



## PART 2: PROGRAMME PERFORMANCE

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### 2.1 VOTED FUNDS

Appropriation	Main Appropriation R '000	Adjusted Appropriation R '000	Actual Amount Spent R '000	Over/Under Expenditure R '000
	80,724	131,100	129,856	1,244
Responsible Minister	Minister of Finance and Economic Development Minister of Gambling and Tourism			
Administering Dept	Department of Economic Development and Tourism			
Accounting Officer	Deputy-Director-General of Economic Development and Tourism			

### 2.2 AIM OF THE VOTE

A dynamic, socially and environmentally responsible world class economy which actively addresses poverty in the Western Cape.



## 2.3 DEPARTMENTAL RECEIPTS

	2002/03 Actual R '000	2003/04 Target R '000	2003/04 Actual R '000	% deviation from target
Tax revenue	3,243	3,650	3,945	8,08
(Specify)				
Non-tax revenue	31	-	95	
(Specify)				
Sales of capital assets (Capital Revenue)				
(specify)				
Financial transactions (Recovery of loans and advances)				
<b>TOTAL DEPARTMENTAL RECEIPTS</b>	<b>3,274</b>	<b>3,650</b>	<b>4,040</b>	<b>10,68</b>

The issuing of annual renewal notices have been improved over a number of years by ensuring that the database correctly reflects the valid licences. This enables the Liquor Board and its enforcement mechanism to monitor and ensure compliance with the regulations as far as annual renewal fees are concerned. The system has further been adapted to ensure that further applications and transactions may not be proceeded with until all

outstanding fees due on particular licences have been paid up to date. The system now allows for the determination of outstanding fees and the enforcement and compliance mechanism is notified where fees are outstanding. It is notable that the overall number of valid liquor licences has increased marginally since the previous financial year, but the revenue collected has increased substantially as a result of better control measures.

## 2.4 DEPARTMENTAL PAYMENTS

Programmes	Voted for 2003/04 R '000	Roll-overs and adjustments R '000	Virement R '000	Total voted R '000	Actual Expenditure R '000	Variance R '000
Prog 1	10,016	1,953	-730	11,239	10,997	242
Prog 2	23,512	2,884	652	27,048	26,686	362
Prog 3	40,722	335	-447	40,610	40,034	576
Prog 4	6,474	50	640	7,164	7,101	63
Prog 5		45,154	-115	45,039	45,038	1
<b>Total</b>	<b>80,724</b>	<b>50,376</b>	<b>0</b>	<b>131,100</b>	<b>129,856</b>	<b>1,244</b>





## 2.5 OVERVIEW OF THE SERVICE DELIVERY ENVIRONMENT

The Western Cape Provincial Administration experienced significant restructuring against the backdrop of the new political dispensation resulting from the crossing over legislation as enacted by National Parliament and the co-operative agreement between the two major political parties of the Western Cape.

The restructuring created an environment where the departments could re-focus their efforts in a more organised and strategic manner to meet the challenges facing them.

It also brought about a new vision where the Department could engage in its mandate to grow the Western Cape economy and reduce poverty, decrease employment and reduce the number of persons receiving social grants. The Administration could therefore concentrate on education, health and improving the lives of the people of the Western Cape.

The Department of Economic Development and Tourism was created during 2002/03. The new vision for the Province, namely iKapa Elihlumayo was

implemented and the Department was appointed as the lead department in the Province with regard to the re-stimulation of the economy.

The Department of Transport and Public Works performed the administrative functions of the Department until 01 April 2004. An Accounting Officer was appointed in June of 2003.

A Chief Financial Officer was appointed in October 2003 to manage the in-house financial affairs of the Department and to advise the Accounting Officer of any financial risks the department will face in the achievement of the Provinces vision.

A new sub-programme was also established to house the newly created Ministry of Tourism in the Western Cape. This was established with a Budget of R 2, 353 million. Funds for the establishment of the Ministry were voted in the Adjustment Estimate for 2003.

The Office of the Consumer Protector increased service delivery to consumers in 2003/4 by attending to a monthly average of 1 500 as opposed to

**Raising Awareness of foetal alcohol syndrome (FAS):**  
The facilitator explains how to plant "Billy". Billy is a bean which represents the unborn baby of a mother who drinks alcohol during her pregnancy.





220 during the previous financial period. The engagement of the Cape Gateway Contact Centre and a public information and awareness campaign conducted on the trains and taxi services within the Cape Town metropolitan area contributed to the success. The number of advice offices that rendered consumer complaints services on behalf of the Department in rural towns and the townships of the Western Cape increased from 16 to 22.

The improved service raised awareness of consumer rights and the availability of the service, particularly in the urban area of the City of Cape Town amongst the consumers in the LSM groups 4 to 7, to 75%. The increase in the number of complaints that are dealt with via the contact centre placed severe strain on the available human resources within the sub-directorate.

The Liquor Board increased the number of licence applications considered by it in all categories to 2 200. The number of inspections of licensed establishments increased to 160. The annual projected income from liquor licences exceeded the projected income of R3, 7 million by R300 000. This resulted in the industry being better regulated and an improvement in the ability of the Liquor Board and its enforcement structure to deal with complaints and compliance.

The Liquor Board's functions have expanded not only to deal with the registration and licensing of entities that intend trading in liquor, but also to address the enforcement of the regulations in a pre-emptive and preventative manner. Liquor product safety and the harmful consequences of the liquor industry are being considered, particularly the high incidence of foetal alcohol syndrome (FAS) within the province and the sale of standard price wine in unsuitable containers to rural communities.

A one-year research project was launched in August 2003 to investigate the impact of standard price bulk wine in low quality containers on the rural communities with the view to adopt measures to reduce the negative impact of the supply of such products on vulnerable communities.

The international best practice of requiring mandatory training of persons involved in the supply of liquor as a prerequisite to the lawful trading of liquor has been recognised. Initial steps have been taken during the course of the year to deal with these aspects, but both human resource and financial constraints have meant that these important matters are dealt with in an *ad hoc* manner.

The Department also initiated a pilot project with other provincial departments to address the high incidence of foetal alcohol syndrome (FAS) in the wine producing areas of the Province. The first phase of the project was successfully concluded and it is foreseen that the project will continue in the next financial year. The project will ensure an increase in the awareness amongst teenage learners of the harmful effects of the consumption of alcohol during the term of pregnancy and is aimed at raising awareness of the occurrence of foetal alcohol syndrome (FAS) amongst the youth.

The draft provincial liquor policy was distributed to relevant role players and significant responses were received. The collation of the responses into the draft document has commenced and it is expected that the policy document will be completed during the next financial year. The intention of the policy document is to provide a framework for the regulation of the liquor industry and for programmes aimed at reducing the social costs of the trade. The policy will further address the large number of unlicensed outlets that are associated with abuse and





crime as well as education and awareness projects to ensure that the harmful consequences of the industry is reduced.

The Directorate Economic Development Co-ordination focussed its attention on the development of local communities, especially the development of the rural areas. The Local Economic Development (LED) component of the Directorate strategically positioned itself to support local government through the establishment of the first Economic Development Units (EDUs). One EDU was established in each district municipality.

The increased demands for assistance required by local authorities and rural areas and the growth in demand for entrepreneurial and business assistance added substantial pressure to the limited financial and human resources of the Directorate. The Directorate continued assisting walk-in clients adding further pressure on human resources.



The projects supported by this component had an extreme bias towards job creation and poverty alleviation, underpinned by principles of sustainability. A noteworthy example of this was the establishment of the first hydroponics herb farm in Beaufort West. This commercial community-driven enterprise realised a job potential of 95 people of which 90% are women and ex-state maintenance grant beneficiaries.

The Directorate experienced a surge in the demand for provincial government assistance and support from rural areas. Assistance related to the execution of the Integrated Development Plans (IDPs) can be singled out as one of the main areas requiring special attention.

The Black Economic Empowerment (BEE) and SMME-divisions of the Directorate focused on involving all significant role-players. More than 600 delegates attended the Province's first BEE conference. The outcome of this conference provided valuable input to the Provincial Growth and Development Summit (PGDS). The summit ensured a workable social contract between all stakeholders (labour, civil society, government and business) and also provided clear milestones and achievements required to realise the objectives of growth and development.

The increasing rate of unemployment in the province resulted in an increase in "necessity entrepreneurs", this means, persons starting a business because they have little or no chance of finding employment. This phenomenon added pressure to the resources of the Department in terms of reach (especially rural areas), frequency and educational levels of programmes run by the department. The Directorate assisted more than 600 walk-in clients, 500 entrepreneurs with mentorship, training, information and procurement opportunities. More than



13 000 booklets on “Starting your own Business” were distributed. Five new Library Business Corners were established in rural areas, bringing the total to 31.

Within the service delivery environment of the tourism industry some District Municipalities and Local Governments experienced a lack of capacity and planning when it comes to delivering services to the local communities and in assisting the Administration’s empowerment programmes.

There are competent municipalities, which are engaged in service delivery and empowerment programmes. However, there are Non-Governmental agencies and community based organisations that lack capacity and have limited planning knowledge to deliver on the promised implementation plans. A positive development is the recently introduced Economic Development Units (EDUs), managed by Economic Development Co-ordination in the Department. The key focus is development of municipal workers with regard to capacity building and training that will focus on project development and implementation.

There is a greater willingness to engage and partner outside the Department. Relationships with national government, although strained at times, have been more productive and there is improvement in working towards a common approach to economic development through tourism.

Problems were encountered with the implementation of tourism road signage. It is governed by the SARTSM (South African Roads Traffic Signs Manual), which is the technical and legal framework for implementation of tourism road signage. The manual urgently has to be updated to include latest developments in the tourism sector, particularly with regard to growth and development.



**Ms Sindiswa Nhlumayo:** Chief Director: Tourism, at the Women in Tourism Awards Ceremony

The tourist guiding fraternity should be transformed. This should be seen as a key national imperative. In addition, while the Department has engaged in the training of 23 Historically Disadvantaged Individuals for this financial period and will implement a mentorship programme for the qualified tourist guides, a key challenge exist in “not just training for training sake” and in ensuring that the guides become actively engaged in the workplace in a sustainable manner.

Policing the industry in terms of misconduct and illegal tourist guides prove to be extremely problematic and non-delivery in terms of policing the industry is evident on a national basis. National Regulations for tourist guides need to be urgently gazetted and must address key issues, which include: illegal guiding (tour operators, foreign tour leaders, illegal guides & areas of operation); misconduct and the code of ethics; proprietary rights of the Guide Badge; age of guides; process issues (new registrations, re-registrations, upgrades of cards, upgrades of badges, replaced cards, replaced badges) and review of the application forms; cat-





egories of guides (to provide a framework); and the powers of Provincial Registrars.

At provincial level, Registrars could develop their own policies and procedures for the above, however, tourist guiding and the regulation thereof, is a national mandate.

The Cape Gateway Portal was launched on 30 March 2004. The project was completed and includes the Data Model and Content Management System. The data model identifies all structured government information as well as the business relationships between each component. The Content Management System is built to enable simple capture of government information from source, with sophisticated workflow that enables a frictionless publishing environment.

Although under very severe budgetary constraints, the Cape Change management project has been started with a pilot in the Department of Economic Development and Tourism. The restructuring of departments left an ideal opportunity to expand the current Master Systems Planning

(MSP) process to include all systems, and business practice.

The Cape Gateway Contact Centre was launched on 26 June 2003. The Contact Centre started off for the first full month of July 2003 with 3552 calls. At the end of the financial year, calls for February and March 2004 were respectively 16711 and 16087, which represents a growth rate of 470%. A large proportion of the calls currently serviced are Social Service grants and pensions, consumer complaints, motor vehicle registrations and custom number plates.

The shifting of the iKapa Elihlumayo funds to the Department was to intensify government's actions to implement the Framework Agreement reached between Social Partners during the Provincial Growth and Development Summit (PGDS). It must be seen as the first step towards encouraging economic activity across the spectrum of the economy. It is also to stimulate and incubate industrial sectors, enterprises of all sizes and to kick start the Micro-economic Development Strategy (MEDS) of the Western Cape Province.



## 2.6 OVERVIEW OF THE ORGANISATIONAL ENVIRONMENT



**Cape Town International Convention Centre (CTICC):** President Thabo Mbeki opened the newly completed centre in July 2003. It is estimated that the centre will leverage expenditure of R25 billion in the province over the next 10 years.



The Department of Economic Development and Tourism and the Department of Agriculture were created out of the greater Department of Agriculture and Business Promotion.

Two departments had to operate separately and independent of each other. The Department had to establish a new corporate services function. An interim agreement between the Department of Transport and Public Works in the Western Cape and the Department of Economic Development and Tourism resolved that an agency service regarding corporate governance issues would be provided until 01 April 2004.

An Accounting Officer was appointed to manage the Department of Economic Development and Tourism in June 2004. This appointment placed considerable strain on the financial resources of the programme as this meant that two officials were on the rank of Deputy Director General. Additional funds were not received by the Department to defray this additional cost and funds for the additional pressure on the budget were found by not appointing key personnel such as a Chief Operating Officer and other key personnel in the Programme.

The Accounting Officer had an extended period of illness soon after being appointed. This extended illness caused delays in the Department's implementation of strategies aimed at restructuring its vision, goals and operations.

The Department reported to two ministries namely the Provincial Minister for Finance and Economic Development and the Provincial Minister for Tourism and Gambling. This added to the reporting requirements as stipulated in section 40 (4) of the Public Finance Management Act, 1999 as all matters had to be duplicated for the Department to be compliant.

The Chief Financial Officer (CFO) for the Department was only appointed in October 2003. The major strategic focus of the newly appointed CFO was to capacitate the Financial Management component. This was critical to the success of the Department as at that time only three officials were employed to manage the Department's financial aspects. A work-study assessment was initiated to evaluate duties assigned to the financial management component and further appointments were made during December 2003, such as the appointment of a Departmental Accountant, a Budget Management component and a Supply Chain Management Component.



Further investigation saw the need for an independent Internal Control Division that reports directly to the CFO.

A Human Resources (HR) Manager was appointed in October 2003. Posts did not exist on the establishment when the official assumed duty. The focus of the HR Manager was to establish a departmental structure that would effectively meet challenges facing the Department, noting its new vision and direction it wished to follow. Another challenge of the HR manager was to establish a component that would effectively move away from the mere processing of monthly salaries and related matters to one that would cater to the ever-changing policy and legislative developments, thereby improving the departmental staffing capacity with regard to people and skills development.

All the posts in the Directorate: Business Regulation were filled during 2003/04, contributing to the successful delivery of services. The improvement in the service delivery and the expansion of the services and projects resulted in an increased demand for the projects and services to be provided

throughout the province in a comprehensive manner. However, the Directorate: Business Regulation experienced constraints as far as financial and human resources were concerned.

The services provided to consumers led to an ever-increasing number of complaints being registered, particularly in the City of Cape Town. The services are to be expanded to the rest of the Province and the Directorate is unable to allocate sufficient resources unless the availability of resources is re-considered.

The definition of what constitutes a consumer was reassessed and with the inclusion of “tourist” and “small businesses” as consumers, additional staff will have to be engaged to attend to these consumers.

The Directorate continued assisting walk-in clients, which added further pressure on human resources. In addition, the filling of vacant posts was only realised towards the end of the financial year. Despite these internal challenges and the added responsibility of delivering on the iKapa Elihlumayo projects, the Directorate managed to deliver on its objectives. This delivery was done primarily through a temporary re-organisation of the staff duties and by drawing on the support and assistance from the Directorate’s external partners.

The challenges of Resolution 7 placed considerable pressure on the Directorate: Industry Development. Due to the nature of many of the staff members who tend to be young professionals, the Directorate has a high turnover rate, with a number of staff resigning during the year. This placed a considerable burden on Management and the remaining staff.

A number of short term contract staff was taken on to drive specific projects around the film studio, advanced materials, boat-building, the Human Re-

**At leisure:** Staff members on their way home after a workshop in Hermanus.





**Trade and investment agency:** Mr Ismail Dockrat,  
Chief Executive Officer of Wesgro

source Development Strategy (HRDS) and the Learning Cape Festival (LCF).

Wesgro as the trade and investment agency, finally saw stability with the appointment of the new CEO, Ismail Dockrat. This brought to an end an extremely turbulent period of restructuring and extreme tension between the main funders. Also, an amount of R2 500 000, was held back from the 2002/03 financial year, and was rolled over. Mr. Dockrat has stabilised Wesgro and ensured that focussed and effective delivery is taking place in both trade and investment. All the export capacity was centralised in Wesgro over the year including the secondment of trade staff from the Department. Over the period the export development programme exceeded its targets and provided rigorous support to 70 companies.

The Chief Directorate: Tourism experienced budget constraints in terms of the implementation of the Integrated Development Framework (ITDF), which is a 10 year development plan for tourism in the Western Cape. The available budget is much less than the actual budget needed for implementing

the ITDF and the Directorate's ability to deliver on all the implementation projects is impeded.

A lack of unity in a planned path toward economic development of the various sectors is evident. Tourism is a multi-disciplinary sector, with the potential to act as a catalyst for the economic growth of other sectors. An integrated approach for economic growth and sector development, which has visible impact, together with real co-operation is needed.

Administrative process issues in terms of ensuring timeous processing of tourist guide registrations have proved problematic. Considerable effort has been made to introduce an efficient system for the timeous processing of payments and the issuing of cards and badges.

Staffing capacity with regard to fulfilling the basic operational requirements of tourist guide registration and policing the industry must be addressed.

The Department was not geared for co-ordinating the implementation of the iKapa Elihlumayo Economic Fund. In essence the implementation of this programme was not catered for in the organisational structure of the department. In order to address the structural gap the Department embarked on a restructuring process, which sought to align the Department with the imperatives of the iKapa Elihlumayo and the Framework Agreement emanating from the Provincial Growth and Development Summit (PGDS).

Although severe budgetary constraints were experienced, the Cape Change management project has been started with a pilot in the Department of Economic Development and Tourism. The restructuring of departments left an ideal opportunity to expand the current Master Systems Planning (MSP) process to include all systems, and business practice.





## 2.7 STRATEGIC OVERVIEW AND KEY POLICY DEVELOPMENTS

The draft liquor policy document was approved for distribution and discussion by role players. Significant responses were received from a number of provincial departments and the representative organisation of the local governments within the Western Cape. The envisaged liquor policy will form the basis of provincial liquor legislation, that in conjunction with the newly promulgated national Liquor Act, No 59 of 2003, addresses the regulation of the liquor industry. The draft provincial liquor policy document has been made available on the Cape Gateway website.

The intention of the policy is to address the trading of liquor, the liquor industry and the consequences of the trading of liquor in a holistic manner. The large number of unlicensed outlets that have flourished in the historically disadvantaged communities and the lack of black economic empowerment in the industry must be a focus area of the policy and must provide for the transformation of the industry from a largely unregulated industry to an industry that contributes to the hospitality and tourism trade in the province with a reduction in the anti-social aspects thereof. The policy must further address the negative consequences of the trade and ensure that international best practice regarding mandatory training of seller and servers of liquor is considered, adapted and implemented.

The long awaited Broad-Based Black Economic Empowerment Act was enacted during January 2004 providing strategic direction and purpose for the Directorate's newly established Black Economic Empowerment sub-directorate. The Act also provided impetus for the sub-directorate's objectives of increasing broad-based and effective participation of black people in the economy and promoting a higher growth rate, increased employment and more equitable income distribution.



**Interaction:** Minister Witbooi and Mr Brent Walters, Director: Tourism Development exchanging a few words.

The National Small Business Amendment Act enacted during November 2003, repealed all provisions pertaining to the National Small Business Council and empowered the Minister to establish an Advisory Body to represent the interests of small business. Of more significance to SMME service delivery (nationally) has been the planned launch of a single small business agency incorporating Ntsika Enterprise Promotion Agency and the National Manufacturing Advisory Centre.

The province's first Provincial Growth and Development Summit (PGDS) held during 2003, effectively laid the foundations for interventions from labour, business, government and civil society to be aligned in reaching common goals. This translates into the objectives of the Directorate having to address the identified milestones as agreed upon by the partners.

Structurally, the Department was not geared for coordinating the implementation of the iKapa Elihlumayo Economic Fund. In essence the imple-



mentation of this programme was not catered for in the organisational structure of the department. In order to address the structural gap the department embarked on a restructuring process, which sought to align the department with the imperatives of the iKapa Elihlumayo and the Framework Agreement emanating from the Provincial Growth and Development Summit (PGDS).

The joint marketing process for tourism resulted in the establishment of the Cape Town Tourism and Events Company (CTTEC) on 01 July 2003, which was formed as the precursor to the Destination Marketing Organisation (DMO). The Western Cape Tourism Act, which was promulgated on 12 March 2004, repealed the Western Cape Tourism Act (1997) and provides for the establishment of the Destination Marketing Organisation (DMO) and the promotion of tourism and the related economic development of the Western Cape.

The passing of the Western Cape Tourism Act 2004, was the result of four years of consultation, policy making and development. The Act establishes the Destination Marketing Organisation (DMO) for

Cape Town and the Western Cape and pools the marketing efforts of both the City of Cape Town and the provincial government of the Western Cape to ensure maximum benefits from limited resources.

The main objective is to showcase Cape Town and position it as the gateway to the hinterland, thereby showcasing all the attributes of the Western Cape and allowing for equitable spread of tourism benefits. This strategy is aligned to the Integrated Tourism Development Framework (ITDF).

The Provincial White Paper on Tourism identifies the need for focus, prioritisation and leadership within tourism in the Western Cape. The Integrated Tourism Development Framework (ITDF) for the Western Cape provides a basis for delivery of product development and marketing strategies through a market led approach and focus on prioritisation. The ITDF provides a context for intervention and practical direction. It also aims to demonstrate to private sector that planning is coherent and commitment is real. The ITDF outlines the Tourism Development Strategy for the Province.

A Tourism Human Resources Development Framework was drawn up in order to promote tourism excellence and to open opportunities for marginalised communities. Currently, a Tourism Human Resources Development Situational Analysis is being conducted, which will include a labour market analysis, a skills audit, a training providers' audit and a target market analysis. The findings of the Tourism Human Resources Development Situational Analysis, together with the Tourism Human Resources Development Framework will be finalised into a Tourism Human Resources Development Strategy for the Western Cape.

The objectives of the Tourism Human Resources Development Strategy are to promote excellence in the Tourism industry and to use Human Resource



**Fashion Imbizo:** The imbizo at the Cape Town International Convention Centre from 01 to 05 December 2003 provided a forum for designers, manufacturers, union leaders, retailers and government to reflect on the policy framework for industry development. Minister Rasool is captured in the first row.



**The Western Cape Tourism Road Signage Framework:** Signage was introduced as part of the information provisioning strategy in line with international and national standards for the sector. Implementation plans have been developed for Route 62, West Coast, Eden Country District and Hops Country District.



Development as a tool to promote broad based economic empowerment in tourism. Currently, the Department's capacity building and transformation in terms of tourism is evident in the sponsored tourist guide training and the bursaries to learners studying hospitality management. In addition, the Department has strategically intervened through the training of tourism entrepreneurs, craft training and schools-based tourism programmes.

The Department of Economic Development & Tourism has partnered with the DMO (Destination Marketing Organisation), TEP (Tourism Entrepreneurship Programme), the CCDI (Cape Craft & Design Institute) and SATSA (South African Tourism Services Association) to align their activities to a common business strategy to achieve a common goal, with shared programmes and a more efficient utilisation of the organisation's resources.

The Tourism Safety and Security Strategic Framework provides the essential framework for an integrated programme and describes: the strategic objectives that must be achieved by the agencies responsible for safety and security within the Western Cape; the envisaged roles of these agencies; the partnerships that must be developed with the

tourism industry to safeguard domestic and foreign tourists; and the programme's institutional structures and support processes.

The Western Cape Tourism Road Signage Framework introduces signage as part of the information provisioning strategy in line with international and national standards for the sector. The Framework entails an audit of the existing direction sign and tourist information infrastructure in the province, together with a framework for the development of a holistic approach to the provision of tourism signs and information in the Western Cape.

Effective and efficient systems to streamline the collection of Tourist Guide Fees were implemented.

Another key project was the conversion of the tourist guide registration system to a Information, Communication and Technology (ICT) based solution. The database was designed over a three-year period and was officially launched on the 21 February 2004, to coincide with International Tourist Guides' Day. The system will allow the Department to obtain useful data quickly and to track and monitor registration processes with greater ease. The database is currently being updated with the latest information on all guides currently registered in the Western Cape, including new tourist guide registrations. Also, information regarding the Tourist Guide Registration office is now available on a link on the following website: [www.capegateway.gov.za](http://www.capegateway.gov.za).

In addition a comprehensive Micro-economic Development Strategy (MEDS) will be developed that requires a thorough analysis of the economy.

The strategy will be incorporating a Human Resources Strategy, a Skills Development Strategy and a Strategic Infrastructure Plan. Also, it should utilise the Social Capital Building Programme, which will be generated by the Department of Social Services and Poverty Alleviation.



## 2.8 PROGRAMMES



### PROGRAMME 1: ADMINISTRATION

#### PURPOSE:

To provide overall leadership, management, administrative and functional support to the ministries and the department in accordance best practice and legislative prescripts

#### MEASURABLE OBJECTIVE:

- To ensure full compliance with the Public Finance Management Act (PFMA), Act 1 of 1999 and subsequent relevant regulations and prescripts.
- To render a professional management and administrative support service to the various programmes and other stakeholders.

#### SERVICE DELIVERY OBJECTIVES AND INDICATORS

##### SUB-PROGRAMME 1: OFFICE OF THE PROVINCIAL MINISTER OF TOURISM

The 2003/04 financial period saw the creation of a newly established ministry within the Department responsible for Tourism in the Province. Funding for this newly established ministry was primarily resourced through a re-prioritisation within the Department and funds being received via the Adjustment Estimate Budget process of 2003.

##### SUB-PROGRAMME 2: CORPORATE SERVICES

##### Financial Management

A directorate responsible for Financial Management in the Department was successfully created in the year under review. This directorate was structured to include a Departmental Accounting Services, Management Accounting, Supply Chain Management and Internal Control.

Management Accounting was structured to include components to assist the management of the department in the effective, efficient and economical management of revenue and expenditure control; to manage and co-ordinate the processes in the department including the strategic planning process and the annual reporting processes; and to compile and develop database systems on financial and non-financial data; and to report on internal and external service delivery reports.

Achievements in 2003/04 include the successful compilation and tabling of a departmental budget and strategic plan, the development of an internal database to manage expenditure within the department, the tabling of an adjustment estimate and the management of the R45 million iKapa funds as transferred from Vote 3: Provincial Treasury during the Adjustment Estimate process.



This component played an instrumental role in guiding the Department to a saving of below 2% for the reporting period.

Departmental Accounting was structured to manage processes related to the Department's banking and bookkeeping functions, the compilation of annual financial statements; the management and control over miscellaneous payments; the management and implementation of the departmental debt system; and the management of the financial systems and applicable interfacing sub-systems.

Supply Chain Management's main areas of control included the delivery of an effective and efficient procurement system, including the development of service delivery systems, norms and standards to assist management with decision making

on the procurement of goods and services. An Accounting Officer's System and delegations for Supply Chain Management was implemented with effect of 01 January 2004. This system sets out procedural, institutional and administrative actions involved in the overall operations of the unit. The component also oversaw the implementation of an effective asset management system.

An Internal Control division was also established in the reporting year. This division's achievements was in the development of a draft fraud prevention plan. Also, the unit assisted a Non Profit Institution in the South Cape Region with improving its overall corporate governance, thereby ensuring that it could be compliant with section 38 (1) (J) of the Public Finance Management Act, 1999.



**Taking it away:** At the Women in Tourism Celebration



## SERVICE DELIVERY ACHIEVEMENTS

Sub-programmes	Outputs	Output performance measures/service delivery indicators	Actual performance against target	
			Target	Actual
Corporate Services	<p>The completion of the Departmental Strategic Plan The monitoring of the success of the Fraud Prevention Plan</p> <p>The completion and review of all financial reports Accurate tariff register No debt in the Department Accurate inspections and audits to ensure adherence to the legislative framework</p>	<p>Departmental Accountant inspections Monthly and Annual Financial Reports Auditor-General Reports Budget variance analysis Branch Service Level Agreements Performance Agreements</p>	<p>Through the availability of financial and support staff reports comply in all respects to the prescripts and for these to be compiled and tabled by the dates as specified in the Act and Regulations Budget compliance</p> <p>Clean Auditor-General Reports</p> <p>At least on an annual basis conduct a financial inspection at each office, public entity and institution of the Department</p>	<p>Adjustment Estimate, Strategic Plan and MTEF documentation tabled and approved in the Provincial Legislature</p> <p>Reporting in terms of section 40 of the PFMA complied with</p> <p>An unqualified Audit by the Office of the Auditor General received for the 2003/04 Financial year</p> <p>An internal Control Division was established Assistance was provided to a Non Profit Institution to comply to section 38 (1) (j) of the PFMA</p>
Corporate Services	<p>Compliance with written policies and strategies Implementation through training and advice</p> <p>Empowered and enabled staff who deliver high quality service</p>	<p>Performance Agreements Auditor-General Reports</p>	<p>The continuous review of the extent that excellence and equity is achieved in the recruitment and retention of staff. Compliance with regulations</p>	<p>Delivered by agency service</p>





## PROGRAMME 2

### ENTERPRISE DEVELOPMENT

#### PURPOSE

To broaden the ownership base of the economy to include small, medium and micro enterprises (SMMEs), black and women-owned businesses, and the promotion of economic development, income and employment generation through integrated development planning in all targeted regions.

### MEASURABLE OBJECTIVE SERVICE DELIVERY OBJECTIVES AND INDICATORS

#### SUB-PROGRAMME 1 BUSINESS REGULATION

The Sub-Directorate: Office of the Consumer Protector embarked on a six months long education and awareness pilot project on taxis and trains within the Cape Town metropolitan area.

The project coincided with the engagement of the Cape Gateway call centre and the establishment of a dedicated toll free line in July 2003 that resulted in an increase of the monthly number of consumer complaints attended to by the staff from 300 for the first four months of the financial year to an average of 1500 calls per month for the remaining eight months of the financial year.

A delay occurred in the commencement of the activities of the Consumer Tribunal due to the determination of suitable levels of remuneration of the members thereof. The subsequent public notification, nomination and participation in the recruitment and appointment process was delayed due to the lack of adequate response and the limited number of nominations initially received. A second process of advertisement and nomination was allowed to ensure that a sufficient public response was obtained.



The Liquor Board considered 2 200 licence related applications, exceeding the target of 1500 applications. In the process the projected income for liquor licences of R3,7 million was exceeded and an amount of R4 million was generated. The Liquor Licensing Inspectorate conducted 160 inspections and instituted 12 hearings before the Liquor Board of transgressors of liquor licence conditions and the Liquor Act.

The first phase of a pilot project in the Breede River Valley to raise awareness amongst rural children at schools of foetal alcohol syndrome was successfully completed, the second phase will be rolled out in the next financial year. A year-long research project on the impact of low quality wine in sub-standard packaging (commonly known as "papsakke") was initiated in August 2003, with the intention of informing policy and consideration of measures to limit the negative impact of the product on the rural community.

The liquor policy document was not submitted to Cabinet for approval as the public hearings by the Standing Committee on Finance and Economic Development during the first quarter of 2003 were interrupted by a change in the composition of the committee. The draft final document was submitted to important stakeholders for comment and discussion, but comments were only received well after the deadline, resulting in a further delay in finalising the document.



## SERVICE DELIVERY ACHIEVEMENTS

Sub-programmes	Outputs	Output performance measures/service delivery indicators	Actual performance against target	
Business Regulation	Satisfied consumers	Monthly statistics and reports disaggregated by gender and urban/rural to Programme Evaluation Meetings (PEM) With monthly monitoring of consumer advice offices and own staff	6 000 complaints attended to	13 000 complaints attended to
	Target audience of previously disadvantaged reached	Monthly monitoring of information sessions held and responses to material distributed	10 000 persons directly reached	10 000 persons reached directly
	Establishment of consumer tribunal and regular hearings	First sitting of the Tribunal	20 cases resolved	Nil
	Establishment of liquor licensing authority with provincial and local authority structures	Approval of the policy document by the Cabinet	Approval by Cabinet of policy document	Ongoing consultation with role players before submission of proposed document to Cabinet
	A socially responsible effective and efficient liquor licensing system	An effective and efficient regulatory regime for the liquor trade	R3.7mil in income  1 500 applications considered 20 complaints cases considered	Income – R4 mil  2 200 applications considered 160 inspections completed, 12 complaints cases finalised





## SUB-PROGRAMME 2

### INDUSTRIAL DEVELOPMENT AND MARKETING

The primary role of the Directorate is seen to be facilitating the development of healthy competitive sectors, as a key component in a sustainable job creation strategy. The focus has been on targeting key growth sectors that are the main contributors to growth, as well as supporting industries “under threat”.

The Directorate intervenes at different levels in sectors. Once a strategic understanding is developed, the Directorate works with key institutions to transform the sector through project interventions. If no sector institution exists, the Directorate has developed a methodology for facilitating the establishment of the non-profit sector vehicles largely driven by industry. The Directorate has also initiated processes to ensure good governance and service delivery in these bodies.

The Directorate played a key role in a number of these Special Purpose Vehicles (SPVs) over the year. The Cape Bio-Tech Trust received over R30 million from National Departments for disbursement to emerging companies.

The Cape IT Initiative facilitated the establishment of the Bandwidth Barn, which housed more than 60 companies during the year. Clotex’s drive to improve technical skills of small Cut Make and Trim (CMT) manufacturers in the clothing sector was enhanced. CallingTheCape’s marketing ability was more than doubled so that it could replicate its successes in attracting call centers to the Province, as can be evidenced in the R100 million Budget Insurance venture.

The Cape Film Commission played an extensive role in the film sector, particularly in facilitating the entrance of emerging producers into the market. A “hands on” approach has seen the imma-



**Film Studio:** Minister Rasool and Anant Singh after announcing the name of the successful bidder to establish the film studio in Cape Town



ture Oil and Gas Services sector grow into an initiative and make great strides in winning national and international recognition.

Two new Special Purpose Vehicles (SPVs) were established during the year. The SA Mariculture Institute was initiated and will play a key role in ensuring that South African, and particularly Western Cape seafood can enter the European Union and United States markets. The Cape Town Boat Building and Technology Initiative developed from the export council and has already notched up successes in attracting orders for the industry.

The SPVs have played an important role in taking pressure off the Department, thereby allowing the Department to play a more strategic role. One of the challenges is that of ensuring a consistent level of funding for SPVs. While they are all encouraged to move towards self-sustainability, many will remain dependent on some level of government support in the future. The constant search for funding does impact on their ability to deliver.

The Directorate also played the lead role in conceptualising and driving through the human resources development framework for the province, referred to as the "Sonn Commission". This has played a key role in establishing a Learning Cape Initiative that would manage the Learning Cape Festival (LCF), currently co-coordinated through the Directorate. Over 500 events were held during the 2003 LCF month. The LCF's objectives include the bridging of all the education and training sectors, and encouraging alignment with the needs of the economy.

The Film Studio was a major project championed by Minister Rasool, and co-ordinated by the directorate. An Australian expert on film studios was brought in to advise the Directorate on the process. Twelve initial bids were received that

were then reduced to three, out of which the "preferred partner", Dreamworld Studios, was selected. The project is expected to begin during 2004.

The Directorate played a key role in contributing to the Provincial Growth and Development Summit (PGDS). A sectoral position was agreed upon in the summit, corresponding largely to the Department's inputs, and directed by the development of the "matrix" approach, where key equity and delivery targets were proposed in each sector. Important work continues in contributing to the development of strategies in various committees that address strategic areas and sectors, especially in terms of the Micro-economic Development Strategy (MEDS).

As an input into the PGDS, the Directorate facilitated the process of short listing and allocating the iKapa Elihlumayo funding in an exceptionally demanding time period.

Western Cape Investment and Trade Promotion Agency's (Wesgro's) facilitation services resulted in the realization of approximately R400 million worth of investments and the creation of about 524 permanent jobs. Wesgro also evaluated 353 work and business permit applications and processed 397 client enquiries. The transformation process of Wesgro resulted in a new management team and a newly appointed CEO, which placed Wesgro in a position to deliver on its key mandate of promoting trade and investment in the Western Cape.

The sub-programme hosted four workshops on trade agreements in various district municipalities to promote export trade and awareness of incentives. The Export Development Program trained and mentored 106 potential exporters successfully. It also provided information and support to 137 exporters.





## SERVICE DELIVERY ACHIEVEMENTS

Sub-programmes	Outputs	Output performance measures/service delivery indicators	Actual performance against target	
			Target	Actual
Industry development	Enhanced productivity, more jobs created.	Quarterly meetings and reports disaggregated by gender from Cape MAC Board to Branch.	150 firms supported 1000 jobs created	173 Businesses supported (45% HDI & 32% women owned)  7470 jobs sustained 277 jobs facilitated
	Improved co-ordination, greater co-operation, increased exports and job creation.	Industry bodies to submit quarterly reports on targets and performance.	Support 5 sector initiatives. Facilitate 15 sector workshops.	Cape IT Initiative, Cape Bio-tech Trust, Calling the Cape, Clotex, Cape film Commission
	Decreased infrastructure blockages, improved innovation and (retained) skills. Collaborative marketing and increased exports. Greater number of companies from the Western Cape accessing incentives, investing in new capacity and skills development.	Project managers to submit quarterly reports on targets and performance.	2 new vibrant industry bodies formed	Boat-Building, Mariculture Institute Cape Film Studio, Metals Research, Sithengi Film Festival, Design Indaba, Eskom Oil and Gas Supply Base, Spring fashion Festival, CMT Development Program, Clotex Trading House, Home Textile Trading House, Learning Cape Festival, HR Development Strategy,
		Quarterly statistics and monitoring and evaluation.	15 new sector projects initiated and supported.	Advanced Material Initiative, HIV/AIDS in business, Bandwidth Barn Incubator, Film Transformation Fund
	Increased number of strategic targeted investments located in Western Cape.	Performance agreements between agency and Branch Quarterly reports	Facilitating access to 150 firms per year  R500 million new investment p.a. 1000 direct jobs p.a.	120 firms assisted  Realization of approximately R400 million in investments for 03/04  Creation of 524 permanent jobs
	Greater value of exports and number of exporters (particularly black and women).	Performance agreements Quarterly reports	Double value of Cape exports 4000 direct jobs p.a.	106 Exporters assisted through the EDP during the year (80% previously disadvantaged)



Sub-programmes	Outputs	Output performance measures/service delivery indicators	Actual performance against target	
			Target	Actual
	<p>Increased number of exporters (particularly black and women) Value of exports</p> <p>Increased export activity in all sectors</p> <p>Greater value of exports and number of exporters (particularly black and women).</p> <p>Increased usage of incentives</p>	<p>Project managers to submit quarterly statistics (disaggregated by gender and urban/rural.)</p> <p>Quarterly statistics, monitoring and evaluation.</p>	<p>Intensively support 50 emerging exporters per year through the EDP (at least 60% of which to be previously disadvantaged)</p> <p>3 well attended workshops on trade agreements</p> <p>Facilitate information and support to 120 exporters (particularly black and women) per year.</p>	<p>4 Workshops held in Caledon, Cape Town, Knysna, Stellenbosch 137 exporters assisted</p>

NAME OF INSTITUTION	AMOUNT TRANSFERRED	ESTIMATE EXPENDITURE	EVALUATION OF MONITORING MECHANISMS
Wesgro	R 4 150 000	R 4 150 000	MoA required regular reports which were evaluated as per objectives and milestones. Site visits were conducted to check reported progress. Evaluation of monitoring mechanisms was satisfactory.
Cape Chamber of Commerce	R 200 000	R 200 000	As above
Cape Mac	R 800 000	R 800 000	As above
Section 21 Industry	R 29 000	R 29 000	As above



## SUB-PROGRAMME 3

### ECONOMIC DEVELOPMENT CO-ORDINATION

The Directorate launched the first Hydroponics herb-farm enterprise in the Western Cape and supported the expansion plans of the facility to realise a job creation potential of 95 people, of which 90% are women and ex-state maintenance grant beneficiaries. This project serves as a replicable model to pursue community-based enterprise development in some of the most poverty stricken areas of our province.

Local authority capacity was boosted by the department having funded the establishment of five Economic Development Units (EDUs) at district municipal level. This provincial initiative is intended to provide a local municipality with a trained and focused team responsible for economic development delivery on the ground. Ten municipal officials were provided with capacity-building regarding local economic growth.

The Department further assisted and actively participated in 30 review sessions of the municipal Integrated Development Plans (IDPs) process to not only provide guidance and support in the development of Local Economic Development (LED) strategies of local government to ensure alignment with national and provincial policy, but also to ensure appropriate LED plans are developed towards sustainable initiatives. Eleven municipalities were assisted in this respect.

The Provincial Growth and Development Summit (PGDS) was hosted by provincial government. This event ensured participation and agreement by the four social partners on a growth and development path for the Western Cape. The event attracted more than 500 delegates and was an overwhelming success. The conference set the tone and background to the launch of the implementation of the iKapa Elihlumayo vision and approach.

The ever-increasing demand by people to become entrepreneurs and business owners was fueled not only by “necessity entrepreneurship”, but also by a much more encouraging environment for the establishment of small businesses. The Department rose to this challenge with the expansion of its pilot programme in collaboration with a private sector partner. To date, this programme has been directly responsible for the establishment and expansion of more than 60 Historically Disadvantaged Individual SMMEs. Financial assistance, training and mentorship were provided.

The province’s first one-stop-shop advice centre, Open for Business, was opened during early 2004. This initiative, a partnership between the Provincial Government, City of Cape Town and a private sector partner assisted an average of 200 potential and existing business owners with general business advice and referrals. The effectiveness of this model has been enhanced by clustering 12 service providers (from business plan writing to export advice) in the same building housing the project.

**A catalyst to economic and social activity:**  
Minister Rasool during a visit to the Beaufort West Hydroponics project in 2003.





Another successful partnership with the City of Cape Town was the annual Small Business Week. This event attracted more than 800 potential and existing entrepreneurs who attended the exhibition, seminars and workshops.

Support of entrepreneurs in the form of mentorship played an important role in business support, especially for Historically Disadvantaged Individual-owned businesses. Close on 100 businesses were provided with mentorship. These quality mentorship programmes were delivered by international experts (retired Dutch business persons) and tertiary institutions (UCT and Peninsula Technikon). A total of 68 disabled persons were assisted in taking a step closer in realising their dreams of owning their own businesses after being provided with basic business skills training by the University of Stellenbosch.

Community-driven sustainable small business initiatives were assisted with capacity-building and infrastructural improvements. One of the two outstanding examples was the Kuils River Community Bricks and Blocks project, which employed an additional 10 unemployed community members as a result of the Department's intervention – the construction of a drying facility increased output by 30%. The second project, the Ukukhanya Sewing Project was assisted with capacity building and resulted in increased output and the employment of an additional four unemployed women.



**Support for entrepreneurs:** Mentorship programmes delivered by international experts and tertiary institutions

The partnership with the Department of Trade and Industry (dti) was solidified with the successful dti Express. This road show visited nine regions in the Western Cape, dispensing information and assistance in towns such as Beaufort West, Caledon, Zweletemba (Worcester), Mitchell's Plain and Gugulethu. More than 3 000 potential and existing entrepreneurs were reached through this initiative.

The information distribution initiative, the Library Business Corners, spread further into the rural areas and increased the number service points from 5 to 31. Each of these information points are visited by an average of 150 community members per month. More than 4 500 community members have access to basic business information on a monthly basis through this project.





## SERVICE DELIVERY ACHIEVEMENTS

Sub-programmes	Outputs	Output performance measures/service delivery indicators	Actual performance against target	
			Target	Actual
Economic Development And Co-ordination	Number of sustainable economic development projects identified and funded	Memoranda of Agreement between Branch and local government	No target set as no budget amount was allocated to this output	4: x1 funded (Exp. of Hydroponics) x3 identified (Dyssels: Liq sweets, BW: Essential Oils, Kannaland: Ostrich farm)
	Number of projects assisted with expert advice and interventions	Monthly monitoring and evaluation of progress reported by gender and place to PEM	No target set as project assistance is dependent on supply from local government, business & communities	15
	Number of projects assisted with business plan development & feasibility studies			
	Number of Economic Development Units EDUs, or structures with a similar function, created & supported to provide capacity within a municipality.		5 units (one in each district)	5 EDUs at: CKDM, EDEN DM, WCDM ODM BDM
	Number of scoping exercises conducted and reports available.		2 Studies completed	3 (CKDM, BDM)
	Number of economic and market analysis studies completed.			
	Number of successful joint workshops with local authorities & meaningful strategy plans in place.		30 workshops to be held	3 in process, Council decision has delayed timeframes x5 iKapa workshops) x2 workshops & x6 strategic planning meetings x2 Munimec's for GDS process



Sub-programmes	Outputs	Output performance measures/service delivery indicators	Actual performance against target	
			Target	Actual
	<p>Capacity building training given to local authority officials in economic development principles and practice.</p> <p>Monthly reports by project managers and random site visits to be compiled into yearly report on project progress</p>		10 officials trained	<p>Audit of skills base in the DMs done. Training given to x10 officials (x1 PG &amp; x9 DM officials) Completed 25 &amp; 26 May 03. Final report submitted 27 June 2003</p> <p>5 Reports</p>
	<p>Sector-Focused Mentorship programme to establish high potential small business</p>	<p>Memoranda of Agreement with service providers</p> <p>Monthly monitoring and evaluation of implementation of agreements (male/female, rural/urban) reported to PEM</p>	20 Businesses (at least 8 women owned)	32 businesses assisted from which is 10 female owned and 1 disabled owned
	<p>Business &amp; entrepreneurial training for the disabled</p>		35 disabled persons	68 disabled persons trained in the main city centres (Cape Town, George, etc.)
	<p>Business plan development for start-up businesses</p>		50 Business plans (of which at least 20 belong to women) and 10 gaining access to funding	353 entrepreneurs assisted in compiling business plans of which more than 80 accessed funding
	<p>To develop benchmarks and guidelines to monitor the effective implementation of BEE strategy especially through procurement</p>		20 Businesses linked, value of 10 million (at least 8 women owned)	26 businesses assisted with accessing and successfully implementing awarded procurement contracts (valued at more than R13m)
	<p>Access to procurement opportunities with Tender committees</p>		15 linked to provincial government contracts (at least 6 women owned)	Linked in excess on 50 entrepreneurs to government contracts ranging between R5 000 and R9m



Sub-programmes	Outputs	Output performance measures/service delivery indicators	Actual performance against target	
			Target	Actual
	<p>Youth Entrepreneurship Programmes in schools.</p> <p>Business Plan Competitions</p> <p>Access to equity funding and mentorship through SME Development Model</p> <p>Information to small businesses through network of Library Business Corners (LBCs)</p> <p>Information and seminars for SMMEs</p> <p>Printed material to assist the growth of Small Business</p> <p>Effective sub directorate responsible for the implementation of policy</p>	<p>Reports to quarterly PEM meetings</p>	<p>Operating in 20 schools and colleges</p> <p>Business plan competition for micro start-up businesses</p> <p>20 businesses in different sectors (at least 40% women owned)</p> <p>5 new LBC's</p> <p>Small Business Week (4 days) &amp; workshops</p> <p>10 000 Improved copies of small business manual, translated</p> <p>Benchmark with baseline information</p> <p>Alignment of processes and projects with policies and strategies Maintain data on projects to inform updating strategy.</p>	<p>10 programmes in schools and 5 in colleges</p> <p>Seven participants were selected (4 females and 3 males) Programme ongoing</p> <p>60 businesses were assisted.</p> <p>5 new LBC's was established in Stellenbosch, Saron, George, Knysna and Ceres bringing total to 31 in the rural areas</p> <p>Completed Small Business Week in partnership with City of Cape Town. Attended by more than 800 entrepreneurs</p> <p>13 000 Booklets of "How to start your own business" were distributed.</p>



NAME OF INSTITUTION	AMOUNT TRANSFERRED	ESTIMATE EXPENDITURE	EVALUATION OF MONITORING MECHANISMS
Peninsula Technikon	R 120 000	R 120 000	MoA required regular reports which were evaluated as per objectives and milestones. Site visits were conducted to check reported progress. Evaluation of monitoring mechanisms was satisfactory.
CLOTEX	R 38 000	R 38 000	As above
Cape College	R 100 000	R 100 000	As above
Boland College	R 27 400	R 27 400	As above
Kuils River Bricks & Blocks Community Project	R 40 000	R 40 000	As above
Business Beat	R 69 540	R 69 540	As above
Library Business Corners	R 100 000	R 100 000	As above
City of Cape Town	R 200 000	R 200 000	As above
University of Cape Town	R 100 000	R 100 000	As above
University of Stellenbosch	R 100 000	R 100 000	As above
West Coast Business Centre	R 100 000	R 100 000	As above
Open for Business	R 500 000	R 500 000	As above
Business Opportunities Network	R 100 000	R 100 000	As above
Casidra	R 1 000 000	R 1 000 000	As above
Boland District Municipality	R 200 000	R 200 000	As above
Eden District Municipality	R 200 000	R 200 000	As above
West Coast District Municipality	R 300 000	R 300 000	As above
Central Karoo District Municipality	R 200 000	R 200 000	As above
Overberg District Municipality	R 200 000	R 200 000	As above



## PROGRAMME 3

### TOURISM PURPOSE

To promote and develop sustainable growth of the tourism economy and to ensure that all people in the Western Cape share the benefits derived from tourism.

### MEASURABLE OBJECTIVE:

To promote and develop sustainable growth of the tourism economy and to ensure that all people in the Western Cape share the benefits derived from tourism.

### SERVICE DELIVERY OBJECTIVES AND INDICATORS

#### TOURISM DEVELOPMENT

- In March/April 2003, the Cricket World Cup opening was hosted in the Western Cape. The event beamed images of Cape Town and the Western Cape to all corners of the Commonwealth.
- In July 2003, the newly completed Cape Town International Convention Centre (CTICC) was opened by President Mbeki. A recent study by the University of Cape Town's Graduate School of Business has estimated that the centre will leverage expenditure of R25 billion in the province over the next 10 years.
- In November 2003, the President's Cup was hosted in George. The event had an estimated viewing audience of 140 million. The key intervention was the securing of ten 30 second slots per day shown during broadcast time, which showcased the best tourism gems the province has to offer.
- On the 24 March 2004, approximately 300 tourism role players joined in to honour 12 Women in Tourism in the Western Cape, who over the years had not received public recognition for their commitment to tourism, but who in their own quiet way had contributed to tourism development. This event will be an annual one

and in 2005 will be incorporated into a Women in Business Awards, which will be hosted by the Department.

- Achievements of the Destination Marketing Organisation (DMO):
  - o Established the Cape Town Tourism and Events Company (CTTEC), the Section 21 Company that was a forerunner to the Destination Marketing Organisation (DMO).
  - o 12 Board Members were appointed (Nine board meetings to date).
  - o Legislation passed legalising the existence of the Destination Marketing Organisation (DMO).
  - o All six City Local Tourism Bureaus (LTBs) joined the Destination Marketing Organisation (DMO).
  - o Western Cape Tourism Board (WCTB) staff transferred 01 April 2004.
  - o Visitor Services Operations in 12 offices around the Cape Metro.
  - o A Marketing Framework has been finalised.

#### Cricket World Cup 2003:

The Western Cape hosted the Cricket World Cup opening in March/April 2003. The event beamed images of Cape Town and the Western Cape to all corners of the Commonwealth.





- o Draft policy for Leisure Marketing, MICE & Events and Product Development has been developed.
- o Chief Executive Officer and Chief Operating Officer appointed.
- o Visual identity finalised (roll-out to follow soon).
- o E-business system on the brink of roll-out (64 out of 75 Local Tourism Bureaus have already bought in).
- The Cape Craft & Design Institute (CCDI) was launched, in partnership with the Cape Technikon and the Department of Sports and Cultural Affairs. The Institute is aimed at providing holistic support to crafters in the Province and is based at the Cape Technikon.
- The Integrated Tourism Development Framework (ITDF) – projects completed in the past year are:
  - o Development of a sub-framework for Agulhas, which identifies ways through which the Southern most tip of Africa, could be positioned as a tourism Mecca not only for the province, but also for the country and the continent. It is believed that this project has an opportunity to position the province in terms of NEPAD.
  - o Developing plans for the Cape Flats area to position it for cultural and heritage tourism and to link up with established heritage tourism attractions such as Robben Island Museum and District 6 Museum.
  - o Karoo Tour Gate feasibility study in Beaufort West, in support of the National Integrated Rural Development Strategy. The Tour Gate will strengthen the position of Beaufort West as the gateway to the province.
  - o Development of a Marine Driving Trail in Tsitsikamma.
  - o Development of Khoi-San Archaeological site in Robberg.
  - o Development of cycle paths for the city to position the city as a cycling destination.
  - o Capacity building for Shebeen routes and other township routes in the Western Cape.
  - o Under the Tourism Business Forum (TBF), a number of support programmes and initiatives have been developed and implemented:
    - o 38 Tourism Entrepreneur Support Agents have been trained and are available at Local Municipal Level.
    - o Tourism Awareness Information Sessions and Basic Training have been piloted. The Tourism Awareness Workshops and Basic Training in 2003, were held on a quarterly basis across the province. These workshops were aimed at ensuring that those considering entering the industry can make a more informed decision about starting a business in tourism, before incurring any valuable hard-earned expenses. The second part of the day was dedicated to existing business to give them the basics in tourism business marketing, finance and business development.
    - o The Curricula for the Tourism Business Training Programme has been further developed for implementation, based on the pilots held (Beginners, Intermediate and Advanced Programmes).
    - o Tourism Entrepreneurship Information Pack have been developed and distributed.
    - o BTBA (Black Tourism Business Association) has been established and strategic planning facilitated.



- o The 2nd Western Cape Tourism Showcase was held at the Cape Town International Convention Centre and resulted in 140 emerging entrepreneurs being trained to show off their products at the trade show. The show was held in partnership with SATSA (South African Tourism Services Association), Western Cape TEP (Tourism Entrepreneurship Programme) and the WCTB (Western Cape Tourism Board, now the DMO) and assisted many entrepreneurs with market access.
- o The Tourism Mentorship Programme (TMP), held in partnership with SATSA, Western Cape TEP and CCDI (Cape Craft & Design Institute) was established. Ten mentors and mentees were matched up. The successful programme is now being replicated in other provinces.
- o The Monitoring and Evaluation Programme has been developed for implementation.
- The Cape Technikon Tourism Bursary Fund was specifically established to address transformation within the Tourism Industry. The Department developed a targeted approach by strategically focusing on Catering and Hospitality Management. Research indicated a lack of Black professionals working or studying within the tourism field. To address this imbalance the Department, in partnership with the Cape Technikon, launched the first ever Tourism Bursary Fund. This is a three-year pilot project, which started in 2001 and is currently in its final year. During the first year of the project, the Department managed to provide 4 learners with full bursaries and 8 learners secured partial bursaries in this specific field. The four students have academically excelled and are currently involved in completing in-service training at various Catering and Hospitality Institutions.

## TOURISM REGULATION

- In October 2003, a highly successful international conference on Tourism Safety and Security was held at the Cape Town International Convention Centre (CTICC). Speakers from the United States, United Kingdom and other parts of Africa added to the value of the conference, which identified safety and security as the new driver of tourism economies. The discussion points from the conference is being compiled and prioritised with implementation of key interventions taking place in 2004. In addition, a national safety hints brochure has been distributed to all key provincial stakeholders. With regard to safety and security, the Crises Communication Plan is being completed. This plan facilitates a co-ordinated function between the different role-players. Also, a stakeholder awareness campaign is being formalised.
- The implementation of the pilot tourism road signage programme for Hops Country and Eden Country routes, which coincided with the President's Cup in the Garden Route, played an important role in highlighting opportunities in the Garden Route. This exciting project, together with other routes identified (Route 62, R27 and N7), will be further implemented in 2004, with specific emphasis on providing practical and clear signage for both international and domestic tourists.
- The Western Cape's Tourist Guide Registration System, an updated database, was launched on 21 February 2004, and coincided with International Tourist Guides' Day. The database system will provide an easier analysis of the tourist guiding fraternity in terms of the total number of registered tourist guides and their areas of registration.



## SERVICE DELIVERY ACHIEVEMENTS

Sub-programmes	Outputs	Output performance measures/service delivery indicators	Actual performance against target	
			Target	Actual
<b>TOURISM DEVELOPMENT: Cape Town International Convention Centre (CTICC)</b>				
	Successful construction of the CTICC.	Monthly reports	Convention centre completed	Permanent and indirect jobs have been created during the construction of the centre. The breakdown of the impact on Black Economic Empowerment is contained in the centres full report. The centres current performance has exceeded all expectations to date.
<b>TOURISM DEVELOPMENT: The Destination Marketing Organisation (DMO)</b>				
	Joint marketing strategies for the tourism sector aligned to trade, investment, film, events. Institutional and financial arrangements plus legislation in place.	Monthly reporting to PEM	Single destination marketing agency for Province Legislation promulgated	The Destination Marketing Organisation (DMO) was established in April 2004, as promulgated in the Western Cape Tourism Act (Act No.1 of 2004).  The DMO's main objectives are: tourism marketing (leisure), product development, visitor services, MICE (Meetings, Incentives, Conferences & Exhibitions) and Events.
<b>TOURISM DEVELOPMENT: Cape Craft &amp; Design Institute (CCDI)</b>				
	Launch of the Cape Craft and Design Institute	Monthly Forum meetings; reports to PEM Annual Reports	23 Craft Resource centres to be serviced. Registered CCDI.	Resource centres have been established in the Swellendam and Plettenberg Bay areas lending its experience to product development.





Sub-programmes	Outputs	Output performance measures/ service delivery indicators	Actual performance against target	
			Target	Actual
<b>TOURISM DEVELOPMENT: Cape Craft &amp; Design Institute (CCDI)</b>				
	Craft and Design Institute serving crafters across the province.			Mentorship is an integrated component of most of the CCDI programmes, in particular the learnership training and skills development programmes, and crafter participation in events.
	Strategy for craft exhibitions in South Africa and abroad.			The CCDI has an integrated marketing strategy, which takes into account the diverse levels of business sophistication of craft enterprises, diversity of the markets and the various objectives of the different market access opportunities.
	System of awards for the craft sector.			The system of awards, through its selection criteria for participation in events and exhibitions serves to raise the standards and quality of craft in the province.
	Communication strategy to ensure all crafters have access to the Institute.			Since its establishment, the CCDI's database of craft enterprises has grown from 30 to 485. This growth is the result of a multi-faceted communication strategy.
	Development of craft resource centres in urban and rural areas.			In the urban areas, the CCDI worked closely with the City of Cape Town to facilitate development of crafters in Khayelitsha. Programmes have been rolled out in each of the rural areas.
	Support participation of crafters at local events. Launch of Khayelitsha Craft Project			The project was never launched due to the project team having experienced financial difficulty and a final implementation model has not been finalised.



Sub-programmes	Outputs	Output performance measures/ service delivery indicators	Actual performance against target	
			Target	Actual
<b>TOURISM DEVELOPMENT: Special Projects and Infrastructure</b>				
	<p>Well-communicated tourism strategies in terms of frameworks (e.g. ITDF) developed to date.</p> <p>User-friendly summary of the ITDF, also available on updated departmental website.</p> <p>Physical development of infrastructure ensured.</p> <p>Development of Cape Agulhas tourism development framework</p>			<p>The Department is the custodian of the provincial wide development strategy for tourism also known as the Integrated Tourism Development Framework (ITDF). This framework is a 10 year plan which identifies 11 areas earmarked for future investment based on:</p> <ul style="list-style-type: none"> <li>• market potential;</li> <li>• infrastructure availability and requirements;</li> <li>• socio-economic need; and</li> <li>• available resources.</li> </ul> <p>The ITDF summary is available on the government website at <a href="http://www.capegateway.gov.za">www.capegateway.gov.za</a> The Cape Agulhas area is one of the priority areas identified for development within the Integrated Tourism Development Framework. A detailed feasibility study, the Cape Agulhas Tourism Development Framework, has been completed and the Department is now in negotiation with the South African National Parks (SANPARKS) to rollout the study. The aim of the project is to grow foreign and local tourists to the region, whilst minimising the impact on the environment and enhancing the character of the towns involved. The department will also serve on the team dealing with the Cape Agulhas Road development managed by the Department of Transport.</p>



Sub-programmes	Outputs	Output performance measures/ service delivery indicators	Actual performance against target	
			Target	Actual
<b>TOURISM DEVELOPMENT: Entrepreneurship Development</b>				
	Partnerships with the national TEP.			<p>The Department is involved in extensive interaction and networking on SMME development with THDs (Tourism Help Desks), RTOs (Regional Tourism Organisations), LTBs (Local Tourism Bureaus), the DMO, the National Product Development Committee, TEP, SATSA, CCDI, dti (Department of Trade &amp; Industry), Local Government, National Government and the SA Institute for Advancement.</p> <p>Through the TBF (Tourism Business Forum) partnership, a shared and co-operative approach is taken to tourism business development in the Western Cape.</p> <p>The Black Tourism Business Association (BTBA) has also been established to make sure that BEE issues &amp; concerns are raised as a collective.</p>



Sub-programmes	Outputs	Output performance measures/ service delivery indicators	Actual performance against target	
			Target	Actual
<b>TOURISM DEVELOPMENT: Entrepreneurship Development</b>				
	<p>Tourism Help Desks increasing capacity of service providers in the sector.</p> <p>Distribution of information on entrepreneurship incentives.</p>	<p>Monitoring and evaluation through monthly reports to PEM. Feedback from users.</p> <p>Distribution of at least 1000 "Facilitating Entrepreneurship in Tourism" handbooks.</p> <p>Assistance to at least 20 new entrepreneurs.</p>	6 Tourism Help Desks (THDs).	<p>Ensuring adequate tourism entrepreneurship support in each of the regions of the Province.</p> <p>38 THDs were extensively trained and available regionally for tourism entrepreneurship support: Unicity-6; Boland-7; West Coast-6; Overberg-9; South Cape-4; Central Karoo-6.</p> <p>Quarterly Forum meetings were held with all THDs and served as regular update on any developments.</p> <p>Developed and distributed the THD newsletter to the THD Forum members.</p> <p>1800 "Facilitating Entrepreneurship in Tourism" handbooks were distributed. The handbook concept was brainstormed &amp; an information package was developed that is less bulky &amp; more user-friendly. A comprehensive, in-depth brochure was developed and printed for distribution.</p> <p>A communication strategy was executed.</p>



Sub-programmes	Outputs	Output performance measures/ service delivery indicators	Actual performance against target	
			Target	Actual
<b>TOURISM DEVELOPMENT: Entrepreneurship Development</b>				
	Mentorship programme		Mentorship programme developed.	The pilot TMP 2003 has been a great success with a number of valuable lessons leading to recommendations that are being implemented in TMP 2004. A function was held to publicise & share these lessons and success and to give additional publicity to the TMP 2003 mentees. A personal development programme, business presentation skills course and an advanced business programme will be included as an extension of the TMP.
	Programmes to support SMME development (capital and experience.)		At least 5 entrepreneurs with access to and use of incentives.	One of the lessons of the pilot TMP (Tourism Mentorship Programme) 2003, was that mentees need prior training before they are eligible for inclusion on the TMP, to ensure that mentorship does not become devalued. The curricula for Tourism Awareness, Tourism Beginners, Tourism Intermediate and Tourism Advanced have been developed for regional implementation. Through the TMP, 8 entrepreneurs with potentially successful businesses have been mentored to ensure that the potential in their business is realised.



Sub-programmes	Outputs	Output performance measures/ service delivery indicators	Actual performance against target	
			Target	Actual
<b>TOURISM DEVELOPMENT: Entrepreneurship Development</b>				
	Publicity for successful emerging businesses.			The mentees' businesses are now stronger and more successful than before & through targeted efforts & their introduction to SATSA, they have received considerable exposure & access to networking opportunities. They have also been profiled in the Western Cape Travel Guide 2004 and will be the 1st recipients of the ITGSP fund.
	Western Cape Showcase for small business		Showcase hosted.	A showcase was held in 2002 and 2003. The Western Cape Tourism Showcase 2003 provided a platform for 140 exhibitors of which 70 were from historically disadvantaged communities. Monitoring & evaluation was conducted on the Western Cape Tourism Showcase 2003 to determine its immediate value for 6 months hence exhibitions.



Sub-programmes	Outputs	Output performance measures/ service delivery indicators	Actual performance against target	
			Target	Actual
<b>TOURISM DEVELOPMENT: Community Tourism</b>				
	<p>Regional/local frameworks within priority areas identified from a developmental perspective, to inform partners' budgets and programmes.</p> <p>Community involvement in funded projects.</p>	<p>Monthly monitoring and evaluation to Programme Evaluation Meeting (PEM), quarterly Reports and an Annual Report.</p>	<p>Implement at least 6 community projects identified by the ITDF.</p>	<p>Tourism Bursary Fund, where students have been awarded full and partial bursaries for training within the hospitality sector. First group completing their curricula in 2004. A full roll-out programme planned for development in the rural areas.</p> <p>Schools programme has provided for greater education and awareness amongst learners regarding the vast opportunities tourism offers for their future.</p> <p>Robberg Eco-tourism programme was implemented via CASIDRA, to expose Previously Disadvantaged Individuals to eco-tourism by placing them with various private institutions, for experiential learning and to train as tourist guides. At the end of the programme, selected individuals will be employed in the private sector and the Cape Nature Conservation Board Dwars River Valley Tourism Development, part of a clean and green campaign to enhance the natural beauty of the region – unemployed persons will be recruited for various project based jobs.</p>



Sub-programmes	Outputs	Output performance measures/ service delivery indicators	Actual performance against target	
			Target	Actual
<b>TOURISM DEVELOPMENT: Community Tourism</b>				
	Regional/local frameworks within priority areas identified from a developmental perspective, to inform partners' budgets and programmes.	Community involvement in funded projects. Monthly monitoring and evaluation to Programme Evaluation Meeting (PEM), quarterly Reports and an Annual Report.	Implement at least 6 community projects identified by the ITDF.	Green Futures Training College is a public private initiative where previously disadvantaged and unskilled persons are trained in the fields of fynbos landscaping and horticulture and eco-tourist guides. Upon completion of their training some will be permanently employed. Eastern Gateway Stormsriver is an inter-governmental initiative between the Eastern and Western Cape to have an information office stationed at the official entry/exit between the provinces, whereby the local communities will derive economic benefit.
	Joint development initiatives with branches, departments, other spheres of government and public sector agencies established to ensure implementation.		Implement at least 2 poverty relief projects identified by the ITDF.	Implementation of Robberg Eco-tourism programme in Plettenberg Bay in co-operation with the Western Cape Nature Conservation Board and CASIDRA.  Implementation of the Green Futures training programme in co-operation with the Western Cape Nature Conservation Board.



Sub-programmes	Outputs	Output performance measures/ service delivery indicators	Actual performance against target	
			Target	Actual
<b>TOURISM DEVELOPMENT: Community Tourism</b>				
	<p>Partnerships with heritage organisations and with other national and provincial government departments.</p> <p>Cape Flats Tourism development plan focussing on heritage tourism.</p>	<p>Monthly meeting with industry partners on the project (City of Cape Town and WCTB).</p>	<p>Development of one heritage tourism plan.</p>	<p>Cape Winelands Freedom Route is based on political icon, Mr. Nelson Mandela, where his former prison cell will be incorporated into the further development of existing and new products on the route throughout the Winelands region.</p> <p>Cape Flats Heritage Route is a partnership development between the Department, the City of Cape Town and the District 6 Museum, where a cultural and heritage route will be mapped to include icons of residential the history and migration of the former District 6 residents in order for the Cape Flats to have economic benefits.</p>
	<p>Tourism career exhibition.</p> <p>Bursaries to deserving students.</p>	<p>Feedback from industry.</p>	<p>5 Students benefiting from the bursary fund per annum.</p>	<p>4 students were awarded full bursaries for studies in the hospitality field and 8 were awarded partial bursaries. 1st group's completion at the end of 2004, with a full programme planned for roll-out.</p>
	<p>Programme to raise tourism awareness in schools.</p>	<p>Monitoring and evaluation through monthly reports to PEM.</p> <p>Feedback from industry.</p>	<p>1 schools Tourism programme developed</p>	<p>A full schools education programme has not been developed, but a tourism curriculum has been incorporated in the teaching programme of schools, whereby teachers act as project managers to the learners.</p>



Sub-programmes	Outputs	Output performance measures/ service delivery indicators	Actual performance against target	
			Target	Actual
<b>TOURISM DEVELOPMENT: Community Tourism</b>				
	<p>Distribution of information on opportunities in tourism.</p> <p>Exhibitions at festivals and other appropriate events.</p> <p>Regular print media column.</p> <p>Road shows.</p>	<p>Monthly monitoring and evaluation reports to PEM.</p> <p>Feedback from users.</p> <p>Feedback from civil society.</p>	<p>4 Exhibitions</p> <p>1 Road show</p>	<p>Crafters were assisted with exhibiting at the Klein Karoo Nasionale Kunstefees (KKNK), North Sea Jazz Festival, National Tourism Indaba and the Western Cape Tourism Showcase, to name but a few. These were done in full partnership with the Western Cape Tourism Board (now the DMO) and the Cape Craft &amp; Design Institute (CCDI).</p> <p>In addition, distribution of at least 1 000 "Facilitating Entrepreneurship in Tourism" handbooks.</p>



Sub-programmes	Outputs	Output performance measures/ service delivery indicators	Actual performance against target	
			Target	Actual
<b>TOURISM DEVELOPMENT: Human Resources Development</b>				
	In partnership with THETA, strategy for tourism education and training.	Monitoring and evaluation through monthly reports to PEM.  Feedback from industry.	An estimated 100 previously disadvantaged individuals integrated into tourism industry.	<p>Conducting a Tourism Human Resources Development Situational Analysis, which will include a labour market analysis, a skills audit, a training providers' audit and a target market analysis. This, together with the HRD Framework, will be combined into a Tourism Human Resources Development Strategy.</p> <p>With regard to Tourist Guide Training, consultation with THETA and CTGA in terms of implementing a mentorship programme.</p>
	Scarce skills strategy			<p>The Department entered into a partnership with the Cape Technikon's Cape Town Hotel School in providing bursaries to 20 students, studying Tourism Hospitality and Food &amp; Beverage Management. This is an attempt to address the scarce skills in tourism, as identified in the Tourism Human Resources Development Framework.</p> <p>Scarce skills strategy to be further expanded and incorporated into Tourism's HRD strategy.</p>



Sub-programmes	Outputs	Output performance measures/ service delivery indicators	Actual performance against target	
			Target	Actual
<b>TOURISM DEVELOPMENT: Safety and Security</b>				
	<p>Fewer tourists as victims of crime.</p> <p>Standardised safety message for crisis communication.</p> <p>Victim support programme to assist tourists who are victims of crime.</p> <p>Good press coverage.</p> <p>Implementation of tourism safety strategy at local government level.</p> <p>Effective tourism safety forum with well-informed, networked and supportive industry and media.</p>	<p>Monthly progress, evaluation and monitoring to PEM</p> <p>Industry feedback</p> <p>Regular meetings with the task team.</p> <p>Comments received from partners.</p>	<p>Host one conference on tourism safety</p> <p>Implement Tourism safety strategy in 1 region.</p> <p>Regular well attended meetings of Tourism Safety Task Team.</p>	<p>Tourism Safety and Security Conference held in October 2003.</p> <p>Revision of Safety and Security Framework, the Management Plan and the Crisis Communication Response.</p> <p>Meetings held: Tourism Safety and Security Forum and the Tourism Crisis Communication Team.</p> <p>Prioritisation of conference outcomes and defined implementation thereof.</p>



Sub-programmes	Outputs	Output performance measures/ service delivery indicators	Actual performance against target	
			Target	Actual
<b>TOURISM DEVELOPMENT: Tourism Road Signage</b>				
	<p>New road signs</p> <p>Buy-in from local government and inclusion of RSF in IDP process.</p> <p>Well functioning Regional Tourism Liaison Committees</p> <p>Communication of framework to all stakeholders.</p> <p>Implementation of framework in identified areas.</p>	<p>Monthly reports, quarterly reports to PEM and an Annual Report</p> <p>Industry and tourist feedback</p> <p>Regular liaison with Transport and Public Works Department</p> <p>Regular RTLC report backs</p>	<p>Implementation in 2 pilot areas.</p> <p>All information centres registered.</p>	<p>Pilot projects:</p> <ul style="list-style-type: none"> <li>• R60 along Route 62</li> <li>• R27 on the West Coast</li> </ul> <p>Effective improvement in road signage provisioning for:</p> <ul style="list-style-type: none"> <li>• Eden Country District</li> <li>• Hops Country District</li> <li>• Central Karoo Community Tourism Signage Development</li> <li>• Overberg (Whale Route, Tip of Africa Route and Agri-eco route)</li> </ul> <p>Regular meetings held with the Regional Tourism Liaison Committees (RTLCs) and the Steering Committees with regard to implementation of tourism road signage.</p> <p>172 New Tourism Road Signs are in the process of being manufactured and erected in the Eden and Hops Country Districts. The above two Tourism areas/regions can now be marketed on a macro basis to encourage local tourism development, which should give rise to many entrepreneurial opportunities.</p>



Sub-programmes	Outputs	Output performance measures/ service delivery indicators	Actual performance against target	
			Target	Actual
<b>TOURISM DEVELOPMENT: Tourist Guide Registration</b>				
	Tourist guide Transformation programme.  Specialised training of tourist guides			23 HDI tourist guides are currently undergoing a 5 month tourist guide training (new entrants into the market).  Developing resource capacity to mentor the guides after the training is completed – in partnership with the Cape Tourist Guides' Association (CTGA).
	Provincial registration system for registering all tourism businesses.	Monthly progress, evaluation and monitoring to PEM.  Industry feedback Regular meetings with the task team.  Comments received from partners.	Draft Legislation introduced.	Facilitation of departmental and stakeholder discussion on the legislation and way forward.
Sub-programmes	Outputs	Output performance measures/ service delivery indicators	Actual performance against target	
			Target	Actual
<b>OTHER</b>				
	Audit of statistics currently available (source, reliability, regularity of collection, etc.)  Establishment of 'Cape Analytics' Service.  Development of own databases for Branch.	Monthly updates and quarterly publications.	Audit completed.	



## TRANSFER PAYMENTS

Regular progress reports and annual audited financial statements are submitted. To date, there has been full compliance in this regard.

Service providers are required to supply the Department with their latest audited financial statements before any money is transferred. This is to ensure that service providers implement effective and transparent financial control.

The Memorandum of Agreement signed by service providers has a clause, which obligates the service provider to supply the Department with detailed quarterly reports on the spending and the progress of the project.

Regular meetings are held with service providers for updated progress reports on the projects. Site visits are conducted to gain first hand knowledge and experience of the progress of projects. In addition, staff serve on task-teams and/or steering committees, which are funded by the Department, to ensure that projects are effectively implemented.

For improvement, there should be an increase in the frequency of site visits, which will ensure an improved tracking mechanism, however, due to a lack of human resource capacity this is not possible.

Also, the Department needs to take a more active role in the implementation phase of projects. Currently, the Department is mostly engaged in the administrative processes of the different projects, as dedicated capacity is lacking.

**Consumers' Rights:** Staff members from the Office of the Consumer Protector and community members during a Consumers Rights' drive in Khayelitsha



### **The Western Cape Tourism Board (WCTB, now the DMO)**

The total funding allocated to the WCTB for the 2003/2004 financial year, was R7 291 000.00 in terms of the Western Cape Tourism Act of 1997. Payments were effected in 3 tranches as follows:

- June 2003 – R2 430 333.00
- September 2003 – R2 430 333.33
- January 2004 – R2 430 333.34

Tranche payments were only processed, once the WCTB submitted to the Department full progress reports, which included cash flow statements for the relevant periods.



Summary of Transfer Payment related Expenditure Department of Economic Development & Tourism			
Name of Institution	Amount Transferred	Estimate Expenditure	Evaluation of Monitoring Mechanisms
<b>TOURISM DEVELOPMENT: Cape Town International Convention Centre (CTICC)</b>			
Cape Town International Convention Centre Company (Pty) Ltd (CTICC)	22,000,000.00	22,000,000.00	Regular updates on the progress of construction/operations are provided via the project managers monthly reports and progress is also evaluated at the quarterly Board meetings. Cash Flow statements are included in these reports. Strict measures to keep financial control in accordance with the PFMA was implemented. Regular board meetings allowed the funding partners to evaluate the project team performance and ensure alignment to government's objectives.
<b>TOURISM DEVELOPMENT: The Destination Marketing Organisation (DMO)</b>			
City of Cape Town	1,900,000.00	1,900 000.00	The City is responsible for the disbursement of the funds proportionately to the Destination Marketing Organisation (DMO) for various projects identified within the Province's marketing plan. Reports are submitted within 30-days of completion of each project and final audited financial statements are to be submitted within 6 months of the financial year end of the Unicity (ie June).
Tourism Promotion Agency (WCTB)	7,291,000.00	7,291,000.00	Initial funding was provided timeously and the WCTB performed according to its mandate. With the Provincial Government revising all public entities mandates, it was agreed that the WCTB form part of the new Destination Marketing Organisation (DMO). After strict monitoring and evaluation, it was agreed that the PGWC transfer the WCTB to the DMO to cover its operational costs. The DMO has delivered effective implementation tools. Marketing effectiveness will only be reported on in the 2004/2005 financial year. In addition quarterly tranche payments are made to the DMO. This forms part of the process outlined in the signed Memorandum of Agreement between the Department and the DMO.



Summary of Transfer Payment related Expenditure Department of Economic Development & Tourism			
Name of Institution	Amount Transferred	Estimate Expenditure	Evaluation of Monitoring Mechanisms
<b>TOURISM DEVELOPMENT: Cape Craft &amp; Design Institute (CCDI)</b>			
Cape Craft & Design Institute (CCDI)	250,000.00	250,000.00	The institute is responsible for skills training & product development within the Craft sector. The institute devises training programmes & assists the crafters with market research. Quarterly reports are submitted to provide stakeholders with the progress on the training & development initiatives. Final audited financial statements are submitted within 6 months of its financial year-end.
<b>TOURISM DEVELOPMENT: Special Projects and Infrastructure</b>			
West Coast District Municipality	200,000.00	200,000.00	Projects were identified within the ITDF for development of the West Coast region, namely the Cedarberg Gateway, the Development of the Tourism Information office & the removal of illegal tourism road signs. The District Council submits quarterly reports regarding the progress of the regions tourism development and audited financial statements will be submitted within 6 months of the Municipality's financial year end.
Central Karoo District Municipality	130,000.00	130,000.00	The regional development forms part of the ITDF. The District Municipality managed the consultant appointed to compile the pre-feasibility study regarding planned and potential development of the region. The feasibility study has been finalised and submitted and initiatives are being implemented to establish the area as the province's Northern Gateway entry.
Overberg District Municipality	200,000.00	200,000.00	The regional development forms part of the ITDF. The District Municipality is responsible for managing the projects identified with great potential economic benefits, namely the development of tourism routes, the Green Futures eco-tourism project and the relocation of the information services. Quarterly reports were submitted detailing full progress. The programmes were not completed at the end of 2003/2004, as project implementation commenced late.



Summary of Transfer Payment related Expenditure Department of Economic Development & Tourism			
Name of Institution	Amount Transferred	Estimate Expenditure	Evaluation of Monitoring Mechanisms
<b>TOURISM DEVELOPMENT: Special Projects and Infrastructure</b>			
City of Cape Town	100,000.00	100,000.00	The regional development forms part of the ITDF. The Unicity manages the development of City Cycle Paths programme for alternate public transport and the Lwandle Museum as an educational facility benefitting the previously disadvantaged town. Regular reports were not received, but status reports indicate the programmes are on track. Full audited financial statements will be submitted within 6 months of the Unicity's financial year end (i.e. June 2004).
Boland District Municipality	180,000.00	180,000.00	The regional development forms part of the ITDF. The BDM manages the development of upgrading of the Dwars River Valley Tourism bureau, the planning of the Cape Winelands freedom route and the implementation of the tourism road signage audit.
South Cape District Municipality / Eden	350,000.00	350,000.00	The regional development forms part of the ITDF. The DM manages the marketing of the Eden Cycle race, the development & expansion of the Eastern Gateway entry point between the Eastern & Western Cape, the Haarlem Entrepreneurs programme, the Robberg Experiential Learning Programme and the Marine Diving Trail. The DM provides quarterly reports on the progress on all the programmes and all are currently on track and scheduled for completion in the 2004/2005 financial year.



Summary of Transfer Payment related Expenditure Department of Economic Development & Tourism			
Name of Institution	Amount Transferred	Estimate Expenditure	Evaluation of Monitoring Mechanisms
<b>TOURISM DEVELOPMENT: Entrepreneurship Development</b>			
SATSA	280,000.00	280,000.00	Tourism Mentorship Programme (TMP) Allowed established businesses to actively assist in the development of emerging businesses by mentoring them in the major aspects of working successfully in the tourism arena and advising on the more day-to-day aspects of running a successful company. In essence, TMP is a skills development programme, which builds capacity through the transfer of skills.
Boland District Municipality	105,000.00	105,000.00	Entrepreneurship Training Programme: Entrepreneurship Training roll-out in all 6 regions The Entrepreneurships Training Programme has been implemented according to the following model:
West Coast Business Development	100,000.00	100,000.00	
Overberg Municipality	100,000.00	100,000.00	
Central Karoo District Municipality	70,000.00	70,000.00	Tourism Awareness 1 session per quarter in each region. Tourism Beginners 1 session per quarter in each region. Tourism Intermediate 1 programme of 8 full-day sessions per region. Tourism Advanced 3 programmes of 8 sessions in: <ul style="list-style-type: none"> <li>• South Cape and Central Karoo</li> <li>• City of Cape Town, West Coast, Overberg and Boland</li> <li>• City of Cape Town</li> </ul>
Tourism Promotion	75,000.00	75,000.00	Managed by the DMO (WCTB), who transferred the funds to African Equations.



Summary of Transfer Payment related Expenditure Department of Economic Development & Tourism			
Name of Institution	Amount Transferred	Estimate Expenditure	Evaluation of Monitoring Mechanisms
<b>TOURISM DEVELOPMENT: Community Tourism</b>			
Tourism Promotion	150,000.00	150,000.00	The competition is open to participation of all schools throughout the province. Formal evaluations of regional submissions have been finalised, but the final awards ceremony is yet to occur due to political unavailability.
Events Social Marketing & Production (ESP Afrika)	100,000.00	100,000.00	Crafters are sourced for the operations of the Corporate Village at the North Sea Jazz festival with the assistance of the Cape Craft & Design Institute. The success of the event is measured by the overwhelming public response. A festival report has been submitted as per the agreed 30-day period with final audited financial statements to be submitted within 6 months of the organisation's financial year end.
Tourism Bursary Fund - Cape Technikon	100,000.00	100,000.00	The fund was instituted to allow historically disadvantaged students the opportunity to train & work in the Hospitality sector, as research had shown that there is a major shortage of black persons in this sector. The students of this pilot project will graduate at the end of 2004 (after completing 3 years of study) & a full report is awaited on the skills training outcomes. Quarterly reports were submitted by the Institute, which identified key success factors to date. It is intended that this initiative is rolled out to the rural areas.
Eziko Cooking & Catering School	50,000.00	50,000.00	The school caters for entry level skills training in the catering & hospitality field. A hospitality & business course to expose learners to various opportunities in the tourism industry was implemented. The course has 4 phases from learner selection and final placement through to experiential learning phase. Quarterly reports were submitted with final audited financial statements not received yet.
Entrepreneur and project funding in tourism	20,000.00	20,000.00	<b>Oudtshoorn Youth Festival &amp; Expo</b> The festival is an annual event held during the June-July schools' vacation. The department sponsored the Mohair Fashion event at the festival. Five technikons throughout the country had been invited to enter 1 student in the Young Designer's competition, where workshops were held focusing on working with mohair and developing the youth entrepreneurship in the fashion industry. The aim of the programme is to cultivate appreciation for arts & culture and raise awareness of arts in the youth of our country. The festival aims to impact on youth to discover and develop their artistic talent and to make quality instruction more accessible for emerging artists. It also aims to promote the arts as a viable career option by bridging the gap between the amateur and professional sectors of the industry. The festival was a great success and the festival organisers aim to improve and promote further entrepreneurship support programmes.



Summary of Transfer Payment related Expenditure Department of Economic Development & Tourism			
Name of Institution	Amount Transferred	Estimate Expenditure	Evaluation of Monitoring Mechanisms
<b>TOURISM DEVELOPMENT: Community Tourism</b>			
Entrepreneur and project funding in tourism	30,000.00	30,000.00	<p><b>Hermanus Whale Festival</b> The festival brings together theatre, music, cabaret and visual arts to the communities of the Overstrand area in an affordable and accessible way. It also creates a platform for the local communities to benefit from the festival by their physical participation in it. In addition, it exposes communities to the inspiration of the arts and creates awareness of their environment. One of the benefits of the participation process was the Prince &amp; Princess of Whales festival where all the youth were involved. Local communities participated in the festival market and in the formal programmes. Stage productions had full community involvement &amp; free entertainment was provided. The festival also created opportunities for the performing artists to showcase their talent. The communities shared in the cultural diversity of the visitors to their environment and the area was well promoted as a tourism destination. The communities, and especially the youth, partnered with local artists &amp; KFM radio media to create awareness of the festival. The festival was a great success as the communities were involved in all aspects of development, including the performing arts, exhibitions and raising environmental awareness. The impact of the festival was widely felt and well received.</p>
Entrepreneur and project funding in tourism	30,000.00	30,000.00	<p><b>Robben Island Heritage Festival</b> The South African Heritage icon hosted the 1st ever African Island Festival (to become an annual event) celebrating the continent's diverse music, culture and heritage. The festival hosted international and local artists. Also, it included workshops to assist artists in presenting their professionalism to the world. The workshops aimed to assist local artists with their presentations &amp; performances by having established artists mentor them. The aim of the festival was to showcase the diversity of the African continent by educating the public about the culture, heritage and history of South Africa. The festival also enhanced the marketability of Cape Town as a tourist destination and the Gateway to South Africa. Another aim of the event is to promote Cape Town as the musical hub of the African continent. Planning for the 2004 event has already begun, which should prove to be bigger &amp; better, as marketing and workshop content have been enhanced.</p>



Summary of Transfer Payment related Expenditure Department of Economic Development & Tourism			
Name of Institution	Amount Transferred	Estimate Expenditure	Evaluation of Monitoring Mechanisms
TOURISM DEVELOPMENT: Community Tourism			
Entrepreneur and project funding in tourism	30,000.00	30,000.00	<p><b>Living Landscape Project</b> Is a community-based heritage and education project aimed at returning the archaeological archive to the Clanwilliam area as material for curriculum development and job creation.</p> <p><b>Milestones</b> A research audit was undertaken to facilitate the writing of a marketing strategy and marketing plan. The development of an e-brochure and e-stationery will be extension of the marketing plan. A full marketing strategy &amp; awareness campaign was undertaken which will lead to sustainable employment opportunities. The project had great impact on youth awareness of the archaeological environment. Job creation opportunities are well underway.</p>
Entrepreneur and project funding in tourism	30,000.00	30,000.00	<p><b>Nelspoort Craft &amp; Rock Art Site Development</b> A group of ladies have received training in fabric painting through CASIDRA funding sourced from the Department of Social Services. The trainer has secured a market to sell the craft. They now need capital to purchase equipment, material and require guidance in starting their business. Marketing is also required for the development of the 30 sites identified with rock art. Equipment is required to map out the phases of the route and the information will be packaged in a brochure and serve as a portable map for tourists.</p> <p>High quality training is provided and quality services and product development have been delivered. The aim of the fabric-painting programme is job creation and stimulation of the local economy. The rock art site has become very popular with the tourists and the tour guides have improved their skills thereby enhancing the visitors' experience of the site. Training is continuous to ensure people are empowered with skills to sustain their business as well as provide mentorship to others. Permanent employment has been guaranteed for 5 people for more than 1 year, in fabric painting. One currently exists for employment at the rock art route, though numbers would depend on the number of tourists. The project has had great impact on the local communities and long-term sustainability will be continuously monitored with the assistance of the funding partners.</p>



Summary of Transfer Payment related Expenditure Department of Economic Development & Tourism			
Name of Institution	Amount Transferred	Estimate Expenditure	Evaluation of Monitoring Mechanisms
<b>TOURISM DEVELOPMENT: HUMAN RESOURCES DEVELOPMENT</b>			
Institute for the Deaf	50,000.00	50,000.00	Training of deaf adults as tourist guides and placement in the Hospitality sector will enhance the training activities of products in the area as well as market and sell the products with the future benefit of job creation for deaf persons, thereby also developing Cape Town as a travelling point for deaf tourists.
<b>TOURISM REGULATION: Tourism Safety and Signage</b>			
Tourism Promotion (Route 62 laybye project BDM, Worcester)	100,000.00	100,000.00	Route 62 has been identified as one of the 11 Tourism Development Areas in the ITDF. With regard to the establishment of the tourism laybye, the agreement makes provision for quarterly progress reports, regular stakeholder meetings and site visits.
Overberg District Municipality	100,000.00	100,000.00	The development programme is aimed at creating a marketing framework for the region which includes the improvements of laybys thereby encouraging the tourists and local communities to contribute towards economic growth of the area. Regular meetings were held with the local communities to identify suitable sites for development and marketing.
Central Karoo District Municipality	50,000.00	50,000.00	Partnerships have been developed with the Provincial Department of Transport, SANRAL, local road authorities, the National road signage framework and engineers in the development of the road signage framework. Work is in progress and the municipality keeps a close profile on progress. Regular reports are submitted though work will be completed in the 2004/2005 financial year.
West Coast District Municipality	10,000.00	10,000.00	Removal of illegal signs are crucial to good relationship management between the spheres of government. Regular meetings were held with the RTLCs to determine which signs in the area illegal & to notify the stakeholders about the planned method of removal.
Boland District Municipality	10,000.00	10,000.00	The BDM is in the process of identifying illegal signs and the process of removal includes notification to the stakeholders regarding the method of removal. Regular meetings are held regarding the programme delivery. Current processes are on track as at end of 2003/2004.
Western Cape Tourism Board (WCTB)	550,000.00	550,000.00	Funds were transferred to WCTB for the purpose of a Tourism Safety and Security Conference. A Memorandum of Agreement exists between the Department of Economic Development and Tourism and WCTB whereby a full progress report on the events and funds spent was submitted.
<b>TOTAL</b>	<b>34,741,000.00</b>	<b>34,741,000.00</b>	



## PROGRAMME 4

### KNOWLEDGE ECONOMY AND E-GOVERNANCE (KEEG)

#### PURPOSE

The primary aim of KEEG is to address the challenges of increasing competitiveness and alleviating poverty in the global knowledge economy.

#### MEASURABLE OBJECTIVE

The Cape Gateway Portal includes the Data Model and Content Management System. The data model identifies all structured government information as well as the business relationships between each component. The Content Management System is built to enable simple capture of government information from source, with sophisticated workflow that enables a frictionless publishing environment.

The Cape Gateway Portal comprises of over 25 000 pages of government content. The primary aim has been to make access to government information and services easy for citizens. Information was grouped according to areas of interest, resulting in that citizens can get a more integrated view of government. An important emphasis for Cape Gateway has been language. The Cape Gateway Portal is available in all three official languages of the Western Cape (the first Afrikaans government website, and the first Xhosa website on the Internet). Another important aspect of language has been the use of plain writing, moving away from complicated government language. Complicated language excludes people, and leads to confusion. There are over 2 000 government facilities in the database.

**The Cape Gateway Contact Centre:** The Cape Gateway Contact Centre was launched on 26 June 2003. The Contact Centre started off for the first full

month of July 2003 with 3 552 calls. At the end of the financial year call for February and March 2004 were respectively 16711 and 16087, which represents a growth rate of 470%. A large proportion of the calls currently serviced are Social Service grants and pensions, consumer complaints, motor vehicle registrations and custom number plates.

**Cape Procure:** A pilot project to put tenders online has been completed. The Cape Gateway Portal provides a fully searchable database of government tenders online.

**Cape Access:** Cape Gateway has embarked on two projects regarding access, namely the Library Access Pilot Project, and the e-Community Forum Project. The Library Access Pilot Project is focused on the rural areas of this Province, and will provide three libraries with computers and access to the internet. Various technical solutions will be tested, in order to build a foundation for future applications in rural areas in order to bridge the digital divide and to improve the socio-economic conditions of the poor. The e-Community Project focuses on involving existing structures in communities, this means schools, to avail their computer facilities for the advancement of communities.

#### CAPE GATEWAY OPERATIONS

- The Cape Gateway Resource Centre has been operationalised. The Resource Centre has a comprehensive collection of Government Publications, of both National and Provincial Governments (hard copies and/or e-copies)
- The necessary research with regard to the Call Centre has been completed and a Call Centre Company, to implement the project, has been appointed.





## SERVICE DELIVERY ACHIEVEMENTS

Sub-programmes	Outputs	Output performance measures/service delivery indicators	Actual performance against target	
			Target	Actual
KEEG (Cape Gateway)	Fully functional and fitted resource centre	Frequency of use by citizens. Value /usefulness based on user response.	Relevant information will be acquired e.g. Departmental publications, policy documents, and programme and project information.	The centre is operating successfully, and will undergo an ongoing improvement process.
	Trained staff Contact centre fully operational and accessible to the public	Contact Centre tracking system (real time and historical reporting)	Provincial Government information and services will be available to all citizens not only in the Province, but also international	The Cape Gateway Contact Centre was launched on 26 June 2003.
KEEG (Cape Online)	A functional Cape Gateway E-Government Portal	Frequency of visits. Feedback from visitors.	Provincial Government information and services will be available to all citizens not only in the Province, but also internationally on a 24 hour basis.	The Cape Gateway Portal was launched on 30 March 2004.
	Marketing / Communication Strategy Awareness campaign Annual Cape Online Conference E-Government Newsletter Road shows and exhibitions	Number of people visiting Cape Gateway Number of people visiting the Cape Gateway Portal Number of people accessing the contact centre Market research and Public feed back as regards online information and services	1 x Print media campaign 1 x Online media campaign 1 x below the line media campaign 3 x exhibitions and events	Marketing was done on planned schedule.
	Life events based e-government portal (web site)	User testing reports and internal project management reports.	Information for the province, including all departments and city info	Because the Portal was only launched on 30 March 2004, user testing will be conducted early in the new financial year.
	Change management programme, including multiple types of training and skills development as well as support documentation and guidelines	Individual feedback, internal project reporting	One departmental business processes pilot. One formal training course delivered by training component.	The Master Systems Plan (MSP) is almost completed for the Department.



## SERVICE DELIVERY ACHIEVEMENTS / continued

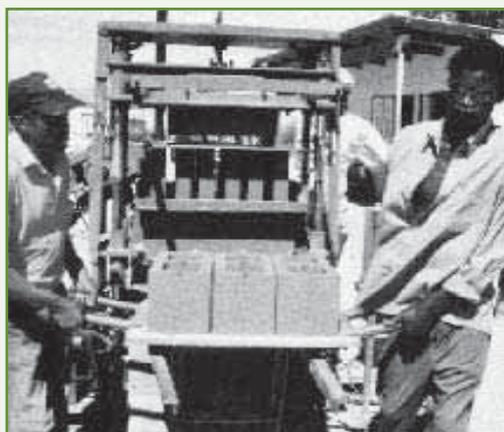
Sub-programmes	Outputs	Output performance measures/service delivery indicators	Actual performance against target	
			Target	Actual
	Operational Cape Online Forum	Individual feedback Internal project reporting Senior Management meetings.	Shared content on Cape Gateway portal	The operations of the Cape Online Forum has been closed.
	An audit of all access projects in the Province Identification and selection of an appropriate organisation to drive the Access project	Branch management meetings and strategic planning sessions. Internal project reporting	Initiate a pilot project	The Library Access Pilot Project business plan has been completed and funding was allocated to the project. It will commence early in the new financial year.





## PROGRAMME 5

### TURN KEY OPERATION



#### KUILS RIVER BRICKMAKING PROJECT

The Kuilsriver Brickmaking Project is a proud product of a successful intervention by the Department of Economic Development and Tourism.

From humble beginnings, this business now employs 9 residents from the Kalkfontein community in Kuils River and manufactures approximately 1 000 blocks per day. The entire output is sold to Power Developments (a subsidiary of the Power Group), and a well-established building supply company and general builders.

The Department of Economic Development and Tourism funded a roof cover and packing shelves to overcome constraints such as a lack of drying facilities and storage space. The construction of these facilities will be completed over the next few months and this will massively improve the production capacity of this operation. In addition, it will be able to supply blocks to a recently approved self-help housing project (comprising 300 sites) in Kalkfontein.

The new facility will undoubtedly expand the market for the products and it is expected that an estimated additional 10 jobs will be created.

This heartwarming project has excited a small community who have their sights set on other bigger projects for the future and a better livelihood for themselves and their families.

### IKAPA ELIHLUMAYO

#### PURPOSE

The aim of this programme is to strengthen a common vision to guide and steer the province in order to address the development challenges of the province. It aims to promote human development and improvement in the quality of life through:

- addressing imbalances through equity;
- employment creation;
- changed ownership patterns; and
- promote participation, co-operation and partnerships.

### STRATEGIC OVERVIEW AND KEY POLICY DEVELOPMENTS

The Provincial Growth and Development Summit (PGDS) in 2003 formed the basis for interventions from labour, business, government and civil society to become aligned in reaching common goals.

The Micro-economic Development Strategy (MEDS) will be developed. The strategy requires a thorough analysis of the economy. The MEDS will provide a set of economic supply side measures, incorporating a Human Resources and Skills Development Strategy and a Strategic Infrastructure Plan. It will utilise the Social Capital Building Programme of the Department of Social Services and Poverty Alleviation.

It is the Department's goal to ensure the maximum absorption of workers into the labour market. We must also ensure that we open markets for the goods and services produced by our interventions.

### MEASURABLE OBJECTIVE

#### TRANSFER PAYMENTS

The iKapa Elihlumayo Programme transferred money to various public entities to implement the different projects. The Department in dealing with most of



these public entities, as is reflected in this document, where descriptions of such entities are listed.

The Provincial Growth and Development Summit (PGDS) laid the foundations for strategic interventions to be aligned to common goals. This translates into the objectives of this programme realising the identified milestones as agreed upon.

### SERVICE DELIVERY OBJECTIVES AND INDICATORS

An amount of R 45 million allocated for the iKapa Elihlumayo Programme was received in October 2003. These funds had to be spent before the end of the 2003/2004 financial year, thus giving the department only a period of five months to disburse them. This presented the department with logistical and timeframe problems as it had to work on a very tight schedule. 51 Projects were identified and implemented. Key focus sectors were agriculture, manufacturing and services.

In Agri-business, the Hydroponics' Expansion Project in Beaufort West, was co-funded by the Department and the Department of Science and Technology. A total of 95 people are employed at the farm and 90% of these are women. The project empowered the local people to take hold of their own destiny by running a technology rich enterprise. The project injected an annual salary and wage income into Beaufort West of more than

R 2 million. The company purchased its own refrigerated delivery vehicle and deliveries to the market can be made in accordance with market demand. The model can be replicated elsewhere to promote the establishment of community-based and owned enterprises that impact on poverty, jobs and skills development in some of the most poverty-stricken areas in the country.

The Rooibos Tea industry faced the legal battle to retain the rooibos tea trademark.

The Department played a pivotal role in joining local players and international investors with the Oil and Gas Sector Initiative. A database was designed to place companies in different categories and to choose those that are to be assisted in developing their operations to higher levels of competitiveness. An industry body was formally established and registered as a Section 21 Company.

In the Film Industry, iKapa Elihlumayo funding was applied to a Transformation Fund. The Fund will support up and coming filmmakers and provide bursaries to Black students in the industry. The call centre initiative, Calling the Cape, was instrumental in facilitating a R100 million investment by a British insurance giant.

The Learning Cape Initiative, set up to develop and popularise the concept of lifelong learning through partnerships, started as an exploratory process.





## SERVICE DELIVERY ACHIEVEMENTS

Sub-programmes	Outputs	Output performance measures/service delivery indicators	Actual performance against target	
			Target	Actual
iKapa Elihlumayo	To fund the development of agri-businesses focusing on the niche sectors with strong export and job creation potential	Memoranda of Agreement with service providers Monthly monitoring and evaluation of implementation of agreements (male/female, rural/urban) reported to PEM	To create 5 sustainable projects creating 200 jobs	1 project 95 jobs
	To target the manufacturing sector by funding catalytic projects aimed at enhancing competitiveness and growth.		Promote and assist 11 sector bodies	11 sector bodies assisted Black Film Fund and Tourism Small Business Fund 119 non financial assistance 47 financial assistance Completed
	To stimulate the services sector to ensure employment and empowerment		Fund and expand niche sectors like film sector and tourism	
	To broaden the ownership of black business in the economy by streamlining access to finance	Memoranda of Agreement with service providers Monthly monitoring and evaluation of implementation of agreements (male/female, rural/urban) reported to PEM	To assist and sustain 100 businesses	
	Micro Economic Strategic Plan		Pre-feasibility study	



NAME OF INSTITUTION	AMOUNT TRANSFERRED '000	ESTIMATE EXPENDITURE '000	EVALUATION OF MONITORING MECHANISMS
1. Sactwu Spring Fashion Festival The fashion festival will create customer awareness on the opportunities to buy from and support the local clothing and textile industry.	500	500	*Memorandum of Agreement *Site Visits *Quarterly Reports
2. Link Africa Link Africa is a home textile trading house working with 20 SMME's and supporting more than 100 jobs.	300	300	As in 1
3. Furniture Industrial Training Board The provincial government will fund 25-30 unemployed persons to take part in a Business Technology Incubator Programme over a maximum period of 24 months.	200	200	As in 1
4. CMT Development Programme To provide specialised interventions to a targeted group of 20 most promising SME companies through a focused, outcomes-driven and integrated development process.	1, 000	1, 000	As in 1
5. Clotex Clotex Clothing Trading House The trading house will not only act as a marketing arm for the local clothing industry but would also facilitate and administer large export orders.	500	500	As in 1
6. Clothing Competitiveness Programme The programme is based on the Durban Automotive Cluster and focuses on the repositioning of the clothing industry globally.	1,000	1,000	As in 1
7. Calling the Cape This contribution will assist the initiative to continue with market awareness, the development of the call centre initiative and assistance with training and education.	200	200	As in 1
8. Kleinmond Community Development Foundation This funding will assist in the feasibility of turning this into a tourist attraction through a waterfront development.	300	300	As in 1
9. District Six Museum and Cape Flats Tourism Project The proposal is aimed at securing funds to develop and implement a plan to make the Cape Flats a tourism node in the province.	400	400	As in 1



NAME OF INSTITUTION	AMOUNT TRANSFERRED '000	ESTIMATE EXPENDITURE '000	EVALUATION OF MONITORING MECHANISMS
10. Cape Town Tourism and Events Integrated Tourism Entrepreneurship Programme. This project will provide integrated tourism entrepreneurship support to black entrepreneurs in tourism and related fields.	4, 000	4, 000	As in 1
11. Cape Town Tourism and Events Beaufort West Karoo Tourgate The proposal is aimed at securing funds for a conceptual and feasibility study for the development of a Karoo Tourgate in Beaufort West.	400	400	As in 1
12. The SA Mariculture Institute This funding will kick start the process of establishment of the institute to bring together and consolidate this industry.	100	100	As in 1
13. Sithengi Sithengi is the Southern African film and television market, and has a significant impact on the film industry locally as well as on the regional economy.	400	400	As in 1
14. SAPPEX Fynbos Export Initiative To support and enhance the export of Proteas and Cape Greens to florist schools and high profile floral events in Germany.	119	119	As in 1
15. SAPPEX Fynbos Certification Project Compiling a Code of Practice for the industry as a first step to formal ' certification/accreditation.	24	24	As in 1
16. National Access Consortium Establishment of a centre for extended learning. The aim of the CEL is to match demand-driven training identified by the Western Cape private and public sectors with responsive education Ditto and training supply from the western Cape public FET and HE institutions.	750	750	As in 1



NAME OF INSTITUTION	AMOUNT TRANSFERRED '000	ESTIMATE EXPENDITURE '000	EVALUATION OF MONITORING MECHANISMS
<p>17. Interactive Africa Design Indaba</p> <p>The Design Indaba has been running for about 5 years, and has played an important role in marketing the Western Cape as the capital of the "creative industries" incorporating film, publishing, media, advertising, industrial design, architecture etc. The provincial funding will fund workshops focusing on attracting new graduates to the design disciplines, a new design expo to showcase the industry, and workshops presented by internationally recognised speakers.</p>	600	600	As in 1
<p>18. CSIR Advance Manufacturing Strategy</p> <p>The objective of the provincial Manufacturing and Technology Strategy (MTS) will be to align the province with the national MTS and to develop a provincial policy framework that will identify specific interventions, technologies and skills required.</p>	250	250	As in 1
<p>19. Cape Technikon</p> <p>This will be to fund the Cape Technikon to carry out a detailed survey and policy framework for the design industry.</p>	100	100	As in 1
<p>20. Cape IT Initiative Black ICT Start-up Fund</p> <p>This fund will focus on the provision of support to incubate businesses that could become sources of innovation in the future, and to redress the imbalances in the IT industry.</p>	500	500	As in 1
<p>21. Cape IT Initiative ICT training &amp; Mentoring programme</p> <p>The project aims to provide mentoring and other support for SMME IT firms.</p>	400	400	As in 1
<p>22. Cape IT Initiative CITI Funding to promote ICT opportunities</p> <p>The Cape IT Initiative is a not-for-profit body. The funds will be used to cover operational costs that are not ordinarily factored in the projects that the initiative conducts.</p>	1, 000	1, 000	As in 1



NAME OF INSTITUTION	AMOUNT TRANSFERRED '000	ESTIMATE EXPENDITURE '000	EVALUATION OF MONITORING MECHANISMS
23. Cape IT Initiative ICT SMME Export Programme CITI will play a role in promoting export growth of the sector through raising awareness of opportunities and facilitate seminars for knowledge sharing.	100	100	As in 1
24. Cape Film Commission Black Development Unit: CFC The CFC will assist in supporting interventions that will develop the business and technical skills of disadvantaged film makers and entrants into the industry as a process to transform the film industry.	420	420	As in 1
25. Cape Film Commission Funding for CFC The funds will mainly be used to cover the running costs of the Commission. The commission assists domestic and international companies considering film, television, video, stills and related media production in the Western Cape.	1, 500	1, 500	As in 1
26. Cape Film Commission Black Film Fund The CFC aims with this funds is to target and develop up and coming black film makers. They will also provide support for regional film funds, schools awareness activities, audience, awareness projects and cross sectoral leverage support.	1, 500	1, 500	As in 1
27. Acorn Establish Funding for Cape Initiative in Materials The vision of the CIMM is to provide gateway to the materials research and teaching community in the Western Cape around new materials.	100	100	As in 1
28. Acorn Materials Testing Facility Feasibility This will support a feasibility study that will focus on the establishment of a material testing facility that must become self-sustainable. The proposal will cover the purchasing of capital equipment and operational expenses including staff and establishment involved in the establishment of a centre.	30	30	As in 1



NAME OF INSTITUTION	AMOUNT TRANSFERRED '000	ESTIMATE EXPENDITURE '000	EVALUATION OF MONITORING MECHANISMS
<p>29. CCDI Western Cape Craft Showcase This is a significant project to Ditto establish a facility to showcase craft to international visitors as well as to facilitate the export of craft products. It will consist of both a physical centre as well as a virtual facility. This funding will assist in developing a business plan for the proposal.</p>	100	100	As in 1
<p>30. Cape Craft Design Initiative Since there is a growing demand for African craft it is seen as an important sector with respect to poverty alleviation. The CCDI is a joint initiative of the Cape Technikon and the Provincial Administration of the Western Cape. Key impact areas will include job creation, skills development, income generation, poverty alleviation and the overall development of the sector.</p>	1, 500	1, 500	As in 1
<p>31 University of Stellenbosch There is currently a shortage of young engineers and scientists in SA especially from the historical disadvantaged communities. SUNSTEP will promote technological awareness and improve the technological capability of mainly disadvantaged teachers and learners.</p>	200	200	As in 1
<p>32. Wesgro Establishment of trading house fund The TH fund will allow up to 5 specialised trading houses in specific niches to create awareness about the importance of trading houses and will continue from where DTI left. A task team will be appointed to manage the fund and to provide leadership to the process.</p>	2, 000	2, 000	As in 1
<p>33. Wesgro Establishment of trade mentorship programme The trade mentorship programme will support mentorship amongst already exporting companies and emerging exporters. The programme will be wide-spread, and will be targeted at companies within specific sectors such as IT, craft, clothing and other export sectors.</p>	811	811	As in 1



NAME OF INSTITUTION	AMOUNT TRANSFERRED '000	ESTIMATE EXPENDITURE '000	EVALUATION OF MONITORING MECHANISMS
<p>34. ASSNAP The project will encompass all potential communities and individual farmers in Langkloof. It will not only focus on the growing of Honey bush tea but will also focus on research on cultivation and harvesting, training of extension officers and purchase of equity in an existing processing operation.</p>	400	400	As in 1
<p>35. Library Business Corner Network Cape Access Project The Cape Access project is aimed at stimulating economic competitiveness by providing the means for the citizens of the Western Cape to participate in the emerging knowledge/information economy.</p>	1, 050	1, 050	As in 1
<p>36. Casidra Leveraged fund to facilitate the development of small businesses.</p>	4, 000	4, 000	As in 1
<p>37. Wesgro IDZ feasibility study – Airport Saldanha</p>	500	500	As in 1
<p>38. Capricorn Foundation The Departments of Economic Development and Tourism, Education and Labour of the Western Cape are collaboratively initiating a process to develop a provincial human resource development strategy. This process is to ensure adequate and suitable preparation of human resources for sustainable economic and social development needs.</p>	250	250	As in 1
<p>39. Cape Oil and Gas Initiative Platform Project To continue to facilitate the possibility of the construction of offshore platforms in the Western Cape.</p>	500	500	As in 1
<p>40. Cape Oil and Gas Initiative Supplier Development Programme To add value to the database of suppliers by establishing and implementing a certification system for all companies in the offshore oil and gas industry.</p>	750	750	As in 1
<p>41. Cape Oil and Gas Initiative Certification Fund The Oil and Gas Certification Body will focus on independent monitoring as well as customer satisfaction surveys on local providers of goods and services in this industry.</p>	500	500	As in 1



NAME OF INSTITUTION	AMOUNT TRANSFERRED '000	ESTIMATE EXPENDITURE '000	EVALUATION OF MONITORING MECHANISMS
42. Cape Oil and Gas Initiative Establishment of Oil and Gas supply Initiative To facilitate the establishment of an industry body to assist in the development of the offshore oil and gas service and supply industry in the Western Cape.	750	750	As in 1
43. CSIR Eskom MOU - Supply base project Investigating the possibility of constructing or upgrading of port facilities to optimally facilitate the industry.	250	250	As in 1
44. CSIR Expansion of Beaufort West Hydroponics Farm Project.	2,200	2,200	As in 1
45. Casidra US Rooibos IP Case	250	250	As in 1
46. DVV-Adult Learners Forum Learning Cape Initiative The funds will be used by the Initiative to build partnerships that promote a lifelong learning culture and to understand the regional imperatives of the province.	750	750	As in 1
47. Learning Cape Initiative HRDS Institutionalisation The Departments of Economic Development, Education and Labour of the Western Cape are collaboratively initiating a process to develop a provincial human resource development strategy. This process is to ensure adequate and suitable preparation of human resources for sustainable economic and social development needs.	1, 200	1, 200	As in 1
48. CTBTI Establishment of Cape Boat Building Initiative To provide for the establishment of a initiative that will facilitate the development of the industry, and specifically new BEE entrants, export development and overcoming some of the structural barriers facing the industry.	500	500	As in 1
49. CSIR To provide funding for the Agri-projects Fund	4,800	4,800	As in 1



NAME OF INSTITUTION	AMOUNT TRANSFERRED '000	ESTIMATE EXPENDITURE '000	EVALUATION OF MONITORING MECHANISMS
50. CTBTI iKapa Boat Building Investment Project The identification of major boat-building opportunities worldwide where the targeted range will be between R20 million and R50 million. This will be in terms of new fleet order for racing yachts and specific orders for individual craft. The orders will be strongly tied to BEE shareholdings and also focus on skills training programmes.	250	250	As in 1
51. CTBTI Boat Building Apprenticeship Scheme Place 20 PDI candidates into selected boat-builders to be trained as apprentices in boat building. CTBI will fund the candidates via a bursary scheme.	250	250	As in 1
52. Cape Town Tourism and Events Destination Marketing Organisation (DMO) This will cover the shortfall in commitments for the establishment of the DMO.	2, 500	2, 500	As in 1



## PART 3: REPORT OF THE PROVINCIAL GOVERNMENT WESTERN CAPE AUDIT COMMITTEE

### REPORT OF THE PROVINCIAL GOVERNMENT WESTERN CAPE SHARED AUDIT COMMITTEE ON THE DEPARTMENT OF ECONOMIC DEVELOPMENT AND TOURISM (VOTE 13) FOR THE FINANCIAL YEAR ENDING 31 MARCH 2004

We are pleased to present our report for the above-mentioned financial year.

#### APPOINTMENT OF AUDIT COMMITTEES

A Centralised Audit Committee was appointed on 23 June 2003 for the period 01 April 2003 to 31 March 2005 by Cabinet Resolution 75/2003 dated 30 April 2003.

**At the same time the Provincial Treasury obtained Cabinet approval to decentralise the Audit Committee to the three larger departments viz, Education, Health and Social Services and Poverty Alleviation and a shared audit committee for the other provincial departments, as a step towards improving internal control in those departments.**

The Shared Audit Committee on behalf of the remaining eleven departments, met both separately and together with the other Audit Committees, to develop and adopt a transversal Audit Charter and deal with organizational and training matters.

#### AUDIT COMMITTEE MEMBERS AND ATTENDANCE:

The Shared Audit Committee members, attended meetings during the financial year under review, in terms of their adopted Audit Charter, as indicated below:

Member	Number of Meetings Attended
Mr J.A. Jarvis (Chairperson)	4
Ms L. Hendry (Resigned 31 December 2003)	1
Mr J. January	4
Mr V.W. Sikobi	3
Mr R. Warley	4

#### AUDIT COMMITTEE RESPONSIBILITY

The Audit Committee reports that it has complied with its responsibilities arising from section 38(1) (a) of the PFMA and Treasury Regulation 3.1.13 and 27(1) (10). The Audit Committee also reports that it has regulated its affairs and has discharged its responsibilities in terms of the audit charter it adopted and the PFMA, except that it did not address internal audit issues as envisaged in its Charter and the PFMA, due to the suspension of Internal Audit activity in 2003 (Provincial Treasury Circular No. 25/2003).

#### EFFECTIVENESS OF INTERNAL CONTROL

The system of internal control relating to asset management was not effective as compliance with prescribed policies and procedures were lacking. The implementation of additional LOGIS modules serving as an asset register has been noted and the Audit Committee continues to support the expeditious implementation thereof.





The Department has not yet implemented a system of risk management. The internal control systems of the Department are therefore not based on an assessment of key risks within the Department and such internal control systems cannot be regarded as effective.

The Audit Committee notes with increasing concern that during the year under review, only a limited amount of internal audit work was performed in the Department. Internal audit plans for 2003/2004 were suspended in 2003 in terms of a decision of Top Management and the Executive (Cabinet). The Sihluma Sonke Consortium appointed on a three-year rollout plan for internal audit services, has focused internal audit resources in the first year (2004/2005) on the three major departments.

In view of the above, this Audit Committee has had to rely largely on the audit work and the opinions of the Office of the Auditor-General.

The Audit Committee believes that there is a need for better communication and exchange of information between the Forensic Investigation and the Internal Control units; IT and Internal Audit; and the Office of the Auditor-General.

J.A. Jarvis

CHAIRPERSON OF THE PROVINCIAL GOVERNMENT WESTERN CAPE  
SHARED AUDIT COMMITTEE  
Date: 5 August 2004

## EVALUATION OF FINANCIAL STATEMENTS

### THE AUDIT COMMITTEE HAS:

- Reviewed and discussed with the Auditor-General and the Accounting Officer the audited annual financial statements to be included in the annual report;
- Reviewed the Auditor-General's management letters and their responses;
- Reviewed significant adjustments resulting from the audit.
- Reviewed the Auditor-General's report.

The Audit Committee concurs and accepts the conclusions of the Auditor-General on the annual financial statements and is of the opinion that the audited annual financial statements be accepted and read together with the report of the Auditor-General.

### APPRECIATION

The Audit Committee wishes to express its appreciation to Mr Charles Clacher of the Provincial Treasury, Officials of the Department, the Auditor-General and the Sihluma Sonke Consortium for their assistance and co-operation in compiling this report.



## PART 4: ANNUAL FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2004

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