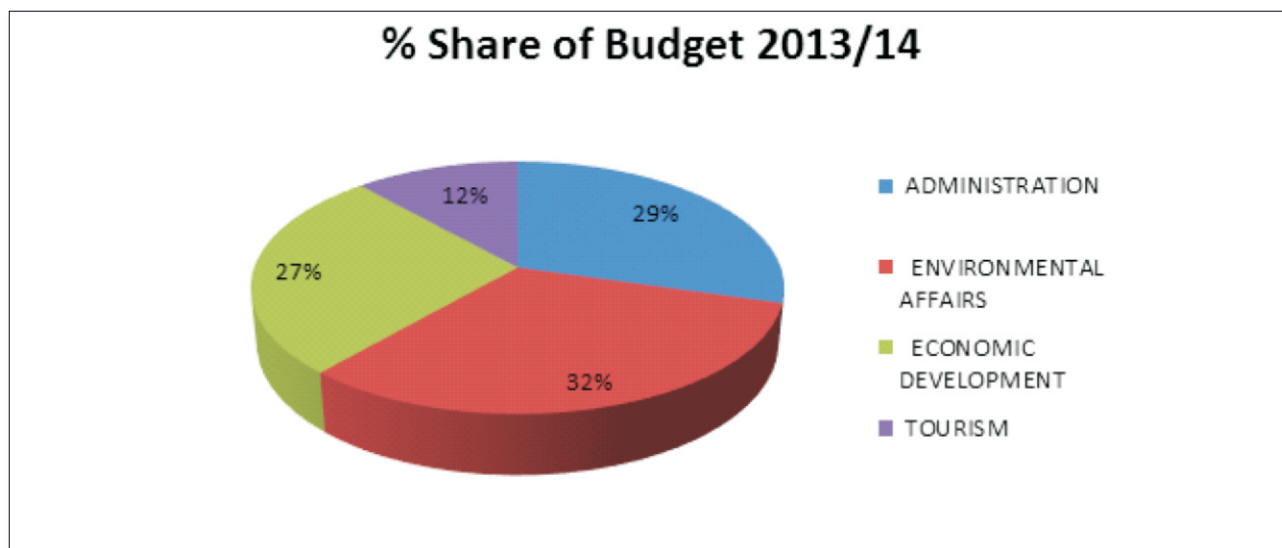
This includes the allocation to entities.

Below is a chart illustrating how the departmental budget is shared amongst the different programmes excluding the share allocation to entities for 2012/13:



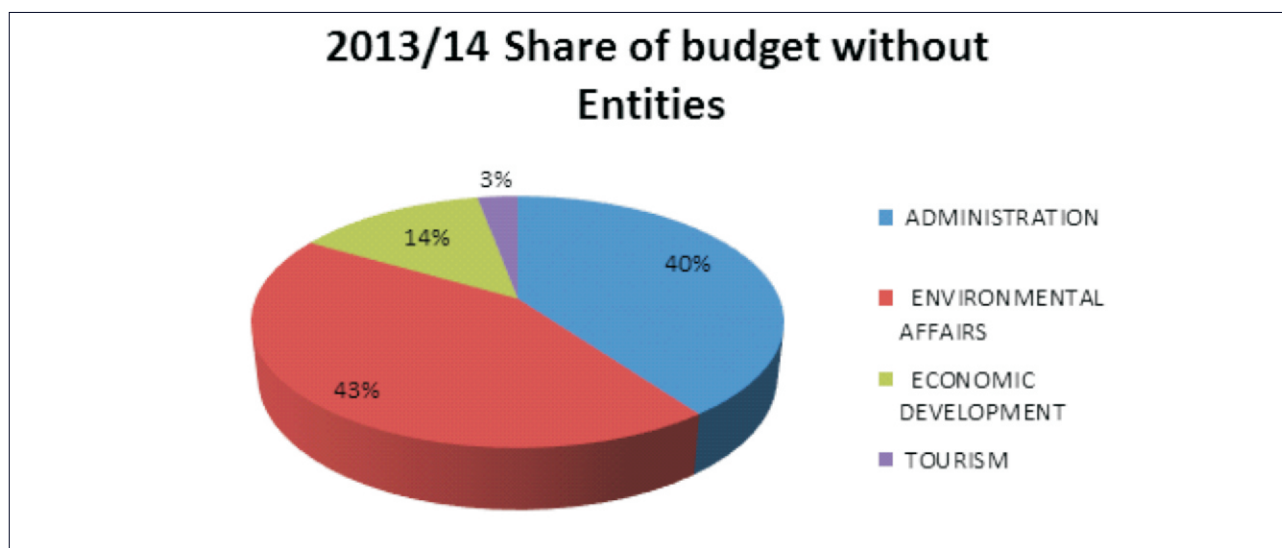
Economic development only shares 8%, environmental affairs shares 54%, this includes the budget for infrastructure.

Below is a chart illustrating how the departmental budget is shared amongst the different programmes for 2013/14:



This includes the allocation to entities.

Below is a chart illustrating how the departmental budget is shared amongst the different programmes excluding the share allocation to entities for 2013/14:

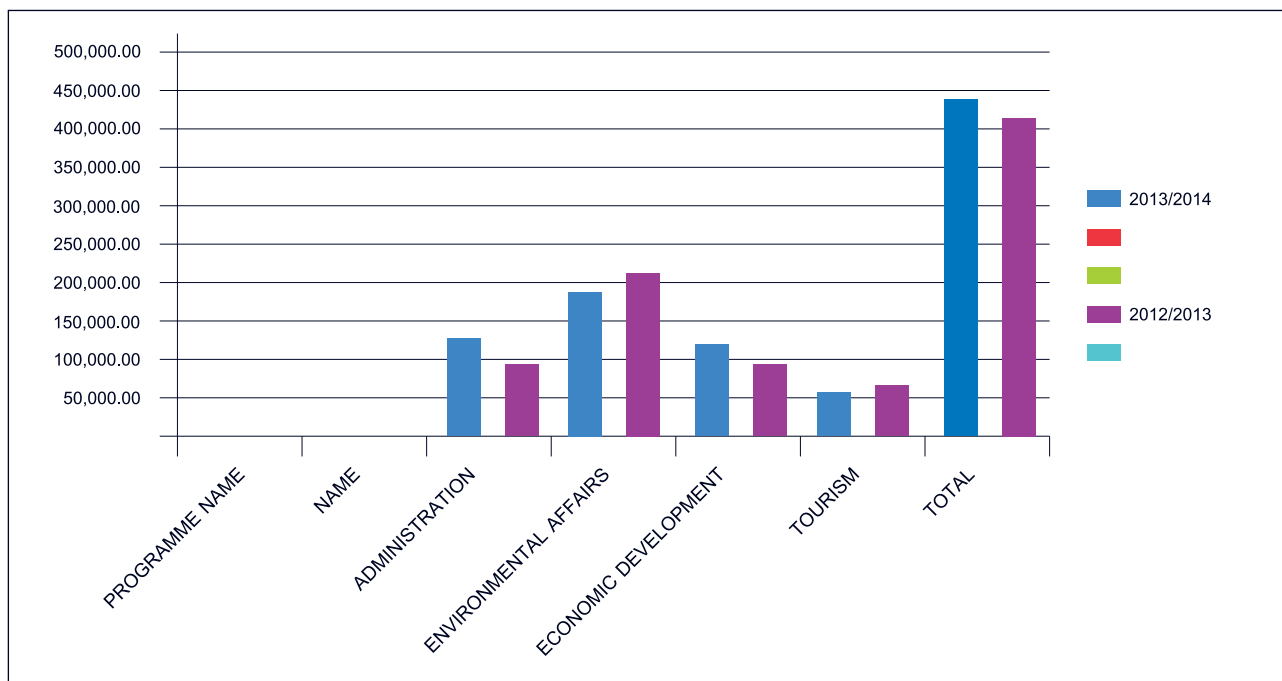


Economic development only shares 14%, environmental affairs shares 43%, this includes the budget for infrastructure, Administration 40% and Tourism only 3%.

Transfers to entities

Name of entity	Budget 2012/13	Budget 2013/14
Gambling and Liquor board	R 48 251 000	R51 309 000
Tourism Authority	R47 314 000	R41 864 000
Development Corporation	R27 245 000	R22 545 000
Total	R122 810 000	R115 718 000

The reason for the decrease in the allocation to entities of R6 million is due to once off payments agreed to between the department and the entities concerned.

EXPENDITURE TRENDS 2012/13 AND 2013/14**Virements**Administration

A virement of R 1 470 000 was identified under Provincial and Local Government in Programme 1 to fund overspending of Households in Programme 3 of R 870 000 and Households in Programme 2 of R600 000 respectively.

A virement of R 170 000 was also identified in Administration from Payment of financial assets to fund overspending of payment of financial assets in programme 4 for R120 000 and R 50 000 on programme 2 under payment of financial assets.

Environmental Affairs

An amount of R1 400 000 was identified under goods & services to fund over spending in Administration under goods & services for R 1 400 000.

Economic Development

An amount of R 900 000 was identified under goods & services to fund for goods & services for R400 000 in Programme 1 and to R500 000 to fund goods & services in Programme 4.

An amount of R 810 000 was identified under compensation of employees to fund an overspending goods & services in Programme 1 for R660 000 and to fund compensation of employees in Programme 2 for R150 000.

Tourism

An amount of R 100 000.00 was identified under compensation of employees to fund Programme 2 under compensation of employees.

Rollovers**Rustfontein fence**

Roll-over amount requested: R884 889.00

The project has been completed and invoice was received but could not be paid as the service provider changed the banking details and it was not yet updated in the Logis system. The payment will be done as soon as the service provider bank details are updated on the system.

Maria Moroka chalets

Roll-over amount requested: R1 195 000.00

Maria Moroka project is in progress and it will be completed in 2014 -2015 financial year. The project is awarded at R21 098 000 to IDT who are the implementing agent. The total expenditure on 31st March 2014 amounted to R15 250 000. The project will be completed on 30 June 2014.

Maria Moroka fence

Roll-over amount requested: R958 973.70

The project was awarded to Gateway at R1 457 860.50 to upgrade the fence at Maria Moroka. The project started late in the financial year. The project is in progress and amount of R498 886.80 was paid to the service provider. The project will be completed on 30 July 2014.

- Reasons for unauthorised, fruitless and wasteful expenditure and the amounts involved as well as steps taken to address and prevent a recurrence:
 - o No unauthorised expenditure
- Future plans of the department:
 - o The future plans of the Department are explained in the departmental Annual Performance Plan for 2014-17.
- Public Private Partnerships:
 - o The department currently does not have any PPP's registered.
- Discontinued activities / activities to be discontinued:
 - o The department currently does not have any discontinued activities.
- New or proposed activities:
 - o Proposed activities of the Department are explained in the 2014-17 Annual Performance Plan.

Supply chain management

- The department did not have unsolicited bids in the financial year under review.
- The department appointed a Director and Deputy Director in SCM, after these posts were vacant for a long time.
- A checklist was put in place to curb instances of irregular expenditure.
- Lack of segregation of duties was the biggest challenge experienced by SCM.
- More experienced people were appointed including contract workers that check all payment batches.

Gifts and Donations received in kind from non related parties

Below is a list of donations and sponsorships the department provided which amount to R1 007 000.

Cash Payments: Subtotal R 786 000

- Goudveld Multi Sport - Game Auction Marathon - R40 000
- Goudveld Multi Sport - Triathlon at the Game Auction - R25 000
- Connex Travel - KG Cooper, Director at SWAG Creatives - Overseas Trip - R47 000
- Free State Liquor Traders (paid via FSGLA) – R50 000
- Lebogang Funani via Burgandy Rosre t/a Food Beverage - Settlement of fees at the food & Beverage Institute – R6 000
- Soul Harvesting Summit – R75 000
- Cherry Festival - Marketing and book production costs in support of the festival – R100 000
- Lema Music Productions - Book launch – R12 000

- Scenic Beauty Creative Services - Accommodation, Transport, Registration, SACCA – R42 000
- Free State Liquor Traders (paid via FSGLA) – R50 000
- Kator Travel Consultants - Transport National Tourism Career - R28 000
- Oscar Nite - Oscar Nite yellow Carpet Event – R100 000
- Have Faith Trading & Projects - Merriespruit Disaster Commemoration – R100 000
- Prezident Entertainment - Book Launch (every child has a dream) – R10 000
- Hip Town - 60s Festival (good olden days music festival) – R100 000
- Reholele Training - Transport National Tourism Career – R51 000

Payments in Kind: Subtotal R221 000

- Free accommodation entrance and exhibition stalls at the game auction - R36 000
- Game meat donation to various non-profit organisations – R173 000
- Free accommodation from 24 - 28 June 2013 at the Junior Powerboat Training Camp – R12 000

The Department received no exemptions from the PFMA or Treasury or deviation from the financial reporting requirements for the current and/or previous financial year.

Other

Asset Management

A Once off approval was granted to conduct an asset count instead of stock take to develop a complete reliable movable asset register for the department with the aim to resolve the prior year's findings related to movable assets. The main contributing factors are provided below:

- Computer equipment:*
A line by line comparison from 2004 to 2008 using the 2012/13 asset register to determine which assets related to those relevant years to determine which of those computers are still in the department as per asset count as approved by accounting officer to resolve the qualification finding on assets for prior year.
- Transport:*
During the asset count, transport assets to the value of R571 000 were identified which were procured prior 2009/10 which were not included in the 2011/12 asset register.
- Furniture:*
During the Asset verification process the following were identified and has since been rectified:
 - Over statements of values amounting to R2.3million
 - Assets already disposed off in prior years were still in the asset register
 - Existing assets were not included in the asset register
 - Asset descriptions were since rectified
- Other machinery and equipment:*
Part of the 2011/12 asset register, transport assets totalling R5.6m were misclassified under other machinery and equipment in the 2011/12 asset register, there was 8 tractors that have since been transferred to the Government garage, this amounts to R1.9 million.

I am confident that the current completed asset register is a true reflection of the state of assets in the department.

Personnel Matters

Liquor functions which were previously performed by the department were transferred to the Free State Liquor and Gambling Authority, as a result of changes in legislation. A decision was taken to absorb fifteen affected officials into the department. Subsequently, six officials accepted absorption and the remainder did not accept offers. All internal and external processes are being explored by all parties to resolve this matter.

The implementation of the Policy and Procedure on Incapacity Leave and Ill-health Retirement (PILIR) was suspended for part of the financial year. PILIR provides for the appointment of a Panel of Accredited Health Risk Managers, by the Department of Public Service and Administration, as service providers available to a department to investigate and assess the applications made by employees.

The appointment of these service providers was delayed due to a legal challenge brought to the High Court against the appointment process. Therefore for the first half of the financial year no timeous decision could be made on the validity of the incapacity and/or ill-health retirement applications received from employees. Although the Panel was formally established on 1 November 2013 there is a possibility that amounts paid to employees on incapacity and/or ill-health retirement may be recoverable if the applications, made in the first part of the financial year, are not subsequently recommended by the service providers.

4.3. CONCLUSION

I thank the Executive Council of the Province for the leadership; the MEC for strategic guidance and support, Senior Management of the department, the staff in general for the support and dedication to serve.



Mogokare Seleke

Accounting Officer

Department of Economic Development Tourism and Environmental Affairs

30 May 2014

5. STATEMENT OF RESPONSIBILITY AND CONFIRMATION OF ACCURACY FOR THE ANNUAL REPORT

To the best of my knowledge and belief, I confirm the following:

All information and amounts disclosed throughout the annual report are consistent.

The annual report is complete, accurate and is free from any omissions.

The annual report has been prepared in accordance with the guidelines on the annual report as issued by National Treasury.

The Annual Financial Statements (Part E) have been prepared in accordance with the modified cash standard and the relevant frameworks and guidelines issued by the National Treasury.

The Accounting Officer is responsible for the preparation of the annual financial statements and for the judgements made in this information.

The Accounting Officer is responsible for establishing, and implementing a system of internal control that has been designed to provide reasonable assurance as to the integrity and reliability of the performance information, the human resources information and the annual financial statements.

The external auditors are engaged to express an independent opinion on the annual financial statements.

In my opinion, the annual report fairly reflects the operations, the performance information, the human resources information and the financial affairs of the department for the financial year ended 31 March 2014.

Yours faithfully



Mogokare Seleke

Accounting Officer

Department of Economic Development Tourism and Environmental Affairs

30 May 2014

6. STRATEGIC OVERVIEW

6.1. VISION

The Department of Economic Development Tourism and Environmental Affairs has adopted the following vision:

A prosperous Free State that enhances the quality of life through integrated and sustainable economic growth

6.2. MISSION

The Department has adopted the following mission:

To provide sound economic and environmental management systems that ensures economic development and poverty reduction in the Free State.

6.3. VALUES

The following are DETEA's shared values, as set out in the 2010/15 Strategic Plan:

Batho Pele	Putting People First
Learning and Innovation	Encourages recognition of new information and techniques by instilling a culture of learning and innovation.
Professionalism	All personnel should act professionally at all times when delivering services.
Team work	Encourages team work to accomplish its mandates more effectively.
Trustworthiness	Creates a high level of trust among working groups and individuals.
Integrity	All personnel should hold a sense of justice and fairness towards others and clients.
Honesty	Personnel are always to provide accurate and full feedback to their colleagues, managers and clients.

7. LEGISLATIVE AND OTHER MANDATES

7.1 CONSTITUTIONAL MANDATE

The DETEA's constitutional mandates have been derived from Schedules 4 and 5 of the Constitution of the Republic of South Africa, which requires the Department to oversee and administer the following:

1. Trade
2. Tourism
3. Casinos, racing, gambling and wagering
4. Consumer protection
5. Environment
6. Industrial promotion
7. Nature conservation
8. Provincial public enterprises
9. Liquor licences and control of undertakings that sell liquor to the public

Furthermore, the Department's constitutional mandate is derived from Section 24 of the Constitution, which

emphasises that:

Everyone has the right;

- a. to an environment that is not harmful to their health or well-being; and
- b. to have the environment protected, for the benefit of present and future generations, through reasonable legislative and other measures that:
 - i. prevent pollution and ecological degradation;
 - ii. promote conservation; and
 - iii. secure ecologically sustainable development and use of natural resources while promoting justifiable economic and social development.

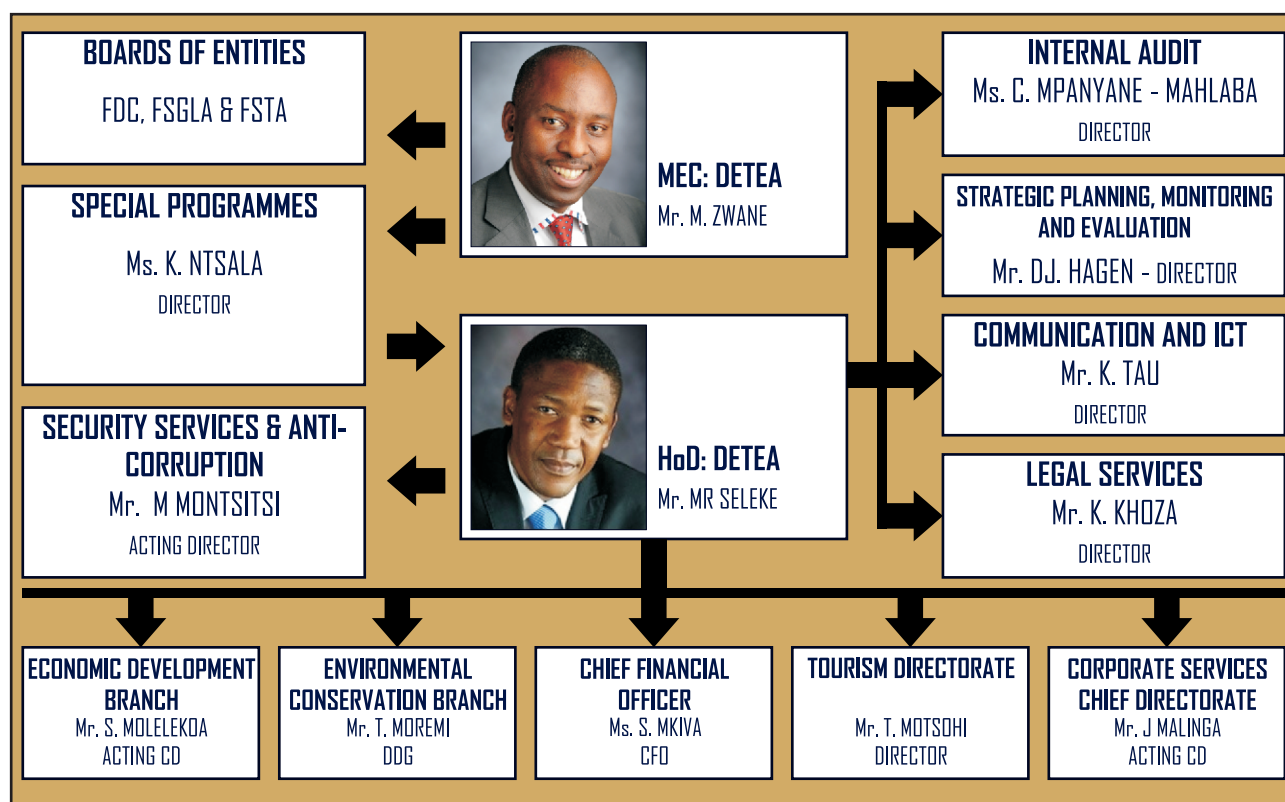
7.2 LEGISLATIVE MANDATE

The table below indicates core legislative mandates that are applicable to departmental programmes and objectives.

Programme Name and Core Function	Legal Mandate	Implications
Economic Development: SMME Development	<ul style="list-style-type: none"> National Small Business Act, 1996 (Act No. 102 of 1996) and Amendments Business Act 1991, (Act No. 71 of 1991) Broad Based Black Economic Empowerment Act, 2003 (Act No. 53 of 2003) 	<p>Promote policy objectives, facilitate strategy implementation and align programmes to encourage SMME development in the Province.</p> <p>Promoting Broad Based Economic Empowerment in the Province</p>
Economic Development: Gambling & Betting Administration	<ul style="list-style-type: none"> Free State Gambling and Liquor Act 	<p>The Act replaces Free State Gambling and Racing Act, 1996 (Act No. 6 of 1996)</p>
Economic Development: Consumer Protection	<ul style="list-style-type: none"> Free State Consumer Affairs (Unfair Business Practices) Act, 1998 (Act No. 14 of 1998) Consumer Protection Act No 68 of 2008 	<p>Investigation, control and prohibition of unfair business practices. Referral of matters in terms of the National Consumer Affairs Act.</p>
Economic Development: Compliance Monitoring	<ul style="list-style-type: none"> Credit Agreement Act 1980, (Act No. 75 of 1980) 	<p>Business compliance monitoring and redress.</p>
Economic Development: Liquor Administration	<ul style="list-style-type: none"> Liquor Act 1989, (Act No. 27 of 1989) National Liquor Act, 2003 (Act No. 59 of 2003) 	<p>Regulating the micro-manufacturing, retailing and distribution of liquor in the Province.</p>
Economic Development: Trade Inspection	<ul style="list-style-type: none"> Trade Metrology Act, 1973 (Act No. 77 of 1973) Credit Agreement Act, 1980 (Act No. 75 of 1980) 	<p>Ensure compliance with trade metrology and credit agreement regulations.</p>
Environmental Affairs: Protected Areas Management	<ul style="list-style-type: none"> National Environmental Management Act, 1998 (Act No. 107 of 1998) and Amendments Environmental Conservation Act, 1989 (Act No. 7 of 1989) Free State Nature Conservation Ordinance, 1969 (Ordinance No. 8 of 1969) Environmental Management: Biodiversity Act, 2004 (Act No. 10 of 2004) National Environmental Management: Protected Areas Act, 2003 (Act No. 57 of 2003) National Heritage Recourses Act, 1999 (Act No. 25 of 1999) World Heritage Conservation Act, 1999 (Act No. 49 of 1999) Game Theft Act, 1991 (Act No. 105 of 1991) 	<p>Coordination of the implementation, regulation and administration of all mandates entrusted to other sub-programmes and ensure monitoring thereof.</p> <p>Promoting conservation in the Province.</p> <p>Ensuring Biodiversity protection in the Province.</p> <p>Providing an efficient framework for the management of protected areas.</p> <p>Ensuring the protection and effective management of National Heritage and World Heritage Sites.</p> <p>Providing a framework for the implications of game theft.</p>

Programme Name and Core Function	Legal Mandate	Implications
Environmental Affairs: Protected Areas Management	<ul style="list-style-type: none"> • National Water Act, 1998 (Act No. 36 of 1998) • National Environmental Management: Waste Act, 2008 (Act No.59 of 2008) • National Environmental Management: Air Quality Act, 2005 (Act No. 39 of 2005) • Veldt and Forest Fire Act, 1998 (Act No. 101 of 1998) • Conservation of Agricultural Resources Act, 1983 (Act No. 43 of 1983) • Animal Protection Act, 1962 (Act No.71 of 1962) 	Providing a regulating framework on water usage in the Province. Ensuring effective waste management in the Province. Ensuring the prevention of air pollution in the Province. Provide a regulatory framework for the prevention and combat of veldt and forest fires. Ensuring the conservation of vital agricultural resources in the Province. Ensuring the protection of various animal species in the Province
Tourism	<ul style="list-style-type: none"> • Tourism Act, 1993 (Act No.72 of 1993) • Free State Tourism Authority Act, 2005 (Act No. 3 of 2005) • Tourism second amendment Act No.70 of 2000 	To make provision for the promotion of tourism in the Republic; and further to regulate and rationalize the tourism industry Provide legal and operational framework for tourism promotion and development in the Province. Act provides for training and registration of tourist guides; and make provision for a code of conduct and ethics for tourist guides.

8. ORGANIZATIONAL STRUCTURE



9. ENTITIES REPORTING TO THE MEC

Name of entity	Legislation	Financial Relationship	Nature of Operations
Free State Development Corporation	Free State Development Corporation Amendment Act 4 of 2010	Transfer Payment	<ul style="list-style-type: none"> Finance and advance economic growth and development, Black Economic Empowerment and SMME development and growth. Promote investment and trade within the Province and to identify, analyse, publicize and market investment and trade opportunities in the provincial economy
Free State Gambling and Liquor Authority	Free State Gambling and Liquor Act 6 of 2010	Transfer Payment	<ul style="list-style-type: none"> Regulate the gambling and racing activities in the Province on behalf of the Provincial Department. Reduce socio-economic and other costs of alcohol abuse. Regulate the micro-manufacturing and retail sale of liquor or methylated spirits.
Free State Tourism Authority	Free State Tourism Authority (FSTA) was established by Free State Tourism Authority Act No 3 of 2005	Transfer Payment	<ul style="list-style-type: none"> Promote tourism and increase market share in the tourism industry and to coordinate marketing activities of all role players. Market major sport events for tourism promotion.