Economic Development & Tourism

Department:
Economic Development & Tourism
NORTHERN CAPE PROVINCE

ANNUAL REPORT

FOR THE YEAR ENDED 31 MARCH 2022

VOTE 6

ANNUAL REPORT

2021/2022

DEPARTMENT OF ECONOMIC DEVELOPMENT AND TOURISM

VOTE 6

NORTHERN CAPE PROVINCE

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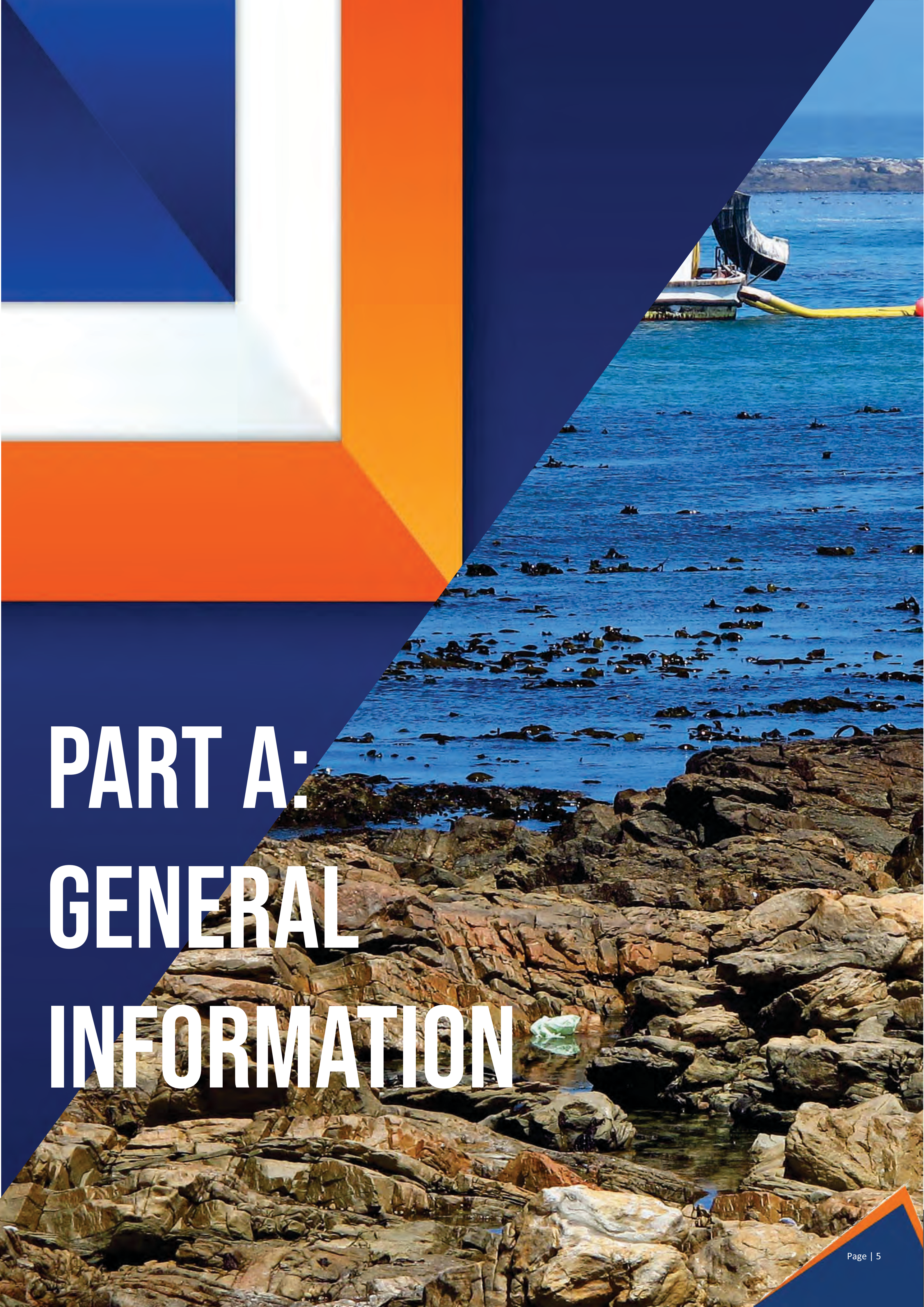

PART A: GENERAL INFORMATION

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1.1 DEPARTMENT GENERAL INFORMATION

DEPARTMENT OF ECONOMIC DEVELOPMENT AND TOURISM

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1.2 LIST OF ABBREVIATIONS/ ACRONYMS

ABBREVIATION	MEANING
AGSA	Auditor-General of South Africa
AO	Accounting Officer
BBBEE	Broad-Based Black Economic Empowerment
BRICS	Brazil, Russia, India, China and South Africa
CAD	Computer Aided Design
CAM	Computer Aided Manufacturing
CFO	Chief Financial Officer
CIPC	Companies and Intellectual Property Commission
CSD	Central Supplier Database
CSIR	Council for Scientific and Industrial Research
CSP	Concentrating Solar Power
DEDaT	Department of Economic Development and Tourism
DGDS	District Growth and Development Strategy
DIRCO	The Department of International Relations and Cooperation
DORA	Division of Revenue Act
DSDF	District Spatial Development Framework
DTI	Department of Trade and Industry
EIA	Enterprise Information Architecture
EHW	Employee Health and Wellness.
ETAC	Economic Technical Advisory Committee
EXCO	Executive Committee
EPWP	Extended Public Works Programme
ESSA	Economic Society of South Africa
ETAC	Economic Technical Advisory Committee
EU	European Union
FABCOS	Foundation for African Business and Consumer Services
GDE	Gross Domestic Expenditure
GDP-R	Gross Domestic Product per Region
GIA	Gemological Institution Authority
HDI	Historically Disadvantaged Individual
HIPCC	High Impact Project Coordinating Committee
HOD	Head of Department
HRA&D	Human Resource Accounting and Development
HS	Harmonized System (HS) Codes
ICT	Information and Communication Technology
IDC	Industrial Development Cooperation

ABBREVIATION	MEANING
IDP	Integrated Development Plan
IDT	Independent Development Trust
IEDS	Integrated Economic Development Services
IMEDP	Informal Micro Enterprise Development Programme
IPAP	Industrial Policy Action Plan
IMF	International Monetary Fund
IYM	In-Year Monitoring
JTG	John Taolo Gaetsewe
KIDJA	Kimberley International Diamond and Jewellery Academy
KIP	Kathu Industrial Park
KM	Knowledge Management
KD & JC	Kimberley Diamond & Jewellery Centre
LED	Local Economic Development
LFPR	Labour Force Participation Rate
MEC	Member of Executive Committee
mLAB	Mobile Solutions Laboratory
MTEF	Medium Term Expenditure Framework
MTSF	Medium Term Strategic Framework
MIS	Management Information System
M & E	Monitoring and Evaluation
MQA	Mining Qualification Authority
NCYCC	Northern Cape Youth Chamber of Commerce
NCEDA	Northern Cape Economic Development, Trade and Investment Promotion Agency
NCGB	Northern Cape Gambling Board
NCLB	Northern Cape Liquor Board
NCTA	Northern Cape Tourism Authority
NDP	National Development Plan
NEF	National Empowerment Fund
NEMISA	National Electronic Media Institute of South Africa
NGP	New Growth Path
NIMBUS	National Informal Business Upliftment Strategy
NIP	National Infrastructure Plan
NVC	New Venture Creations
OECD	Organisation for Economic Co-operation and Development
PAIA	Promotion of Access to Information Act
PAJA	Promotion of Administrative Justice Act
PFMA	Public Finance Management Act
PGDS	Provincial Growth and Development Strategy
POA	Programme of Action
PPP	Public Private Partnership

ABBREVIATION	MEANING
PSA	Public Service Act
PSDF	Provincial Spatial Development Framework
PSET	Post School Education and Training
PSR	Public Service Regulations
PV	Photovoltaic
RALED	Regional and Local Economic Development
REDS	Regional Economic Development Services
R&D	Research & Development
REIPPPP	Renewable Energy Independent Power Producer Procurement Programme
SCM	Supply Chain Management
RWOPS	Remuneration for Work Outside the Public Service
SABIC	South African Business Incubation Conference
SADPMR	South African Diamond and Precious Metals Regulator
SALT	Southern Africa Large Telescope
SAPPA	South African Pecan Nut Producers Association
SAT	South African Tourism
SA-TIED	Southern Africa- Towards Inclusive Economic Development
SDIP	Service Delivery Improvement Plan
SAWIC	South African Women in Construction
SEDA	Small Enterprise Development Agency
SEIF	Shared Economic Infrastructure Facility
SEZ	Special Economic Zone
SOE	State Owned Enterprise
SONA	State of the Nation Address
SHERQ	Safety, Health, Environment, Risk and Quality
SIPP	Swiss Import Promotion Programme
SITA	State Information Technology Agency
SIP	Strategic Integrated Project
SLA	Service Level Agreement
SMME	Small Medium and Micro Enterprise
SPLUMA	The Spatial Planning and Land Use Management Act 16 of 2013 (SPLUMA).
SOPA	State of the Province Address
SPU	Sol Plaatje University
TSA	Tourism Satellite Account
TVET	Northern Cape Technical Vocational Education and Training
TWIB	Technology for Women in Business
VFR	Visiting Friends and Relatives
UNWTO	United Nations World Tourism Organisation
WEMI	Women Empowerment Movement International
WEO	World Economic Outlook

ABBREVIATION	MEANING
WiLAT	Women in Logistics and Transport
W/O	Work Opportunities
WTTC	World Travel and Tourism Council

1.3. FOREWORD BY THE MEC

The period under review commenced in the appendage of the COVID-19 pandemic shadowing the azure skies of the Northern Cape with sense of hopelessness and despair. Many a times we about to reach a breaking point to the suffocating blight variant emerging with yet another wave of infections that threatened to thwart government's interpositions to address poverty, inequality and unemployment.

Despite these unprecedented times as a direct consequence of COVID-19 further exacerbated by the incidence of poverty. Between 2018 and 2021 we recorded an increase in the number of people living below the Food Poverty Line in the Province, from 683 281 people in 2018 to 765 037 people in 2021, translating to a staggering 12.9% increase of our people living in abject poverty.

This is against financial and government services cushioning the provincial economy from a more severe decline. The analysis of the district's sectoral gross value-added share emphasises the significance of the mining sector as three out of the five districts have the mining sector as its main sector, in terms of gross value addition. Frances Baard and the Pixley Ka Seme district have the community services sector as the key sector in term of gross value-addition, with 32.5% and 31.2% respectively. ZF Mgcawu, Namakwa and John Taolo Gaetsewe districts do not have the community services sector as the main but rather anchored on the mining sector, with an estimated contribution of 23.5%, 34.4% and 60.2%, congruently.

The John Taolo Gaetsewe district has an elevated dependence on the mining sector, with an overwhelming 60.2% contribution to the value-added in the district. There is a necessity to proactively exploit the manufacturing potential of the Namakwa and John Taolo Gaetsewe districts through the e nvisaged Northern Cape Industrial Corridor (NCIC).

The agricultural sector was the beacon of positive growth despite the global pandemic and its impact on the overall economy. The sector is estimated to have grown by a positive 8.6% growth in 2020.

The Quarterly Labour Force Survey (QLFS) for the third quarter of 2021 demonstrated that the number of employed persons decreased by 660 000 in the third quarter of 2021 to 14,3 million. The number of unemployed persons decreased by 183 000 to 7,6 million compared to the second quarter of 2021.

The provincial unemployment rate for the third quarter is estimated at 24.9% (StatsSA). More importantly, the unemployment numbers declined by almost ten thousand (i.e., around 9 195), to around 91 000, in contrast to over 100 000 unemployed, in the second quarter. The provincial labour participation rate increased marginally by about 1.1 percentage point, whereas the provincial ability to absorb labour (i.e., Absorption rate) also increased by 2.2 percentage point, on a quarter-on-quarter basis.

Therefore, the support to SMMEs and Co-operatives still remains the key to unlocking the economic development in the province. Hence, both financial and non-financial support is provided with the assistance the Department of Small Business Development (DSBD) and its agencies, the Small Enterprise Development Agency (Seda) and the Small Enterprise Finance Agency (sefa) as well as the National Empowerment Fund (NEF). The Memorandum of Understanding signed with the NEF resulted in the establishment of the Northern Cape SMME Blended Fund (NCSBF) and its subsequent launch on the 14 April 2021. Considerable interest has been demonstrated in this fund that sees a blend of grant and loan being implemented; with the loan portion being issued at a very competitive rate; as a funding model to provide financial support to enterprises that qualify as per the NEF criteria.

Targeted economic development interventions were hosted in collaboration with the assistance of our development partners/agencies, the Department of Labour and NYDA and both local and district Municipalities targeting youth and woman-owned enterprises and individuals intended to equip them with the necessary skills and knowledge in areas such as successful bidding and tendering.

In the year under review the Department finalised lease agreements in the Diamonds Trading and investments. The total combined potential investments attracted amounts to R50 million including capital equipment to be procured over the next 5 years. The benefits of these investments include attracting investment and establishing Kimberley as a diamond beneficiating centre at the Kimberley Diamond and Jewellery Centre; creation of employment opportunities, internship opportunities for KIDJA students and the attraction of clientele for the KDJI incubatees. It will also facilitate access to markets for rough and polished diamonds.

The department distributed hard copies and electronic copies of the Investment Booklet to NCEDA, US Consulate, Vietnam Delegation and also distributed hard copies and electronic copies at the COP26 Conference in Glasgow, Scotland. The booklet was also marketed at the BRICS Trade Fair, SAITEX, SMME Roadshow and the Dubai Expo 2020 exhibition. Investment projects were also marketed via the Trade Invest Africa e-newsletter.

In order to ensure alignment of departmental plans to national economic policy imperatives 4 economic policies (Re-imagining Industrial strategy, Northern Cape manufacturing strategy, Northern Cape Economic reconstruction and recovery plan and SMME Strategy) a draft smart plan which includes all economic development projects in the province were compiled. In ensuring alignment of economic policy imperatives to municipals plans, 6 Socio-economic engagements with municipalities and relevant stakeholders were hosted across all 5 districts in the province. These engagements focused mainly on ensuring alignment between the District ERRP, NCERRP and District Development Model one plan.

The 2021/2022 reporting period while constrained by COVID-19 pandemic, progressed with the use of ICTs into the virtual realm through activities supported the transition to online activities and formatting platforms to drive greater utilization of the tools of the 4IR – Digitization and ICTs as part of National broadband rollout, “SA Connect” and this initiative enabled us to present our implementation plan and alignment to our Provincial Broadband Strategy in order to expand Wi-Fi connectivity in our communities and plan for bolstering support offered by the creation of the Community Networks model.

In addition, the department, in partnership with industry role-players, continues to enhance the tourism experience in the Northern Cape while simultaneously developing critical infrastructure to support the growth of the tourism sector. The five partnership projects are the Square Kilometre Array Carnarvon Exploratorium (national department of Science and Innovation, national department of Tourism, South African Radio Astronomy Observatory, Kareeberg Municipality); the Critical tourism infrastructure maintenance in provincial nature reserves (national department of Tourism); Critical infrastructure development for the McGregor Museum (national department of Tourism), the Tourism infrastructure development in the Richtersveld World Heritage Site (national department of Forestry, Fisheries and Environment) and the #Khomani San Cultural Interpretation Centre and Market Tree Development at Twee Rivieren rest camp in the Kgalagadi Trans-frontier Park (national department of Tourism, South African National Parks).

In line with the United Nation’s 2021 climate change conference (COP26) goals of mitigation and adaptation the Department and Economic Development and Tourism formed part of the South African delegation to announce the Green Hydrogen Energy (GHE) initiative as a proactive intervention to ensure energy security, while transitioning our economy towards a sustainable low-carbon future. These measures accord with the principles of the Glasgow Climate Pact. The Green Hydrogen Export Special Economic Zone is to be developed in the Northern Cape, with SASOL as an anchor investor. It is anticipated to economically benefit the previously marginalised sectors in a Province on a great scale. Sectoral job opportunities in the future GHE for skilled graduates are expected to range from operations, maintenance, refining and beneficiation, transportation, construction and industrial manufacturing.

Although the pandemic has cost us dearly as a province, we remain resolved to “to intensify the Struggle on all fronts.”

I hereby table the annual report for the year ended 31 March 2022.

Mr Abraham Vosloo

MEC for Finance, Economic Development and Tourism

31 May 2022

1.4. REPORT OF THE ACCOUNTING OFFICER

1.4.1. Overview of the operations of the department

On 11 February 2021, the honourable president Cyril Ramaphosa delivered the State of the Nation Address (SONA) and iterated that South Africa is facing an extra-ordinary year and highlighted four (4) overriding priorities for 2021. These are:

1. Defeating the Corona virus pandemic;
2. Accelerate economic recovery;
3. Implementation of economic reforms to create sustainable growth and drive inclusive growth; and
4. Fight corruption and strengthen the State.

Priorities 2 and 3 is directly the focus of the Department of Economic Development and Tourism in the Northern Cape. The catalyst required to address the poverty, inequality and unemployment is economic growth that fosters the creation of decent and sustainable employment. In seeking to address these developmental objectives within the Province the Department is mandated to be an enabler with the objective of diversifying the economy, revitalising and expanding the productive sectors while simultaneously crowding in investment both foreign and domestic.

These priorities were underscored by MEC Abraham Vosloo in his Budget Speech when he declared that," I announced a Presidential Employment Stimulus Plan, where various sectors were identified as part of creating short-term jobs to cushion against the impact of Covid-19. I can announce that to date a total of 7 595 people received employment opportunities through this programme in various sectors throughout the province." This is reflected in the unemployment rate in the Province, which increased with 1.8% from the fourth quarter of 2019 to 28.7% in quarter 4 of 2020.

Regardless of these challenges the Department forged ahead in pursuing the developmental objectives as outlined in the National Development Plan, New Growth Path and the Provincial Growth and Development Plan (PGDP – Vision 2040) as spatially referenced in the Provincial Spatial Development Framework (PSDF) and the subsequent Programme of Action (POA).

As per the directive of the Premier, the Honourable Dr Zamani Saul (29 May 2020), DEDaT endeavoured to "provide practical and outside-the-box responses to the vast developmental challenges confronting the province." It also looked at exploiting the opportunities afforded the people through the Fourth Industrial Revolution. In pursuit of this the Department looked at expanding the number of sites with access to broadband connectivity. Departmental collaboration with the Department of Telecommunications, the National Electronic Media Institute (NEMISA), Vaal University of Technology (VUT) and Geekulcha ensured an additional 34 sites were granted access to broadband connectivity in the Pixley Ka Seme District Municipality (PKSDM) and that an additional 3 e-skills development initiatives could be implemented. In total 36 sites were granted access to broadband connectivity and also assisted in extending digital training in the Province. The intent to establish the Carnarvon Science Exploratorium is still being pursued. There have been funding commitments in this regard.

The strategic intent of the departmental programme Integrated Economic Development Services (IEDS) is to address and alleviate the challenges experienced by SMMEs and Cooperatives. In working with the DTIC (Department of Trade, Industry and Competition) and EDD (Department of Economic Development) and the DSBD (Department of Small Business Development) the Department of Economic Development seeks to leverage support for the establishment and growth of enterprises (SMMEs and Cooperatives) in the province. The support includes the creation of an environment which enables them to flourish through the provision of financial and non-financial support.

Financial support to enterprises is primarily provided with the aid of the Economic Growth and Development Fund (EGDF) and to this end the Department partnered with the National Empowerment Fund (NEF) in 2020 to establish a Blended Fund, whereby DEDaT and NEF contributes towards this fund on a 1:2 basis. This blended fund will be distributed based on a 60% loan and 40% grant basis, of which the contribution of DEDaT will fund the grant basis of the distribution. In the year under review the EGDF/Blended Fund received R27.225 million. The total amount was contributed to the Provincial Blended Fund, resulting in the total Blended Fund in the Northern Cape Province totalling R171.675 million (R30 million was distributed in 2020/21 financial year, and adding the 2:1 contribution of NEF). The last report received from the NEF indicates that 94 applications have been received with only one (1) obtaining success in the application for funding.

The Companies and Intellectual Property Commission (CIPC) services is gaining momentum. This service, made possible through an agreement between ourselves and the CIPC, has become a sought- after self - service. The Department is in process of finalising a new agreement for the period to 2024. Of the two hundred and eighty-eight (288) clients assisted with non-financial services, two hundred and seventy-one clients (271) sought CIPC services. The remaining seventeen (17) clients were referred to SEDA for business plan development.

A webinar was also held with Productivity South Africa focussing on Productivity Improvement - A low-cost strategy for improving profitability. Of the 329 registrations received, 72 attended on the day of which 43 were male and 29 female; 34 of these being youth. This was followed up with the Kaizen workshop conducted in ZF Mcgawu (Upington) and Frances Baard (Kimberley) District Municipalities and Business Start-Up training for youth (aspiring entrepreneurs) in the ZF Mcgawu District Municipality (Upington).

Two POP-UP Mall Activation Programs were held in the province during the financial year. At these events, held in Kimberley and Kathu, 36 and 31 enterprises respectively exhibited their products and services. The first occurred in Kimberley at the Diamond Pavilion Mall on the 10th- 11th December 2021 and the second on 4-5 March 2022 in Kathu at the Kathu Mall.

Ten (10) founder members of different co-ops received accredited garment manufacturing training at the SEDA offices in Upington, of which nine (9) were from the ZFM and one (1) from the JTG district municipalities. Fourteen (14) co-ops in the SASSA School Uniform Programme successfully completed 845 orders for the school uniforms from SASSA.

The Trade and Sector Development Programme is aimed towards stimulating economic growth in the province through the development of key sectors as well as the facilitation of trade and crowding in of investment.

In the year under review the Department finalised the lease agreements for the Highrise Loft Diamonds, Blue Lounge Trading 107, Alexkor and T3 Diamonds investments. The total combined potential investments attracted amounts to R50 million including capital equipment to be procured over the next 5 years.

In terms of improving the international competitiveness and product offer from the Northern Cape Province 42 companies; (20) in Kimberley, 10 in De Aar and 12 in Keimoes/Upington; received export training with assistance of DTIC and SEDA. In addition, 14 Northern Cape companies participated in Phase 1 of the Global Exporter Programme (14 from the Namakwa District). Twenty-one (21) companies were granted exposure on national and international platforms enabling them to market and promote their products. Consequently, this enabled them to secure potential export orders.

DEDaT has been pursuing the development of a Rooftop Solar Project targeting government-owned buildings. This project will promote local SMMEs in the Energy Sector. Already more than 20 SMMEs have been identified and evaluated on their capabilities.

The Kimberley Diamond and Jewellery Incubator (KDJI) has in the current financial year to date supported ninety-two (92) SMMEs of which twelve (12) were newly established SMMEs. The support provided to the SMMEs was in various programmes which include business development, financial management, and technical jewellery manufacturing skills.

The Northern Cape Consumer Protection Authority is primarily responsible in terms of the Act to investigate, mediate and adjudicate over consumer related matters in the Province of the Northern Cape and refer unresolved matters to the Consumer Court for adjudication. The Governance sub-programme promotes and oversees good governance of the Departmental Public Entities, namely the Northern Cape Gambling Board, Northern Cape Liquor Board, NCTA and NCEDA. The sub-programme also ensures compliance of the Public Entities with their legislation, PFMA and policies.

The Governance sub-programme has received and analysed 16 entity quarterly reports, 16 compliance checklist reports, 4 Annual Reports and 4 strategic Plans in order to evaluate whether the core functions as well as the planned targets have been met for this financial year under review. All reports have been received and analysed.

The Northern Cape Consumer Protection Authority consists of two legs, namely the Office of the Consumer Protector, who provides for an effective service to address all consumer complaints throughout the Province and a Consumer Court which adjudicates over unresolved matter, providing speedy redress to consumers in unresolved matters referred to it by the Consumer Protector. 206 complaints were received and investigated, whereof 196 Complaints were resolved for the 2021/22 financial year. 24 Court sittings were held for the financial year ending 31 March 2022 and 37 compliance notices were issued during compliance inspections. The total savings for consumers in NC, due to the Authority's intervention, for the 2021/22 financial year amounts to R1 553 943.80.

The Authority furthermore conducted education and awareness programmes in 5 Districts throughout the Province.

The Policy, Research and Innovation programme places emphasis on the alignment of provincial strategies to the National Development Plan (NDP) and the National Infrastructure Plan (NIP).

In the year under review the Department ensured that their plans were aligned to the Medium-Term Strategic Framework. In addition, a 5-Year report of the performance of Outcome 4 and Outcome 6 was compiled. Provincial Economic Development Forums were hosted in all 5 provincial districts.

In terms of the promotion of the knowledge economy and information society, the Knowledge Economy and Innovation sub - programme focuses on the Management information Systems (MIS) and Enterprise Information Architecture (EIA), as key tools in the promotion of a knowledge society and economy. For this purposes DEDaT has partnered with the Sol Plaatje University in establishing and managing the Northern Cape Innovation Forum and with the Department of Science and Innovation to establish and M-LAB in the Northern Cape and continues to co-fund these projects to the values of R0.5 million and R1.5 million respectively.

Collaboration with the Department of Telecommunications, the National Electronic Media Institute (NEMISA), Vaal University of Technology (VUT) and Geekulcha ensured that an additional 34 sites were granted access to broadband connectivity and that an additional 3 e-skills development initiatives could be implemented. In total 36 sites were granted access to broadband connectivity and also assisted in extending digital training in the Province.

Two evaluation reports on Service Delivery Initiatives (projects) were also completed and submitted to relevant stakeholders, including the Office of the Premier. The projects were verified on the basis of performance of progress or progress as reported quarterly.

The Tourism Programme is strategically designed to seek to proactively implement interventions aimed at the transformation and sustainability of the tourism sector so that it serves as a catalyst for economic growth in the Province. Consequently, the two sub-programmes, Tourism Growth and Tourism Development, seek to manage the development and promotion of the Northern Cape as a competitive tourist destination to support economic growth in the Province.

According to the World Travel & Tourism Council (WTTC) South Africa has the largest tourism economy in Africa having indirectly contributed 1.5 million jobs (9.2% of South Africa's employment) and R425.8-billion in 2018. Limpopo was the most visited province in 2018 with a total of 3.3million trips. Compared to the previous year, travel to this province has declined by 35.7% in 2018. It also indicated that the sector accounts for 8.6% of the country's GDP.

According to South African Tourism (SAT) the only provinces that recorded increases in the number of domestic trips for 2018 are KwaZulu Natal (4.6%), Mpumalanga (27.8%), Eastern Cape (41.8%), North West (39.0%) and the Northern Cape (12.3%). This clearly demonstrates that tourism can become a catalyst for achieving the economic objectives set by the provincial administration in addressing the triple challenges of poverty, inequality and joblessness.

In order to unlock marine and coastal tourism in the West Coast of Namakwa crucial master plans have been piloted which includes the Orange River mouth, Hondeklipbaai to Port Nolloth, and Sutherland to Carnarvon. The Kleinzee Beach precinct, as well as concept documents for McDougall and Hondeklipbaai have been concluded.

Various indigenous communities, such as Khomani San in the Kalahari, Khu and Khwe in Platfontein and Nama in Pella, were exposed to tourism awareness campaigns in order to raise awareness about these communities and expose them to opportunities that arrive from tourism activities.

A Northern Cape Information Management System was developed to assist tourist guides to register online as well as to possess a tool for effective database management, monitoring and reporting on the activities of tourist guides. Therefore, three (3) tourist guides from the province attended the International Tourist Guide Day celebrations at Constitutional Hill under the theme “tourist guides-contributors to sustainable tourism and jobs”.

The Tourism Development unit is responsible for tourism skills development, tourism enterprise development, tourism experience development and tourism infrastructure development. As such the unit contributed to 155 tourism industry role players benefiting from tourism skills development initiatives, the enhancement of seven tourism experiences and implementation of six tourism infrastructure projects.

Twenty-nine properties have been graded in partnership with the Tourism Grading Council of South Africa and in doing so it made a significant contribution to turn around the very low uptake of grading in the province.

1.4.2. Overview of the financial results of the Department

1.4.2.1. Departmental receipts

Departmental receipts	2021/2022			2020/2021		
	Estimate	Actual Amount Collected	(Over)/Under Collection	Estimate	Actual Amount Collected	(Over)/Under Collection
	R'000	R'000	R'000	R'000	R'000	R'000
Tax Receipts	21 461	23 733	(2 272)	20 615	17 028	3 586
Casino taxes	15 350	16 384	(1 034)	14 745	10 874	3 870
Horse racing taxes	1 793	3 406	(1 613)	1 722	2 416	(694)
Liquor licences	4 318	3 943	375	4 148	3 738	410
Motor vehicle licences	-	-	-	-	-	-
Sale of goods and services other than capital assets	109	115	(6)	104	95	9
Transfers received	-	-		-	-	-
Fines, penalties and forfeits	14	175	(161)	13	5	8
Interest, dividends and rent on land	-	-	-	-	-	-
Sale of capital assets	-	-	-	-	-	-
Financial transactions in assets and liabilities	688	485	203	661	2 974	(2 313)
Total	**22 272**	**24 508**	**(2 236)**	**21 393**	**20 101**	**1 292**

1.4.2.2 Programme Expenditure

Programme Name	2021/2022			2020/2021		
	Final Appropriation	Actual Expenditure	(Over)/Under Expenditure	Final Appropriation	Actual Expenditure	(Over)/Under Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000
Administration	58 802	55 637	3 165	52 724	51 696	1 028
Integrated Economic Development Services	61 496	60 600	896	58 090	57 988	102
Trade and Sector Development	70 562	70 458	104	51 263	51 237	26
Business Regulation and Governance	43 726	43 634	92	40 567	40 331	236
Economic Planning	21 492	20 907	585	19 897	19 813	84
Tourism	77 428	77 257	171	56 059	54 474	1 585
Total	**333 506**	**328 493**	**5 013**	**278 600**	**275 539**	**3 061**

In the 2021/22 financial year the department underspent by R 5 013 000 (R3 061 000 in 2020/21).

However, the Department did request a roll-over of R2 102 000 and if the roll-over is deducted from the underspending the real underspending of the Department amounts to R2 911 000 or 0.87% of the allocated budget.

An underspending, amounting to R 1 438 000 was realised on Compensation of Employees due to the fact that vacant funded posts were not filled before 31 March 2022. This amount will be surrendered to Provincial Treasury.

An under spending, amounting to R 2 259 000 was realised on Goods & Services. Orders amounting to R 1 421 000 were issued to several service providers. Payments can only be affected once the work is completed and the invoice is received. These commitments were active on LOGIS as at 31 March 2021 which obligates the DEDaT to process the payment. A roll-over request was submitted to Provincial Treasury for the unspent funds amounting to R 1 421 000.

An under spending, amounting to R 89 000 was realised on Transfers & Subsidies in Tourism. This amount will be surrendered to Provincial Treasury.

An under spending, amounting to R 1 227 000 was realised on Payments for Capital Assets. Orders amounting to R 681 000 was issued to several service providers. Payments can only be affected once the work is completed and the invoice is received. These commitments were active on LOGIS as at 31 March 2021 which obligates the DEDaT to process the payment. A rollover request was submitted to Provincial Treasury for the unspent funds amounting to R 681 000.

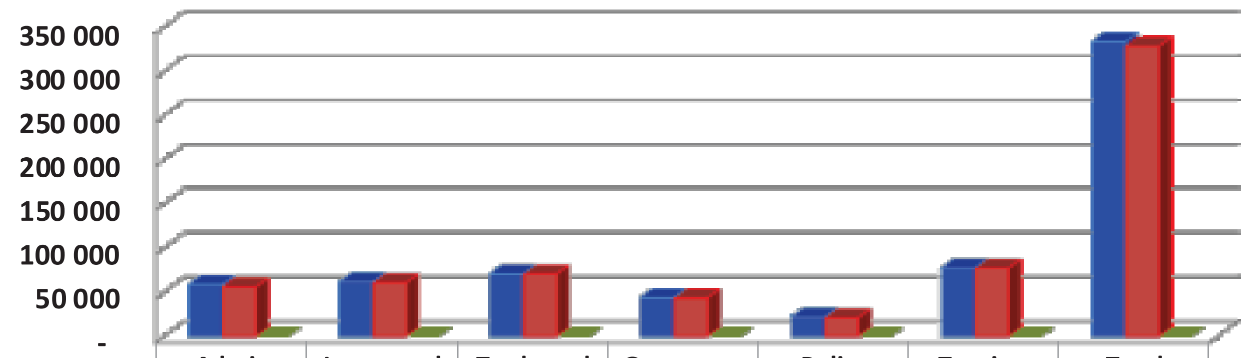
The financial year 2021/22 under spending as per economic classification are:

- Compensation of employees was R1 438 000 (R236 000 in 2020/21);
- Goods and Services was R2 259 000 (R1 120 000 in 2020/21). A roll-over request was registered amounting to R1 421 000 for Goods and Services for the 2021/22 financial year. A roll-over request was registered in the 2020/21 financial year amounting to R1 120 000.
- Transfers and Subsidies was R89 000 (R779 000 in 2020/21). No roll-over request was registered for Transfers and Subsidies for the 2021/22 financial year. A roll-over request was registered amounting to R779 000 for Transfers and Subsidies in the 2020/21 financial year.
- Payments for Capital Assets was R1 227 000 (R926 000 in 2020/21). A roll-over request was registered amounting to R681 000 for the 2021/22 financial year. A roll-over request was registered amounting to R926 000 for Payments for Capital Assets in the 2020/21 financial year.

The following graphs illustrate the expenditure patterns for the financial year under review as compared with the budget allocations. Graph 1 illustrates the budget versus the expenditure per programme whereas in Graph 2 indicate the budget versus expenditure per economic classification for the financial year under review.

GRAPH 1: Budget versus Expenditure per Programme for 2021/2022

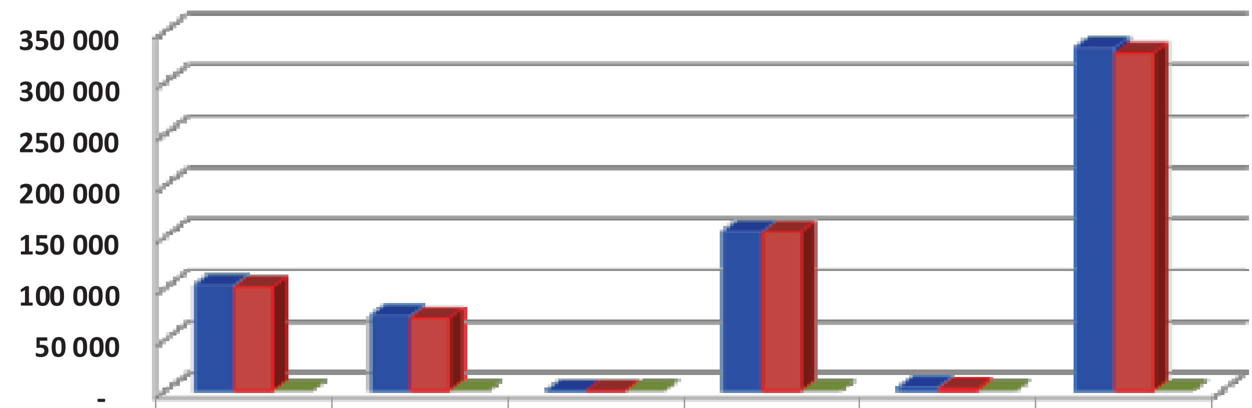
Budget vs Expenditure per Programme



	Admin	Integrated Economic Development Service	Trade and Sector	Governance and Business Regulation	Policy Research & Innovation	Tourism	Total
Budget R'000	58 802	61 496	70 562	43 726	21 492	77 428	333 506
Actual R'000	55 637	60 600	70 458	43 634	20 907	77 257	328 493
Column1	94.62%	98.54%	99.85%	99.79%	97.28%	99.78%	98.50%

GRAPH 2: Budget versus Expenditure per Economic Classification for 2021/2022

Budget vs Expenditure per Economic Classification



	Compensation of Employees	Goods and Services	Interest and rent on land	Transfers and Subsidies	Payments for Capital Assets	Total
Budget R'000	102 440	72 858	-	154 635	3 573	333 506
Actual R'000	101 002	70 599	-	154 546	2 346	328 493
Column1	98.60%	96.90%	0.00%	99.94%	65.66%	98.50%

1.4.2.3. Virements/roll overs

Virements

After the Adjusted Appropriation Act of the 2021/22 financial year, the following virement on savings, according to section 43 of the Public Finance Management Act, Act No.1 of 1999 (PFMA), have been applied by the department.

Per Programme:

FROM	TO	Amount R'000
Administration	Integrated Economic Development Services	1 000
Administration	Trade and Sector Development	4 100
Integrated Economic Development Services	Trade and Sector Development	1 300
Trade and Sector Development	Integrated Economic Development Services	500
Trade and Sector Development	Business Regulation and Governance	135
Trade and Sector Development	Tourism	397
Business Regulation and Governance	Integrated Economic Development Services	930
Business Regulation and Governance	Trade and Sector Development	41
Business Regulation and Governance	Tourism	32
Economic Planning	Integrated Economic Development Services	700
Economic Planning	Tourism	308
Tourism	Administration	11
Tourism	Integrated Economic Development Services	800
Tourism	Trade and Sector Development	700

For more information, please refer to the Appropriation Statement in the Annual Financial Statements.

Per Economic Classification:

FROM	TO	Amount R'000
Compensation of Employees	Goods and Services	41
Goods and Services	Transfers and Subsidies	9 997
Goods and Services	Goods and Services	192
Machinery and Equipment	Machinery and Equipment	413
Transfers and Subsidies	Transfers and Subsidies	311

For more information, please refer to the Appropriation Statement in the Annual Financial Statements.

Roll-Overs

The table below indicates the unspent funds and roll-overs:

After completion of the 2021/22 financial year, the Department realized an under spending on their expenses and requested a roll-over of funds; in terms of section 6.4 of the Treasury Regulations which has been submitted to the Provincial Treasury by 30 April 2022.

The submission for roll-over submitted to Provincial Treasury for the Department of Economic Development and Tourism was R2 102 000 and was made up as indicated in the table below.

Programme	Saving Funds R'000	Roll-over requested R'000	Funds not rolled-over R'000
Administration	3 165	832	2 333
Integrated Economic Development Services	896	883	13
Trade and Sector Development	104	94	10
Business Regulation and Governance	92	5	87
Economic Planning	585	227	358
Tourism	171	61	110
Total	**5 013**	**2 102**	**2 911**

1.4.3. Strategic Focus over the short to medium term period

FUTURE PLANS OF THE DEPARTMENT 2022/2023

Global economy is projected to grow 5.9% in 2021 and 4.9% in 2022, a slight 0.1 percentage point lower for 2021 than in the July 201 IMF forecast. The downward revision for 2021 reflects a downgrade for advanced economies in part due to supply disruptions and for low-income developing countries, largely due to worsening pandemic dynamics.

The global recovery continues but the momentum has weakened, hobbled by the pandemic. Fuelled by the highly transmissible Delta variant, the recorded global COVID-19 death toll has risen close to 5 million and health risks abound, holding back a full return to normalcy. The COVID-19 variant outbreaks in critical links of global supply chains have resulted in longer-than-expected supply disruptions, further feeding inflation in many countries. Overall, risks to economic prospects have increased, and policy trade-offs have become more complex – and could see differentiated approaches to economic policy implementation (IMF,2021).

The third quarter growth of 2021 in SA turned out negative following the civil unrest and looting that happened in the two most populous provinces. This follows four consecutive quarters of positive growth that started in 2020-Q3. Six industries recorded negative growth between the second quarter of 2021 and the third quarter of 2021. The largest negative contributors to growth in GDP in the third quarter were the trade, manufacturing and agriculture industries. The trade industry decreased by 5.5% and contributed -0.7 of a percentage point to GDP growth. The manufacturing industry decreased by 4.2% and contributed -0.5 of a percentage point to GDP growth. The agriculture industry decreased by 13.6% and contributed -0.4 of a percentage point to GDP growth GDP measured by expenditure estimates growth of 5.1% in 2021 driven largely by exports, imports, household consumption expenditure and a recovery in fixed investment. This recovery in growth will moderate though to under 2% pa in 2022 and 2023.

Provincially GDP-R has shown a strong and consistent recovery according to HIS MarkIT estimates with four consecutive quarters of positive growth up to 2021-Q2 since the sharp recovery in 2020-Q3. It must be noted though that the provincial growth outcome for calendar 2020 will be highly negative in the region of -6 to -8 percent. The data does point to a positive GDP-R number for calendar 2021.

At a district level the negative 2020 number is led by JTG at -18.1%; followed by Namakwa at -10.0% and; and ZFM we registered -7.8% according to estimates. Pixley ka Seme is estimated to have contracted by -3.6% and FBDM by -3.4% respectively. Provincial growth is forecast to be more robust starting in 2021 and going into the outer years up to 2024. The provincial unemployment rate has declined by 3.2% in the third quarter of 2021 when compared to the second quarter of 2021, estimated at 28.1%. The provincial unemployment rate for the third quarter is estimated at 24.9% (StatsSA). Importantly, the unemployment numbers declined by almost ten thousand (i.e. around 9 195), to around 91 000, in contrast to over 100 000 unemployed, in the second quarter. The province should be cautiously optimistic about the low official unemployment rate, as the expanded unemployment rate according to the expanded definition of unemployment still hovered around 49.1% in third quarter 2021

The provincial labour participation rate increased marginally by about 1.1 percentage point, whereas the provincial ability to absorb labour (i.e. Absorption rate) also increased 2.2 percentage point, on a quarter-on-quarter basis. Despite, the increased labour absorption appetite there was an increase in the number of the discouraged work-seekers by 11 609 (up by 9.3%) for the period of analysis. Year-on-year the discouraged work-seekers increased by a staggering 45 331.

Policy proposals that can be proffered in light of this analysis are essentially a concerted effort by the provincial government to get the secondary industries of the economy to invest in both greenfield and brownfield projects. This will be enabled by getting electricity and other energy generation capacity to come online soonest. Mining and mineral beneficiation and agriculture sectors as the primary industries are doing relatively well under the constraining conditions and will support and be reinforced by complementary up-and downstream projects in the secondary industries of the provincial economy.

These projects should focus on greener production in order to receive favourable consideration as most investor decisions are underpinned by these ESG criteria. Therefore, the department's approach in terms of its investment attraction strategies should be adapted to these considerations.

During the State of the Province Address in 2020, it was announced that 4 projects in Northern Cape were gazetted as Strategic Integrated Projects by the Minister of Public Works and Infrastructure as priority projects for implementation during the 6th administration. The following progress can be reported on these projects: The Boegoebaai Port and Rail Development has now been expanded to include the adjacent Hydrogen SEZ as a key priority programme coordinated through NCEDA in collaboration with Infrastructure South Africa, the different relevant National Departments and State-Owned Entities; The Northern Cape Province in collaboration with Infrastructure South Africa developed the Provincial Hydrogen Strategy which was approved in 2021 and launched at COP 26; Recognising the importance of Hydrogen for the country and the province ISA has mobilised technical expertise and capacity which will further continue support the Province to do deliver on this priority programme.

An additional benefit for the Northern Cape Province, is that during the last SOPA, the preferred bidders for SIP 20A, the Risk Mitigation Independent Power Purchase Procurement Programme, was not yet announced. In March of 2021, the Minister of Department of Minerals, Resource and Energy, announced the preferred bidders of which 450 MW is to be developed within the Northern Cape. Additional generation capacity is expected in future bid windows that will soon be announced; BFI Funding Approved for the Social Housing Programme. This secured funding will serve as a bridging facility and unlock debt funding on the Hull Street Social Housing Project in Kimberley as well as a few others in the rest of the country. The project is expected to deliver 372 social housing units and will commence with construction this year. Implementation was delayed due to funding approvals. This challenge faced by many social housing projects across the country is what the proposed bridging facility seeks to unlock.

The Kathu Industrial Park is a key priority for the province and was recently also presented at the Sustainable Development Infrastructure Development Symposium hosted by the President and coordinated by Infrastructure South Africa. The project received much interest from potential investors. By unlocking the bulk infrastructure for this development, we will mobilize approximately R 580 million in private sector investment and create 450 permanent job opportunities.

Two special programmes have been prioritized for the Northern Cape Province. These are the Rural Roads Programme and the Northern Cape Schools Programme. ISA, in collaboration Development Finance Institutions, is piloting the introduction of an innovative social infrastructure delivery mechanism through a special purpose vehicle, to address the issues affecting the delivery of school infrastructure in the Northern Cape. The rural roads programme will make use of labour-intensive methods for the construction and upgrading of roads in the province. ISA is in the process of identifying roads for inclusion in the programme which have designs completed and ready for construction.

The Department of Economic Development and Tourism (DEDAT) in the Northern Cape and the National Empowerment Fund (NEF) have launched a multi-million-rand enterprise development programme. As part of the initiative, DEDAT and the NEF have jointly set aside R75 million to establish the Northern Cape Blended SMME Fund that will provide concessionary funding to local entrepreneurs across all sectors of the provincial economy.

The funds for the EGDF are being utilised in the newly established Northern Cape SMME Blended Fund done in collaboration with the National Empowerment Fund (NEF). There has been slow progress on the implementation of this blended fund partly due to the NEF involvement in the instability that happened in KZN and Gauteng last year – all the personnel from the NEF were re-assigned for 3 months to assist business in these areas to come back on stream. We expect the fund to pick up in the 2022/23 financial year and we have committed an additional R30m to be matched with R45m from the NEF, to become a R150m fund.

The Department is finalising an MOU with the Department Roads and Public Works to implement a renewable project of greening government building across the province. The project will start with pilot in Frances Baard in the first quarter of 2022, and if the pilot is successful, the project will be rolled out to all the 5 regions of the province. The project will be implemented with the assistance of the NC SMME Trust and SEDA who will incubate the SMMEs that will participate in the project. We expect to incubate not more than 10 SMMEs in the Pilot phase.

In an effort to ensure a greater share of procurement opportunities for localisation, the department of Economic Development and Tourism have established ongoing engagements with Sol Plaatje University and Orion Mine and Acwa (Red Stone CSP) and the mines in general to open up opportunities for local businesses to benefit from their tender processes. We expecting to get closer to an agreement when we meet with the mines in the NC during the Mining Investment Conference that will be hosted by the Department of Minerals and Energy in March 2022.

With the current high levels of unemployment, the informal sector has proven to have the potential of created job opportunities especially amongst the youth. It is against this background that research on Township economy will be conducted with the aim of identifying interventions that government could embark on to grow this sector. Collaboration discussions are taking place between SEDA, Sefsa, Incubators located in the Province to focus on Township, Rural and the Informal Sector. We hoping to pilot one or two programmes jointly in the 2022/23 financial year as a start.

The Department of Economic Development and Tourism response is to counter the impact of the pandemic and related lockdowns to support tourism enterprises to adapt to the new normal of doing business, experience development and infrastructure development. This is guided by the provincial tourism recovery plan and work takes place in partnership with the Northern Cape Tourism authority. The assistance of tourism enterprises will continue in the 2022/23 Provincially, 124 tourism enterprises received funding from Tourism Relief Fund to the amount of R6.2 million and 105 tourist guides were supported financially through Freelance Tourist Guide Relief Fund to the amount of R475 000. Work is continuing to expand the Rietfontein Waste Water Treatment Works after a delay as human remains have been unearthed during site excavations.

Work on final designs of the SKA Carnarvon Exploratorium continues and is taken care of by the project partners. The MOU was signed by all stakeholders, namely the Dept. of Science and Innovation, the Dept. of Tourism, Dept. of Economic Development and Tourism, the South African Radio Astronomy Observatory and the Kareeberg Municipality. The first of the three tranches of the R62m commitment towards the construction of the facility has been transferred to the National Research Foundation. SARAO, as project implementer, has commenced with the facility design refinements and has produced a project charter.

Initiatives to enhance provincial visitor experience and position the province as a “must visit” destination, include funding repairs to the chalet roofs and furnish bungalows at Witsand Nature Reserve; furnishing of the Bagpipe Lodge; and the Dawid Kruiper Municipality for visitor information and other tourism support.

In 2022/23, the Tourism Programme will work towards the establishment of tourism precincts in line with the National DT guidelines to create township destinations and integrate townships with the mainstream economy in Galeshewe (Kimberley), Pabalello (Upington) and Kuyasa (Colesberg).

The department remains committed to supporting the development of industrialisation in the Province. The sustainable development of SMMEs is crucial to the successful of the diversification of the economy and to stimulate growth that drives job creation. The province needs to promote and attract BEE-empowered companies. In order to stimulate this DEDAT will actively strive towards the fostering of local BEE partnerships in the Industrial Zones and SEZ, mining operations, farming and IPP.

1.4.4. Public Private Partnerships

The department does not have any public-private partnerships for the period under review.

1.4.5. Discontinued activities / activities to be discontinued

No activities in the department have been discontinued or are to be discontinued.

1.4.6. New or proposed key activities

The Department started driving a Rooftop Solar Project that will see local SMMEs benefitting and becoming key players in the energy sector provincially and nationally. This initiative is conducted in collaboration with the NC SMME Trust. It is driven by Programme 3: Trade and Sector Development.

1.4.7. Supply chain management

There were no unsolicited bid proposals conducted for the year under review.

1.4.8. Gifts and Donations received in kind from non-related parties

No gifts and/or donations were received in kind from any non-related parties.

1.4.9. Exemptions and deviations received from the National Treasury

There were no exceptions and deviations that the Department received from National Treasury for the period under review.

1.4.10. Events after the reporting date

None

1.4.11. Other

The new organogram has been ratified for implementation in the next financial year.

1.4.12 Acknowledgement/s or Appreciation

The Department wishes to express sincere gratitude to its national sector departments of Economic Development; Small Business Development, Tourism and the dti respectively for assistance and guidance.

Further, we would like to thank the district and local municipalities for their cooperation in order to ensure planning alignment.

I would also like to extend special thanks and appreciation to the DEDaT Audit Committee, the Portfolio Committee of Finance, Economic Development and Tourism, and the office of the AGSA for their guidance and assistance.

Finally, a special vote of thanks is expressed to the personnel of the Department of Economic Development and Tourism, as well as their families, for the support and commitment to ensure the delivery of the Department's mandate.

Mr T Mabija
Accounting Officer
Department of Economic Development and Tourism

Date: 31 May 2022

1.5. STATEMENT OF RESPONSIBILITY AND CONFIRMATION OF ACCURACY OF THE ANNUAL REPORT

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

- All information and amounts disclosed throughout the Annual Report are consistent.
- The annual report is complete, accurate and is free from any omissions.
- The annual report has been prepared in accordance with the guidelines on the Annual Report as issued by National Treasury.
- The Annual Financial Statements (Part E) have been prepared in accordance with the modified cash standard and the relevant frameworks and guidelines issued by the National Treasury.
- The Accounting Officer is responsible for the preparation of the Annual Financial Statements and for the judgements made in this information.
- The Accounting Officer is responsible for establishing, and implementing a system of internal control that has been designed to provide reasonable assurance as to the integrity and reliability of the performance information, the human resources information and the annual financial statements.
- The external auditors are engaged to express an independent opinion on the Annual Financial Statements.

In my opinion, the Annual Report fairly reflects the operations, the performance information, the human resources information and the financial affairs of the Department of Economic Development and Tourism for the financial year ended 31 March 2022.

Yours faithfully

Mr T Mabija
Accounting Officer
Department of Economic Development and Tourism

Date: 31 May 2022

1.6. STRATEGIC OVERVIEW

VISION

A radically transformed economy in the Northern Cape.

MISSION STATEMENT

Accelerating the inclusive economic growth of the Northern Cape Province through modernisation, diversification and empowerment.

VALUES AND PRINCIPLES

In delivering a service to its diverse clients the Northern Cape Department of Economic Development and Tourism has laid particular emphasis on the following values and principles:

- Transparency
- Responsiveness
- Accountability
- Professionalism
- Integrity
- Diligence
- Innovation, and
- Accessibility

1.7 LEGISLATIVE MANDATE

Direct Mandates

1.7.1 Constitutional mandates

The broad mandate of the Department is derived from the Constitution of the RSA, 1996, which regulates government's duties and responsibilities to the citizens, in particular the promotion of socio-economic rights.

Specific reference needs to be made to Provisions in the Bill of Rights (chapter 2) relating to equality (section 9); human dignity (section 10); freedom of trade, occupation and profession (section 22); and chapter 3 of the Constitution dealing with intergovernmental relations that inform the Department's work.

1.7.2 Legislative mandates

The following directive commands the mandate of the Department;
National legislation (bills, acts, regulations, charters), of which the following are the most important:

- Constitution of RSA, 1996;
- Public Service Act (PSA) and Public Service Regulations (PSR), as amended;
- Public Finance Management Act (PFMA) and Treasury Regulations (TR), as amended; and the
- Division of Revenue Act (DoRA).

Relevant line function legislation and regulations includes the following (National and Provincial, e.g. legislation pertaining to small businesses, companies, competition, gambling, liquor, consumer protection, local government, inter-governmental relations, development and planning, other standards and procedures, information, security, human resource management and development, labour, etc., including court decisions).

There have been no changes to the Legislative Mandates that govern the functions of the department in the year under review. The passing of the Division of Revenue Amendment Bill of 2019, was tabled in February 2019.

Indirect Mandates

1.7.3 National and Provincial Government policies

These include White papers, Green papers, Frameworks, Guidelines, Manuals, Strategies and Plans, for example: the National Government Programme of Action, the People's Contract, White Paper of Transformation in the Public Service, State of Nation Address by the President, State of the Province Address by the Premier, National and Provincial Budget speeches, Cabinet resolutions, management decisions endorsed by the Executing Authority, the Northern Cape Innovation Fund Policy, Departmental policies on security, information management, HIV and AIDS etc.

1.7.4 Economic Policy Mandates

a) National Development Plan

The National Development Plan is the long-term socio-economic development plan for the country. The plan has a target of increasing employment by 11 million by 2030. In addition to the employment creation, the plan sets out mechanisms by which to improve the living conditions of citizens as measures by the 14 outcome areas that the government will focus on.

This is proposed to be achieved by:

- Realising an environment for sustainable employment and inclusive economic growth,
- Promoting employment in labour-absorbing industries,
- Raising exports and competitiveness,
- Strengthening government's capacity to give leadership to economic development, and
- Mobilising all sectors of society around a national vision.

The Department of Economic Development and Tourism is directly responsible for Chapter 3 (Outcome 4 in the Outcomes Based Approach) of the NDP which focusses on the following amongst others:

- Creating an environment for sustainable employment and economic growth
- Strengthening the capacity of government to implement its economic policies
- Promoting employment in labour absorbing industries
- Promoting exports and competitiveness
- Diversifying the economy etc.

In addition, the Executive Council, according to Resolution No. 022/2015 (04) dated 20th April 2015, approved that "the Department of Economic Development and Tourism leads Outcome 6, assisted by the Department of Infrastructure and Public Works and the Office of the Premier."

The five sub-outcomes are:

- Regulation of infrastructure improved.
- Reliable generation, transmission and distribution of energy ensured through SIPs 1, 8, 9 and 10.
- Maintenance, strategic expansion, operational efficiency, capacity and competitiveness of our transport infrastructure ensured.
- Maintenance and supply availability of our bulk water resources infrastructure ensured.
- Expansion, modernisation, access and affordability of our Information and communications infrastructure ensured.

b) Industrial Policy Action Plan

The Industrial Policy Action Plan (IPAP) is aimed at growing the economy and creating about 129 000 jobs in order to reduce unemployment. The aim is to achieve this by preventing industrial decline and supporting the growth and diversification of the South Africa's manufacturing sector. IPAP is aligned to the National Development Plan (NDP) and also located within the New Growth Path (NGP) framework. The plan is reviewed annually to measure progress on implementation and revise targets.

The Northern Cape supports the implementation of IPAP through the Provincial Manufacturing Strategy and its implementation plan. As a Province with mineral wealth there is big opportunity of mineral beneficiation which is one of the pillars of IPAP.

c) New Growth Path

The New Growth Path (NGP) provides bold, imaginative and effective strategies to create the millions of jobs South Africa needs. The aim is to create five million new jobs by 2020 so that unemployment can decrease by 15 per cent. To realise this target, the focus was set to be on areas that have the potential for creating employment on a large scale (what is called “jobs drivers”) and securing strong and sustainable growth in the next decade.

According to the Provincial Growth and Development Strategy (PGDS) the province has set an annual job creation target of 16 000. The NGP on the other hand has outlined the following targets up to 2020:

Table 1: Job creation targets for the New Growth Path

Job driver	Sectors	Employment target (2020)
Seizing potential of new economies	Green & knowledge economy	400,000
Main economic sectors	Manufacturing, mining, agricultural, tourism & related high-level services & related IPAP sectors	1,210,000
Infrastructure	Energy, transport, water & communications	250,000
Investing in social capital	EPWP, CWP & public service & youth schemes	260,000
Spatial development	Rural development African regional development	150,000
Rural development	Infrastructure, marketing institutions, education & skills	500,000
TOTAL DIRECT JOBS		**2,770,000**

The NGP puts special emphasis on new economies i.e. the Green and Knowledge economy. The Northern Cape has the potential of benefiting a lot from these new economies as the Province has been identified as the solar hub of the country and the Square Kilometre Array (SKA).

To date the Province have secured about 21 projects from the three respective bid windows of the Renewable Energy Independent Power Producer Procurement Programme (REIPPPP). The majority of projects are solar energy generation projects, Photovoltaic (PV) and the Customised Sector Programme which includes Concentrating Solar Power (CSP), with a few wind and small hydro projects. These projects will bring substantive greenfields investments into the Province resulting in direct and indirect job creation and community upliftment.

Infrastructure is one of the key job drivers identified in the New Growth Path. The South African Government adopted a National Infrastructure Plan in 2012 that intends to transform the economic landscape while simultaneously creating significant numbers of new jobs and to strengthen the delivery of basic services.

The plan identifies 18 Strategic Infrastructure Projects (SIPs). Of the 18 SIPs there are currently six that are of importance to the Province namely:

SIP 3	South-Eastern node and corridor development.
SIP 5	Saldanha – Northern Cape Development Corridor.
SIP 8	Renewable Energy.
SIP 14	Higher Education Infrastructure.
SIP 15	Expanding access to communication technology.
SIP 16	Square Kilometre Array (SKA)

The full implementation of projects identified within these SIPs will result in more jobs being created in the Province.

1.7.5 Bi-lateral agreements

International, National and local Multi-party Agreements and Memoranda of Understanding concluded with the Province include the following:

South Africa – China trade agreements.

Africa – Brazil – India Free Trade Agreement.

Hunan-Northern Cape Provinces Friendship Agreement.

Sweden – South Africa city-to-city twinning agreement.

UNOPS - Department of Economic Affairs' Memorandum of Understanding.

TISA – Department of Economic Affairs' Memorandum of Understanding.

The articulation of the specific mandates derived from these frameworks is found in the strategic and business / performance plans of the different programmes and sub-programmes in the Department.

1.7.6 Medium Term Strategic Framework 2019 - 2024

The Medium-Term Strategic Framework (MTSF) is the implementation plan and monitoring framework for achieving the National Development Plan 2030. It describes the five-year period known as "the era of Khawuleza" which is about "working together to implement the MTSF 2019-2024 at speed."

Government has identified seven priorities to be focused on for a period of 5 years. These priorities, which will be achieved through joint efforts of government, the private sector and civil societies are as follows:

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

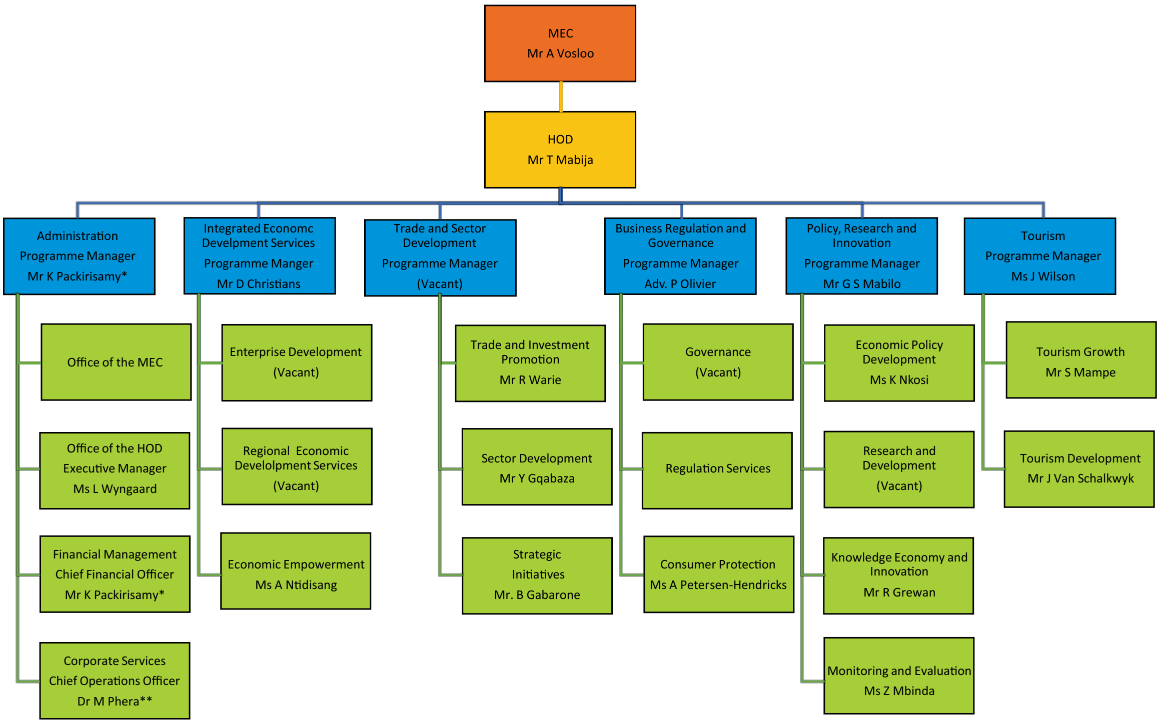
In support of the NDP Vision 2030 to "unite all South Africans to address the triple challenges of unemployment, in equality and poverty," the Department of Economic Development and Tourism focuses on the following priority:

- Priority 2: Economic transformation and job creation.

1.7.7 CHANGES IN THE POLICY ENVIRONMENT

The new MTSF 2019-2024 has streamlined the vision of Operation Phakisa (Hurry Up) pronounced in July 2014. It still encompasses the Ocean's Economy with its potential to make an exponential contribution to the GDP through significant job creation. The areas for growth include Marine Transport and Manufacturing, Offshore Oil and Gas exploration. Aquaculture and Oceans' Governance and Marine Protection Services. It also refocuses the developmental elements as contained in the "9-point Plan."

1.8. ORGANISATIONAL STRUCTURE



- *The position of the Chief Financial Officer is currently being filled by Mr Z Cader in an acting capacity.
- **The position of Chief Director for the sub-programme Corporate Services is currently being filled by Mr T Ngamole in an acting capacity.

1.9 ENTITIES REPORTING TO THE MEC

The following entities report to the Department of Economic Development and Tourism

Table 1.9.1 Public Entities reporting to the Department

Name of entity	Legislative Mandate	Financial Relationship	Nature of Operations
Liquor Board	Northern Cape Liquor Act, 2008. Amendment to the Act 2010.	Transfer Payment.	To fortify the regulatory environment within the liquor industry of the Northern Cape. Inspections on liquor outlets. Conversion of licenses. Quarterly reports to the Department of Economic Development and Tourism
Gambling Board	Northern Cape Gambling Act, 2008.	Transfer Payment.	To fortify the regulatory environment within the gambling and betting industry of the Northern Cape. Inspections on illegal activities Quarterly financial audits Quarterly compliance audits Quarterly reports to the Department of Economic Development and Tourism
The Northern Cape Trade and Investment Agency (NCEDA)	NCEDA Act, 2008	Transfer Payment.	Attract and facilitate foreign direct investment into the Northern Cape. Grow exports of products and services from the Northern Cape. Translate high-level investment and business opportunities in the Province, into actual business operations which contribute directly to sustainable economic growth and social equity for the people of the Northern Cape. Market the Province as a competitive business destination, both nationally and internationally Quarterly reports to the Department of Economic Development and Tourism
Northern Cape Tourism Authority (NCTA)	Northern Cape Tourism Act, 2008	Transfer Payment.	Managing, planning and directing of destination marketing and promotions of all sectors in the provincial tourism industry – meetings, incentives, conventions, exhibitions, events, leisure marketing and visitor and support services. Facilitation of the development of new tourism experiences and travel packages. Co-operate with other bodies to market the province as trade and investment destination. Facilitation of co-operation and participation between public and tourism private sector in pursuit of tourism growth for the benefit of all people of the province. Facilitate the pursuit of transformation and empowerment goals within the provincial tourism industry. Quarterly reports to the Department of Economic Development and Tourism

The Northern Cape Liquor Board (NCLB) is a statutory body established in terms of the Northern Cape Liquor Act, 2008 (Act No. 2 of 2008), with the aim of promoting and maintaining an effective regulatory system for the liquor industry in the Northern Cape Province.

The Northern Cape Gambling Board (NCGB) is a statutory body established in terms of Section 3 of the Northern Cape Gambling Act, 2008 (Act No. 3 of 2008), as amended and classified as a Schedule 3C Public Entity in terms of The Public Finance Management Act. The NCGB is mandated to regulate the gambling industry in the Northern Cape Province.

The Northern Cape Trade and Investment Agency (NCEDA) is statutory body established in terms of the Northern Cape Economic Development Trade and Investment Promotion Act, (Act No. 4 of 2008), and its principal aim is to promote high-impact economic development initiatives, and trade and investment opportunities in the Province.

The Northern Cape Tourism Authority (NCTA) is a statutory body established in terms of the Tourism Act, 2008 (Act No. 2 of 2008), and is responsible marketing the Northern Cape Province as the premier tourism destination, both nationally and internationally.

PART B: PERFORMANCE INFORMATION

PART B: PERFORMANCE INFORMATION

2.1. AUDITOR GENERAL'S REPORT: PREDETERMINED OBJECTIVES

The Auditor-General of South Africa (AGSA) performs the necessary audit procedures on the performance information to provide reasonable assurance in the form of an audit conclusion. The audit conclusion on the performance against predetermined objectives is included in the report to management, with material findings being reported under the Predetermined Objectives heading in the Report on other legal and regulatory requirements section of the auditor's report.

Please refer to the Report of the Auditor-General, published as Part E: Financial Information

2.2. OVERVIEW OF DEPARTMENTAL PERFORMANCE

2.2.1. Service Delivery Environment

2.2.1.1. Economic Overview

Introduction

As the COVID-19 crisis lingers, emerging market and developing economies are entering perilous waters that evoke memories of past debt defaults. Although all countries amassed debt to fight the pandemic, the economic recovery in these economies substantially lags their advanced economy counterparts. Tighter monetary policies in advanced economies are poised to push up international interest rates, which tends to put pressure on currencies and heighten the odds of default (IMF,2022).

As the economic impact of the pandemic fades, the outbreak of war in February between Russia and Ukraine is expected to reduce global economic growth and contribute to higher inflation. The war will likely impair production of a wide range of energy, food and other commodities and further disrupt global trade (SARB, 2022). It thus, requires a relook at the country's economy and what policy position can be drawn.

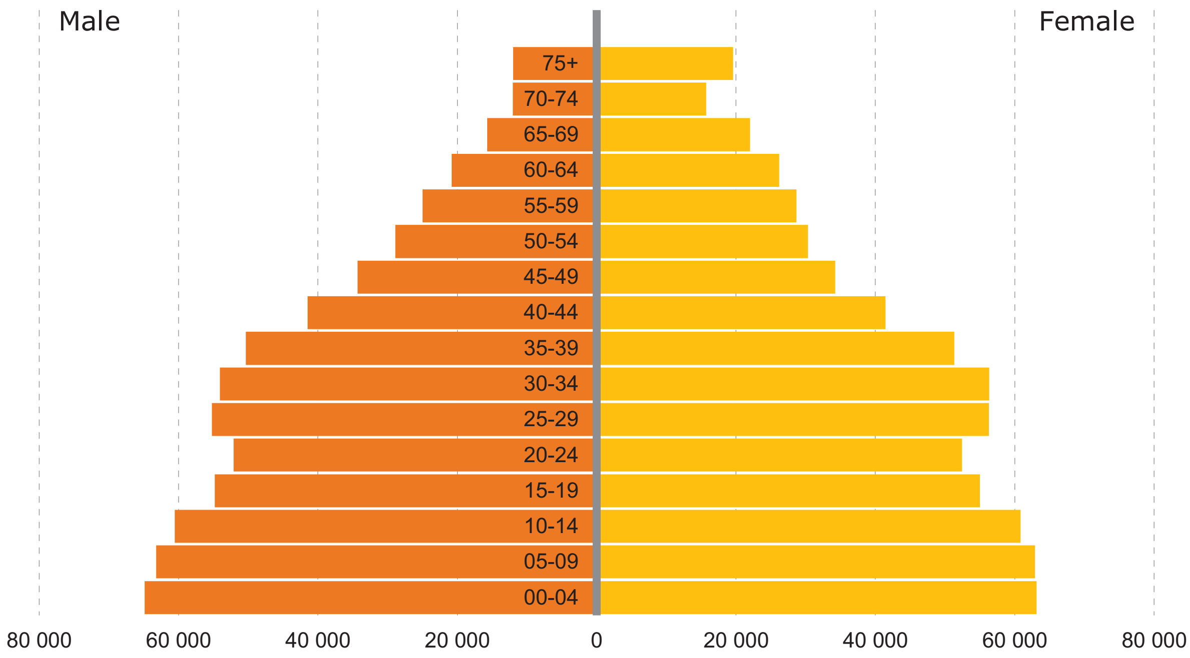
Seemingly, the Presidency and through its Investment Conference – want to ensure that a corner is turned as the impasse continues in East Europe. On the opening of the fourth Investment Conference, the President Hon. Cyril Ramaphosa noted that, it is nearly four years since the country embarked on the ambitious drive to raise R1.2 trillion in new investment over five years. Acknowledging that the was a kink in the trajectory due to COVID-19, however, despite the impact of the pandemic, by the time of the 3rd South Africa Investment Conference in 2020, the conference had raised a total of R774 billion in investment commitments. The President, further acknowledged that the road to R 1.2 trillion target was already two-thirds of the way to reaching our target (The Presidency 2022).

Of the R774 billion committed, around R316 billion has so far been invested. Of the 152 investment pledges, 45 projects have been completed, whilst a further 57 are under construction. Fifteen (15) have been put on hold, in several cases due to the impact of the COVID-19 pandemic. Notwithstanding that the investments that have been realised since the first conference have created job opportunities, increased localisation and expanded local value chains. In tandem, the South African economy is expected to grow by 2.0% in 2022, revised up from 1.7% at the time of the start of 2022. This according to the (SARB,2022) is due to a combination of factors, including stronger growth in 2021 and higher commodity export prices. Growth in output in the first quarter of this year is likely to be significantly stronger than expected earlier in the year. Country's growth is forecast to be 1.9% in both 2023 and in 2024. Economic growth at these rates remains well above a low rate of potential growth still constrained by loadshedding and policy uncertainty. Investment by the government sector has weakened significantly in recent years and that of public corporations is forecast to be very modest. Household spending remains supportive, as a result of good growth in disposable income, while private investment has also proved to be more resilient than previously expected (SARB,2022).

Population and Development Imperatives

Poverty and economic inequality manifest in patterns that severely prejudice vulnerable individuals and groups based on their race, geographic location, gender and disability status. It is accordingly found that government's programme of radical socio-economic transformation is necessary, and should focus on addressing the extreme concentration of income and wealth in the top deciles of society. Tailored policies should aim to address economic inequality (South African Human Rights Council (SAHRC), 2018).

Figure 1:Northern Cape Provincial Population Pyramid

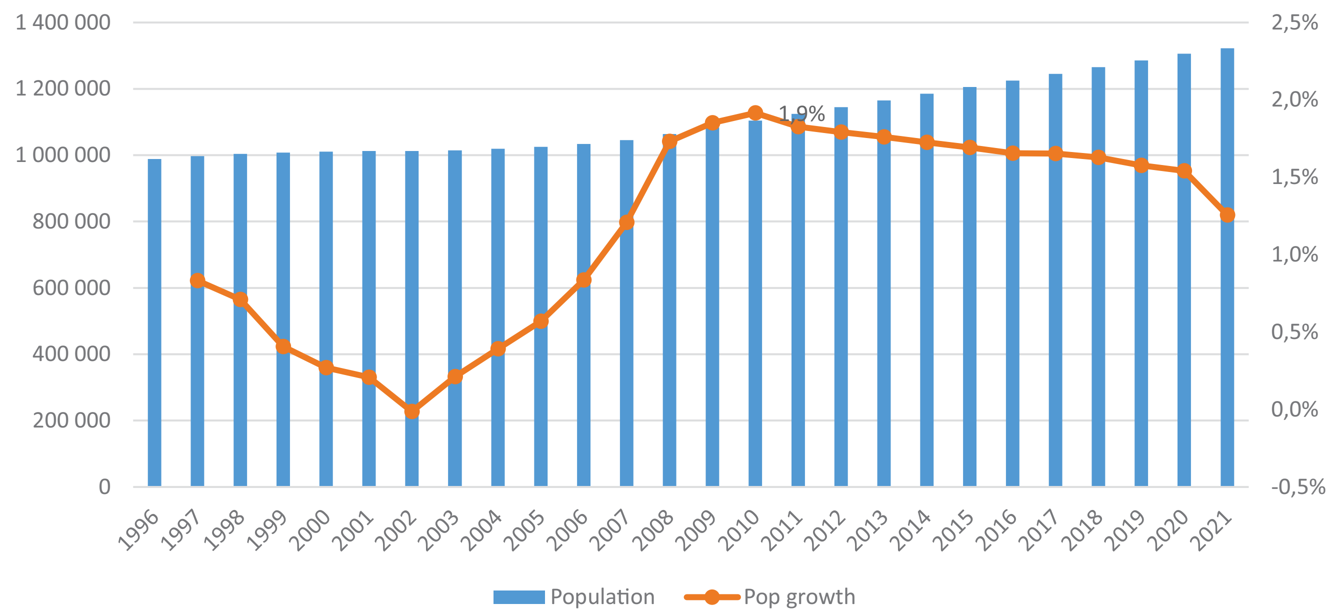


Source: StatsSA, 2021

Figure above depicts the provincial population pyramid. The Northern Cape province has a population of almost 1.3 million as per the latest Mid-Year Population Estimates (MYPE). Moreover, the Northern Cape population seemingly mirrors the national picture. As the majority of the population is aged younger than 15 years, that is, 29.0% or about 374 995. Whilst, true to the normative demographic patterns, there are more males (i.e. 189 481) in the Ages 0-14, when compared to females (i.e. 185 514).

This is an asymptotic pattern in term of demographic studies. This asymptotic trend is notable also, in those 25 – 34-year cohort, wherein more males (i.e. 115 452), surpass their female counterparts (i.e. 107 452). This phenomenon could adversely stunt population growth rates, and thus planning. In relation to development planning, it is worth noting that the Northern Cape has a youthful population, with 62.0% (or about 801 698) of the population below the age of 35.

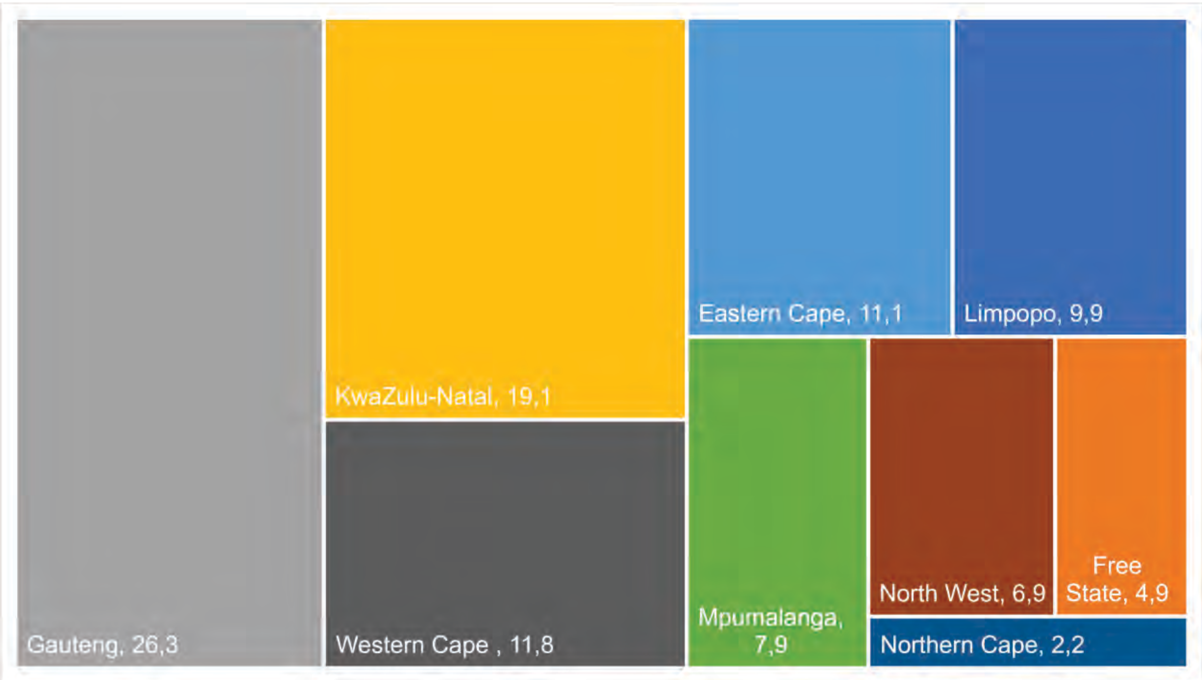
Figure 2: Northern Cape Provincial Population growth rate



Source: IHS MarkIT, 2021

The provincial population growth is on a downward trajectory, this after the province noted a higher population growth rate of 2.4% before the period of interest (i.e., 2015 to 2019). For the period of analysis, the provincial population growth rate has hovered around the 1.9%. the highest point being in 2015, when it recorded 2.0%.

Figure 3: South Africa's Provincial Population contribution



Source: StatsSA, 2021

Statistics South Africa (StatsSA) estimates the mid-year population at 60.1 million for the country. Further approximates that 51 per cent at approximately 30.7 million of the population is female. In the provincial population contexts, Gauteng comprises the largest share of the South African population.

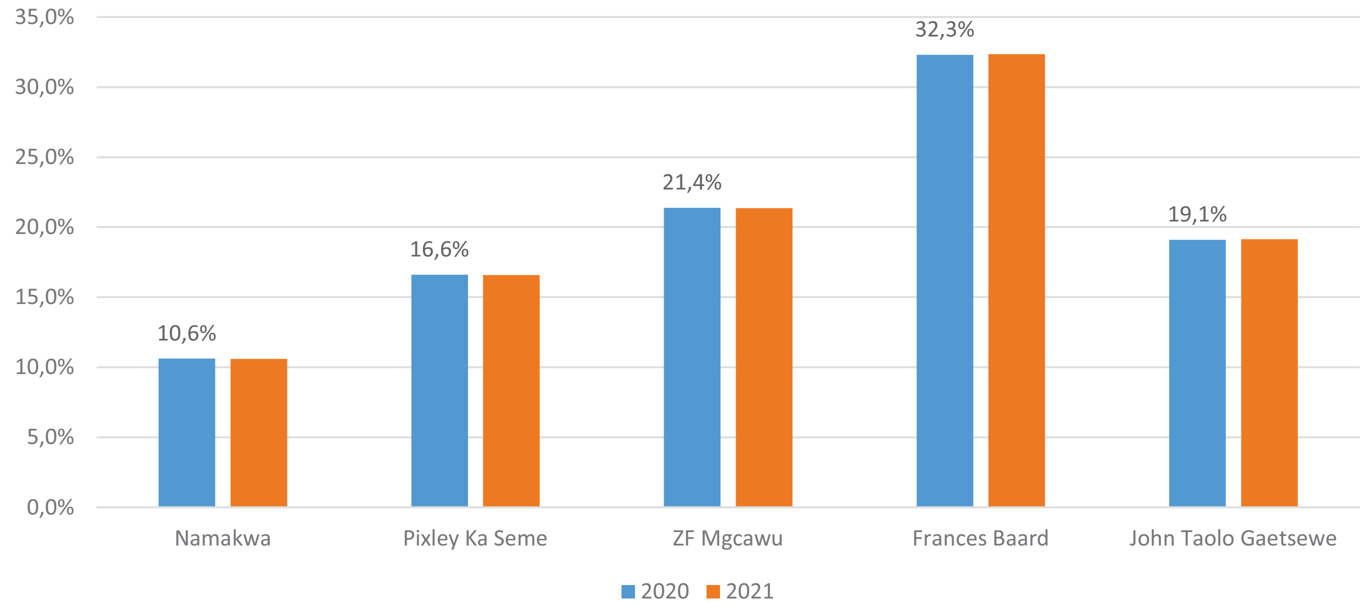
Table 1: Population and Percentage Total Distribution by Province

	Population estimate	% of total population
Eastern Cape	6 676 590	11,1
Free State	2 932 441	4,9
Gauteng	15 810 388	26,3
KwaZulu-Natal	11 513 575	19,1
Limpopo	5 926 724	9,9
Mpumalanga	4 743 584	7,9
Northern Cape	1 303 047	2,2
North West	4 122 854	6,9
Western Cape	7 113 776	11,8
Total	60 142 978	100,0

Source: StatsSA, 2021

Approximately 15.8 million people (26.3%) live in the Gauteng province. KwaZulu-Natal is the province with the second largest population, with 11.5 million people (19.1%) living in this province. With a population of approximately 1.31million people (2.2%), Northern Cape remains the province with the smallest share of the South African population (as depicted by figure above).

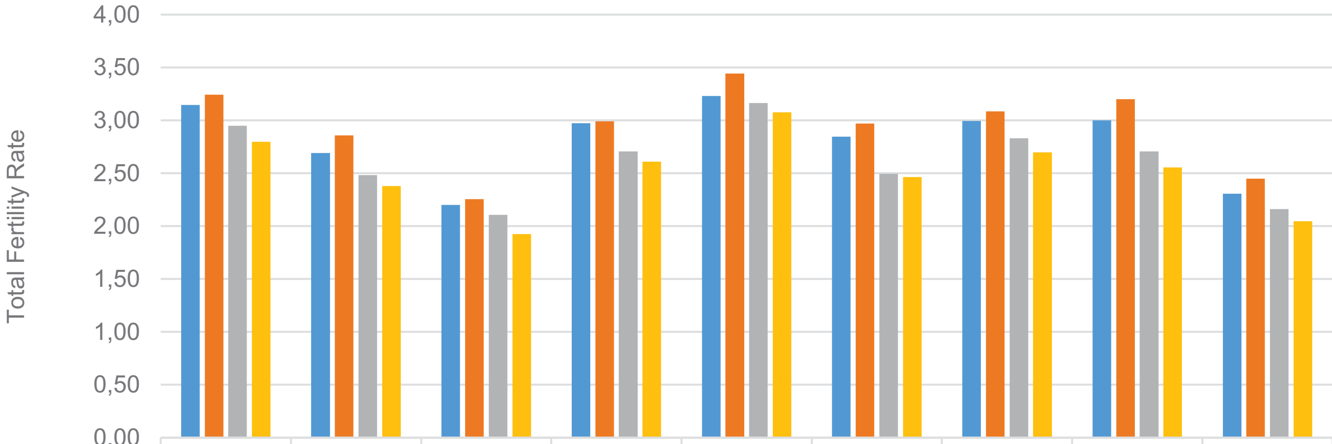
Figure 2: Percentage Contribution by District to Provincial Population



Source: IHS MarkiT,2022

The provincial population is largely found in the Frances Baard district, which accounts for about a third of population reside. The Frances Baard district, is thus followed by the ZF Mgcawu district which its population represents a fifth of the provincial population. The least populous district, is the Namakwa, which accounts for around 11%.

Figure 3: South Africa and Provincial Total Fertility rate

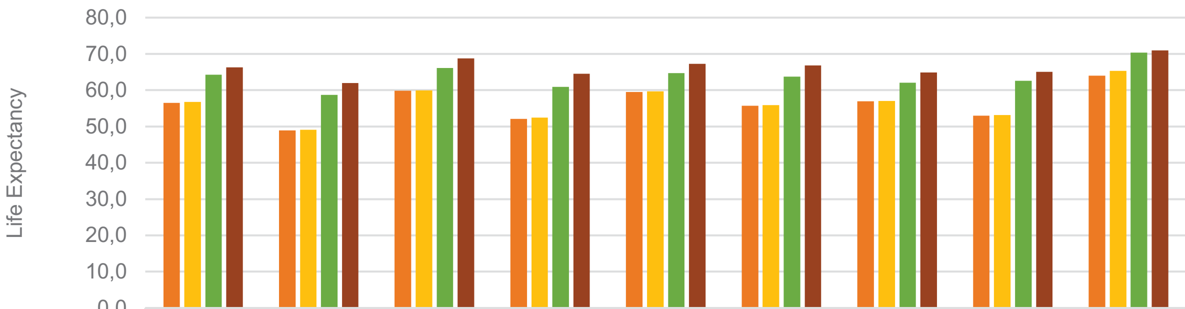


	EC	FS	GP	KZN	LP	MP	NC	NW	WC
2001-2006	3,14	2,69	2,20	2,97	3,23	2,84	3,00	3,00	2,31
2006-2011	3,24	2,86	2,25	2,99	3,44	2,97	3,08	3,20	2,45
2011-2016	2,95	2,48	2,11	2,71	3,16	2,49	2,83	2,71	2,16
2016-2021	2,80	2,38	1,92	2,61	3,08	2,47	2,70	2,55	2,04

Source: StatsSA, 2021

There is general improvement in the life expectancy at birth for both the female and the male cohort. Notably, StatsSA estimates the male life expectancy to be at 62 years, while that of a female at 67 years. There is an average 5-year gap in life expectancy between males and females in South Africa. Free State has significantly lower life expectancy than the SA average. Whereas in the province a male's life expectancy is said to be at 58.6 years, four years below the national average of 62 years. Noteworthy, there is improvements in the life expectancy at birth for male in the province in comparative terms.

Figure 6: South African and Provincial Female Life Expectancy

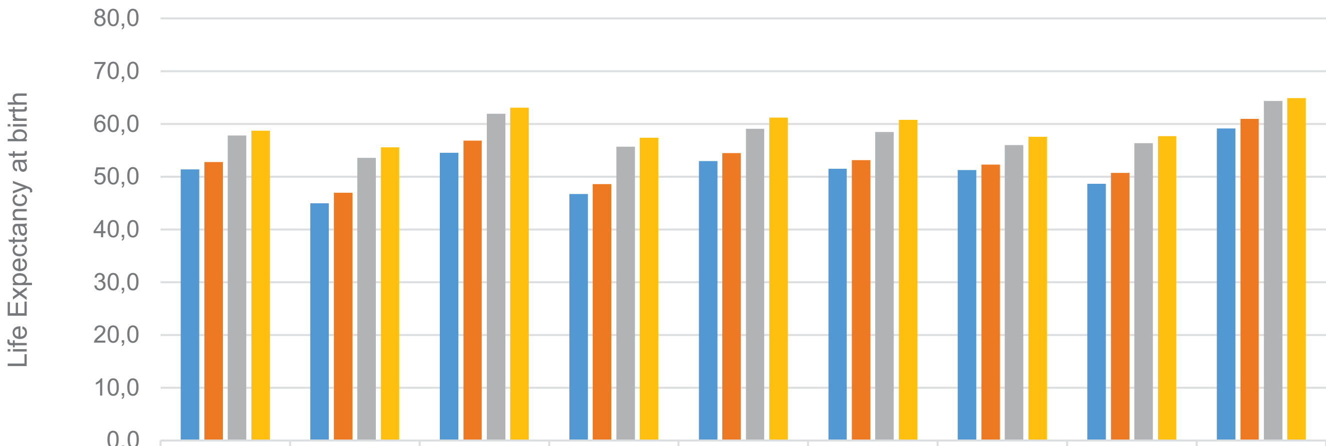


	EC	FS	GP	KZN	LP	MP	NC	NW	WC
2001-2006	56,5	49,0	59,9	52,1	59,5	55,7	56,9	53,0	64,0
2006-2011	56,8	49,1	59,9	52,5	59,6	55,9	57,0	53,1	65,4
2011-2016	64,3	58,7	66,2	60,9	64,7	63,8	62,0	62,6	70,3
2016-2021	66,3	62,0	68,7	64,6	67,2	66,8	64,8	65,0	71,0

Source: StatsSA, 2021

The provincial total fertility rates[1] as computed by StatsSA, according to the StatsSA data (2021), there is a notable decline in the total fertility rate, when compared to the period 2001-2006. Whilst, in the province the trend is similar and declining. Northern Cape during period of 2011-2016, a woman would have 2.83 children in her lifetime, whilst for the period 2016-2021, the statistical body anticipates that on average this has dropped to 2.71 children during her life. Only the Limpopo province is expected to have a TF rate above 3.00, contextually inferring that a woman of child-bearing age, in that province would have three children, during 2016-2021 (see Figure 6).

Figure 4: South Africa's Male Life Expectancy



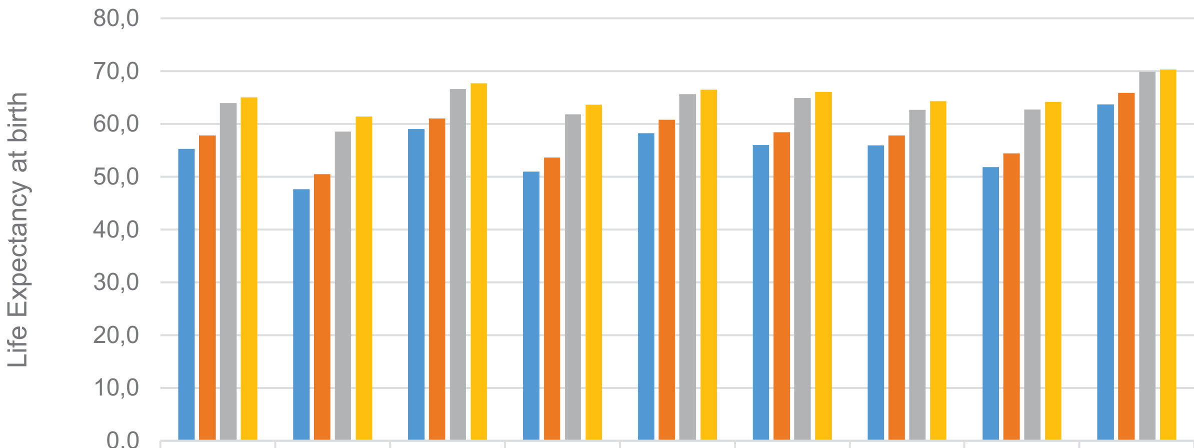
	EC	FS	GP	KZN	LP	MP	NC	NW	WC
2001-2006	51,4	45,0	54,5	46,7	52,9	51,5	51,3	48,7	59,2
2006-2011	52,8	47,0	56,8	48,6	54,5	53,2	52,3	50,7	60,9
2011-2016	57,8	53,6	61,9	55,7	59,1	58,5	56,0	56,3	64,3
2016-2021	58,7	55,5	63,1	57,4	61,2	60,8	57,6	57,7	64,9

Source: StatsSA, 2021

There is general improvement in the life expectancy at birth for both the female and the male cohort. Notably, StatsSA estimates the male life expectancy to be at 62 years, while that of a female at 67 years. There is an average 5-year gap in life expectancy between males and females in South Africa. Free State has significantly lower life expectancy than the SA average. Whereas in the province a male's life expectancy is said to be at 57.6 years, four years below the national average of 62 years. Noteworthy, there is improvements in the life expectancy at birth for male in the province in comparative terms.

[1] Whilst the OECD defines Total Fertility Rate (TFR) as, the total fertility rate in a specific year is defined as the total nu mber of children that would be born to each woman if she were to live to the end of her child-bearing years and give birth to children in alignment with the prevailing age-specific fertility rates. It is calculated by totalling the age-specific fertility rates as defined over five-year intervals (Organisation of Economic Cooperation and Development (OECD), 2017). There's been a notable decline in the provincial TRF, and in simpler terms suggests that more and more women are having fewer children than before.

Figure 5: South African and Provincial Female Life Expectancy



	EC	FS	GP	KZN	LP	MP	NC	NW	WC
2001-2006	55,3	47,6	59,0	51,0	58,2	56,0	55,9	51,8	63,7
2006-2011	57,8	50,5	61,0	53,6	60,8	58,4	57,8	54,4	65,9
2011-2016	63,9	58,5	66,6	61,8	65,6	64,9	62,6	62,7	69,9
2016-2021	65,0	61,4	67,7	63,6	66,5	66,0	64,3	64,2	70,3

Source: StatsSA, 2021

As previously noted, there is a six-year gap in the life expectancies, with the female cohort advantaged. As such, the life expectancy of females is 6.7 years higher than that of males in the Northern Cape province. Worth noting, the Western Cape has the highest female life expectancy at 70.0 years, whereas the Free State province has the lowest female life expectancy at 61.4 years.

Table 2: Estimated provincial migration streams: 2011-2016 and 2016–2021

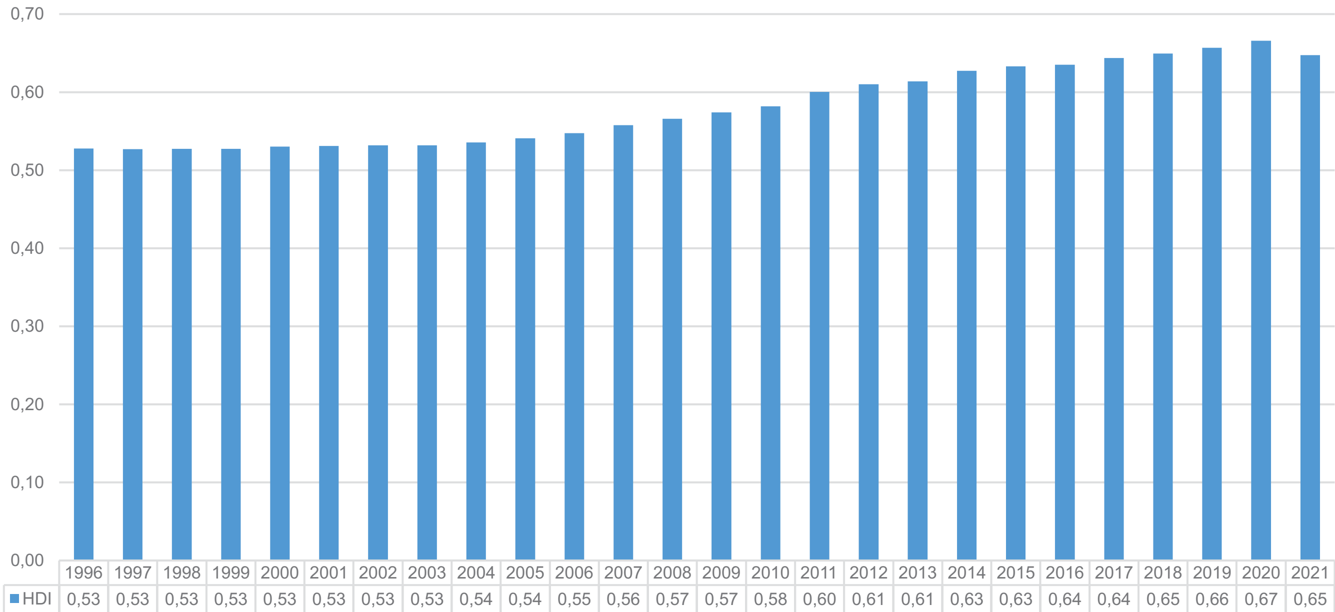
Province in 2011	**Province in 2016**											
	EC	FS	GP	KZN	LIM	MP	NC	NW	WC	Out-migrants	In-migrants	Net migration
EC	0	12 905	144 629	97 342	13 859	16 652	7 997	37 374	173 255	504 013	162 038	-341 975
FS	8 198	0	79 727	7 640	6 364	10 469	8 802	23 084	11 828	156 112	114 887	-41 225
GP	40 023	31 059	0	53 838	63 743	63 369	9 687	85 177	75 029	421 925	1 396 585	974 660
KZN	23 464	11 352	206 292	0	8 809	33 764	7 912	10 734	30 656	332 983	256 313	-76 669
LIM	4 174	5 427	322 935	7 662	0	44 311	2 411	30 224	10 591	427 734	221 176	-206 558
MP	4 585	4 755	122 234	11 521	21 398	0	2 106	12 219	8 925	187 742	243 639	55 896
NC	4 082	8 161	15 334	5 226	2 437	4 139	0	11 702	16 775	67 855	76 346	8 490
NW	4 561	10 395	95 401	5 378	17 576	10 496	20 766	0	8 004	172 579	275 690	103 112
WC	44 457	6 926	53 641	11 301	5 004	6 266	11 067	7 196	0	145 858	422 342	276 484
Outside SA (net migration)	28 493	23 908	356 392	56 405	81 987	54 172	5 599	57 981	87 278			
Province in 2011	Province in 2016											
	EC	FS	GP	KZN	LIM	MP	NC	NW	WC	Out-migrants	In-migrants	Net migration
EC	0	12 983	145 520	97 930	13 942	16 748	8 060	37 484	174 233	506 901	181 268	-325 633
FS	8 374	0	81 383	7 804	6 504	10 698	8 996	23 587	12 107	159 452	128 193	-31 259
GP	45 986	35 679	0	61 952	91 377	72 858	11 133	97 947	86 469	503 400	1 528 924	1 025 524
KZN	24 769	11 982	217 619	0	9 334	35 675	8 365	11 358	32 439	351 540	280 660	-70 881
LIM	4 367	5 665	337 324	8 019	0	46 273	2 524	31 528	11 053	446 755	271 154	-175 601
MP	4 972	5 146	132 574	12 470	23 111	0	2 286	13 226	9 657	203 441	270 874	67 432
NC	4 327	8 676	16 311	5 546	2 592	4 396	0	12 434	17 834	72 116	82 981	10 864
NW	4 971	11 291	103 662	5 849	19 067	11 394	22 591	0	8 730	187 555	306 140	118 585
WC	48 891	7 676	59 535	12 558	5 550	6 963	12 258	8 004	0	161 436	458 749	297 314
Outside SA (net migration)	34 613	29 095	434 995	68 530	99 678	65 869	6 768	70 572	106 227			
Province in 2016	Province in 2021											
	EC	FS	GP	KZN	LIM	MP	NC	NW	WC	Out-migrants	In-migrants	Net migration
EC	0	13 130	147 216	98 999	14 097	16 907	8 142	37 832	176 181	512 504	192 839	-319 665
FS	8 606	0	83 753	8 023	6 688	11 004	9 259	24 258	12 453	164 042	134 907	-29 135
GP	52 253	40 607	0	70 587	103 823	83 037	12 677	111 615	98 673	573 271	1 564 861	991 590
KZN	26 274	12 718	231 202	0	9 873	37 878	8 879	12 074	34 468	373 366	288 998	-84 367
LIM	4 598	5 959	354 909	8 447	0	48 647	2 659	33 135	11 605	469 960	281 289	-188 671
MP	5 394	5 577	143 825	13 504	25 051	0	2 482	14 343	10 465	220 641	283 137	62 496
NC	4 598	9 245	17 413	5 898	2 763	4 681	0	13 244	18 994	76 837	88 433	11 596
NW	5 407	12 274	112 809	6 359	20 723	12 386	24 594	0	9 501	204 053	320 679	116 626
WC	53 745	8 473	65 819	13 882	6 132	7 700	13 528	8 858	0	178 136	470 657	292 521
Outside SA (net migration)	31 965	26 925	407 915	63 299	92 140	60 896	6 214	65 320	98 317			

Source: StatsSA, 2020

Table 1 provides a glimpse of the South African migration streams. Noteworthy, the economic powerhouses (i.e., Gauteng and the Western Cape), continue to attract “economic” migrants. As both provinces lead in the net migration, with 1 048 440 for Gauteng and 311 004 for the Western Cape province. On the home front, there is also an increase in the province’s net migration. Which implies that there were more persons migrating to the Northern Cape (i.e. 83 008), than those leaving the province (i.e. 72 380), culminating in a net-migration of 10 642(i.e. for the period 2011-2016).

In terms of the net-migration outlook, it is expected that the net-migration to increase to around 11 554(i.e., ending 2021). Persons leaving the province, tend to migrate to the Western Cape, Gauteng and the North-West province. Whereas, the in-migrants tend to be from the North-West (i.e., 24 787) and the Western Cape with over 13 521 migrants to the province, as well as Gauteng with 12 663.

Figure 9: Provincial Human Development Index (HDI)

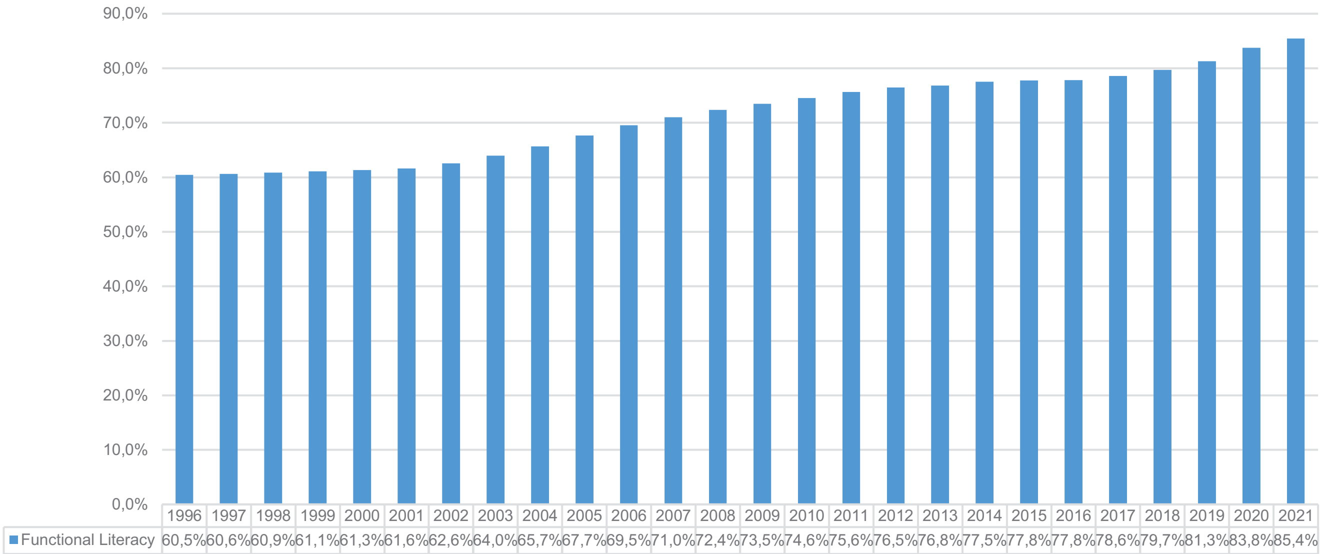


Source: IHS MarkIT, 2022

As per definition of the Human Development Index (HDI[2]), the Northern Cape province is considered to be a medium-developed region. According to the IHS Markit data, the province has as an HDI of 0.66, and has been on a slow yet upward trajectory and thus considered to be medium developed, as per the United Nations (UN) definition. Despite the slow improvement in the quality of life, there is a gradual increase over the period of review.

[2] Human development is all about people— expanding their freedoms, enlarging their choices, enhancing their capabilities and improving their opportunities. It is a process as well as an outcome. Economic growth and income are means to human development but not ends in themselves—because it is the richness of people’s lives, not the richness of economies, that ultimately is valuable to people.

Figure 10: Northern Cape Provincial Literacy Rate

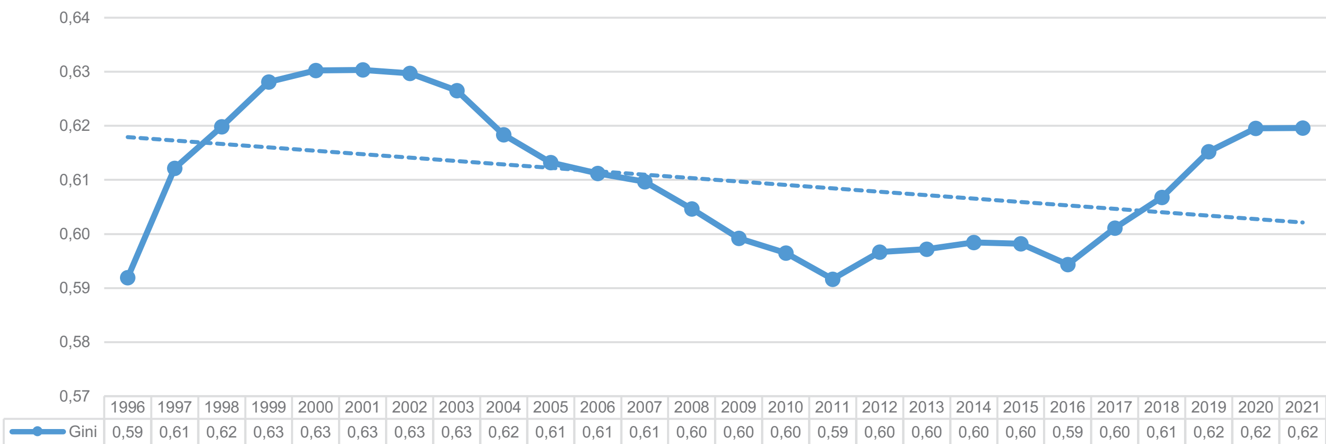


Source: IHS Markit, 2022

The functional literacy rate of those aged 15+ measures the number of people in a region who have completed their primary education (grade 7), and are thus deemed functionally literate. If someone is functionally literate, they are assumed to have a level of reading and writing skills, enabling them to manage daily life and employment.

The output can be broken down according to population group and represented as those who are literate, those who are illiterate or the percentage of people who are literate, which is commonly known as the *literacy rate*. The provincial literacy rate has been on an upward growth trajectory. IHS Markit (2022) estimate the provincial literacy rate to around 85.3% in 2021, and indicating a nine-percentage point increase when compared to 2011. This feat is indicative of the strides made through the ABET training and improvements in the number of those attending school, more so those of school going age.

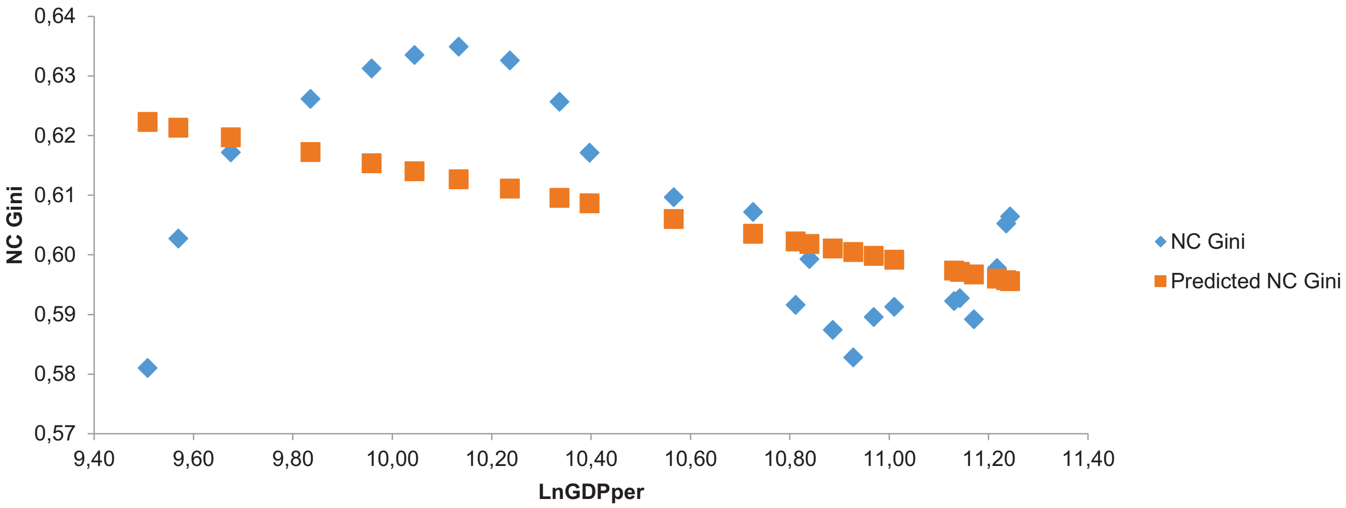
Figure 11: Provincial Gini-Coefficient



Source: IHS Markit, 2022

As depicted by the figure, the provincial income inequality measure or Gini-coefficient has increased over the period of analysis. It increased from 0.60 in 2015, to around 0.62 which amounts to a 0.02 index point increase. In laymen terms, this increase suggest that the provincial income redistribution mechanisms have been reversed, as there are more people contesting for 38% of the income generated in the province, as the ten percent earn the 62% of the provincial income, in 2021.

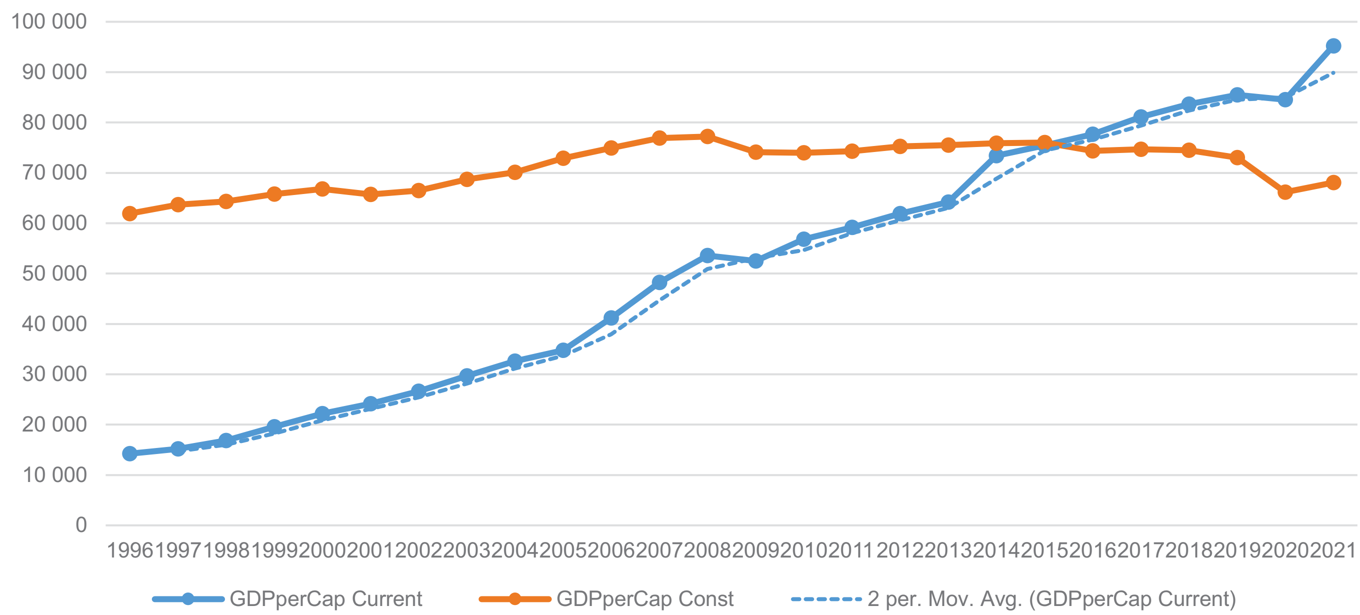
Figure 12: Northern Cape Kuznets Curve



Source: NC DEDaT,2022

Does inequality in the distribution of income increase or decrease in the course of a region's economic growth? What factors determine the secular level and trends of income inequalities? These questions were answered by Simon Kuznets, wherein he developed the Kuznets curves – contrasting the per capita income and its impact on the inequality levels. For the Northern Cape, inequality was on the decline, however, the province has turned the corner and thus increasing per capital income -

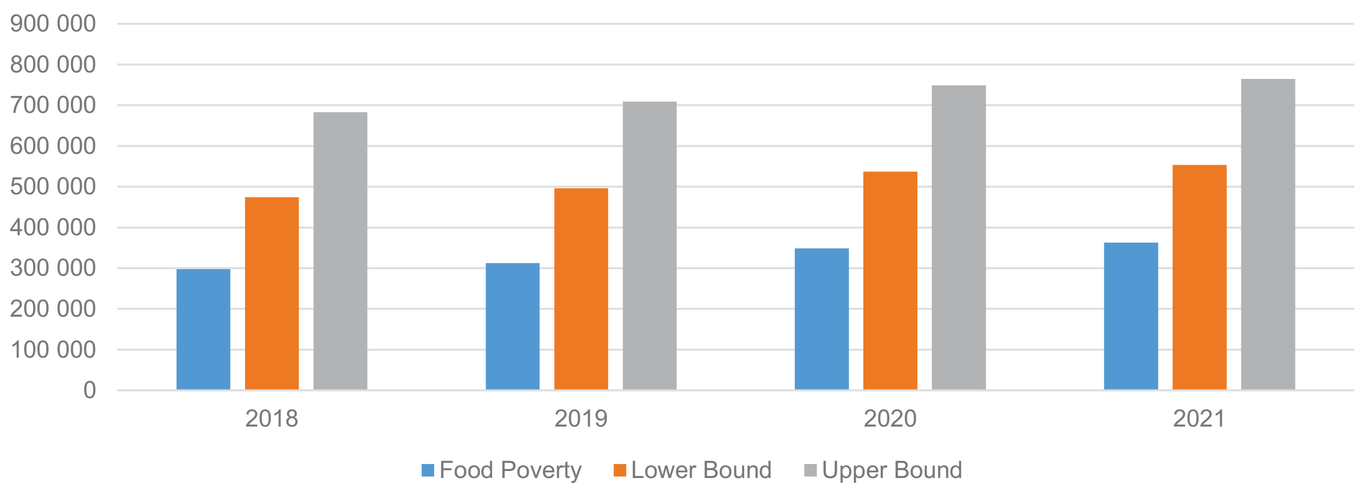
Figure 16: Northern Cape Provincial GDP per Capita - Constant prices vs Current Prices



Source: IHS MarkIT, 2021

The provincial GDP per capita as measured in constant price is declining, and noteworthy is that it discounts for inflation. Whilst there is an increase in the provincial GDP per capita as measure in nominal basis or current price.

Figure 7: Provincial poverty figures by the three measures



Source: IHS MarkIT, 2021

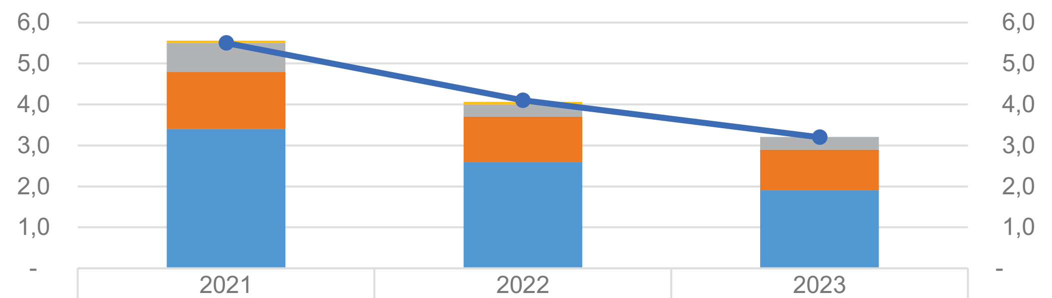
There is heightened poverty incidence experienced in the greater Northern Cape province, as depicted by the figure above. More so, with the advent of COVID-19 which has exacerbated the incidence of poverty. This can also be deducted from the decline in the per capita income for the province (see figure below). The province intensifies its quest to arrest the high rate of adult poverty, which was said to be around 53.8%, which is 4.6 percentage point higher than the national average of 49.2%. Between 2018 and 2021 there was an increase in the number of people living below the Food Poverty Line in the Province.

Similarly increases in the number of people living below the Lower-Bound and Upper-bound Poverty Lines has occurred. In 2018 those living below the Lower-bound Poverty line increased from 473 909 people to 553 233 people in 2021, a 16.7% increase. Whilst, the number of people living below the Upper-bound Poverty line increased from 683 281 people in 2018 to 765 037 people in 2021, spelling a 12.9% increase in the absolute number of those living in poverty.

Global Economic Prospects

At the start of the year, the Omicron wave of the COVID-19 virus has transmitted globally with diverse social and economic outcomes. Despite the high infection rate, many economies remained open and, with some exceptions, the economic costs of the virus continue to fall. This is even as the economic impact of the pandemic fades, the outbreak of war in February between Russia and Ukraine is expected to reduce global economic growth and contribute to higher inflation. The war will likely impair production of a wide range of energy, food and other commodities and further disrupt global trade (SARB, 2022).

Figure 15: Global Economic Prospects

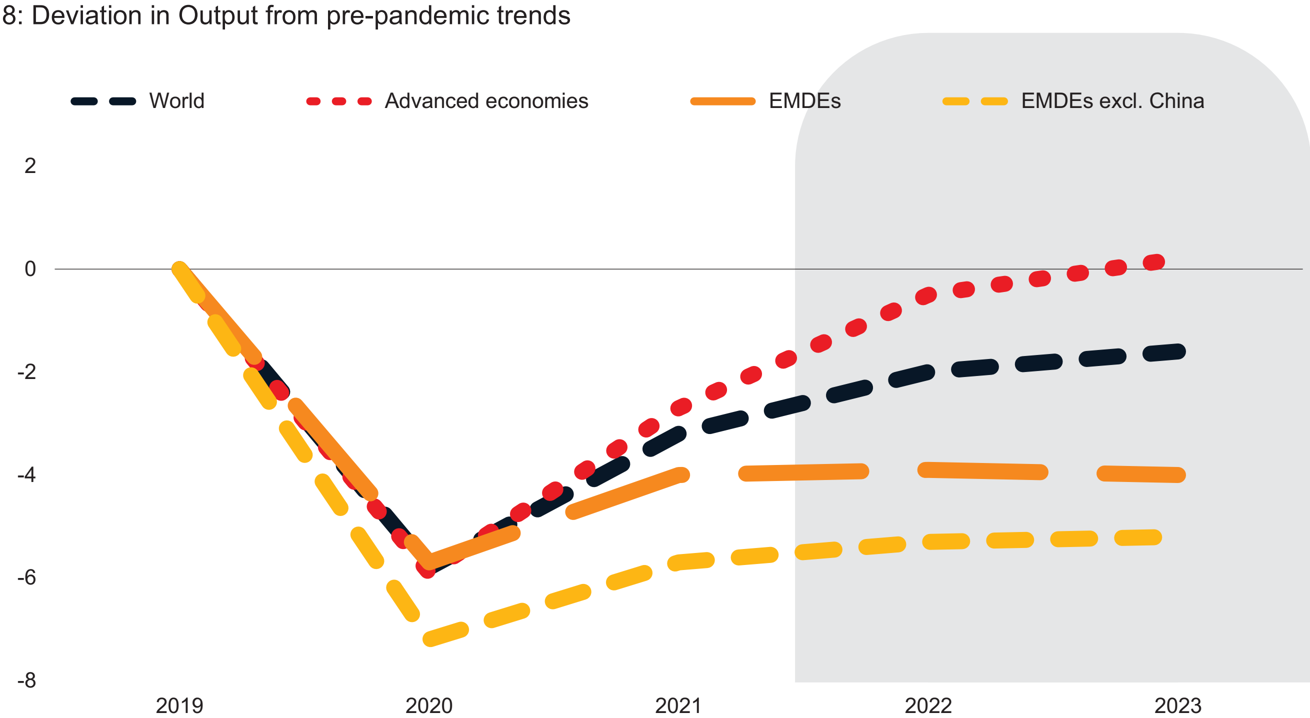


	2021	2022	2023
Other	0,06	0,06	0,01
Government consumption	0,7	0,3	0,3
Investment	1,4	1,1	1,0
Private consumption	3,4	2,6	1,9
GDP growth	5,5	4,1	3,2

Source: World Bank, 2022

Growth in advanced economies is forecast to decelerate from 5% in 2021 to 3.8 % in 2022 as the unwinding of pent-up demand only partly cushions a pronounced withdrawal of fiscal policy support. Growth is projected to moderate further in 2023 to 2.3 percent as pent-up demand is exhausted. Despite the slowdown, the projected pace of expansion will be sufficient to return aggregate advanced-economy output to its pre-pandemic trend in 2023 and thus complete its cyclical recovery. A solid rebound is projected for investment, based on sustained aggregate demand and broadly favourable financing conditions (World Bank 2022).

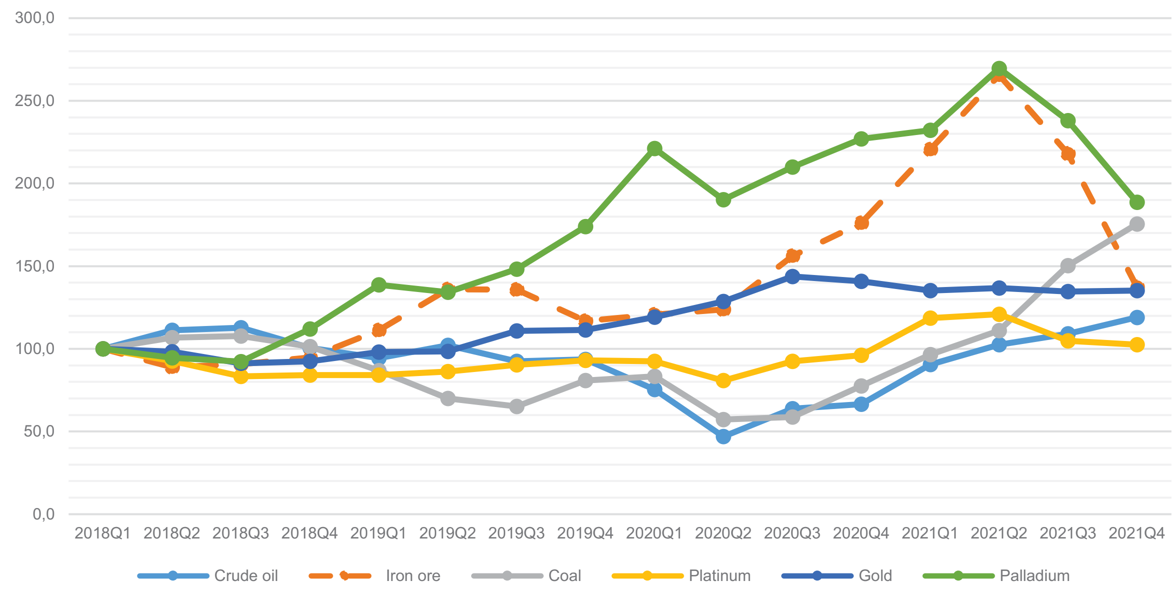
Figure 8: Deviation in Output from pre-pandemic trends



Source: World Bank, 2022

Emerging market and developing economies (EMDEs) are experiencing a weaker recovery than advanced economies, owing to slower vaccination progress, more muted policy support, and more pronounced scarring effects from the pandemic. Vaccine access remains unequal, with very low rates in low-income countries. After surprising to the upside in 2021, global inflation is expected to remain above its pre-pandemic rate this year. Investment is expected to be sharply more subdued in EMDEs than in advanced economies. In 2023, per capita incomes in nearly 40 percent of EMDEs will remain below their 2019 levels. Omicron-related economic disruptions could substantially reduce growth in 2022(World Bank, 2022).

Figure 17: Major World Commodity Prices



Source: World Bank (WB), National Treasury (NT), 2022

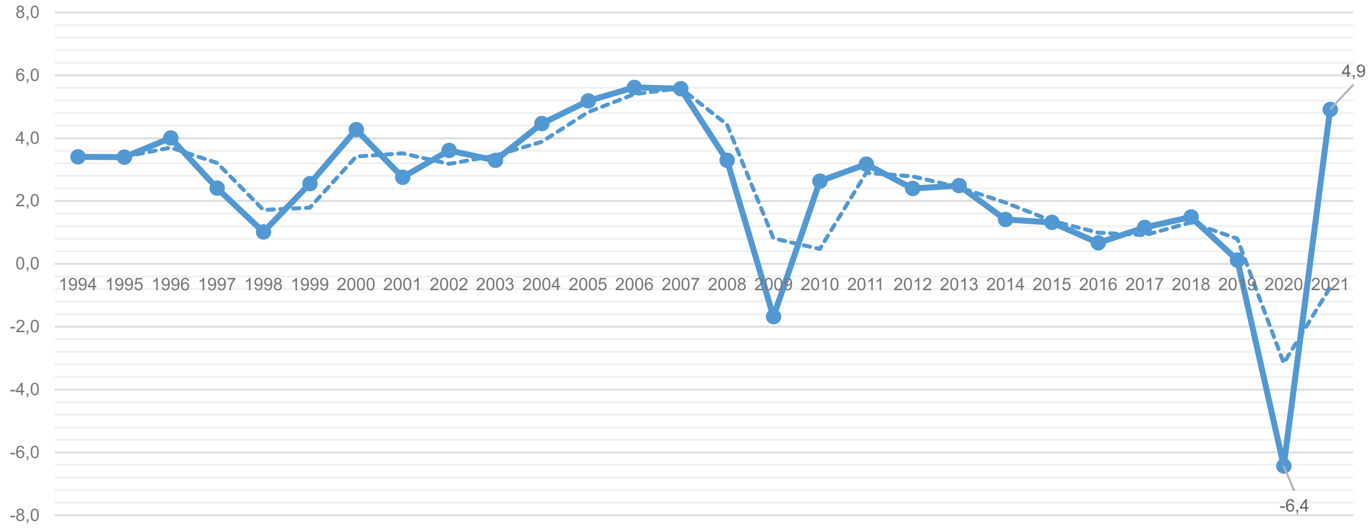
Energy prices surged in the second half of 2021, and their projected path has been revised up markedly. Natural gas and coal prices increased particularly sharply, driven by a rebound in demand and supply constraints, although coal prices receded toward the end of the year. Oil demand is expected to regain its pre-pandemic level in 2022. Metal prices have diverged, with iron ore peaking and then falling amid China's restrictions on steel production, and most base metal prices boosted by robust demand. Food prices are expected to decline slightly from recent levels, although high fertilizer prices are an upside risk (World Bank 2022).

South African Economic Performance

As South Africa begins to emerge from the shadow of COVID-19, it confronts deep-rooted social and economic problems. Foremost among these are the crises of poverty and unemployment. In essence, COVID-19 pandemic has magnified South Africa's social and economic crises, further straining the public finances. To address these realities, the national budget has to be highly redistributive (NT,2021).

Of grave concern, is the recent global restrictions placed on South Africa, at the advent of Omicron variant being discovered in the country. This was further elucidated by the outcome of the recent Monetary Policy Committee (MPC) Statement, wherein the impact of the COVID-19 continues to be a contentious matter. These restrictions could derail the country's growth prospects, as it is anticipated that the restrictions will compromise tourism as well as key value-chains in mining, agriculture and manufacturing.

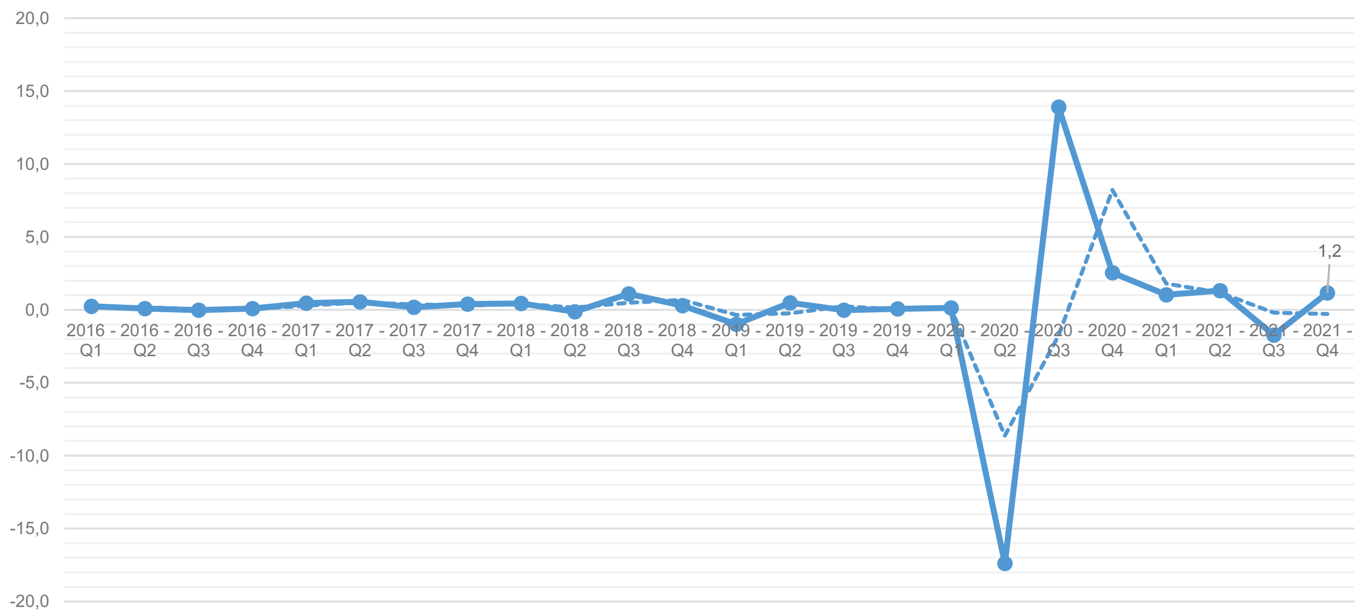
Figure 18: Gross Domestic Product (GDP) growth – Yearly



Source: StatsSA, 2022

The country's GDP figures came in closer to the predictions made by National Treasury, in its Budget Review – which estimated growth of around 4.8%. according to StatsSA, the annual increase in real GDP of 4,9% in 2021 was primarily led by higher economic activity in finance which contributed 0,9 of a percentage point based on growth of 3,7% personal services which contributed 0,8 of a percentage point based on growth of 5,3% and manufacturing which contributed 0,8 of a percentage point based on growth of 6,6%. The trade, industry increased by 6,0%, contributing 0,7 of a percentage point, and the mining industry increased by 11,8%, contributing 0,5 of a percentage point to total growth in 2021.

Figure 19: Gross Domestic Product (GDP) growth – Quarterly

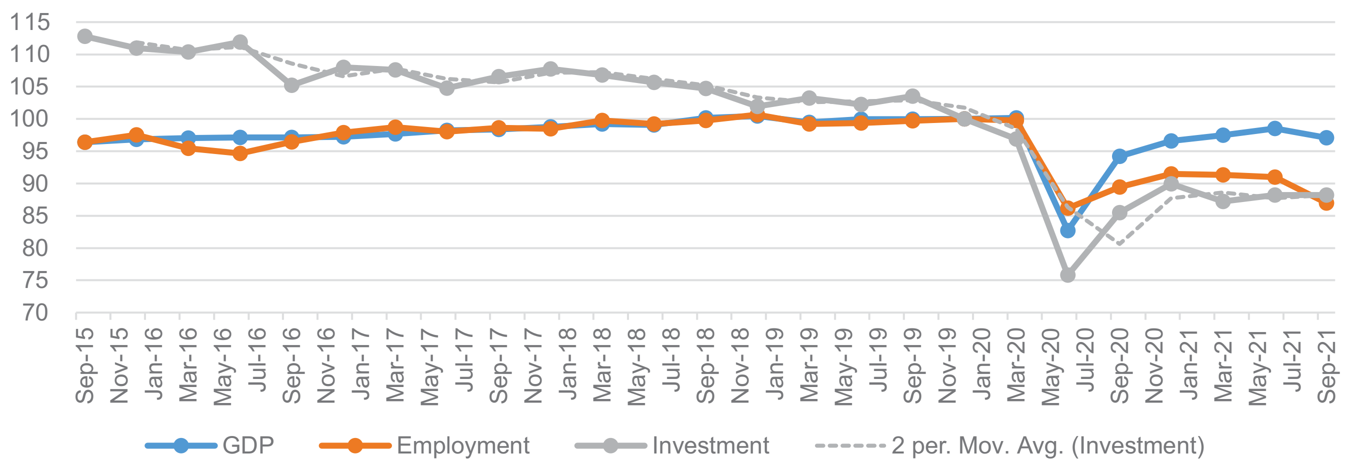


Source: StatsSA, 2022

In its recent publication of Gross Domestic Product (GDP), StatsSA estimates that the South African economy as measured by production grew 1.2%. Real gross domestic product increase by 1,2%, in the fourth quarter of 2021, following a decrease of 1,7% in the third quarter of 2021. Of the ten industries, half that is five industries recorded positive growth between the third quarter of 2021 and the fourth quarter of 2021(StatsSA,2022).

Personal services industry increased by 2,7% and contributed 0,4 of a percentage point to GDP growth. The agriculture, forestry and fishing industry increased by 12,2% and contributed 0,3 of a percentage point to GDP growth. The manufacturing industry increased by 2,8% and contributed 0,3 of a percentage point to GDP growth. The trade, accommodation and catering industry increased by 2,9% and contributed 0,3 of a percentage point to GDP growth (StatsSA, 2022).

Figure 20: South African Employment, Investment and GDP



Source: National Treasury, 2022

The South African economy grew by an estimated 4.9 % in 2021 compared to the 5.1 % earlier projected in the 2021 MTBPS. This decline in projected growth is indicative of the kink in the global economic setting due to COVID-19 resurgence. Moreover, this downward revision is a reflection of a sharp third-quarter contraction driven by a new wave of COVID-19, the outbreak of public violence in July 2021, heightened global uncertainty and modest growth expectations for the fourth quarter following renewed power cuts (National Treasury, 2022).

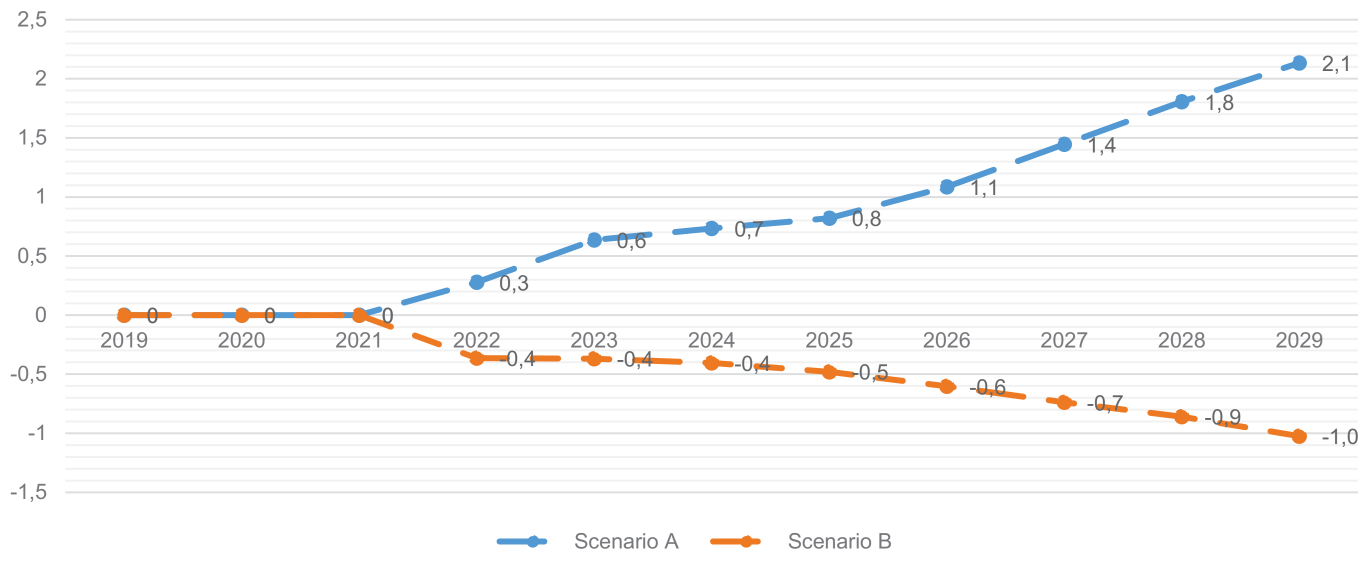
Table 3: South Africa's Macroeconomic projections

Percentage change	2018	2019	2020	2021	2022	2023	2024
		Actual		Estimate		Forecast	
Final household consumption	2,4	1,1	-6,5	5,6	2,5	1,8	2,0
Final government consumption	1,0	2,7	1,3	0,3	0,4	-2,0	-0,8
Gross fixed-capital formation	-1,8	-2,4	-14,9	1,2	3,2	3,8	4,1
Gross domestic expenditure	1,6	1,2	-8,0	4,6	2,7	1,9	1,9
Exports	2,8	-3,4	-12,0	9,3	2,9	2,8	2,7
Imports	3,2	0,5	-17,4	8,5	5,4	3,9	3,3
Real GDP growth	**1,5**	**0,1**	**-6,4**	**4,9**	**2,1**	**1,6**	**1,7**
GDP inflation	4,0	4,5	5,3	6,7	1,5	3,3	4,4
GDP at current prices (R billion)	**5 357,6**	**5 605,0**	**5 521,1**	**6 172,0**	**6 395,4**	**6 712,2**	**7 127,3**
CPI inflation	4,6	4,1	3,3	4,5	4,8	4,4	4,5
Current account balance (% of GDP)	-3,0	-2,6	2,0	3,8	0,3	-1,2	-1,5

Source: National Treasury, 2022

Commodity price movements and changes and emerging geopolitical risks also contribute to elevated uncertainty over the medium-term outlook. The initial recovery in economic growth during 2021 was not matched by higher employment or investment. Real GDP growth of 2.1% is projected for 2022, and growth is projected to average 1.8% over the next three years. Nevertheless, the growth outlook for 2022 has improved slightly since the 2021 MTBPS (National Treasury (NT) 2022). In contrast, the SARB expects the South African economy to grow by 2.0% in 2022, revised up from 1.7% at the time of the January meeting. This is due to a combination of factors, including stronger growth in 2021 and higher commodity export prices. Growth in output in the first quarter of this year is likely to be significantly stronger than expected.

Figure 21: Growth deviation from baseline GDP forecast



Source: National Treasury, 2022

According to the National Treasury (2022), scenario A represents the country's economic reforms, which indicate a more positive outlook for the country's GDP. However, the scenario B underpins the global economic hegemony taking place. The Treasury underscore Scenario B projections on the back of a Weaker global growth and more persistent global inflation, which could undermine the country's GDP growth for the long-term (see figure above).

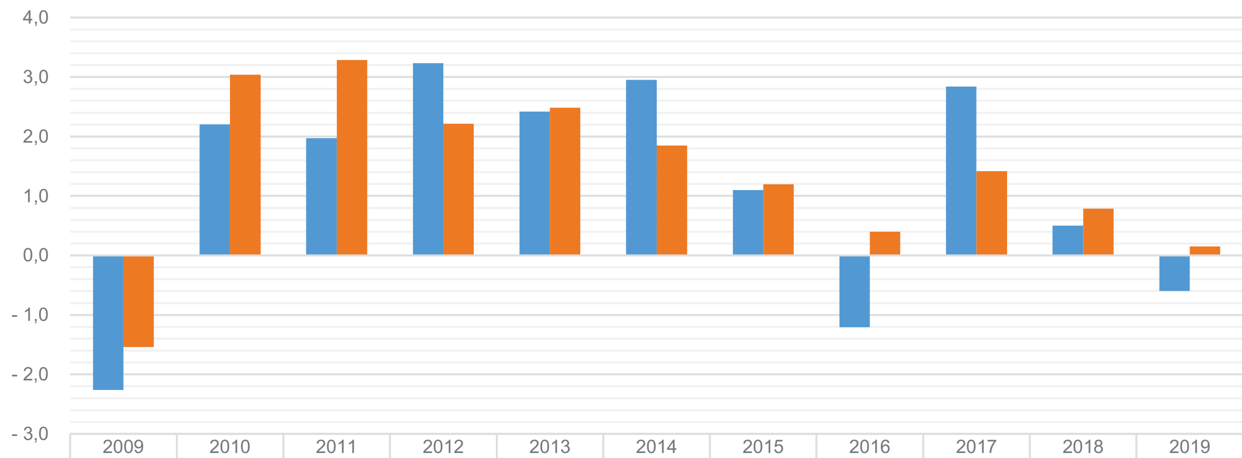
In context, the likelihood of scenario B is more apparent with the Russia-Ukraine impasse, as well as the likely impact on the commodities and thus ultimately inflation risks. The SARB articulates this more nuancedly and notes the risks to the inflation outlook are assessed to the upside. Global producer price and food price inflation continued to surprise higher in recent months and could do so again, particularly if the war in the Ukraine persists into the growing season. Oil prices increased strongly through 2021 and are up again sharply year to date, propelled higher also by the war and economic sanctions (SARB, 2022).

Northern Cape Provincial Economic Performance

IMF (2020), noted the impact of the coronavirus is having a profound and serious impact on the global economy and has sent policymakers looking for ways to respond. China's experience so far shows that the right policies make a difference in fighting the disease and mitigating its impact—but some of these policies come with difficult economic trade-offs. Moreover, according to the global body, what started as a series of sudden stops in economic activity, quickly cascaded through the economy and morphed into a full-blown shock simultaneously impeding supply and demand—as visible in the very weak economic readings of industrial production and retail sales.

The economy of the Northern Cape contracted by 0.6 per cent in 2019, which was below the national economic growth of 0.2 per cent over the same period. With the Covid-19 restrictions that were necessitated in 2020, the Northern Cape economy is also expected to have contracted in 2020, however, with fewer restrictions in 2021, we expect some recovery during this year.

Figure 22: Northern Cape and South Africa's economic growth outcomes - 2011 -2019

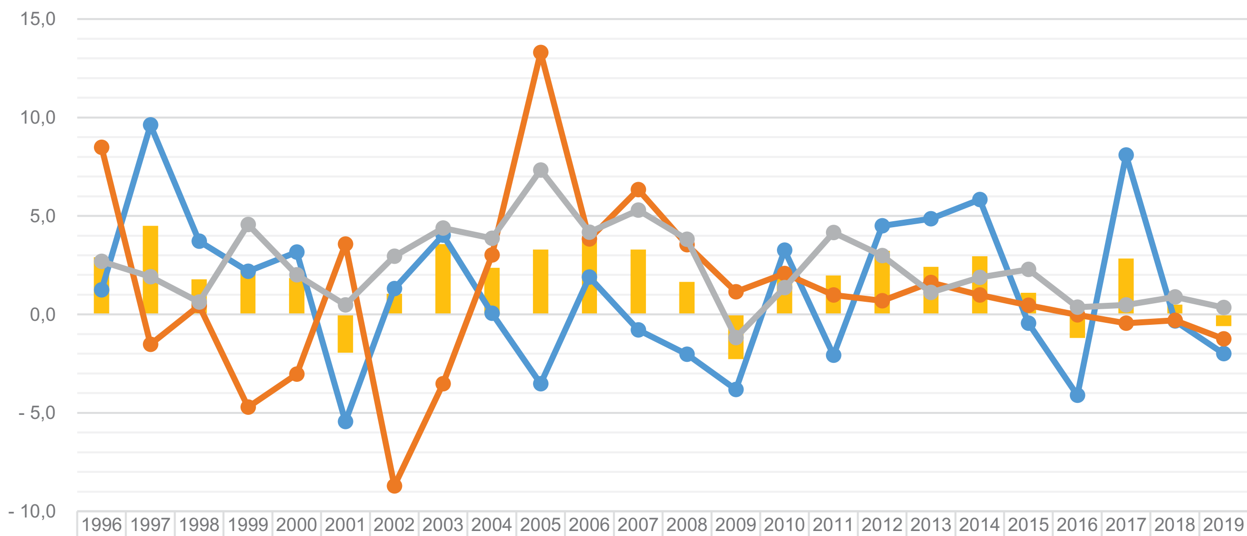


	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Northern Cape	- 2,3	2,2	2,0	3,2	2,4	3,0	1,1	- 1,2	2,8	0,5	- 0,6
South Africa	- 1,5	3,0	3,3	2,2	2,5	1,8	1,2	0,4	1,4	0,8	0,2

Source: StatsSA, 2021

According to StatsSA, the economy of the Northern Cape contracted by 0.6% in 2019, down from positive growth of 0.5% in 2018. In contrast, the country's GDP grew by a lacklustre yet positive growth in 2019, of 0.2%. The negative growth rate recorded by the province was due to the fact that seven out of the ten sectors recorded negative growth rates. This includes the biggest sector in the province which is mining, declining by -0.9% whilst only three industries that did not contract in 2019 were financial services, personal services and government services.

Figure 23: Northern Cape Sectoral growth rates - 1996 -2019



	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
GDPR	2,9	4,5	1,8	2,3	1,8	- 1,9	1,1	3,6	2,4	3,3	3,7	3,3	1,7	- 2,3	2,2	2,0	3,2	2,4	3,0	1,1	- 1,2	2,8	0,5	- 0,6
Primary	1,2	9,6	3,7	2,2	3,2	- 5,4	1,3	4,0	0,1	- 3,5	1,9	- 0,8	- 2,0	- 3,8	3,3	- 2,1	4,5	4,9	5,8	- 0,5	- 4,1	8,1	- 0,3	- 2,0
Secondary	8,5	- 1,5	0,4	- 4,7	- 3,0	3,6	- 8,7	- 3,5	3,0	13,3	3,8	6,3	3,5	1,1	2,1	1,0	0,7	1,6	1,0	0,5	0,0	- 0,4	- 0,3	- 1,2
Tertiary	2,7	1,9	0,6	4,6	2,0	0,5	2,9	4,4	3,9	7,3	4,2	5,3	3,8	- 1,2	1,4	4,2	3,0	1,1	1,9	2,3	0,4	0,5	0,9	0,3

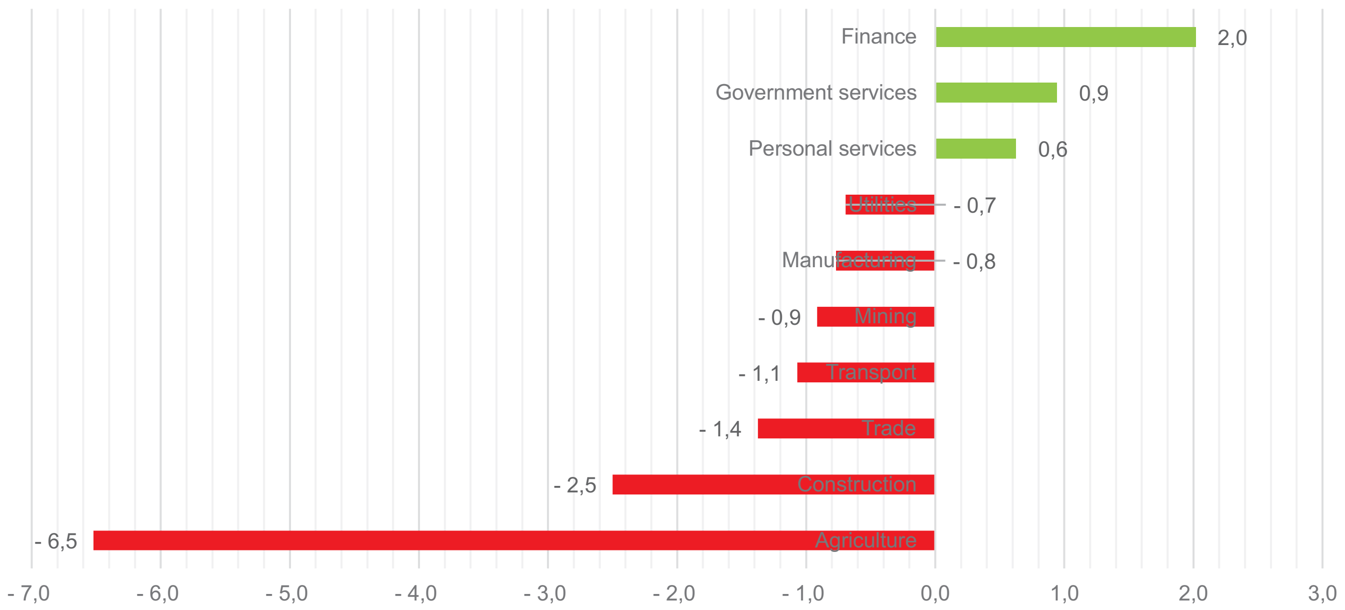
Source: StatsSA, 2021

Figure 23 denotes the historical provincial economic growth rate by the three industries. The tertiary industries are the biggest contributors to the provincial economy, followed by the primary industries with a contribution of around 26.5%. The provincial economy is estimated at R 103 billion during 2019, in nominal terms (i.e. current prices). This is a gradual growth improvement in comparison to 2018 when the provincial economy was estimated to have bridged the R 100 million mark. Whilst on the real or constant price definition, the provincial economy is estimated to be worth around R 68.4 billion. Explicating a decline of 0.6%, when compared to the constant GDP figures of 2018, wherein it recorded R 68.9 billion.

The following sectors recorded the most notable performances, in comparison between 2018 and 2019:

- Mining activities expanded by R 1.3 billion
- Trade also expanded by around R 1.1 billion
- The government services sector grew by R 859 million
- The transport service sector stretched its contribution by R 737 million
- The agriculture sector declined by R 858 million

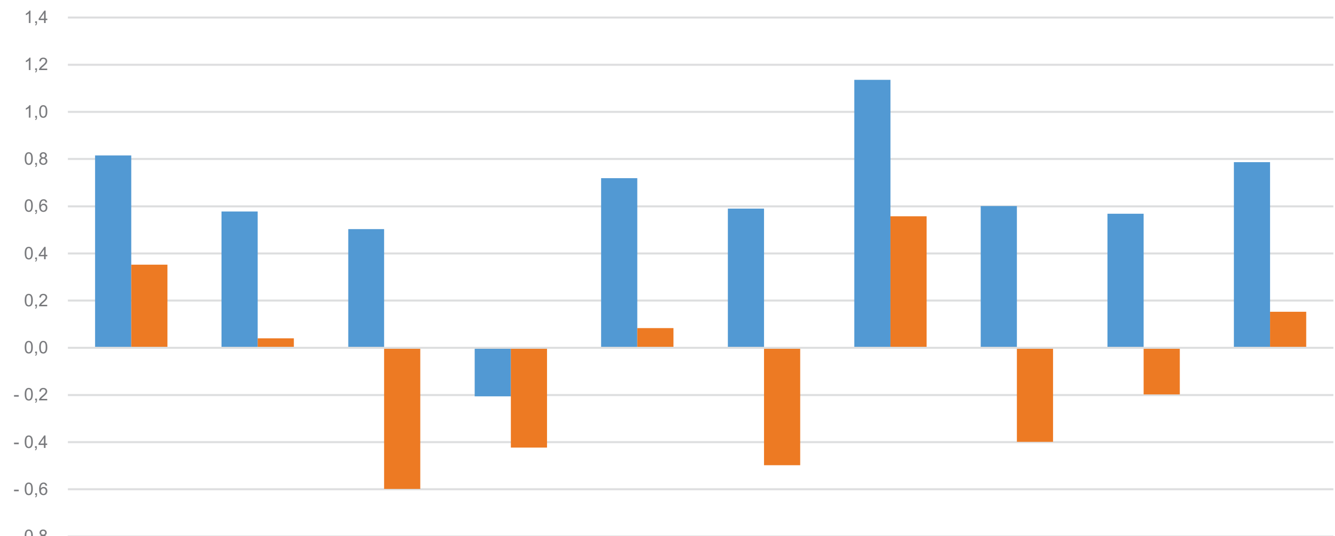
Figure 24: Northern Cape Sectoral growth rate – 2019



Source: StatsSA, 2021

The decline in the provincial economy, was at the back of seven of its economic sectors recording negative growth outcomes. Included in this was agriculture which declined by -6.5%. Second biggest sectoral decline was construction with -2.5%, whilst trade recorded a decline of -1.4%. Mining, the biggest contributor to the provincial economy also recorded a subdued -0.9%, yet impactful given the sector's contribution. Only finance, government services as well as personal services cushioned the provincial economy from a more severe decline.

Figure 25: South Africa and nine province's economic growth rates - 2018 and 2019



	Western Cape	Eastern Cape	Northern Cape	Free State	KwaZulu-Natal	North West	Gauteng	Mpumalanga	Limpopo	South Africa
2018	0,8	0,6	0,5	- 0,2	0,7	0,6	1,1	0,6	0,6	0,8
2019	0,4	0,0	- 0,6	- 0,4	0,1	- 0,5	0,6	- 0,4	- 0,2	0,2

Source: StatsSA, 2021

The Northern Cape province recorded the steepest decline in growth at -0.6%, however due to the province's smallest contribution to the South African economy at 2.2%, the impact is rather muted. On the other hand, the Gauteng province which is the biggest contributor to the South African economy, grew positively by 0.6%. ensuring the that the country did not reach the negative growth mark.

The Northern Cape Province – Mining Focus

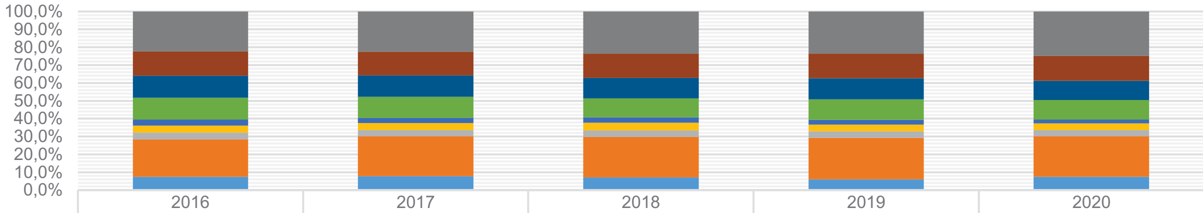
According to the (South African Institute of Race Relations (IRR), 2019), the mining industry is struggling, but it is far from dead. South Africa is the world's leading producer of platinum, vanadium, vermiculite, manganese and chromium. It is the second largest producer of ilmenite, industrial garnet, palladium, rutile and zirconium. It is also the world's third largest coal exporter, and a large producer of iron ore. Other significant minerals produced by South Africa include gold, titanium, nickel, antimony, phosphates, rare earth elements, uranium, diamonds, tin and copper ((IRR,2019).

In 2013, Northern Cape surpassed North West province to be the second largest contributor to export and total sales revenue at 23.0% and 19.5%, respectively. Mpumalanga is mainly dependent on coal as a major contributor towards minerals revenue, North West depends on PGMs, Northern Cape on diamonds, Limpopo on PGMs, diamonds, copper as well as coal and Gauteng on gold (Department of Minerals Resource 2015).

South Africa is known for its abundance of mineral resources. It is estimated to have the world's fifth-largest mining sector in terms of Gross Domestic Product (GDP) value and as such its mining companies are key players in the global industry. Furthermore, the (Department of Mineral Resource (DMR), 2014) South Africa holds the world's largest reported reserves of gold, platinum group metals, chrome ore and manganese ore, and the second-largest reserves of zirconium, vanadium and titanium (Department of Mineral Resources (DMR), 2013).

Mining in South Africa was once the main driving force behind the history and development of Africa's most advanced and richest economy. South Africa is also a huge producer of iron ore; in 2012, it overtook India to become the world's third-biggest iron ore supplier to China, the world's largest consumers of iron ore.

Figure 26: Gross Value Added by Region (GVA-R) - Sector's share of regional total (%) – Northern Cape

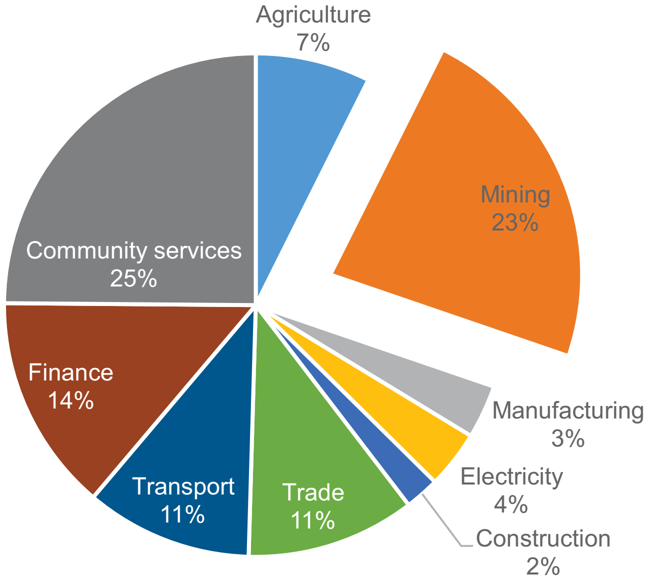


	2016	2017	2018	2019	2020
Community services	22,4%	22,6%	23,5%	23,6%	24,9%
Finance	13,6%	13,2%	13,7%	13,8%	13,9%
Transport	12,3%	12,0%	11,4%	11,8%	10,7%
Trade	12,1%	11,8%	10,6%	11,4%	10,8%
Construction	3,4%	3,0%	3,0%	2,7%	2,2%
Electricity	4,1%	3,9%	4,3%	3,9%	3,7%
Manufacturing	3,6%	3,4%	3,6%	3,5%	3,4%
Mining	21,1%	22,4%	22,7%	23,3%	22,9%
Agriculture	7,4%	7,9%	7,1%	6,0%	7,4%

Source: IHS MarkIT

The figure above denotes the sectoral contributions to the gross value addition (GVA)[3] for the Northern Cape province. Gross value-added measures the value of goods and services produced in an area, industry or sector of an economy. In terms of the GVA, the Community services sector contributes the biggest to the provincial economy, with the IHS MarkIT estimating to be around 24.9% during the tumultuous pandemic year (i.e., 2020). The community services sector is thus followed mining sector, which is estimated to contribute 22.9% in 2020. Interestingly, the Community services sector has continued surpassed the Mining sector in terms of gross value addition contribution. In 2016, the mining sector contributed around 21.1% and improved gradually to 23.3%, however, estimated to have declined to 22.9% in 2020 at the height of the pandemic.

Figure 27: Sectoral Contribution to the Provincial economy



Source: IHS MarkIT

[3] Gross value added at factor cost (formerly referred to as the GDP at factor cost) is derived as the sum of the value added in the agriculture, industry and services sectors. If the value added of these sectors is calculated at purchaser values, gross value added at factor cost is derived by subtracting net product taxes from GDP (World Bank, 2021).

According to the (South African Government News Agency(SAGNA), 2013), the rich minerals in the Northern Cape are not being maximised for the advancement of the smallest population of the largest province in the country. The Northern Cape is exceptionally rich in minerals, and the economic benefits of these resources is not being maximised for the advancement of our people. The figure above depicts the provincial sectoral contribution to the GVA, which highlights the community services sector 24.9%, followed by the mining sector at 22.9%. In contrast, the least contributors are the construction (2.2%), manufacturing sector (3.4%) and utilities (3.7%). Of concern, these three least contributors form part of the real productive or the real economy[4].

Table 4: Gross Value Added by Region (GVA-R) - Sector's share of regional total (%)

	Northern Cape	Namakwa	Pixley ka Seme	ZF Mgcawu	Frances Baard	John Taolo Gaetsewe
Agriculture	7,4%	10,5%	16,0%	10,0%	3,1%	3,8%
Mining	22,9%	34,4%	2,1%	23,5%	4,2%	60,2%
Manufacturing	3,4%	2,1%	3,6%	4,0%	4,5%	1,3%
Electricity	3,7%	1,8%	6,8%	2,4%	5,1%	2,4%
Construction	2,2%	2,2%	2,5%	2,5%	2,4%	1,2%
Trade	10,8%	11,1%	11,3%	11,0%	13,6%	5,4%
Transport	10,7%	8,6%	13,0%	9,6%	15,3%	4,2%
Finance	13,9%	10,5%	13,5%	13,9%	19,1%	7,3%
Community services	24,9%	18,8%	31,2%	23,1%	32,5%	14,1%
Total Industries	**100,0%**	**100,0%**	**100,0%**	**100,0%**	**100,0%**	**100,0%**

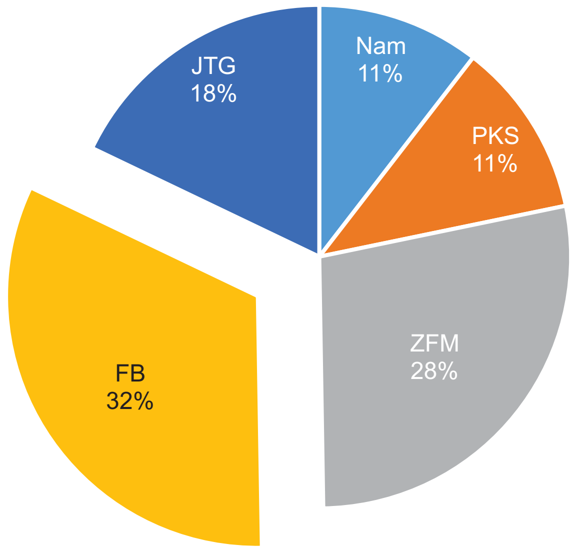
Source: IHS MarkIT

An analysis of the district's sectoral gross value-added share emphasises the significance of the mining sector. As three out of the five districts have the mining sector as its main sector, in terms of gross value addition. Frances Baard and the Pixley Ka Seme district have the community services sector as the key sector in term of gross value-addition, with 32.5% and 31.2% respectively. ZF Mgcawu, Namakwa and John Taolo Gaetsewe districts do not have the community services sector as the main but rather the mining sector, with an estimated contribution of 23.5%, 34.4% and 60.2%, correspondingly.

The John Taolo Gaetsewe district has an elevated dependence on the mining sector, with a staggering 60.2% contribution to the value-added in the district. There is a grave need for the provincial policy makers to understand the potential industrialisation of the districts with strong mining sector value-addition but a virtually non-existent manufacturing sector, such as the Namakwa (2.1%) and John Taolo Gaetsewe (1.3%). With the intent to industrialise the provincial economy, through the envisaged Northern Cape Industrial Corridor (NCIC).

[4] The real economy (represented by agriculture, mining, manufacturing and construction) made up 35% of the Northern Cape's output (TIPS, 2016).

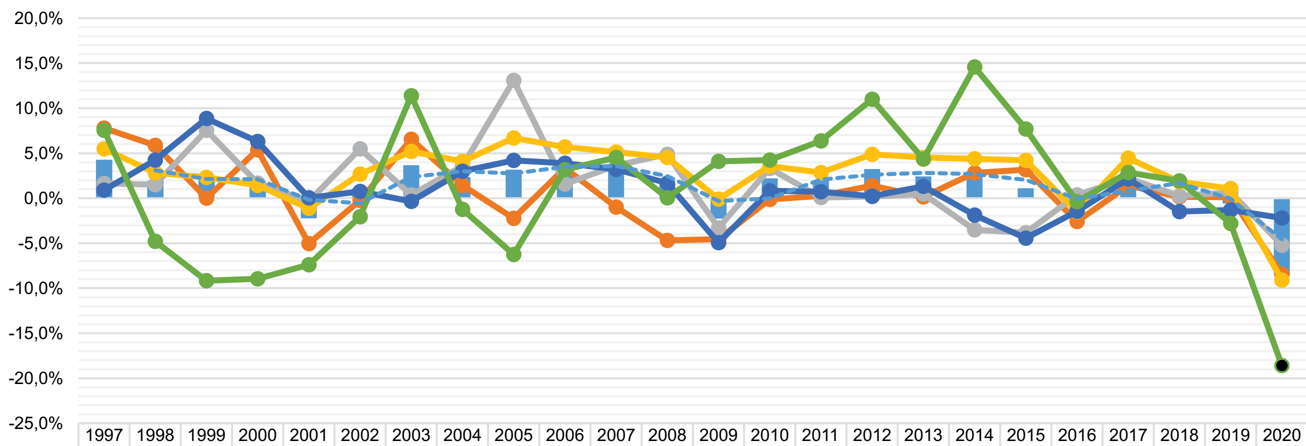
Figure 28: Gross Domestic Product by Region (GDP-R) - Contribution to the Provincial Economy – 2020



Source: IHS MarkIT

The Frances Baard district continues to be the biggest contributor to the provincial economy, with an estimated contribution of 32.0% in 2020(IHS MarkIT,2021). The Frances Baard district is thus followed by the ZF Mgcawu district with a contribution of 28.0%, as estimated. The other identified key districts, other than the ZF Mgcawu district, that is John Taolo Gaetsewe (18%) and Namakwa (11%) in the drive to industrialise the provincial economy through the Northern Cape Industrial Corridor happen to be some of least contributors (as highlighted by figure above).

Figure 29: Average annual growth (Constant 2010 Prices)

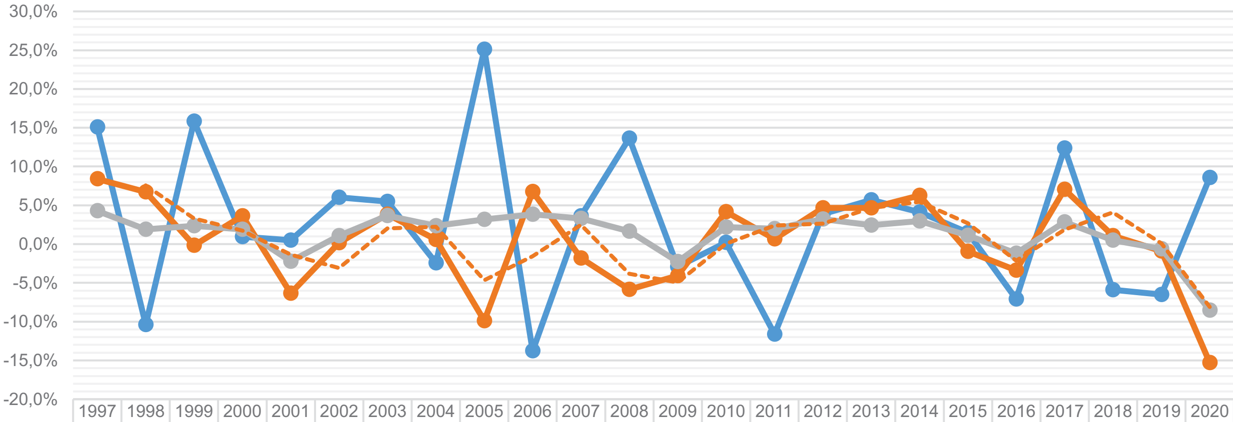


	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
NC	4,3%	1,9%	2,3%	1,9%	-2,2%	1,1%	3,7%	2,4%	3,2%	3,8%	3,3%	1,7%	-2,3%	2,2%	2,0%	3,2%	2,4%	3,0%	1,1%	-1,2%	2,8%	0,5%	-0,6%	-8,5%
Nam	7,8%	5,9%	0,0%	5,4%	-5,0%	-0,2%	6,6%	1,4%	-2,2%	3,3%	-1,0%	-4,7%	-4,5%	-0,1%	0,3%	1,4%	0,2%	2,8%	3,2%	-2,6%	1,4%	0,1%	0,1%	-8,4%
PKS	1,6%	1,5%	7,5%	1,7%	-0,4%	5,5%	0,3%	3,5%	13,1%	1,6%	3,6%	4,9%	-3,3%	3,3%	0,1%	0,2%	0,5%	-3,5%	-3,8%	0,4%	2,2%	0,2%	0,7%	-5,2%
ZFM	5,5%	2,8%	2,3%	1,4%	-1,1%	2,7%	5,2%	4,1%	6,7%	5,7%	5,1%	4,5%	-0,1%	3,6%	2,8%	4,9%	4,5%	4,4%	4,2%	-1,5%	4,4%	1,8%	1,1%	-9,1%
FB	0,9%	4,2%	8,9%	6,3%	0,0%	0,8%	-0,3%	3,0%	4,2%	3,9%	3,2%	1,7%	-4,9%	0,8%	0,7%	0,2%	1,3%	-1,9%	-4,4%	-1,5%	2,1%	-1,5%	-1,3%	-2,2%
JTG	7,5%	-4,8%	-9,2%	-9,0%	-7,4%	-2,1%	11,4%	-1,2%	-6,3%	3,2%	4,5%	0,0%	4,1%	4,3%	6,4%	11,0%	4,4%	14,6%	7,7%	-0,4%	2,8%	1,9%	-2,8%	-18,6

Source: IHS MarkIT

In the midst of the Corona pandemic, IHS MarkIT (2021) estimated the provincial economy to have declined by 8.5% in 2020. Whilst, the biggest contributor to the provincial economy in regards to districts, that is Frances Baard district, is estimated to have declined by a muted 2.2%. however, the John Taolo Gaetsewe district was impacted negatively declining by an unprecedented 18.5%. Noteworthy, growth estimates tended to be most volatile for the period reviewed, with a variation of 7.6%.

Figure 30: Average annual growth (Constant 2010 Prices) - Mining, Agriculture and GDP

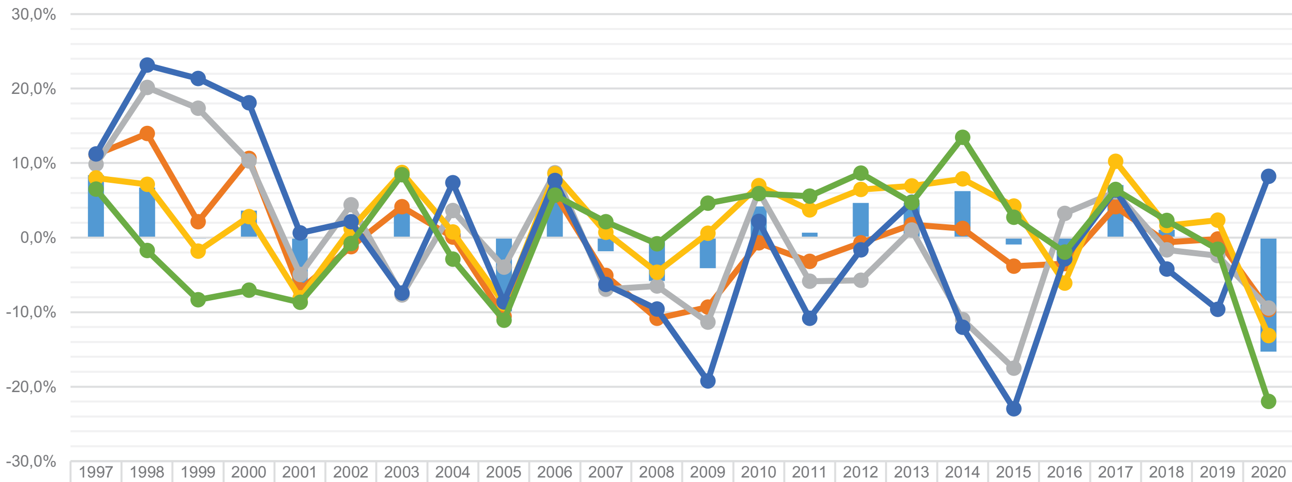


	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Agriculture	15,1%	-10,4	15,8%	0,9%	0,5%	6,0%	5,5%	-2,4%	25,1%	-13,8	3,6%	13,7%	-2,9%	0,2%	-11,6	3,9%	5,7%	4,1%	1,5%	-7,1%	12,4%	-5,9%	-6,5%	8,6%
Mining	8,4%	6,7%	-0,2%	3,6%	-6,3%	0,2%	3,8%	0,6%	-9,9%	6,8%	-1,8%	-5,8%	-4,1%	4,2%	0,7%	4,7%	4,6%	6,3%	-0,9%	-3,4%	7,1%	1,1%	-0,9%	-15,3
GDP	4,3%	1,9%	2,3%	1,9%	-2,2%	1,1%	3,7%	2,4%	3,2%	3,8%	3,3%	1,7%	-2,3%	2,2%	2,0%	3,2%	2,4%	3,0%	1,1%	-1,2%	2,8%	0,5%	-0,6%	-8,5%

Source: IHS MarkIT

The agricultural sector was the beacon of positive growth despite the woeful global pandemic and its impact on the overall economy. As the sector is estimated to have grown by a positive 8.6% growth in 2020. Whilst, the mining sector recorded the steepest declines. It is estimated that the mining sector declined 15.3%. of concern, is that the mining sector had also recorded a 0.9% decline in 2019 as reported by StatsSA, this suggesting that the sector is in remission and likely be in extended recession.

Figure 9: Average annual growth (Constant 2010 Prices) - Mining by Province and District



	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
NC	8,4%	6,7%	-0,2%	3,6%	-6,3%	0,2%	3,8%	0,6%	-9,9%	6,8%	-1,8%	-5,8%	-4,1%	4,2%	0,7%	4,7%	4,6%	6,3%	-0,9%	-3,4%	7,1%	1,1%	-0,9%	-15,3%
Nam	11,1%	14,0%	2,1%	10,6%	-7,0%	-1,2%	4,2%	0,1%	-10,6%	5,9%	-5,1%	-10,9%	-9,3%	-0,7%	-3,2%	-0,7%	1,7%	1,2%	-3,8%	-3,5%	4,1%	-0,6%	-0,2%	-9,7%
PKS	9,9%	20,2%	17,3%	10,3%	-4,9%	4,4%	-7,7%	3,6%	-4,0%	8,7%	-6,9%	-6,5%	-11,4%	6,1%	-5,9%	-5,7%	1,0%	-11,0%	-17,5%	3,2%	6,1%	-1,7%	-2,4%	-9,4%
ZFM	8,0%	7,2%	-1,8%	2,8%	-8,1%	1,2%	8,7%	0,8%	-8,9%	8,6%	0,7%	-4,7%	0,6%	7,0%	3,7%	6,4%	6,9%	7,9%	4,2%	-6,1%	10,2%	1,6%	2,3%	-13,1%
FB	11,2%	23,1%	21,4%	18,1%	0,6%	2,1%	-7,4%	7,4%	-8,6%	7,6%	-6,3%	-9,6%	-19,3%	2,2%	-10,9%	-1,7%	4,8%	-12,1%	-23,0%	-2,8%	6,4%	-4,2%	-9,6%	8,2%
JTG	6,5%	-1,7%	-8,4%	-7,0%	-8,7%	-0,8%	8,4%	-2,9%	-11,1%	5,7%	2,1%	-0,8%	4,6%	5,9%	5,5%	8,7%	4,7%	13,4%	2,7%	-1,9%	6,5%	2,3%	-1,6%	-22,0%

Source: IHS MarkIT

Figure 31 depicts the Average annual growth (Constant 2010 Prices) as estimated by IHS MarkIT, depicting the Mining sector's performance both by Province and Districts. The district with magnanimous dependence on mining sector, that is the John Taolo Gaetsewe district noted a staggering decline of -22.0%, as estimated by IHS MarkIT. Similar, to the provincial picture the John Taolo Gaetsewe district mining sector is seemingly in an extended recession, as it also noted a negative growth of -1.6% in 2019. The ZF Mgcawu and Namakwa mining sector's recorded elevated declines in 2020, at -13.1% and -9.7%, respectively.

Northern Cape Labour Market Analysis

Quarterly Labour Force Survey (QLFS) for the third quarter of 2021 show that the number of employed persons decreased by 660 000 in the third quarter of 2021 to 14,3 million. The number of unemployed persons decreased by 183 000 to 7,6 million compared to the second quarter of 2021. The number of discouraged work-seekers increased by 545 000 (16,4%) and the number of people who were not economically active for reasons other than discouragement increased by 443 000 (3,3%) between the two quarters resulting in a net increase of 988 000 in the not economically active population.

Table 5: Northern Cape Labour Market Characteristics

Northern Cape	Jul-Sep 2020	Oct-Dec 2020	Jan-Mar 2021	Apr-Jun 2021	Jul-Sep 2021	q-on-q	
						% Change	Difference
Population 15-64 yrs	**812**	**816**	**815**	**817**	**819**	0,2%	1 917
Labour Force	**373**	**431**	**409**	**357**	**366**	2,7%	9 641
Employed	287	308	313	256	275	7,3%	18 836
Unemployed	86	124	96	100	91	-9,2%	-9 195
Not economically active	439	384	406	461	453	-1,7%	-7 724
Discouraged work-seekers	91	74	98	125	137	9,3%	11 609
Other	348	311	309	335	316	-5,8%	-19 333
Rates (%)							
Unemployment rate	23,1	28,7	23,4	28,1	24,9	-11,4%	-3,2
Employed / population ratio (Absorption)	35,3	37,7	38,4	31,4	33,6	7,0%	2,2
Labour force participation rate	45,9	52,9	50,2	43,6	44,7	2,5%	1,1

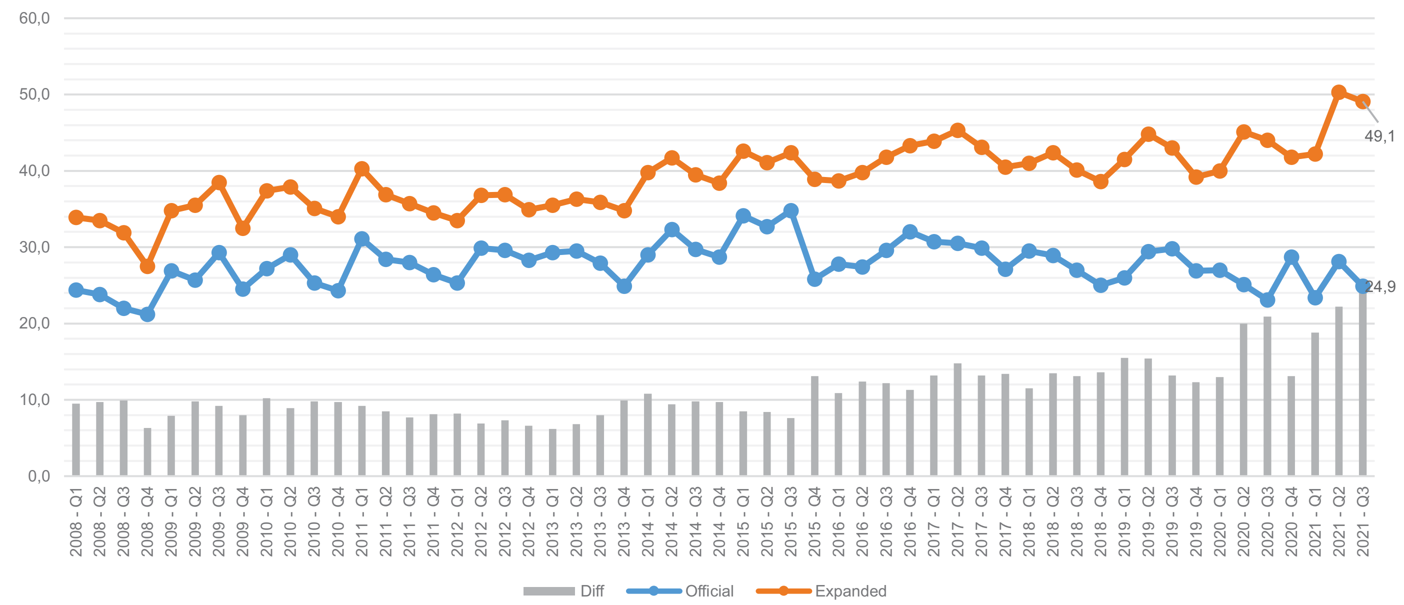
Source: StatsSA (2021)

These changes resulted in the official unemployment rate increasing by 0,5 of a percentage point from 34,4% in the second quarter of 2021 to 34,9% in the third quarter of 2021 - the highest since the start of the QLFS in 2008. The unemployment rate according to the expanded definition of unemployment increased by 2,2 percentage points to 46,6% in quarter 3 2021 compared to the second quarter of 2021.

Conversely, the provincial unemployment rate has declined over the same period of analysis, declining by 3.2 percentage points, when compared to the second quarter of 2021, estimated 28.1%. The provincial unemployment rate for the third quarter is estimated at 24.9% (StatsSA). Importantly, the unemployment numbers declined by almost ten thousand (i.e., around 9 195), to around 91 000, in contrast to over 100 000 unemployed, in the second quarter. The province should be cautiously optimistic about the low official unemployment rate, as the expanded unemployment rate according to the expanded definition of unemployment still hovers around the fifty percent unemployment rate at 49.1% in third quarter 2021. It should however be noted that the expanded unemployment rate also declined by around 1.2 percentage to the second quarter.

The provincial labour participation rate[5] increased marginally by about 1.1 percentage point, whereas the provincial ability to absorb labour (i.e., Absorption rate[6]) also increased 2.2 percentage point, on a quarter-on-quarter basis. Despite, the increased labour absorption appetite there was an increase in the number of the discouraged work-seekers by 11 609 (up by 9.3%) for the period of analysis. Year-on-year the discouraged work-seekers increased by a staggering 45 331.

Figure 32: Northern Cape Official and Expanded Definition of Unemployment rates



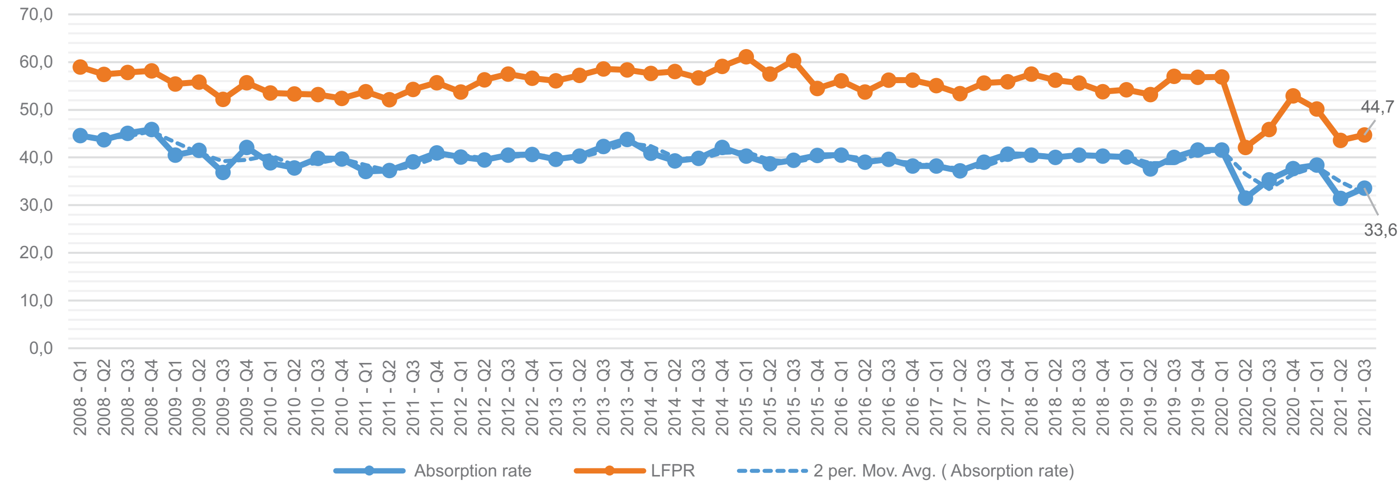
Source: StatsSA (2021)

Figure above depicts the provincial unemployment rate, as per the two measures, that is expanded and official. The provincial official unemployment rate is estimated at 24.9%, having declined from 28.1% in the second quarter. Whilst, the expanded definition measure also declined to record unemployment rate of 49.1%, there is significant divergence in the two measures. This could be related to the increases in the number of the discouraged work-seekers.

[5] Labour force participation rate is the proportion of the working-age population that is either employed or unemployed.

[6] Absorption rate is the proportion of the working-age population that is employed (StatsSA).

Figure 10: Labour Force Participation Rate (LFPR) and Absorption rate

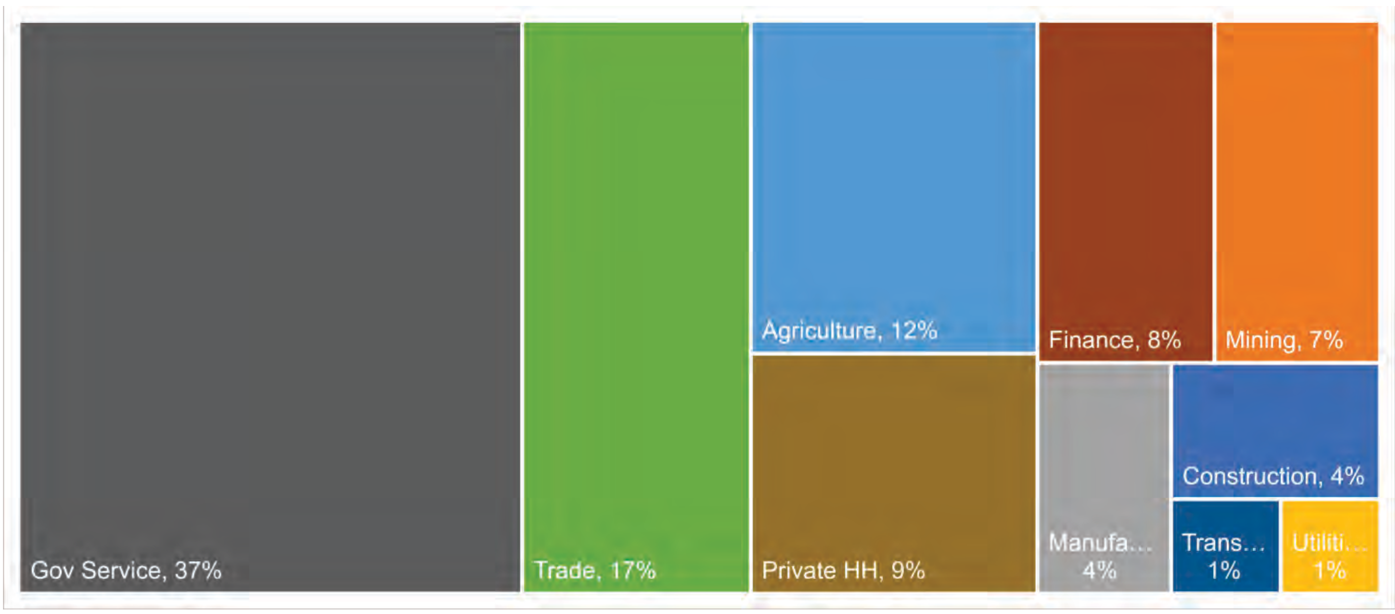


Source: StatsSA (2021)

Figure10 above illustrates the participation rate as well as the absorption rate. Interestingly both measures declined in the second quarter, with the absorption rate declining from 38.1% in the first quarter to around 31.4% in the second quarter. And further improved to 33.6% in the third quarter of 2021. However, the below par absorption rate suggest that the provincial employment ability is somewhat waned and thus could hamper the employment opportunities. Also, the decline in the labour participation rate, from 50.2% to 43.6%, points to the lack of employment opportunities. As it is, StatsSA estimates the provincial labour participation rate to be around 44.7%

As according to the (ILO,2016), the labour force participation rate is a measure of the proportion of a country's working-age population that engages actively in the labour market, either by working or looking for work; it provides an indication of the size of the supply of labour available to engage in the production of goods and services, relative to the population at working age ILO (2016). Thus, in essence, the 44.7 labour participation rate infer that only four out ten persons willing and able to work, is in employment.

Figure 11: Northern Cape Provincial Employment Contribution by Sector



Source: StatsSA (2021)

The formal sector in South Africa accounts for 67,4% of total employment which is similar to the Northern Cape at 72% of the employed. For the period of review the formal employment sector employment increased by over 9 500 employment entrants. Followed by private households, which recorded increases of over 6 300, in its employment cohort. Moreover, sectoral employment analysis highlights that private households had the highest employment increase, with an estimated 6 353 or 35.5% employment growth, quarter-on-quarter. The sector is followed by the trade and finance sectors, with 5 907 and 5 760, respectively. More of significance, is that the trade sector is second biggest employing sector in the province, with an estimated employment contribution of around 16.8% (or 46 244 of total employment).

Table 2: Northern Cape Sectoral Employment Movement

	q3 2021	q4 2021	q1 2022	q2 2022	q3 2022	Q-on-Q %	Q-on-Q
Agriculture	28	28	39	31	34	10,2%	3 125
Mining	34	32	28	18	20	12,3%	2 185
Manufacturing	9	14	20	11	11	-1,0%	-110
Utilities		1	3	1	3	428,2%	2 685
Construction	16	20	11	19	10	-47,5%	-9 086
Trade	43	46	40	40	46	14,6%	5 907
Transport	7	7	9	5	4	-26,8%	-1 338
Finance	27	37	31	16	21	36,8%	5 760
Community Service	107	106	119	98	102	3,4%	3 353
Private Households	15	17	11	18	24	35,5%	6 354

Source: StatsSA, 2021

Government services sector remains the biggest employer in the province, with an estimated 102 000 in its employ accounting for 38% of the employed. Employment increased by 3 353. The construction sector saw a decline in its employment cohort, declining by 9 086, on a quarter-on-quarter basis. This is indicative of the slowness on investment in the “Brown and Greenfields” projects, as well as a declining spending ability by households.

2.2.2. Service Delivery Improvement Plan

Annual Progress Report: 2021/2022

The Department of Public Service and Administration (DPSA) is currently reviewing the Service Delivery Improvement Plan (SDIP) Directive. The SDIP cycle was not aligned to the MTSF period and while the review process is underway, DPSA plans to allow for the alignment of the SDIP with the MTSF.

In light of this and following DPSA guidelines, a SDIP for 2022- 2025 will be developed. The maintenance of the Key service: The Support & Assistance of Small Business Enterprises and Co -operatives in accordance to Strategic Plan and APP will be considered. While the SDIP for 2022- 2025 is in the process of being developed, we need to note that DEDaT strives to provide good quality service to all service beneficiaries and can report on zero complaints of poor service delivery by small business enterprises and co-operatives for this reporting period.

SERVICE DELIVERY IMPROVEMENT PLAN (SDIP) 2018- 2021

The Department developed a Service Delivery Improvement Plan (SDIP) for the 2018 – 2021 cycle. The primary objective of the SDIP was to develop and implement service improvement standards for the key service with focus on aspects that hinder effective service delivery to beneficiaries in order to ensure value and impact. The secondary objectives of the SDIP were to:

- Outline the services provided by the department
- Identify a key service that the department will focus on improving
- Identify shortcomings/gaps with regard to the delivery of the key service
- Identify the service beneficiaries of the key service
- Identify and utilise the baseline standards of service in order to develop desired service standards for the key service

The Key Service

The SDIP 2018- 2021 focused on one key service namely:

- The **Support and Development of enterprises (SMMEs & Co - operatives) across all sectors identified in the PGDP (PDP)** which involves three (3) Programmes within the Department namely:
  - Programme 2: Integrated Economic Development Services (IEDS),
  - Programme 3: Trade and Sector Development, and
  - Programme 6: Tourism.
- The choice of key service was based on the fact that it is core to the department's mandate of economic development.

The support and development of SMMEs and Co-operatives included:

- Assisting SMMEs with new business registrations,
- Development of business plans,
- Business marketing and branding
- Appraisals of business plans submitted to funding agencies,
- Facilitation of market access through exhibitions and trade fairs,
- Provision of grant funding from EGDF, and
- Training on financial and business management skills.
- Product development
- BBBEE certification
- Linkage to Private and public Procurement opportunities

Main Services and Standards

Main services	Beneficiaries	Current / Actual Standard of Service	Desired Standard of Service	Actual Achievement
Provision of support and development services to enterprises to ensure sustainable business and/or for them to create permanent employment opportunities.	SMMEs & Co-operatives across all sectors identified in the PGDP (PDP)	Number of Tourism Industry Interventions, investment initiatives supported, companies exposed to export markets & small business enterprises assisted.	Increase in the number of Tourism Industry Interventions, investment initiatives supported, companies exposed to export markets & small business enterprises assisted.	14 Tourism industry interventions held
				16 Investment initiatives supported.
				12 initiatives to promote exports.
				25 Companies exposed to export markets.
				One hundred and seven (107) enterprises across the province were supported with funding through the Economic Growth and Development Process (EGDF) process as follows: • Pixley Ka Seme District – 17; • Z F Mgcawu District -18; • John Taolo Gaetsewe District – 25; Namakwa District– 20 • Frances Baard District – 27.
				487 Enterprises assisted through: - business plan appraisals and - Facilitation of access to finance from various sources, as well as - facilitation of access to markets. - CIPC related services.

Batho Pele Arrangements with beneficiaries

Current Arrangement	Desired Arrangement	Actual Achievement
Consultation Improving consultation with customers, stakeholders and service delivery partners.	Regular stakeholder consultative meetings and interactions.	Customer satisfaction questionnaires used to analyse client satisfaction
	Workshops, Business Seminars, Individual visits, Trade Expos, trade fact sheets, Investment promotion missions, Investment conferences and exhibitions. (Some Virtual)	Consultation arrangements with customers took the form of Workshops, Business Seminars, individual visits, Trade Expo's, stakeholder meetings, conferences, exhibitions and investment promotion missions.
	Completed projects profiles/ fact sheets by business sector stakeholders.	Regular stakeholder consultative meetings and interactions.
Access Improving access to services for enterprises in all regions	Full access to office via adequate signage, email, memoranda, telephonically, meetings and face-to-face presentations which comply fully with the Batho-Pele principle of access 2006 (PSC).	Full access to office via adequate signage, email, memoranda, telephonically, meetings and face-to-face presentations which comply fully with the Batho-Pele principle of access 2006 (PSC).
	Appropriate referrals of clients to other stakeholders.	- Enterprises referred to SEDA for assistance with Business Plan development and business skills development. - Enterprises referred to SEFA & NEF for financial support.
	Official meetings as required.	CIPC offers access to services ranging from company registrations, filing of annual returns, director amendments to company amendments.
	Creation of more service points, through workshops and seminars in the districts on a quarterly basis.	Creation of more service points, through workshops and seminars in the districts on a quarterly basis.
Openness & Transparency Marketing of departmental services for enterprises in all regions.	Regular awareness programmes and virtual sessions advising enterprises on DEDaT services available to them.	Regular awareness programmes advising tourism enterprises of DEDAT services available to them.
		Advertise services in local newspapers.
		Reviewed booklet Stakeholder information (services & products) to be printed and disseminated to all enterprises including those in rural areas.

Service Delivery Information Tool

Current/actual information tools	Desired Information Tools	Actual Achievements
Documentation relevant to services offered to enterprises to be made available on the departmental website and the Tourism e-newsletter for easy access.	- Updated departmental website - Tourism Newsletter	- Updated departmental website - Tourism Newsletter
Services are promoted during encounters with customers such as at public events, Imbizos, walk-ins and development and empowerment workshops (some virtual)	Services are promoted during encounters with customers such as at public events, Imbizos, walk-ins and development and empowerment workshops (some virtual).	- Services are promoted during encounters with customers such as at public events, Imbizos, walk-ins and development and empowerment workshops. - An Investment Booklet was printed for distribution to stakeholders.
Information on departmental services as well as opportunities that are available for businesses available on departmental website.	Information on departmental services as well as opportunities that are available for businesses available on departmental website.	Information on departmental services as well as opportunities that are available for businesses available on departmental website.

Complaints Mechanism

Current/actual complaints mechanism	Desired complaints mechanism	Actual Achievements
Complaints relating to support and development of SMMEs will be resolved within 25 working days from the date of receipt.	- Acknowledge of receipt of complaint is done within 5 working days of receipt. - Constant feedback regarding queries electronically or in writing. - Complaints relating to support and development of SMMEs will be resolved within 25 days	- Complaints were responded to accordingly within the stipulated time frames. - No Presidential Hotline complaints were registered.

2.2.3. Organisational environment

2.2.3.1. Administration

The Economic Technical Cluster Secretariat provides technical support to the Economic Sectors. Investment, Employment and Infrastructure Cluster. The Office of the HOD (OHOD) is also responsible for coordinating the Economic Technical Advisory Committee (ETAC) which is a research and planning component, compiling research reports and analysing the High Impact Projects within the Province. The Economic Sectors, Investment, Employment and Infrastructure Development Technical Cluster Secretariat plays a role in the verification of information that must serve before the Economic Cluster.

The Financial Management Unit delivers supportive functions within the Department relating to financial accounting, management accounting, supply chain, risk and strategic management. There are a few funded posts that are still vacant in Strategy Management and Management Accounting.

Supporting functions rendered within Corporate Services include HRA&D, Communications, ICT Management, Employee Health and Wellness, Registry, Security, Labour and Legal Services.

2.2.3.2. Integrated Economic Development Services

This programme consists of three sub-programmes i.e. Enterprise Development; Regional Economic Development Services (REDS) which was formerly known as Regional and Local Economic Development (RaLED); and the sub-programme Economic Empowerment.

Enterprise Development consists of two units i.e. Enterprise Development and Corporate Development. The strategic intent of Enterprise Development is to create an enabling environment in which SMME's and Cooperatives can be developed and flourish through financial and non-financial support. The sub-programme also addresses the informal business sector to help them to 'migrate" towards sustainability and formalisation.

Regional Economic Development Services (REDS) supports the economic development, enterprise planning and implementation in the municipalities. It focuses on supporting municipal IDP's, LED Strategies, the reduction of Red Tape and Township Development. REDS also provide EPWP project support as per conditional grant.

The focus of the Economic Empowerment unit is the provision of support to HDI's to enable them to participate in the mainstream economy. The sub-programme promotes and supports these HDI's through business intelligence, skills development and enterprise development.

2.2.3.3. Trade and Sector Development

This programme is divided into three distinctive sub-programmes. They are:

- Trade and Investment Promotion which is mandated to market and promote the province as a suitable trade and investment location. Through the application of best practice methodology and focused targeting, this sub-programme will proactively seek to attract, facilitate and retain foreign investment and promote exports and market access into the Province.
- Sector Development which actively pursues catalytic interventions with snow-balling effect that could trigger development initiatives on related industries within and outside manufacturing sector. One major intervention of note is the introduction of manufacturing clusters (Mineral Beneficiation Cluster, Agro-Processing Cluster and Clothing & Textile Cluster) whose attempts are none other than encouraging the development of industries in the Province. In conjunction with economic analysis research the Sub-programme conducted on Exports Industries, inter-sectoral trade linkages and the multiplier effects of manufacturing industries, the Sub-programme became better informed on what interventions can be introduced to boost manufacturing in the Province while responding to the national call for industrial development in the country as a strategy for economic growth and job creation.
- Strategic Initiatives: This sub-programme whose strategic objective is to Identify and implement strategic initiatives within key economic sectors.

2.2.3.4. Business Regulation and Governance

The main aim of the Programme is to promote and oversee good governance of the public entities, namely the Gambling Board, Liquor Board and the Consumer Protection Authority, including the Consumer Court. On a quarterly basis, the performance and financial reports of these entities are analysed and processed. These public entities are a creation of statutes and function in accordance thereto and are held accountable by the Department through monitoring and evaluation of their strategic performance plans.
The Programme is divided into:

- Governance is mandated to provide support to public entities in order to ensure both compliance and good governance.
- Regulation Services: although it is unstaffed and unfunded, it is included in the Annual Performance Plan because it is part of the generic structures for similar units in the whole country. While the department wants to restructure and change this, it can only be done after extensive national consultation in this regard.
- Consumer Protection is mandated to promote and protect the rights of consumers in the Northern Cape Province.

2.2.3.5. Policy Research and Innovation

This Programme seeks to support and facilitate the radical transformation of the economy by developing economic policies and strategies informed by relevant economic research. It is comprised of the following sub-programmes:

- The Economic Policy Development sub-programme places greater emphasis on the alignment of provincial strategies to the National Development Plan (NDP) and the National Infrastructure Plan (NIP). It consolidates the departments inputs towards other outcomes i.e. Outcome 7 (A Vibrant, equitable, sustainable rural communities contributing towards food security for all) and skills development initiatives to Outcome 5 (A skilled and capable workforce to support an inclusive growth path).
- The Research and Development sub-programme seeks to conduct and facilitate socio-economic research that will inform planning to promote growth and development.
- In terms of the promotion of the knowledge economy and information society, Knowledge Economy and Innovation sub-programme focuses on the promotion of Management information Systems (MIS) and Enterprise Information Architecture (EIA), as key tools in the promotion of a knowledge society and economy.
- The Monitoring and Evaluation (M&E) sub-programme ensures timeous monitoring of Outcome 4 and channelling such reports to the Office of the Premier M&E Unit. Outcome 4 monitoring is of critical importance as it monitors progress on job creation. Furthermore, the sub-programme will also evaluate outcomes and impact of directly funded projects of the Department to measure value for money and the meeting of government objectives.

2.2.3.6. Tourism

The objective of the Tourism Programme is to promote and facilitate efficient tourism research and planning; to stimulate demand through tourism industry development and promotion; and the transformation of the tourism industry for inclusive economic growth and job creation.

In the year under review, the Tourism programme consisted of two sub-programmes i.e.

- Tourism Growth, and
- Tourism Development.

2.2.4. Key Policy Developments and Legislative Changes

There were no key policy developments or legislative changes in the year under review.

2.3. PROGRESS TOWARDS ACHIEVEMENT OF INSTITUTIONAL IMPACTS AND OUTCOMES

The impact statement as defined in the Strategic Plan 2020-2025, is “Sustainable and Inclusive Economic Growth and Development.”

The MTSF priority is “Economic transformation and job creation.”

The two outcomes are “Higher economic growth” and “Improved levels of employment.” The outcome indicators and targets for the period 2020-2025 are:

- Percentage growth of the provincial economy (GDP) with a targeted growth range of 2%-3%, and
- Unemployment rate reduced with a range of 24%-26%.

MTSF PRIORITY	Priority #2 Economic Transformation and Job Creation			
Outcome	**Outcome Indicator**	**Baseline**	**Five-year Target 2020-2025**	**Achievement 2021 - 2022**
Higher Economic Growth	Percentage growth of the provincial economy (GDP)	1.5%	2% - 3%	The Northern Cape recorded an average annual growth (Constant 2015 Prices) of 4,1% for 2021. *
Improved levels of employment	Unemployment rate reduced	29.4%	24% - 26%	The Northern Cape has an unemployment rate of 25% (2021) **

Source:

***Global Insight**

**** StatsSA, 2021**

Percentage growth of the provincial economy (GDP)

The provincial GDP per capita as measured in constant price is declining, and noteworthy is that it discounts for inflation. Whilst there is an increase in the provincial GDP per capita as measure in nominal basis or current price.

There is heightened poverty incidence experienced in the greater Northern Cape province. More so, with the advent of COVID-19 which has exacerbated the incidence of poverty. This can also be deducted from the decline in the per capita income for the province. The province intensifies its quest to arrest the high rate of adult poverty, which was said to be around 53.8%, which is 4.6 percentage point higher than the national average of 49.2%. Between 2018 and 2021 there was an increase in the number of people living below the Food Poverty Line in the Province.

Similarly increases in the number of people living below the Lower-Bound and Upper-bound Poverty Lines has occurred. In 2018 those living below the Lower-bound Poverty line increased from 473 909 people to 553 233 people in 2021, a 16.7% increase. Whilst, the number of people living below the Upper-bound Poverty line increased from 683 281 people in 2018 to 765 037 people in 2021, spelling a 12.9% increase in the absolute number of those living in poverty.

The economy of the Northern Cape contracted by 0.6 per cent in 2019, which was below the national economic growth of 0.2 per cent over the same period. With the Covid-19 restrictions that were necessitated in 2020, the Northern Cape economy is also expected to have contracted in 2020, however, with fewer restrictions in 2021, we expect some recovery during this year. The decline in the provincial economy, was at the back of seven of its economic sectors recording negative growth outcomes. Included in this was agriculture which declined by -6.5%. Second biggest sectoral decline was construction with -2.5%, whilst trade recorded a decline of -1.4%. Mining, the biggest contributor to the provincial economy also recorded a subdued -0.9%, yet impactful given the sector’s contribution. Only finance, government services as well as personal services cushioned the provincial economy from a more severe decline.

In the midst of the Corona pandemic, IHS MarkIT (2021) estimated the provincial economy to have declined by 8.5% in 2020. Whilst, the biggest contributor to the provincial economy in regards to districts, that is Frances Baard district, is estimated to have declined by a muted 2.2%. however, the John Taolo Gaetsewe district was impacted negatively declining by an unprecedented 18.5%. Noteworthy, growth estimates tended to be most volatile for the period reviewed, with a variation of 7.6%.

Unemployment rate reduced with a range of 24%-26%

The Quarterly Labour Force Survey (QLFS) for the third quarter of 2021 show that the number of employed persons decreased by 660 000 in the third quarter of 2021 to 14,3 million. The number of unemployed persons decreased by 183 000 to 7,6 million compared to the second quarter of 2021. The number of discouraged work-seekers increased by 545 000 (16,4%) and the number of people who were not economically active for reasons other than discouragement increased by 443 000 (3,3%) between the two quarters resulting in a net increase of 988 000 in the not economically active population. These changes resulted in the official unemployment rate increasing by 0,5 of a percentage point from 34,4% in the second quarter of 2021 to 34,9% in the third quarter of 2021 - the highest since the start of the QLFS in 2008. The unemployment rate according to the expanded definition of unemployment increased by 2,2 percentage points to 46,6% in quarter 3 2021 compared to the second quarter of 2021.

Conversely, the provincial unemployment rate has declined over the same period of analysis, declining by 3.2 percentage points, when compared to the second quarter of 2021, estimated 28.1%. The provincial unemployment rate for the third quarter is estimated at 24.9% (StatsSA). Importantly, the unemployment numbers declined by almost ten thousand (i.e., around 9 195), to around 91 000, in contrast to over 100 000 unemployed, in the second quarter. The province should be cautiously optimistic about the low official unemployment rate, as the expanded unemployment rate according to the expanded definition of unemployment still hovers around the fifty percent unemployment rate at 49.1% in third quarter 2021. It should however be noted that the expanded unemployment rate also declined by around 1.2 percentage to the second quarter.

The provincial labour participation rate increased marginally by about 1.1 percentage point, whereas the provincial ability to absorb labour (i.e., Absorption rate) also increased 2.2 percentage point, on a quarter-on-quarter basis. Despite, the increased labour absorption appetite there was an increase in the number of the discouraged work-seekers by 11 609 (up by 9.3%) for the period of analysis. Year-on-year the discouraged work-seekers increased by a staggering 45 331.

PROGRAMME 1: ADMINISTRATION

2.4 INSITUTIONAL PROGRAMME PERFORMANCE INFORMATION

2.4.1. Programme 1: Administration

Purpose

Provide strategic, leadership, management and support services to the department.

Administration's role is that of an enabler and a controller. It supports the functioning of the five implementation "arms" (Programmes 2,3,4,5 and 6) of the department whose collective responsibility is to impact on the 1st Priority of the MTSF i.e., Economic Transformation and Job Creation.

The sub-programmes are:	Purpose of the sub-programme
Office of the HOD	Management if the departmental transversal administrative programmes and the provision of economic development leadership.
Financial Management	Facilitate governance and accountability by promoting and enforcing the transparent, economic and effective management of revenue, expenditure, assets, liabilities and supply chain processes.
Corporate Services	Provide strategic, leadership, management and support services to the department that include resource management, legal matters, communication and e-governance.

Institutional Outcome/s supported by the programme:

- Higher Economic Growth

2.4.1.1. Office of the HOD

Outcomes, Outputs, Output Indicators, Targets and actual achievements table

Sub-Programme: Office of the HOD								
Outcome	Output	Output Indicator	Audited Actual Performance 2019/2020	Audited Actual Performance 2020/2021	Planned Annual Target 2021/2022	Actual Achievement 2021/2022	Deviation from planned target to actual achievement 2021/2022	Reasons for deviations
Higher Economic Growth	Managing an effective and efficient Economic Technical Cluster.	1.1.1 Proceedings of the Technical Economic Sector, Investment, Employment and Infrastructure Development Cluster.	8	6	10	8	2	Two meetings were cancelled by the Office of the Premier.
	Coordinate a departmental Economic Advisory Research Team to provide research on relevant economic sector concerns.	1.1.2 Economic Technical Advisory Committee (Think Tank) narratives.	2	1	2	2	0	None
	Provide strategic direction for decision making purposes to ensure government priorities are realized.	1.1.3 Progress on Economic Cluster Resolutions.	New	3	2	2	0	None

Sub-Programme: Office of the HOD								
Outcome	Output	Output Indicator	Audited Actual Performance 2019/2020	Audited Actual Performance 2020/2021	Planned Annual Target 2021/2022	Actual Achievement 2021/2022	Deviation from planned target to actual achievement 2021/2022	Reasons for deviations
	Analyze the progress on departmental high impact projects.	1.1.4 Analysis of High impact projects.	2	2	2	2	0	None

Office of the MEC

The department achieved 53 of the 62 indicators. Administration achieved 12 of the 17 indicators. Programme 2 achieved 6 of the 8 indicators; Programme 3 achieved 6 of the 7 indicators; Programme 4 achieved 100% (3/3); Programme 5 achieved 15 of the 16 indicators while Programme 6 achieved 100% (11/11). All activities undertaken by the Office of the MEC that required goods and services were subjected to the standard operating procedures as per the internal control mechanism of the department. Memoranda were submitted using the departmental outlook indicators as per the tabled annual performance plan. The expenditure of the Office of the MEC as a percentage of the final appropriation is at 100%. The totals are reflected in the Appropriation Statement which can be found in *Part E: Financial Information* of the annual report.

Performance Narrative for the Office of the HOD

For the 2021/2022 financial year eight (8) Proceedings of the Economic Sectors, Investment, Employment and Infrastructure Development Technical Cluster have been completed. Meetings took place on the 4th of May and 15th of June 2021. In the meeting dated 4 May 2021 two (2) items served namely a Progress report on EPWP and a Progress report on the Boegoe Bay Deep Sea Port and De Aar Logistics Hub. The EPWP progress report was not recommended to serve at the Economic Sectors, Investment, Employment and Infrastructure Development Cluster as some information was outstanding. The Progress Report on the Boegoe Bay Deep Sea Port and De Aar Logistics Hub was recommended to serve at the Economic Sectors, Investment, Employment and Infrastructure Development Cluster and was presented on 26 May 2021. In the meeting dated 15 June 2021, three (3) items served namely the Progress report on EPWP, Progress on the Implementation of the Reconstruction and Recovery Plan and Preparation for Community Networks co-operative in rural areas. The Northern Cape Provincial Economic Overview was also supposed to be presented however; the presenter could not log into the meeting. The HOD took a decision to take this item to the Economic Sectors, Investment, Employment and Infrastructure Development Cluster as well even though it was not presented to the Technical Cluster. Four (4) items were recommended to serve at the Economic Sectors, Investment, Employment and Infrastructure Development Cluster and all four (4) items have served at this platform dated 23 June 2021.

Meetings were held on 6 July, 3 August and 7 September 2021. In the meeting dated 6 July 2021, three (3) items served namely Changing the face of a city, Progress report on the Square Kilometer Array and New Natis equipment and online services. Of these items the Progress on the Square Kilometer Array and New Natis equipment and online services was recommended to serve at the Economic Sectors, Investment and Infrastructure Development Cluster and EXCO. Changing the face of the city was reverted back to the Technical Cluster as more information was required. In the meeting dated 3 August 2021, 5 items served namely, Green Hydrogen Sector, Changing the face of a city, Transport Month, Taxi Relief Fund and 24/7 Shift System for traffic officers. All of the abovementioned items were recommended to serve at the Economic Sectors, Investment, Employment and Infrastructure Development Cluster as well as EXCO. In the meeting dated 7 September 2021, only one (1) item served namely Terms of Reference for the Clusters. This item has served at the Economic Sectors, Investment, Employment and Infrastructure Development Cluster and EXCO.

In the meeting dated 9th of November 2021, only one (1) item served namely Introduction of the Northern Cape Gambling Bill & Northern Cape Liquor Board Bill. This item was recommended to serve at both the Economic Sectors, Investment, Employment and Infrastructure Development Cluster meeting as well as EXCO. It has served at the Economic Sectors, Investment, Employment and Infrastructure Development Cluster and EXCO.

From the meetings dated 8 March and 15 March 2022, three (3) items were recommended to serve at the Economic Sectors, Investment, Employment and Infrastructure Development Cluster namely, Proposal to extend the Namakwa SEZ application to include Boegoebaai as a satellite SEZ, Progress report on EPWP and the Prieska Power Reserve.

The concept document on the hosting of a SMME data base management seminar has been completed, as part of developing narratives from the Think Tank. Analysis on Initiating a Recycling project linking up with potential that may be yielded by Changing the face of A City as part of analysing High Impact Project (HIP).

Preliminary work on the prevalence of By-Laws within the Sol Plaatje Local Municipality (SPLM) show the need for a review on the current application of the law as it seems that the municipality is not applying it effectively. This is reflected on the comments received from some members of the local Informal Traders (IT) who are concerned that law is not applied fairly.

Two (2) reports on the progress of resolutions have also been completed.

Linking performance with budgets

Sub- Programme Name	2021/2022			2020/2021		
	Final Appropriation	Actual Expenditure	(Over)/Under Expenditure	Final Appropriation	Actual Expenditure	(Over)/Under Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000
Office of the HOD	4 403	4 242	161	2 888	2 888	-
Total	**4 403**	**4 242**	**161**	**2 888**	**2 888**	**-**

Strategy to overcome areas of under performance

None

2.4.1.2. Financial Management

Sub-Programme: Financial Management								
Outcome	Output	Output Indicator	Audited Actual Performance 2019/2020	Audited Actual Performance 2020/2021	Planned Annual Target 2021/2022	Actual Achievement 2021/2022	Deviation from planned target to actual achievement 2021/2022	Reasons for deviations
Higher Economic Growth	Effective, efficient and economical utilisation of resources.	1.2.1 % of expenditure within the Vote 6.	New	98.52%	98%	98.5%	0.5%	None
	Increased departmental public procurement spend.	1.2.2 % of departmental budget spent on procurement	New	15.39%	40%	22%	18%	Due to the COVID-19 limitations on procurement spent and a decrease in the budget, the Department could not achieve the set target.
		1.2.3 % of procurement from women.	New	50.2%	30%	60%	30%	Some procurement opportunities were not specifically targeted at women-owned service providers. None-the-less the department did not disqualify the women-owned service providers and proceeded to procure from them.
		1.2.4 % of procurement from youth.	New	27.53%	30%	24%	6%	The youth-owned service providers did not always respond to the department's request to provide a service.
		1.2.5 % procurement from people with disabilities.	New	0.6%	1%	3%	2%	This is due to a variation on tender. The department assisted the entity with security services.
		1.2.6 % of invoices paid with 30 days.	New	99.66%	100%	100%	0	None.

Performance Narrative for Financial Management

Financial Management paid all invoices within 30 days. In total 621/621 invoices paid within 30 days. The target to ensure that 30% of all procurement was sourced from women was exceeded. There were 809 procurement transactions of which 485 were awarded to women. The target relating to procurement from people living with disabilities was also exceeded. The target for the budget to be spent on procurement needs to be re-evaluated in terms of the current fiscal position of the province.

The following legislation impacted the performance of unit:

- PFMA INSTRUCTION no.1 of 2021/22 – departure from publication of bids, bid awards and related notifications in the government tender bulletin and the e-tender portal.
- PFMA SCM INSTRUCTION no. 02 of 2021/22 - threshold values for the procurement of goods and services by means of petty cash, written price quotations or competitive bids.
- PFMA SCM INSTRUCTION no. 03 of 2021/22 – enhancing compliance, transparency and accountability in SCM.
- Court judgement on the Preferential Procurement Regulations, 2017.

Linking performance with budgets

	2021/2022			2020/2021		
Sub- Programme Name	Final Appropriation	Actual Expenditure	(Over)/Under Expenditure	Final Appropriation	Actual Expenditure	(Over)/Under Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000
Financial Management	31 652	29 067	2 585	26 546	26 097	449
Total	**31 652**	**29 067**	**2 585**	**26 546**	**26 097**	**449**

Strategy to overcome under performance

SCM will consider and prioritize youth in all their planning and prospecting requests in order to encourage youth participation in the departmental SCM processes. Collaboration with the IEDS (Intergraded Economic Development Services) programme in order to encourage youth to take part in procurement processes by being registered on CSD (Central supplier Database) will be detrimental in reaching SCM targets by virtue of the engagement with youth during IEDS monitoring and training, when departmental SCM source quotations throughout the sectors of the Northern Cape. The procurement plan of DEDaT was reviewed and will be monitored on a quarterly basis. Any significant deviations will be address urgently and the targets adjusted, if needed, in the allowable period.

2.4.1.3 Corporate Services

Sub-Programme: Corporate Services								
Outcome	Output	Output Indicator	Audited Actual Performance 2019/2020	Audited Actual Performance 2020/2021	Planned Annual Target	Actual Achievement 2020/2021	Deviation from planned target to actual achievement 2020/2021	Reasons for deviations
Higher Economic Growth	Human Resource Management	1.3.1 Employment equity reports.	4	4	4	4	0	None
		1.3.2 SMS financial disclosures	26	26	26	22	4	4 SMS members resigned.
		1.3.3 Performance Agreements	173	159	161	156	5	2 employees passed away and 3 resigned.
		1.3.4 Employee Health and Wellness initiatives.	4	4	4	4	0	None
		1.3.5 Information dissemination initiatives	4	5	4	4	0	None
		1.3.6 Legal sessions	2	1	0	0	0	None
	e-Governance	1.3.7 Percentage of Local Area network Uptime maintained.	95%	95%	95%	95%	0	None
		1.3.8 Percentage of Wide Area Network uptime maintained.	95%	95%	95%	95%	0	None

Performance Narrative for Corporate Services

For the period under review, the support functions rendered to the department by Corporate Services include: HRA & D, Communications, ICT Management, Employee Health and wellness, Registry, Security, Labour and Legal Services. We have successfully achieved 6 of our 8 targets. We could not achieve on two targets viz. SMS Financial disclosures and Performance agreements due to the resignation of four (4) SMS members, the passing on of two (2) officials, the resignation of three more.

We have successfully institutionalised the Corporate Governance of ICT (CGICT) Framework by providing and maintaining broadband internet connectivity and other electronic support services in the department, Furthermore, our effective and efficient Employee Health and Wellness, Ethics programme and regular employee information sessions demonstrates the importance that the department places on the well-being of its officials.

The Employee Performance Management System (EPMDS) was implemented effectively. We recorded 100% compliance for salary levels 1- 12 and zero poor performance cases among the SMS members.

The management of Covid- 19 has become a serious part of the workplace and in this regard the department continues to ensure that all related protocols are adhered to, to prevent the spread and/ or increase of infections in the department.

Linking performance with budgets

	2021/2022			2020/2021		
Sub- Programme Name	Final Appropriation	Actual Expenditure	(Over)/Under Expenditure	Final Appropriation	Actual Expenditure	(Over)/Under Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000
Corporate Services	22 369	21 950	419	23 290	22 711	579
Total	**22 369**	**21 950**	**419**	**23 290**	**22 711**	**579**

Strategy to overcome areas of under performance

Corporate Services has amended the Performance Indicator for Performance agreements and SMS Disclosure to a percentage (in the new financial year), to facilitate more accurate measurement and reporting, as staff compliments may vary from time to time. Furthermore, Corporate Services will continue to perform support services in the department.

Performance in relation to Standardised Outputs and Output Indicators for sectors with concurrent functions

The Department of Economic Development and Tourism has no customised or standardised Outputs and Output Indicators.

PROGRAMME 2: INTEGRATED ECONOMIC DEVELOPMENT SERVICES

2.4.2. Programme 2: Integrated Economic Development Services

Purpose

Promote the development of small businesses and cooperatives that contribute to inclusive economic growth and job creation.

Programme 2 has been structured to address its mandate through three sub-programmes:

The sub-programmes are:	Purpose of the sub-programme
Enterprise Development	The development and support of business enterprises.
Regional and Local Economic Development	To provide support to municipalities in terms of LED planning, alignment and implementation in partnership with key stakeholders in order to support development and economic growth by 2025.
Economic Empowerment	To facilitate and promote the socio-economic empowerment of historically disadvantaged individuals, women, youth and people with disabilities, through business intelligence, skills development and enterprise development, to enable them to participate in the mainstream economy

Institutional Outcome/s supported by the Programme:

- Higher Economic Growth
- Improved levels of employment

Outcomes, Outputs, Output Indicators and Targets and actual achievements table

2.4.2.1 Enterprise Development

Sub-Programme: Enterprise Development								
Outcome	Output	Output Indicator	Audited Actual Performance 2019/2020	Audited Actual Performance 2020/2021	Planned Annual Target 2021/2022	Actual Achievement 2021/2022	Deviation from planned target to actual achievement 2021/2022	Reasons for deviations
Higher Economic Growth	Strengthen development finance towards SMME development	2.1.1 Percentage of EGDF disbursed.	13.05%	0%	100%	100%	0	None
	Non-financial support to enterprises.	2.1.2 Enterprises assisted with non-financial support services.	197	165	150	288	138	There were more walk-in clients than anticipated. There were no financial implications.

Office of the Chief Director

The Programme achieved six of the eight output indicators for the year under review. The sub-programmes Enterprise development and Economic empowerment achieved 100% of the output indicators. Indicators 2.2.1 and 2.2.2 were not achieved as the project proposals and strategies aimed at red tape reduction (Gamagara) and the LED Strategy (Tsantsabane) were not approved by the municipal councils. More than Ninety-seven percent (97,3%) of the budget for the Office of the Chief Director was utilised in the year under review. All spending against the budget of the Office of the Chief Director subscribed to the internal control mechanisms. A substantial portion of the budget for the Office of the Chief Director is used to cover fixed costs.

Performance Narrative for Enterprise Development
The strategic intent of the departmental programme Integrated Economic Development Services (IEDS) is to address and alleviate the challenges experienced by SMMEs and Cooperatives. In working with the **dtic** (Department of **Trade, Industry and Competition**) and EDD (Department of Economic Development) and the DSBD (Department of Small Business Development) the Department of Economic Development seeks to leverage support for the establishment and growth of enterprises (SMMEs and Cooperatives) in the province. The support includes the creation of an environment which enables them to flourish through the provision of financial and non-financial support.

Economic Growth and Development Fund (EGDF)
The Memorandum of Understanding signed with the National Empowerment Fund (NEF) resulted in the establishment of the Northern Cape SMME Blended Fund (NCSBF) and its subsequent launch on the 14 April 2021. The DEDaT and NEF also featured on three radio stations in the province regarding the launch of the fund viz; Radio Teemaneng, that provided the link for eight (8) radio stations across the province and on other occasions, Namakwa FM and Lesedi FM. Much interest has been displayed in this fund that sees a blend of grant and loan being implemented; with the loan portion being issued at a very competitive rate; as a funding model to provide financial support to enterprises that qualify as per the NEF criteria.

The funding model is a requires a complete mind shift from the **Economic Growth and Development Fund** that previously existed as a funding tool. The NCSBF has not been performing as expected with only one (1) enterprise being funded by December 2021.
The most recent report indicates that the activity regarding the fund is as follows:

- Applications - 94
- Approved - 1
- Due Diligence stage - 3
- Screening stage - 6
- Declined - 27
- Withdrawn - 22
- Requested additional Information - 35

The frustration expressed by applicants, and usually directed at the DEDaT, relates in essence to the non-responsiveness of the NEF when enquiries are done regarding the status of applications. The Department is continually engaging the NEF to improve this state of affairs since it is not according to the principles we espouse in the public service. All the funds in the EGDF were transferred to the NEF in the year under review. The amount that was paid to the NEF is to R 27.225 million for the 2021/22 financial year.

The Companies and Intellectual Property Commission
The Companies and Intellectual Property Commission (CIPC) services being offered in the programme continues to be the most sought-after service in the Programme; the vitriol directed at the Department regarding the NCSBF coming a close second. Of the two hundred and eighty-eight (288) clients assisted with non-financial services, two hundred and seventy-one clients (271) sought CIPC services. The remaining seventeen (17) clients were referred to SEDA for business plan development.

Productivity SA
A webinar was also held with Productivity South Africa focussing on Productivity Improvement - A low-cost strategy for improving profitability. Of the 329 registrations received, 72 attended on the day of which 43 were male and 29 female; 34 of these being youth. This was followed up with the Kaizen workshop conducted in ZF Mgcawu (Upington) and Frances Baard (Kimberley) District Municipalities and Business Start-Up training for youth (aspiring entrepreneurs) in the ZF Mgcawu District Municipality (Upington). The programme will continue in the coming financial year in the remaining three districts of the province.

The department in collaboration with South African Breweries (SAB) also provided a five (5) day Socio-Next training in Upington in the ZF Mgcawu District Municipality. The Socio-Next Entrepreneurial programme provides a highly

interactive, hands-on training in social innovation and entrepreneurship skills development based on Design Thinking and the Lean Start-up methodology. The workshop takes participants through a step-by-step process from idea-generation through prototype design to testing the critical assumptions underlying their business models with real customers, resulting in the actual validation of their business case. The advantage of this rapid prototyping and testing approach is that it significantly shortens the product development cycle - saving time, money and other resources.
Two POP-UP Mall Activation Programs were held in the province during the financial year. This was a collaboration between the Department, SEDA, Small Enterprise Finance Agency (SEFA), the Department of Small Business Development (DSBD), the Department of Public Works, the Kimberley International Diamond and Jewellery Incubator (KIDJI), National Youth Development Agency (NYDA) and Mme re Ka Thusa. At these events, held in Kimberley and Kathu, 36 and 31 enterprises respectively exhibited their products and services. The first occurred in Kimberley at the Diamond Pavilion Mall on the 10th- 11th December 2021 and the second on 4-5 March 2022 in Kathu at the Kathu Mall.

The Department in collaboration with National Department of Small Business Development conducted the ministerial road shows in the Namaqua, Pixley Ka Seme and Frances Baard District Municipalities. The Honourable Minister, Stella Ngubeni-Abrahams and her whole delegation were present throughout the roadshow. The Minister handed over equipment to businesses in Carnarvon, Hopetown and Douglas as a part of the Informal Micro Enterprise Development Programme (IMEDP). The programme culminated in a Provincial dialogue in Kimberley.

Ten (10) founder members of different co-ops received accredited garment manufacturing training at the SEDA offices in Upington, of which nine (9) were from the ZFM and one (1) from the JTG district municipalities. The content of the training consisted of unit standard titles: make garments, finish and store pressed and ironed items, cost a garment and source materials. The graduation for this training will take place in April 2022. Fourteen (14) co-ops in the SASSA School Uniform Programme successfully completed 845 orders for the school uniforms from SASSA.

The programme has also transferred R 1 500 000.00 to NCEDA to support the establishment of a recording studio in the Northern Cape Theatre.

Preferential Procurement Initiatives
The Sol Plaatje University (SPU) and DEDAT Stakeholder’s Forum was virtually arranged. It was then decided that a presentation and the report back by SPU be emailed and feedback by members be given also by email in order to proceed with the project/engagement of disseminating information on goods and services for enterprises. This engagement will thus afford enterprises the platform to explore and participate in SPU’s procurement opportunities.

The department engaged Transnet Freight Rail (TFR) in De Aar and SMMEs in the Pixley Ka Seme District Municipality (De Aar & Colesberg) during the Global Entrepreneurship Week during November 2020. This engagement was to create linkages for SMMEs to access procurement opportunities under TFR’s auspices.

A workshop on the Roggeveld and Soetwater/Karusa Windfarms whereby a needs analysis of business/procurement opportunities was done to determine how local SMMEs can participate and benefit from the Windfarms Project. The exercise was not only limited to the Windfarm project but all available procurement opportunities in the area. A determination was made that SMMEs in Sutherland do not have access to business opportunities hence it was proposed that a Business Community Forum be established in order to share amongst themselves skills and access to business opportunities.

Linking performance with budgets

	2021/2022			2020/2021		
Sub- Programme Name	Final Appropriation	Actual Expenditure	(Over)/Under Expenditure	Final Appropriation	Actual Expenditure	(Over)/Under Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000
Enterprise Development	42 171	41 535	636	40 686	40 686	-
Total	**42 171**	**41 535**	**636**	**40 686**	**40 686**	**-**

Strategy to overcome areas of under performance

The programme will increase collaboration with stakeholders in the enterprise space to ensure support is provided broadly across the province. To improve the performance regarding the Northern Cape SMME Blended Fund, the Department has offered resources in the form of office space, for NEF staff; and human capital, with two officials being proposed to assist in the screening process. We will also be increasing the number of workshops directed at basic business plan packaging and presentation of information. It has also been noted that the office of the NEF in the Province is under resourced and a request will be tabled to increase the resources in the provincial office. There has been an escalation in the level of complaints which mainly relates to the communication between the NEF and the applicants. The Department has requested to be included in the application process to improve its monitoring role. The above is targeted at ensuring that a quality pipeline of deals is cultivated and the execution of transactions is monitored to yield the best results for both the NEF and the Department.

The Department is also intent on increasing the relationship with other funding agencies e.g. banks so that the NEF is not the only entry point for financial support to enterprises.

2.4.2.2 Regional and Local Economic Development (formerly known as Regional Economic Development Support.)

Sub-Programme: Regional and Local Economic Development								
Outcome	Output	Output Indicator	Audited Actual Performance 2019/2020	Audited Actual Performance 2020/2021	Planned Annual Target 2021/2022	Actual Achievement 2021/2022	Deviation from planned target to actual achievement 2021/2022	Reasons for deviations
Improved levels of employment.	Catalytic projects supported that contribute towards employment creation.	2.2.1 % of LED projects approved in the Province.	-	New	3%	0%	3%	The project proposals were not approved by the municipal council.
	Municipalities supported to develop plans to improve Local Economic Development that will contribute towards employment creation.	2.2.2 Number of districts in which an LED policy is approved.	-	New	2	0	2	The Tsantsabane LED strategy and the Gamagara Red Tape Reduction policy were not approved by the municipal council.
		2.2.3 Number of LED forums established at local municipalities in the Province.	New	2	4	4	0	None
	Expanded Public Works Opportunities.	2.2.4 EPWP employment opportunities created in the Province.	325	166	150	192	42	The Inner-City Revitalisation project was rolled-over from the 2020/21 financial year.

Performance Narrative for Regional and Local Economic Development (formerly known as Regional Economic Development Support.)

The Regional and Local Economic Development Directorate continues to support economic development planning and implementation in the municipalities and in doing so administer EPWP on behalf of the Accounting Officer as per the national mandate. This will be achieved through support for their IDPs, LED Strategies and plans that will include Red Tape Reduction interventions.

During 2021/22 Tsantsabane local Municipality was assisted with LED plans, in terms of the development of the Tsantsabane LED Strategy. A detailed Section 47 LED maturity analysis was conducted of all 31 municipalities. The Department also developed and implemented the Red Tape Reduction (RTR). The benchmarking process was implemented in Gamagara and Tsantsabane Local Municipality. The benchmarking was developed against Dawid Kruiper Local Municipality in terms of best practices and processes based on the evaluation done on the seven indicators. Two (2) projects were supported through developing concepts documents and stakeholder coordination namely: Mega hydroponics proposal and the Khoi San Cultural Village.

The Local Economic Development Forum serves as a shared platform where public and private stakeholders can meet to plan, communicate, enable and promote economic growth in the Northern Cape Province that create subsequent employment and empowerment. This forum is utilized by public and private stakeholders. The forum only took place in two (2) districts where there are District Managers i.e. John Taolo Gaetsewe and ZF Mgcawu, and were rolled as follow during 2020/21.

The Department developed a Terms of Reference to establish the Tsantsabane and Gamagara LED Forum. Four (4) Local Economic Development Forum held on the following:

- John Taolo Gaetsewe LED Forum: 10th June 2022
- Kheis LED Forum: 30th August 2021
- Tsantsabane LED Forum meeting: 16th March 2022
- Gamagara LED Forum: 25th November 2021.

Extended Public Works Programme (EPWP)

A key enabler for EPWP in the Department is the conditional grant received via the Environmental Sector. This provides project funding that is applied to initiate exit orientated EPWP projects. The intention is to fund projects selected via an application process and report all the jobs created by the Department of Economic Development and Tourism. The EPWP funding is applied to assist enterprises/interventions which can be sustainable post the EPWP grant. A total allocation of R1 960 000 was transferred into the Department's bank account in three tranches. A total of 192 work opportunities (WO) were reported on the EPWPRS.

The following projects are implemented and reported on the EPWPRS in 2021/22FY:

- Sol Plaatje Langley Resort, 60 employment opportunities created,
- Eradication of Invasive Alien Vegetation in Pixley, 40 employment opportunities created,
- Goodhouse Removal of Prosopis trees, 36 employment opportunities created,
- Mhlanga Cleaners 16 employment opportunities reported, and the
- Inner City Revitalisation project where 40 work opportunities were created.

Linking performance with budgets

Sub- Programme Name	2021/2022			2020/2021		
	Final Appropriation	Actual Expenditure	(Over)/Under Expenditure	Final Appropriation	Actual Expenditure	(Over)/Under Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000
Regional Enterprise Development Support	7 207	7 120	87	6 277	6 277	-
Total	**7 207**	**7 120**	**87**	**6 277**	**6 277**	**-**

Strategy to overcome areas of under performance

Complete documents in time for the municipal council to approve the policy documents.

2.4.2.3 Economic Empowerment

Sub-Programme: Economic Empowerment								
Outcome	Output	Output Indicator	Audited Actual Performance 2019/2020	Audited Actual Performance 2020/2021	Planned Annual Target 2021/2022	Actual Achievement 2021/2022	Deviation from planned target to actual achievement 2021/2022	Reasons for deviations
Higher economic growth.	Increased economic growth for target groups through empowerment, support and entrepreneurship	2.3.1 Number of targeted groups upskilled to participate in the mainstream economy.	-	New	3	3	0	None
		2.3.2 Number of HDI's capacitated to access economic opportunities.	-	New	60	142	82	More HDI's were invited to capacity-building interventions to ensure that SMMEs were empowered to facilitate readiness to access procurement opportunities.

Performance Narrative for Economic Empowerment

The purpose of the Sub-Programme Economic Empowerment is to facilitate and promote socio-economic empowerment of historically disadvantaged individuals, within the target groups (women, youth and persons living with disabilities). The facilitation is done through business intelligence, skills development and enterprise development, to enable them to participate in the mainstream economy.

During the financial year 2021-2022 the sub-programme implemented the following empowerment interventions for target groups in the different districts of the province.

YOUTH

Youth interventions were hosted in Frances Baard, Pixley Ka Seme, ZFM and Namakwa. Youth in School, TVET colleges and unemployed youth were targeted.

Youth intervention in Frances Baard

Funding compliance is a challenge for most SMMEs, hence the slow growth of small businesses. Therefore, an information session on Blended funding was held on the 24th June 2021 at the KIDJA hall in Kimberley for SMMEs in the diamond mining and beneficiation sector. The aim of the information session was to share the funding information with SMMEs in the mineral beneficiation sector, so that they can apply for the funding in order to prepare for the annual exhibitions, and access to markets opportunities that will take place in November and December 2021. Twelve 12 people attended the session (6 youth and 6 adults).

June is youth month and emphasis was put on youth interventions. Therefore, a Youth Information session was held on the 24 June 2021 in Galeshewe at the SMME Village and on the 25 June the same programme was held in Roodepan. The purpose of the event was to inform the youth of different opportunities that are available to unemployed youth, youth in business and those that aspire to establish their own businesses. Different stakeholders were invited to come and present opportunities that are available in their departments or organizations.

The information shared by the different stakeholders included:

- Business start-up information- Where information on how and what is required to establish a business and what support is available to assist. A number of challenges that may arise when starting a business was addressed and youth were encouraged to be vigilant about those challenges.
- Department of Social Development role in youth development – Shared the roles and functions of the Department and also the mentoring role that it will be playing in the future to ensure Youth development in all sectors. The Department of Social Development shared information on the intention of the province to develop a provincial youth strategy that is linked to the National Youth Policy 2030 and the role youth need to play in the development of the provincial strategy.
- The role of the NYDA –NYDA shared information on the role of the agency. They presented information on business start-ups, their mentoring and coaching programme, the Youth Employment Service (YES) programme and its advantages in reducing unemployment. NYDA also shared information on their shared sites where youth can access information about their services.
- Department of Economic Development and Tourism's role in youth development
- The department shared information on the non-financial support they offer and information on the funding opportunities that are available to small businesses both nationally and provincially. Information on the requirements for business registration was shared with youth.

Among the attendees at the session in Galeshewe was a group of young ladies that have recently established a cooperative, they gave a brief talk on how they started, the challenges they faced and the progress thus far. The team encouraged other youth to start their businesses in order to become job creators instead of job seekers.

In Roodepan the same information was shared. An established non-profit company committed to assist youth in the area with any assistance they may need and to collaborate with the Departments on initiatives for youth. In both events youth was urged to use the services available to them in all departments and other empowerment organization. The Galeshewe session was attended by 23 people (20 was youth and 3 were adults). The Roodepan session was attended by 47 people (40 youth, 4 who were younger than 18yrs of age and 3 adults).

Youth intervention in Pixley Ka Seme

An entrepreneurship training programme was held for learners in Colesberg and De Aar schools and the TVET college in collaboration with the Department of labour and NYDA. The Department of Labour plays an important role in employment placements. They play a significant role in reducing unemployment, poverty and inequality through a set of policies and programmes developed in consultation with social partners, which are aimed at: improved economic efficiency and productivity; employment creation; sound labour relations; eliminating inequality and discrimination in the workplace; and alleviating poverty in employment.

The Department of Labour requested that unemployed youth and all SMMEs to submit their curriculum vitae to be captured on the Labour database.

The NYDA shared information on different funding opportunities for Youth. The NYDA Grant Programme is designed to provide young entrepreneurs an opportunity to access both financial and non-financial business development support in order to enable them to establish or grow their businesses.

Youth Interventions in ZFM and Namakwa

Career Guidance, Job Readiness and Entrepreneurship Programme and unemployment registration in collaboration with Department of Labour and NYDA for disadvantaged youth was held in Upington and Springbok on the 24-29 October 2021 2021, the Department of Economic Development and Tourism, National Youth Development Agency and the Department of Labour collaborated on the Career Guidance, Job Readiness and Entrepreneurship programme and collection of Curriculum Vitae's for youth that are unemployment.

The following High schools, TVET colleges and Youth services centres was visited by the sector departments and stakeholders mentioned above:

- Pabalello High School (Grade 12)
- Upington TVET college
- Okiep High School
- Springbok High School
- Garies Youth Service Centre
- Porth Nolloth Youth Service Centre.

The Youth work Readiness programme is highly specialised programme that aims to transform and empower unemployed students, and young people to contribute meaningfully to the development of their community and country.

- The Department took the students on a process when venturing in business, of what is expected, if there is a market, who is going to be their competitors and what is going to make them stand out from the rest.
- In terms of career guidance -an online process was done with students with universities -registration was done
- Role play was made on the process of the application for employment and interview was also done by the students
- The template of Curriculum Vitae was discussed and work ethics, what is expected when starting a new job.
- In the two youth service centres a number of curriculum vitae's was submitted by the unemployed youth and a data-base will be created for the two towns (Garies and Porth Nolloth)

Youth intervention in ZFM
Tender and procurement opportunities are the most common opportunities that are found in the public service sector and the private sector.

In order to share the tender and Procurement opportunities available in the province, a tender and procurement workshop was held in collaboration with other Departments on the 1 and 2 March 2022 in Upington. Both Public and Private organizations were invited over the two days' workshop to share the procurement opportunities that are available in their respective organizations.

The SEDA office in ZFM partnered with the Department to ensure that a database of entrepreneurs from Kgalagadi business, business chambers, youth in business, was used for the workshop. Procurement officers from the different sector departments and the private sector informed SMME's on the following:

- The legal frame work in terms government procurement

- Compliance

- Five Pillars of Procurement and Tabled the current (2021-2022) and future (2022-2023) procurement opportunities

The two sessions were held in the Dawid Kruiper Municipality on the stipulated dates in order to share light on the above-mentioned matters and to share contact details of the responsible officials for Tender and Procurement.

The SMMEs however raised the following challenges:
- Localization- Adjustment and adoptions of local products services and content to suit a specific market making it easier for businesses (system or systems to be created by all for businesses to easily access procurement opportunities (local enterprises/businesses to benefit from local opportunities)

- Absence of State-Owned Enterprises (SOE) that were invited but could not attend, due to end of financial year. These entities have showed interests in participating in future similar discussions.

- Absence of Regional Offices -some departments could not attend and some issues could not be clarified because the relevant people were not there to provide clarity.

The workshop was well attended by the relevant stakeholders (People in business about 80 small businesses attended the workshop and was informed on Tender and Procurement Opportunities in the different Departments).

On the first day (01 March) forty-one people attended. Of the forty-one, 31 was male (4youth, 1 disability adult and 26 male adults) and ten females (6 adults and 4youth). On the second day (02 March) another forty-one attended. Of the forty-one (41), twenty-one (21) was male (9 youth and 1 disability and 11 adults) and twenty women (9youth and 11adults).

WOMEN INTERVENTIONS

The following Interventions aimed at empowering women were implemented

Cleaning and Hygiene training was held on the 29 June 2021 where 9 people were trained. Eight were women owned businesses and one was a male youth. The training was aimed at empowering women and youth in the cleaning and hygiene sector, and opportunities related to Covid-19 and beyond Covid-19. The training also provided guidelines on the cleaning and disinfection of surfaces including, but not limited to offices and workplaces, and included that related to vehicles and tools.

In the implementation of technical skills training, 9 women and one youth male from Frances Baard were trained in clothing and textile from 22-28 March 2022. The aim of this training was to assist women owned enterprises in the clothing and textile sector to upgrade their knowledge and skills to grow their businesses, provide an improved service offering, additional employment and re-position their businesses to compete effectively against bigger manufacturers.

Additional interventions implemented include a seminar for women in business which was held on the 27th August 2021 in Kimberley, where 35 women attended. The NEF and SEDA were invited to share information on the Blended Funding and on the TREP programme and other funding instruments that SEDA provides, and the non-financial support they provide such as mentoring and hand holding of businesses in the different sectors.

A follow-up session was held after the seminar, where other opportunities such as the construction tenders, Tholoana Enterprise Programme and the Frances Baard Machinery and Equipment Grant were shared with women owned businesses.

A roadshow was held in the Pixley ka Seme district from 10-12 November 2021 where information on opportunities in the Agricultural, Mining and clothing and textile sector were shared. These interventions were held in Victoria West, De Aar, Prieska and Petrusville

PERSONS LIVING WITH DISABILITIES

The Persons living with disability transformation portfolio of the Economic Empowerment Sub-Programme collaborated with Enterprise Development, Provincial Treasury and other relevant stakeholders to empower persons living with disabilities.

The following interventions were implemented.

Compliance training

A Compliance training for Seven (7) SMMEs, who are persons living with disability was held on the 10-11th June. Of the seven persons living with disability (6 youth and 1 adult male). The objective of the compliance training was to provide enterprises with knowledge, skills and tools needed to ensure that their businesses remain compliant, so that they can benefit from procurement opportunities that can grow their businesses. The SMMEs were guided through business operations and trained to maximise their resources to facilitate their business growth.

Tender training for persons living with disability

A training on Tender and Supply Chain Training was identified for Quarter Two. Provincial Treasury was identified to do the Tender and Supply Chain Training. An information session on how to check information on CSD and to ensure all information is correct was shared with the SMME's. The training explained the policies and procedures of a tender.

Provincial Treasury will be hosted a follow – up training on 23 September on tender training to show how to access the e-tender portal and documents necessary when applying for tender

Other interventions

The sub-programme collaborated with Enterprise Development to provide an integrated support mechanism to 100 students at NJ Heyns Intellectual Disability School on the 09 November 2021. The NJ Heyns School is a technical training school for those learners that are technically strong. The aim was to give them information on Entrepreneurial thinking, Businesses registration, funding opportunities and other business support rendered by other stakeholders that are available for small businesses. The aim is to provide them information that will assist them to use their technical strength to become self-employed and be job creators instead of job seekers using their strength.

In the second intervention Economic Empowerment unit collaborated with Ivory Cross Centre to train 19 informal entrepreneurs on Basic Business Skills training. A services provider was appointed to train 19 informal businesses on basic business skills training over two days the 10-11November 2021.

The third intervention was an Information session on registration of Co-operatives. The information was held on the 19 November 2021. Eight Entrepreneurs identified from the database to attend the Co-operative information session held on the 19 November 2021. Five (5) Entrepreneurs registered businesses after information session and 8 Persons living with disability registered a cooperative.

The Persons living with disability transformation portfolio of the Economic Empowerment Sub-Programme engaged in a workshop with the South African Disability Development Trust. The Sub-programme provide an integrated support mechanism and platform for Informal and Formal SMMEs and target groups.

The sub-programme shared information on opportunities offered by the Department and the role of the Department in the empowerment of persons living with disability. Information shared for PWD included other services rendered by the department such as Business registration, Co-operatives support, and target group support.

SEDA did a presentation on its mandate to implement government's small business strategy; design and implement a standard of common national delivery network for small enterprise development; and integrate government-funded small enterprise support agencies across all tiers of government.

SEDA's mission is to develop, support and promote small enterprises throughout the country, ensuring their growth and sustainability in co–ordination and partnership with various role players, including global partners, who make international best practices available to local entrepreneurs.

The Premier's Offices did a presentation on its role in the province and support given to the different Departments
Fifteen persons living with disability attended the event. Of the fifteen attendees, nine were female and 6 were male.

BBBEE

The Department of Economic Development and Tourism as the lead sector department in the province has specific coordination and facilitation responsibilities with respect to B-BBEE policy. The role of the department is to coordinate and promote integrated and sustainable B-BBEE implementation and reporting in the province. The following interventions were implemented for BBBEE.

Local Content Workshop

The BBBEE portfolio hosted a Local Content workshop on 1st June 2021. The workshop was held virtually due to COVID-19 restrictions. Over 21 representatives from provincial departments in the Northern Cape participated in the workshop. The majority of participants were SCM practitioners and finance practitioners whose work is directly affected by the local content provisions as stipulated in the Preferential Procurement Regulations of 2017.

This workshop is crucial for all public bodies, whom the Preferential Procurement Regulations of 2017 requires them to implement local content and production (rule 8) to drive local procurement and economic empowerment. Local content and production provisions empower small businesses and communities through access to economic opportunities such as procurement and job opportunities. These interventions impact directly on economic development and growth of the province as more locally based small businesses and communities tend to benefit immensely from procurement and business opportunities that emanate from the implementation of this rule.

YES workshop

The BBBEE portfolio conducted a virtual YES workshop for both private companies and SMMEs across the province on the 24TH August 2021. The Youth Employment Services presented the programme and opportunities arising from it that can benefit corporates, youth and SMME's. A contact workshop was conducted with youth-owned SMMEs in Kuruman on 22nd September 2021 and on the 2nd February 2022 at KIDJA in Kimberley. The YES programme in the main alleviates unemployment among the youth through enterprise development, job creation and SMME support.

The Youth Employment Services (YES) workshop is intended to facilitate access to employment and business development opportunities for youth in the Northern Cape. It is also intended to assist mining corporates to improve their BEE compliance targets and to achieve their small business development objectives. This programme seeks to empower youth in the country through access to employment opportunities for unemployed youth, access to enterprise development opportunities for youth involved in entrepreneurial activities, and human resources capacitation of youth-owned small businesses through placement of young graduates in these enterprises who then benefit in the programme as implementing partners (IP).

In the previous window of YES applications for SMMEs and the NC Standard Bank sponsored programme, there was a very low uptake by NC based SMMEs. Thus, the department aims to hold a number of YES workshops across the province to assist SMMEs with the application process in the next application window.

Other benefits of the programme include to assist the private sector/ established businesses to improve their BEE compliance targets and to achieve their small business development targets and objectives.

B-BBEE Compliance workshop

The BBBEE portfolio of the Economic Empowerment Sub-Programme engaged with key sector departments and stakeholders to provide an integrated support mechanism and platform for SMMEs and target groups. This collaborative approach ensures efficiency and sustainability of the support provided. It further promotes effective and efficient growth and development of SMMEs. The interventions of the portfolio have placed greater emphasis on sector departments and SMME compliance with BBBEE and procurement requirements to improve access to Enterprise and Supplier Development (ESD) opportunities for SMMEs in the Northern Cape.

All public bodies are required to report to the BEE Commission annually to provide progress on their BBBEE implementation. The audit findings by AGSA against all sector departments in the province in the previous financial years required a targeted response to address B-BBEE compliance challenges in the province. The compliance workshop is aimed primarily at sector departments to provide support and assistance with compliance and reporting in line with the BEE Commission's reporting requirements. This is premised on the basis that B-BBEE compliant public bodies are in a position to drive B-BBEE policy implementation and thus promote empowerment of target groups.

Thus, a compliance workshop was conducted in the third quarter to provide sector departments with additional support and clarity on B-BBEE compliance requirements. This intervention in turn provided sector departments with better understanding of the B-BBEE policy for implementation and reporting in their respective departments.
The compliance workshop is expected to capacitate provincial departments to implement BBBEE policies in their respective departments such that SMMEs in the province can access procurement opportunities from both government and the private sector. The expected outcome of these interventions is the growth and sustainability of SMMEs in the Northern Cape, increased investment in the province, job creation, local economic development and economic growth in the province.

The expected outcome of compliance with B-BBEE reporting as mandated by the BEE Commission is effective implementation of B-BBEE across sectors in the province and growth of SMMEs in the province to contribute to economic growth and development.

This will ensure that target groups and small businesses benefit from government interventions and procurement opportunities, thereby supporting local economic development, job creation and growth of the economy in the province.

B-BBEE compliance is furthermore expected to reverse and capacitate the SMME's in the Northern Cape to access major economic opportunities, which is the key policy intervention tool of government to drive economic empowerment and transformation in the country.

Tender & Procurement Workshop

The department hosted the Tender & Procurement Workshop in Upington presented by the NC Provincial Treasury on 16th March 2022. This workshop was intended to equip SMMEs in the ZFM district municipality with the necessary skills and knowledge to complete government tender forms and to successfully bid for these tenders.

This workshop was conducted in two parts namely, tendering and procurement in government firstly and the Central Supplier Database secondly. In addition, SARS tax compliance matters were also presented and discussed to assist SMMEs with compliance to ensure that their business documentation meet tender and procurement requirements.

The provincial and national treasuries have an online portal that SMMEs can access to search for tender and procurement opportunities in their sectors of business. Most SMMEs are generalist and do not have a specific sector of specialization. There is also a high number of SMMEs in the construction sector, yet most of them are not conversant with the applicable sector compliance requirements such as CIBD grading and NHBRC registration.

SMMEs require hands-on support and assistance to complete tender and RFQ documents (bidding documents) correctly. Most of these SMMEs also lack both the capacity and capability required to bid for bigger contracts. As a result, most SMMEs fail to access government procurement opportunities which could significantly improve their business operations, profitability and sustainability.

The NC Provincial Treasury together with both the ZF Mgcawu District Municipality and the Dawid Kruiper Local Municipality committed to provide the SMMEs with the necessary support to improve compliance and access to tender and procurement opportunities. These institutions will also assist SMMEs with access to the support services provided by development finance institutions and small business development agencies of government including NEF, SEFA, SEDA, the NC SMME Trust and the IDC.

Fifty people attended the workshop. Of the fifty, 25 was female (8 youth, 1 disability and 16 adults) and 25 Males (9youth, and 16 adults).

Linking performance with budgets

	2021/2022			2020/2021		
Sub- Programme Name	Final Appropriation	Actual Expenditure	(Over)/Under Expenditure	Final Appropriation	Actual Expenditure	(Over)/Under Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000
Economic Empowerment	5 674	5 674	-	5 155	5 155	-
Total	**5 674**	**5 674**	**-**	**5 155**	**5 155**	**-**

Strategy to overcome areas of under performance

None

PROGRAMME 3: TRADE AND SECTOR DEVELOPMENT

2.4.3. Programme 3: Trade and Sector Development

Purpose

The programme is aimed towards stimulating economic growth in the Province through the development and industrialisation of key sectors as well as the promotion of trade and sourcing of domestic and foreign direct investment.

Programme 3 has been structured to address its mandate through three sub-programmes:

The sub-programmes are:	Purpose of the sub-programme
Trade and Investment Promotion	Support export development and promote exports through targeted strategies. Support foreign direct investment flows and promote domestic investment. To provide resources to the economic development, trade & investment promotion agency, NCEDA, to enable it to deliver on its mandate, as defined in the Northern Cape Economic Development, Trade & Investment Promotion Agency Act, 2008 (Act No.4 of 2008).
Sector Development	To facilitate the development of key economic sectors in order to contribute to a growing share of local production and job creation in the province.
Strategic Initiatives	Implement policies, strategies and programmes to strengthen the ability of the mineral beneficiation sector to create decent jobs and increase value addition and competitiveness on both domestic and export markets.

Institutional Outcome/s supported by the Programme:

- Higher Economic Growth
- Improved levels of employment

2.4.3.1 Trade and Investment Promotion

Outcomes, Outputs, Output Indicators and Targets and actual achievements table

Sub-Programme: Trade and Investment Promotion								
Outcome	Output	Output Indicator	Audited Actual Performance 2019/2020	Audited Actual Performance 2020/2021	Planned Annual Target 2021/2022	Actual Achievement 2021/2022	Deviation from planned target to actual achievement 2021/2022	Reasons for deviations
Higher Economic Growth	Domestic and FDI flows into the Northern Cape.	3.1.1 Investment projects realized by NCEDA	-	New	2	2	0	None
		3.1.2 Investment projects marketed.	-	New	8	8	0	None
		3.1.3 Number of provincial emerging exporters trained.	-	New	50	56	6	DTIC offered a free webinar training opportunity in June 2021. More attendees logged on than envisaged. The export awareness webinars held in August 2021 encouraged greater participation. More attendees took advantage of the Export

Sub-Programme: Trade and Investment Promotion								
Outcome	Output	Output Indicator	Audited Actual Performance 2019/2020	Audited Actual Performance 2020/2021	Planned Annual Target 2021/2022	Actual Achievement 2021/2022	Deviation from planned target to actual achievement 2021/2022	Reasons for deviations
								Awareness workshop (Keimoes) and the Global Exporter Passport Programme (Springbok).
	Diversification of exports to traditional and new markets.	3.1.4 Number of Entrepreneurs exposed to export opportunities	-	New	12	21	9	The collaborative assistance provided by NW University Business School meant that projected attendance target was exceeded. More attendees logged in to the virtual exhibitions presented by BRICS and Saitex. The inward mission by an international wine importer targeted more companies than envisaged. The Trade and Invest Online Newsletter made provision for additional exposure for entrepreneurs.

Office of the Chief Director

The Programme achieved 85.7% (6/7) of the output indicators for the year under review. The sub-programmes Trade and Investment Promotion and Sector development achieved all the output indicators. The sub-programme Strategic Initiatives achieved one indicator (3.3.2). It partially achieved indicator 3.3.1 where 17 of the 20 candidates completed the course. The Office of the Chief Director spent 98.6% of the allocated budget while 99.9% of the programme's budget was spent. Fixed costs consume a significant portion of the goods and services budget component. The remaining cost drivers include travel and accommodation, venue hiring and catering

Performance Narrative for Trade and Investment Promotion

During this financial year the global economy and hence the provincial economy was still recovering from the impact of the COVID 19 pandemic. The pandemic had a significant impact on foreign direct investment (FDI) in Africa as flows to the continent declined by 16% in 2020, to $40 billion, from $47 billion in 2019. Although UNCTAD forecasted that FDI in Africa to grow in 2021, a lukewarm economic recovery and slow vaccine roll-out programme threaten the scale of the investment recovery. FDI to the continent is projected to grow by only 5% in 2021, lower than both the global and developing country projected growth rates.

The COVID-19 pandemic also resulted in budget cuts for the department and subsequently the Trade & Investment Promotion unit which resulted in the decision to cancel some of our planned foreign trips and exhibitions for this financial year. This decision was also based on health and safety considerations. Hence, in the promotion of investment projects and trade opportunities and products/services of the Northern Cape, the Trade Invest Africa e-newsletter was utilized to market to trade and investment opportunities to potential investors and foreign importers hence exposing companies to export markets via this platform. Virtual exhibitions were also targeted to market the Northern Cape as an ideal trade and investment destination.

Through the NC Business Publication, the province was also marketed as an ideal trade & investment location highlighting the competitive and comparative advantages of the province, investment and trade opportunities and projects, cost of doing business and financial and economic infrastructure of the province.

In the year under review the Department finalised the lease agreements for the Highrise Loft Diamonds, Blue Lounge Trading 107, Alexkor and T3 Diamonds investments. The total combined potential investments attracted amounts to R50 million including capital equipment to be procured over the next 5 years. The benefits of these investments are the following:

- intended to lure investors and establish Kimberley as a diamond beneficiating centre at the Kimberley Diamond and Jewellery Centre.
- Contribute to job creation.
- KIDJA students will be offered internships and learnerships so as to obtain practical experience.
- KDJI incubates have access to potential clients for job opportunities and markets.
- The operations of the companies will give access to markets for rough and polished diamonds from existing mines and small miners.

Distributed hard copies and electronic copy of the Investment Booklet to NCEDA, US Consulate, Vietnam Delegation and also distributed hard copies and electronic copies at COP26 Conference in Glasgow, Scotland. The booklet was also marketed at the BRICS Trade Fair, SAITEX, SMME Roadshow and the Dubai Expo 2020 exhibition. Investment projects were also marketed via the Trade Invest Africa e-newsletter.

In terms of improving the international competitiveness and product offer from the Northern Cape Province 42 companies (20 in Kimberley, 10 in De Aar and 12 in Keimoes/Upington) received export training with assistance of dtic and SEDA. In addition, 14 Northern Cape companies participated in Phase 1 of the Global Exporter Programme (14 from the Namakwa District). In total 56 companies participated in export awareness and GEPP training of which 30 youth and women owned companies participated including 5 informal businesses.

Twenty-one companies were granted exposure on national and international platforms enabling them to market and promote their products. Consequently, this enabled them to secure potential export orders.

Linking performance with budgets

	2021/2022			2020/2021		
Sub- Programme Name	Final Appropriation	Actual Expenditure	(Over)/Under Expenditure	Final Appropriation	Actual Expenditure	(Over)/Under Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000
Trade and Investment Promotion	49 955	49 955	-	33 136	33 136	-
Total	**49 955**	**49 955**	**-**	**33 136**	**33 136**	**-**

Strategy to overcome areas of under performance

There were no areas of under-performance.

2.4.3.2 Sector Development

Outcomes, Outputs, Output Indicators, Targets and actual achievements table

Sub-Programme: Sector Development								
Outcome	Output	Output Indicator	Audited Actual Performance 2019/2020	Audited Actual Performance 2020/2021	Planned Annual Target 2021/2022	Actual Achievement 2021/2022	Deviation from planned target to actual achievement 2021/2022	Reasons for deviations
Improved levels of employment	Manufacturing and Renewable energy sectors supported.	3.2.1 Number of economic sectors supported.	3	2	2	2	0	None

Performance Narrative for Sector Development

The Sub-Programme has, with respect to its facilitation work for the development of the Metals Industrial Cluster, identified opportunities and packaged them in a form of Business Plans. The opportunities that have been developed into Business Plans are the Skills Development Centre, Business Incubation Centre and the Warehousing Facility. A virtual public engagement session was organized where these opportunities were presented to relevant sector stakeholders. This session was aimed at soliciting or mobilizing potential investors to join the Cluster and take up these opportunities.

In line with the existing cooperation agreement between the Department of Economic Development and Tourism and the Northern Cape SMME Trust, the following deliverables were achieved: First, the renewable energy incubation business plan referred hereto as Northern Cape Solar Business Incubation (NOCSOBI) has been completed and submitted to SEDA. Secondly, the NC SMME Trust has identified an SMME eligible for the rooftop solar programme. Lastly, in a quest to implement a pilot project, the SMME Trust completed the energy audit report on the two buildings, namely: the Trust's office park in the CBD and the Galeshewe SMME village.

The renewable energy strategy was utilised to stimulate interest (in an attempt to mobilise technical and financial support for the rooftop solar programme) from some of the key stakeholders in the renewable energy services sector, not least, ICLEI and UK-PACT. To this end, engagements are co-ordinated on an on-going basis between the Department and ICLEI/UK-PACT to explore areas of collaboration in the implementation of the rooftop solar programme.

During the fourth Quarter three successful engagement were held with ICLEI and UK-PACK. Broadly, the outcome of the engagements was the clear alignment of objectives between the parties (Sector Development Unit, ICLEI and UK-PACT) and identification of concrete areas of collaboration that would be pursued in the quarters ahead.

Public entities within the provincial economy are a key component of the public sector (which is one of the important sectors in an economy) and are expected to play a critical role towards the accomplishment of a capable, ethical and developmental state. The sector development unit will actively participate, on an ad hoc basis, in the on-going Rationalisation of Public Entities Project serving under Workstreams One that focuses on Growth and Development. In this regard, a benchmark report of NCEDA against the other provincial agencies of economic development was generated and presented at various platforms at the Rationalisation of Public Entities Project committee.

The Department has instead signed the implementing agreement with the NC SMME trust to implement some of the key function of the directorate (Solar and Renewable Energy) established within the Department. In line with the existing cooperation agreement, the following deliverables were achieved: First, the renewable energy incubation business plan referred hereto as Northern Cape Solar Business Incubation (NOCSOBI) has been completed and submitted to SEDA. Secondly, the NC SMME trust has identified SMME eligible for the rooftop solar programme. Lastly, in a quest to implement a pilot project, the SMME Trust completed the energy audit report on the two buildings: the Trust's office park in the CBD and the Galeshewe SMME village. It is crucial to indicate that the renewable energy directorate has been phased out.

Linking performance with budgets

	2021/2022			2020/2021		
Sub- Programme Name	Final Appropriation	Actual Expenditure	(Over)/Under Expenditure	Final Appropriation	Actual Expenditure	(Over)/Under Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000
Sector Development	7 405	7 405	-	7 504	7 504	-
Total	**7 405**	**7 405**	**-**	**7 504**	**7 504**	**-**

Strategy to overcome areas of under performance

None

2.4.3.3 Strategic Initiatives

Outcomes, Outputs, Output Indicators, Targets and actual achievements table

Sub-Programme: Strategic Initiatives								
Outcome	Output	Output Indicator	Audited Actual Performance 2019/2020	Audited Actual Performance 2020/2021	Planned Annual Target 2021/2022	Actual Achievement 2021/2022	Deviation from planned target to actual achievement 2020/2021	Reasons for deviations
Improved levels of employment.	Skills deficit in diamond and jewellery beneficiation industry addressed.	3.3.1 Number of certified diamond beneficiation graduates.	-	New	20	17	3	Three graduates did not complete the course.
	Enhanced target group participation in the diamond and jewellery beneficiation industry.	3.3.2 Number of jewellery manufacturing SMMEs established by KIDJI.	-	New	12	12	0	None.

Performance Narrative for Strategic Initiatives

In the financial year under review 20 learners registered to undergo training in diamond beneficiation at the Kimberley International Diamond and Jewellery Academy (KIDJA). However, only 17 of the 20 learners who registered completed the training programme. Three learners did not complete the training. The demographics with regard to the registered learners is comprised of eleven (11) females and nine (09) males of which 18 are from the youth demographic and all learners are from the Francis Baard district municipality.

The Kimberley Diamond and Jewellery Incubator (KDJI) established twelve (12) SMMEs in the financial year. The support provided to the SMMEs was in various programmes which include business development, financial management, and technical jewellery manufacturing skills. Further support in the form of linking the SMMEs to end markets to sell their products was also provided through the Incubator hosting a pop-up marketing event on 24th September 2021 and a marketing exhibition day on the 14th February 2022 at the Diamond Pavilion mall where the SMMEs marketed and sold their products. The Incubator also participated at the Kimberley Diamond Cup event held on the 5th March 2022, where the SMMEs also exhibited and sold their products. Through the support provided by KDJI; the SMMEs created 31 job opportunities.

Linking performance with budgets

	2021/2022			2020/2021		
Sub- Programme Name	**Final Appropriation**	**Actual Expenditure**	**(Over)/Under Expenditure**	**Final Appropriation**	**Actual/ Expenditure**	**(Over)/Under Expenditure**
	R'000	**R'000**	**R'000**	**R'000**	**R'000**	**R'000**
Strategic Initiatives	5 678	5 678	-	4 127	4 127	-
Total	**5 678**	**5 678**	**-**	**4 127**	**4 127**	**-**

Strategy to overcome areas of under performance

None.

PROGRAMME 4: BUSINESS REGULATION AND GOVERNANCE

2.4.4. Programme 4: Business Regulation and Governance

Purpose

Develop and implement coherent, predictable and transparent regulatory solutions that facilitate easy access to redress and efficient regulation for economic citizens.

Programme 4 has been structured to address its mandate through three sub-programmes:

The sub-programmes are:	Purpose of the sub-programme
Governance	Provide support and oversight to public entities reporting to the Member of the Executive Committee for Finance, Economic Development and Tourism.
Regulation Service	-
Consumer Protection	Implement coherent, predictable and transparent regulatory solutions that facilitate easy access to redress and efficient regulation for economic citizens.

Institutional Outcome/s supported by the Programme:

- Higher Economic Growth

2.4.4.1 Governance

Outcomes, Outputs, Output Indicators, Targets and actual achievements table

Sub-Programme: Governance								
Outcome	Output	Output Indicator	Audited Actual Performance 2019/2020	Audited Actual Performance 2020/2021	Planned Annual Target 2021/2022	Actual Achievement 2021/2022	Deviation from planned target to actual achievement 2021/2022	Reasons for deviations
Higher Economic Growth	Effective and efficient entities.	4.1.1 Percentage of Legislatively compliant entities reporting to the MEC for Economic Development and Tourism.	New	4	100%	100%	0	None

Performance Narrative for Governance

To ensure the strategic objectives are met by all Boards, the unit conducts the following oversight functions, Boards reporting in terms PFMA, Compliance in terms treasury regulations, Compliance in terms corporate governance and King IV principles and compliance in terms of their respective legislations. Implementation of these regulations are of major importance as they deal extensively with Governance matters, strategic planning, budget processes, internal financial control systems and compliance matters.

Furthermore, the Governance sub-programme has received and analysed 16 entity quarterly reports, 16 compliance checklist reports, 4 Annual Reports and 4 strategic Plans in order to evaluate whether the core functions as well as the planned targets have been met for this financial year under review. All reports have been received and analysed.

Linking performance with budgets

	2021/2022			2020/2021		
Sub- Programme Name	Final Appropriation	Actual Expenditure	(Over)/Under Expenditure	Final Appropriation	Actual Expenditure	(Over)/Under Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000
Governance	1 761	1 761	-	2 315	2 315	-
Total	**1 761**	**1 761**	**-**	**2 315**	**2 315**	**-**

Strategy to overcome areas of under areas of under performance

Governance monitors compliance of these entities through their respective legislation, PFMA and policies. On a quarterly and annual basis, the performance and financial reports of these entities are analysed, and reported upon to the Department.

2.4.4.2 Regulation Services

To create a functional organogram for the department as per the DPSA requirements the Department embarked on an organisational review process to align the structure to new strategic developments, to accommodate the return of the Consumer Authority (as part of the departmental establishment) and to accommodate the sub-programmes, directorates and sub-directorates created by means of ad-hoc arrangements and submissions.

Regulation Services has been included (although it is unstaffed and unfunded) in the Annual Performance Plan because it is part of the generic structures for similar units in the whole country. While the department wants to restructure and change this, it can only be done after extensive national consultation in this regard.

Linking performance with budgets

	2021/2022			2020/2021		
Sub- Programme Name	Final Appropriation	Actual Expenditure	(Over)/Under Expenditure	Final Appropriation	Actual Expenditure	(Over)/Under Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000
Regulation Services	0	0	0	0	0	0
Total	**0**	**0**	**0**	**0**	**0**	**0**

Strategy to overcome areas of under areas of under performance

Not applicable.

2.4.4.3 Consumer Protection

Outcomes, Outputs, Output Indicators, Targets and actual achievements table

Sub-Programme: Consumer Protection								
Outcome	Output	Output Indicator	Audited Actual Performance 2019/2020	Audited Actual Performance 2020/2021	Planned Annual Target 2021/2022	Actual Achievement 2020/2022	Deviation from planned target to actual achievement 2021/2022	Reasons for deviations
Higher Economic Growth	Expanded Informed-economic-citizen footprint in the Northern Cape Province.	4.3.1 Number of districts reached through Consumer Education and Awareness Campaigns in the Northern Cape Province.	-	New	5	5	0	None
	Rapid economic redress	4.3.2 % of consumer complaints resolved per annum.	93.6%	77.7%	89%	95%	6%	The relaxation of the restrictions on the “movement of persons” according to Alert Level 1 under section 3 of the Disaster management Act, 2002 (Act No. 57 of 2002) allowed more cases to be resolved than anticipated.

Performance Narrative for Consumer Protection

The Northern Cape Consumer Protection Authority consists of two legs, namely the Office of the Consumer Protector, who provides for an effective service to address all consumer complaints throughout the Province and a Consumer Court which adjudicates over unresolved matters, providing speedy redress to consumers in unresolved matters referred to it by the Consumer Protector. Two hundred and six (206) complaints were received and investigated, whereof 196 complaints were resolved for the 2021/22 financial year. Twenty-four (24) Court sittings were held for the financial year ending 31 March 2022 and 37 compliance notices were issued during compliance inspections. The total savings for consumers in NC, due to the Authority’s intervention, for the 2021/22 financial year amounts to R1 553 943.80.

The Authority conducted education and awareness programmes in 5 Districts throughout the Province, in order to equip our people with the necessary tools needed to protect themselves against unscrupulous business owners

Due to the Covid-19 pandemic their annual plans have been amended to exclude direct contact and the World Consumer Rights day, which is held on 15 March each year, was conducted in collaboration with NCR in John Taolo Gaetsewe during the 2021/22 financial year which included radio talk shows on Kurara FM.

During the first quarter they have assisted walk-in clients and assisted in mediation via telephonic interventions, and compliance inspections in order to assist consumers. They have also conducted radio broadcasts during the week leading up to Easter on Radio Ulwazi FM in collaboration with Banking Ombudsman and National Credit Regulator. They will continue with this trend and Radio interviews will be held with question-and-answer sessions which will allow opportunities for new complaints to be lodged and consumers to be informed about their rights and responsibilities in terms of the Consumer Protection Act. They will continue to serve the people of the Northern Cape with enthusiasm and endeavour to protect the poorest of the poor through education and awareness, mediation, investigations and adjudicating over unresolved consumer matters.

It is important to note that the Consumer Protection Authority is not listed as in independent entity. As per the approved structure of the Department, the Consumer Protection Authority is included under Programme 4: Business Regulation and Governance. It reports to the relevant stakeholders through the Department of Economic Development and Tourism as a sub-programme.

Linking performance with budgets

	2021/2022			2020/2021		
Sub- Programme Name	**Final Appropriation**	**Actual Expenditure**	**(Over)/Under Expenditure**	**Final Appropriation**	**Actual Expenditure**	**(Over)/Under Expenditure**
	R'000	**R'000**	**R'000**	**R'000**	**R'000**	**R'000**
Consumer Protection	11 301	11 209	92	11 379	11 143	236
Total	**11 301**	**11 209**	**92**	**11 379**	**11 143**	**236**

Strategy to overcome areas of under performance

In order to operate in a cost-effective manner, the unit uses the education and awareness campaign as a platform to conduct compliance inspections. Mediation interventions were conducted telephonically.

PROGRAMME 5: POLICY, RESEARCH AND INNOVATION

2.4.5. Programme 5: Policy, Research and Innovation

Purpose

Improve government service delivery through integrated planning, monitoring and evaluation.

Programme 5 has been structured to address its mandate through four sub-programmes:

The sub-programmes are:	Purpose of the sub-programme
Economic Policy Development	Align economic development policies aimed at broadening participation in the economy to create opportunities.
Research and Development	To enhance growth and development in the province, through socio-economic research, that seeks to also engender the modern, growing and successful Northern Cape vision.
Knowledge Economy and Innovation	Innovate and modernise the provincial economy by facilitating the development, protection and utilization of intellectual property, technology transfer and technological commercialization to enable entrepreneurs to benefit along the entire innovation value chain.
Monitoring and Evaluation	Improve government service delivery through integrated monitoring and evaluation.

Institutional Outcome/s supported by the Programme:

- Higher Economic Growth
- Improved levels of employment

2.4.5.1 Economic Policy Development

Outcomes, Outputs, Output Indicators, Targets and actual achievements table

Sub-Programme: Economic Policy Development								
Outcome	Output	Output Indicator	Audited Actual Performance 2019/2020	Audited Actual Performance 2020/2021	Planned Annual Target 2021/2022	Actual Achievement 2021/2022	Deviation from planned target to actual achievement 2021/2022	Reasons for deviations
Improved levels of employment	Positive economic growth and job creation trajectory.	5.1.1 Economic strategies developed.	1	1	1	0	1	Preliminary work on the target conducted. However, target could not be achieved due to shortage of staff resulting from staff secondment.
	Improved policy implementation to support job creation.	5.1.2 Reviewed economic policies.	New	2	4	4	0	None
	Economic policy alignment to support job creation.	5.1.3 MTSF Priority implementation monitoring.	New	4	4	4	0	None
	Engagements with stakeholders to ensure alignment of economic policies.	5.1.4 Socio-economic engagements with stakeholders.	-	New	5	6	1	An additional virtual socio-economic engagement was conducted in Q3.

Office of the Chief Director

The Programme achieved 15 of the 16 targets. The sub-programmes Research and Development; Knowledge Economy and Innovation; and Monitoring and Evaluation respectively achieved all their indicators. Economic Policy Development achieved 3 of the 4 indicators for the year under review. The Office of the Chief Director spent 88.7% of its budget, while the Programme spent 97.3% of the total budget. The Office of the Chief Director is responsible for fixed costs across the programme which comprises operating leases, municipal services, auditing fees, telecommunications costs and training and development amongst others. Fixed costs swallow up the lion's share of the goods and services budget component. The remaining cost elements includes travel and accommodation, venue hiring, catering and related expenses to discharge the work of the programme.

Performance Narrative for Economic Policy Development

The advent of Covid-19 had a great impact on the global economy and this also affected the economy of the province. The Policy and Planning unit continued to monitor the implementation of the Provincial Recovery and Reconstruction Plan (NCERRP) ensuring alignment of the NCERRP to the District Development Model (DDM) One Plans. NCERRP working group was established and met on a quarterly basis. These reports were presented at different platforms on a regular basis.

In order to ensure alignment of departmental plans to national economic policy imperatives 4 economic policies (Re-imagining Industrial strategy, Northern Cape Manufacturing Strategy, NCERRP and Provincial SMME Strategy) a draft Smart Plan which includes all economic development projects in the province was compiled. This plan will be monitored through the revived Economic Transformation and Job Implementation forum. The reviews were conducted to evaluate provincial implementation and identify areas that can be taped on for advancing economic development in the province

The unit continued to monitor the implementation of the Medium-Term Strategic Framework (MTSF 2019-2024). Four MTSF priority implementation monitoring reports were produced. These reports also highlight progress made on implementation of SOPA commitments.

In ensuring alignment of economic policy imperatives to municipals plans, six Socio-economic engagements with municipalities and relevant stakeholders were hosted across all 5 districts in the province. These engagements focused mainly on ensuring alignment between the District ERRPs, NCERRP and DDM One Plan.

Linking performance with budgets

	2021/2022			2020/2021		
Sub- Programme Name	**Final Appropriation**	**Actual Expenditure**	**(Over)/Under Expenditure**	**Final Appropriation**	**Actual Expenditure**	**(Over)/Under Expenditure**
	R'000	**R'000**	**R'000**	**R'000**	**R'000**	**R'000**
Economic Policy Development	3 985	3 985	-	3 536	3 536	-
Total	**3 985**	**3 985**	**-**	**3 536**	**3 536**	**-**

Strategy to overcome areas of under performance

The target on the development of the SMME Strategy was not achieved due to secondment of staff member to NCEDA. The development of this strategy will be moved to the next financial year. This will be done through collaboration with relevant stakeholders.

2.4.5.2 Research and Development

Outcomes, Outputs, Output Indicators, Targets and actual achievements table

Sub-Programme: Research and Development								
Outcome	Output	Output Indicator	Audited Actual Performance 2019/2020	Audited Actual Performance 2020/2021	Planned Annual Target 2021/2022	Actual Achievement 2021/2022	Deviation from planned target to actual achievement 2021/2022	Reasons for deviations
Higher Economic Growth	Investment in research and development as % of the departmental budget	5.2.1 Research reports compiled.	2	0	1	1	0	None
		5.2.2 Research-and-development initiatives supported.	2	1	1	1	0	None
		5.2.3 Economic intelligence reports developed	4	4	4	4	0	None
		5.2.4 Economic overviews compiled.	New	6	6	6	0	None
		5.2.5 Reviewed DEDaT research agenda.	1	1	1	1	0	None

Performance Narrative for Research and Development

As in its quest to ensure intrinsic change in the lives of the people of the Northern Cape, the Department of Economic Development and Tourism, with its key partners and agencies has embarked on an ambitious quest to change the economic landscape of the province, and thus its people, through the development of the Northern Cape Industrial Development Corridor. The Department has identified the importance of completing the skills forecast for various projects included in the Northern Cape Industrial Development Corridor. This was done through the compilation and completion of an economic intelligence report titled Northern Cape Industrial Development Corridor: A Skills Forecast.

This report includes an analysis of the skills in demand for the sectors covered in the Industrial Development Corridor and includes

- an analysis of quantitative and qualitative secondary data looking at growth in the Northern Cape economy and
- b) the relevant sector-based labour markets, occupations and skills requirements (supply and demand).

When considering the high impact projects proposed for the Industrial Development Corridor in the Northern Cape Province and the demand for skills in the relevant sectors, it is clear that more has to be done in developing mathematics and science education in primary and high schools. In addition, collaboration between government, business, SETAs as well as the TVET colleges and the Sol Plaatje University (SPU) is needed to ensure that young people in the Northern Cape are able to acquire the necessary qualifications and skills for the various high impact projects planned for the province.

An economic intelligence report was conducted and completed with the objective of understanding the relationship between infrastructure development and its impact of the economy as well as employment. The report found that public infrastructure investment is central to achieving greater productivity and competitiveness, reducing spatial inequality and supporting the emergence of new job-creating sectors. It is thus one of the indispensable foundations of transformation and inclusive growth. Thus, the report attempted to understand the relationship between infrastructure investment and economic growth as well as employment. The findings suggest concerted infrastructure investment could potentially lead to economic growth and the creation of employment opportunities.

The empirical work covered in this report illuminates the grave need to consider infrastructure development, as a possible catalyst for the growth of the economy as well as that of employment. The study employed two-distinct quantitative methodological approaches, with varying degrees of consideration, as well as findings. With regards to the multivariate regression analysis, the analysis sought to understand how the investment components at a national level have an imprint on the provincial economy as well as employment growth. While also cognisant of the fact that the household spending tends to command a higher percentage contribution to the expenditure on GDP, it was considered as a variable of interest.

From the findings it was apparent that the investment outlays that tends to be computed at a national perspective have minimal implications for the provincial economy, however the spending by households has a positive and significant impact on the provincial economy. In context, the sub-component of investment outlays tends not accede to the economic theory, as such fail the a priori expectation test, in that they negate the expectation. In contrast, the overarching investment component despite not being statistically significant provides a semblance of economic thought, and minimally suggest that investment could have a primary role in both employment growth as well as economic growth.

Still in pursuance of its developmental mandate, the Department has identified the development of a Provincial Business Registration Act. Accordingly, the purpose of this report is to gain an understanding of the Limpopo Business Registration Act, that Limpopo Economic Development, Environment and Tourism (LEDET) Department has adopted in order to provide a legal basis for improving the business and regulatory environment for Micro, Small and Medium-sized Enterprises (MSMEs) in that province, with a view to draw lessons around its design, technical content and implementation.

The report notes that Micro Small and Medium Enterprises (MSMEs) are a crucial part of the South African economy, their contribution to job creation and economic growth is pivotal for the country’s future. However, it is important to look at the environment in which they operate, as the challenges they face, are best understood by looking at their environment. One predominant need facing most MSMEs is funding. However, one of the impediments of access to finance is the Red Tape these enterprises are confronted with, which can undermine the important role of the Act in helping MSMEs overcome their financial constraints.

A consequence of the harsh trading conditions, imposed by the lockdown restrictions due to the emergence of the Covid-19 Pandemic also brought a threat to the survival of MSMEs. The implications of the COVID-19 pandemic have been evident in business closures and many MSMEs that continue to remain in distress which has an adverse impact on jobs. As such, for small businesses to sustainably contribute to job creation, government and the private sector need to work together to solve two of the main constraints hindering MSME development, access to finance and access to markets. However, whilst the COVID-19 Pandemic has adversely affected many sectors of the economy, it has also brought about new opportunities for others.

This knowledge, would in turn, enhance the development of a Provincial Business Act for the Northern Cape, where much hope rests on the Act as one of many solutions to stimulate, support and grow the small business sector through legislative reform.

The Department continues to be inundated with the requests for the true impact of its major economic development initiatives, in order to understand the extent on the provincial economy an economic intelligence report titled *Impact Analysis of Economic Development Initiatives using the Provincial Social Accounting Matrix (SAM)*, was completed. According National Treasury (2022), gross fixed-capital formation contracted in the third quarter of 2021. As a result, investment remains about R84.6 billion below pre-pandemic levels – with private investment, the largest component of fixed-capital formation, accounting for 84 per cent of the shortfall. Renewed investment in fixed capital is vital to economic recovery and growth. Higher and more effective public-sector investment, specifically in network industries such as transport and energy, is needed to catalyse a sustained recovery.

This analytical exercise will elucidate the economic impact of the economic development initiatives as well as the value-for-money the said investment opportunities proposes. The Northern Cape province is indeed leading the charge to attract investment. This is as the province acknowledged in its Northern Cape Investment Booklet the ready investment opportunities with over 13 investment ready projects, with an initial capital outlay of over R 24 billion.

However, for the purpose of this analysis five key projects were analysed and thus modelled. The five modelled projects could lead to total employment impact of around 63 000 employment opportunities created. In the context to the provincial employment scenario this will equate to almost a quarter of the current employed cohort. To the provincial economy, there's a potential R 33.4 billion that could accrue, as the result of the modelled project, this will be about a third of the provincial GDP, in current terms.

The Township economy is a topical issue in the economic development discourse, and thus the significance of the economy needs to be critically understood. In order to understand the concept of "Township Economy" we first need to understand what "Township" refers to in this context. "The National Treasury refers to a 'township' as a "dense urban settlement usually built at a distance from the centre of commercial and industrial activity. In the apartheid era, this was by design: with townships established as dormitory towns for black workers, with no internal economic logic and limited social services. In the post-apartheid period, this pattern has often been reproduced, because large-scale housing projects have been built on cheap land, which is typically far from economic opportunities in the core economy. The social, infrastructural and economic costs of this ineffective urban planning are under-estimated and become set in concrete.

The purpose of the fourth EI paper is to investigate and conceptually understand what the Township Economy is. Moreover, contextually understand the challenges faced by the Township entrepreneurs. Furthermore, the research aims to gain a perspective on the interventions made by the Government to assist the Township-based entrepreneurs to make the necessary in-roads in business and remain sustainable. This is in the quest to make recommendations on mechanism towards enhancing implementation of a Township Economy Strategy for the province.

To contextualise and focus the work of Research and Development in the Department, the unit is tasked with the compilation and update of the Departmental Research Agenda. This Research Agenda sets out the research needs of the Department for the period 2022 Medium-Term Expenditure Framework (MTEF). It has been developed to support economic planning and project identification in the Department, and thus ensure that the Department delivers on its economic development imperatives. Also serves as a key signal to stakeholders on areas of research that the Department has identified as being important. More specifically, the Research Agenda has been developed to: (a) inform planning and implementation processes within the Department; (b) inform stakeholders of the Department's research priorities; (c) signal to funders and development partners what research areas require investment, and (d) assist the Department to guide resource allocation.

Through this exercise key research topics for the 2022/23 financial year were identified and earmarked for completion, in the said financial year.

Linking performance with budgets

	2021/2022			2020/2021		
Sub- Programme Name	**Final Appropriation**	**Actual Expenditure**	**(Over)/Under Expenditure**	**Final Appropriation**	**Actual Expenditure**	**(Over)/Under Expenditure**
	R'000	**R'000**	**R'000**	**R'000**	**R'000**	**R'000**
Research and Development	2 599	2 599	-	2 578	2 578	-
Total	**2 599**	**2 599**	**-**	**2 578**	**2 578**	**-**

Strategy to overcome areas of under performance

Staff development and training to capacitate officials.

2.4.5.3 Knowledge Economy and Innovation

Outcomes, Outputs, Output Indicators, Targets and actual achievements table

Sub-Programme: Knowledge Economy and Innovation								
Outcome	Output	Output Indicator	Audited Actual Performance 2019/2020	Audited Actual Performance 2020/2021	Planned Annual Target 2021/2022	Actual Achievement 2021/2022	Deviation from planned target to actual achievement 2021/2022	Reasons for deviations
Higher Economic Growth	Knowledge Management Systems	5.3.1 Knowledge Management Systems implemented.	1	1	1	1	0	None
	Broadband rollout	5.3.2 Sites with access to broadband connectivity.	36	34	20	26	6	6 additional sites were connected in Q3 via BBI and SITA installation of WIFI at SA Connect Site
	Digital infrastructure initiatives	5.3.3 Digital Infrastructure initiatives supported.	2	4	2	2	0	None
	Digital literacy and ICT entrepreneurship	5.3.4 e-Skills development initiatives.	9	5	4	7	3	The collaboration with ecosystem partners MLab, NCIF and Nemisa CoLab allowed target to be exceeded in Q1. The KE&I e-skills output support to (NEMISA) for the Digital Science Hackathon at Sol Plaatje University and the Launch of MS Cloud Society platform for MS Skills meant that the target for Q3 was surpassed. The ongoing collaboration with partners mLab, SEDA and DCVH meant that the target for Q4 was exceeded.
	Economic development initiatives in the SKA regional municipalities	5.3.5 Reports on localisation initiatives in terms of the SKA.	-	New	4	4	0	None

Performance Narrative for Knowledge Economy and Innovation

The Knowledge Economy and Innovation (KE&I) sub-programme continues to pursue means towards innovating and modernising the provincial economy. The work of KE&I is informed by the Presidential Commission on the Fourth Industrial Revolution (4IR) and the Department of Communications and Digital Technologies, *Digital Future Skills Strategy*.

The 2021/2022 reporting period for KE&I, while constrained by the Covid-19 pandemic, progressed the use of ICTs into the virtual realm. The sub-programmes Knowledge Management activities supported the transition to online activities in-house and is formatting platforms to drive greater utilization of the tools of the 4IR – Digitization and ICTs.

A key enabler of the 4IR is broadband connectivity. National broadband rollout, “SA Connect”, while developing the Phase 2 Implementation Plan deployed Wi-Fi into sixteen government sites in the Pixley ka Seme District Municipality. Afrovation Foundation is installing Wi-Fi in the Sol Plaatje Municipality, with ten sites currently connected, including locations such as: Kimberley Skate Park; Hulana Park; Thusong Youth Centre; the Information Centre; Mayibuye Multi-Purpose Centre; Kimberley Taxi Rank; and the Richie Library, in our efforts to bridge the digital divide, three youth from Seoding Village: Mr Tampane; Ms. Masabata; and Ms Malebogo are undergoing training in how to build a Community Network. Effectively creating a local wireless network.

Our Northern Cape Innovation Forum continues to gather momentum with a broad stakeholder forum having just being completed.

Skills for the digital era remain a foundation for our transition into a modern, growing, successful province. The mLab Northern Cape has graduated its second cohort of app developers, with another five new start-ups in incubation.

During 2022/23 we are planning to install more effective digital tools to improve the Department’s efficiency and create a platform to support SMMEs. Phase 2 of SA Connect will present their Implementation Plan and we will align accordingly through our Provincial Broadband Strategy. Afrovation will be moving into the province to expand Wi-Fi connectivity in our communities and will be bolstered by the support offered by the creation of the Community Networks model. With the easing of Covid-19 restrictions, our e-skills programmes will be reaching into the province and teaming with our collaborators, Sol Plaatje University, mLab NC and the National Electronic Media Institute South Africa, amongst others.

Linking performance with budgets

	2021/2022			2020/2021		
Sub- Programme Name	Final Appropriation	Actual Expenditure	(Over)/Under Expenditure	Final Appropriation	Actual Expenditure	(Over)/Under Expenditure
	R’000	R’000	R’000	R’000	R’000	R’000
Knowledge Economy and Innovation	6 003	6 003	-	6 073	6 073	-
Total	**6 003**	**6 003**	**-**	**6 073**	**6 073**	**-**

Strategy to overcome areas of under performance

Enhancing and strengthening partnerships.

2.4.5.4 Monitoring and Evaluation

Outcomes, Outputs, Output Indicators, Targets and actual achievements table

Sub-Programme: Monitoring and Evaluation								
Outcome	Output	Output Indicator	Audited Actual Performance 2019/2020	Audited Actual Performance 2020/2021	Planned Annual Target 2021/2022	Actual Achievement 2021/2022	Deviation from planned target to actual achievement 2021/2022	Reasons for deviations
Higher Economic Growth	Economic Development Initiatives monitored.	5.4.1 Monitoring reports	5	2	4	4	0	None
	Economic Development Initiatives evaluated.	5.4.2 Evaluation reports	3	1	2	2	0	None

Performance Narrative for Monitoring and Evaluation

The sub-programme achieved all its targets for the 2021/22 financial year.

Four (4) monitoring reports, namely; assessing SMMEs who benefited from Covid Relief Fund, Tourism supported establishments through funding and/or business capacity programmes, Industrialization through localization and Economic Growth within the vulnerable groups.

Two (2) evaluation reports namely Assessment of DEDaT’s Tourism initiatives whether the implementation process was effective and efficient? Secondly, Assessment of the economic impact during Covid 19 on SMMEs

Linking performance with budgets

	2021/2022			2020/2021		
Sub- Programme Name	**Final Appropriation**	**Actual Expenditure**	**(Over)/Under Expenditure**	**Final Appropriation**	**Actual Expenditure**	**(Over)/Under Expenditure**
	R’000	R’000	R’000	R’000	R’000	R’000
Monitoring and Evaluation	3 712	3 712	-	2 794	2 794	-
Total	**3 712**	**3 712**	**-**	**2 794**	**2 794**	**-**

Strategy to overcome areas of under performance

None

PROGRAMME 6: TOURISM

2.4.6. Tourism

Purpose

Promote and support the growth and development of an equitable, competitive and sustainable tourism sector, enhancing its contribution to national priorities.

Programme 6 has been structured to address its mandate through two sub-programmes:

The sub-programmes are:	Purpose of the sub-programme
Tourism Growth	Monitor tourism's sector performance and enable stakeholder relations.
Tourism Development	Facilitate and coordinate tourism destination development. Enhance transformation, increase skills levels and support the sector to ensure that South Africa is a competitive tourist destination.

Institutional Outcome/s supported by the Programme:

- Higher Economic Growth

2.4.6.1 Tourism Growth

Outcomes, Outputs, Output Indicators, Targets and actual achievements table

Sub-Programme: Tourism Growth								
Outcome	Output	Output Indicator	Audited Actual Performance 2019/2020	Audited Actual Performance 2020/2021	Planned Annual Target 2021/2022	Actual Achievement 2021/2022	Deviation from planned target to actual achievement 2021/2022	Reasons for deviations
Higher Economic Growth	Integrated planning	6.1.1 Tourism Industry Stakeholder consultation.	4	3	16	16	0	None
	Development and upskilling.	6.1.2 Interventions to support the tourism guiding sector.	4	50	4	4	0	None
	Tourism Safety and illegal tourist guiding awareness.	6.1.3 Tourism safety awareness and campaign against illegal tourist guiding.	-	New	7	7	0	None
	Tourism Advocacy and Awareness Programmes	6.1.4 Indigenous, heritage, culture and rural tourist awareness programmes	New	2	5	5	0	None
	Create a tourism culture within the tourism industry	6.1.5 Support tourism initiatives.	-	New	11	11	0	None

Office of the Chief Director

It is important to indicate that the Budget Structure makes provision for Tourism Planning, Tourism Growth and Development and Tourism Sector Transformation. In terms of the organogram for Tourism, there are two sub-programmes i.e., Tourism Growth and Tourism Development. The functions (and subsequent indicators) for Tourism Sector Transformation are contained in the functional sub-programmes. The department has made representation to treasury to amend the Budget Structure to match the current operational arrangement (for the year under review) as per the organogram.

The Programme has succeeded in achieving 100% of its targets for the year under review. It also spent 99.8% of the budget. The Office of the Chief Director spent 98,9% of the budget. The expenditure included fixed costs, operating leases, travel and accommodation for the Chief Director and property payments. Financial details are reflected in the Annual Financial Statements in Part E of the annual report.

Performance Narrative for Tourism Growth

The Tourism Growth Directorate is responsible to facilitate opportunities for growth in the tourism sector and to enable development. This is achieved mainly through stakeholder relations to foster inclusive growth, strategy and policy development and to ensure that compliance to relevant legislation.

Community based tourism forums serves as a platform between public and private sector intended to address challenges faced by the tourism industry, and collaborate through joint intervention to finding lasting solutions that will ensure that the growth of tourism contributes to economic growth of the province. These forums serve as a platform to harness stakeholder relations. Through the tourism forums the Department is able to unite the tourism industry to develop and implement a single vision for the growth of tourism between public and private sector. The Covid-19 pandemic has called for more collaborative efforts among industry players which will ensure inclusive growth of the sector. The vastness of the province is the main driver of establishing these forums which assist in building capacity at a local level to ensure that tourism sector plays a pivotal role in local economic development imperatives. To this end fourteen (14) tourism forums have been established across the province.

Marine and coastal tourism development has been the priority of the Department. The Department has been successful in building partnerships with the National Department of Tourism to appoint a service provider that will conduct studies on the development of boardwalks, bird platform viewing areas amongst others on the Orange River mouth which will go a long in exposing the visitor experience of the rich tourism products to tourists visiting our coastline.

A tourism performance report has been produced which details the contribution of tourism to the provincial economy. To augment on this effort the Department is engaged in an effort to develop a provincial visitor tracking system. One of the challenges faced by the DEDAT is the ability to accurately track the performance of the tourism industry in the province due to the lack of readily available local tourism statistics and often conflicting information provided by different providers of tourism research. The lack of reliable tourism data and statistics at provincial and local level present a challenge as it is very difficult to measure tourism growth and its economic impact, visitor distribution and what influences travel decisions where it relates to the Northern Cape. This situation impacts adversely on evidence-based policy development and decision-making and providing support to investors and project partners. The tracking system is intended to provide comprehensive statistics, profile, and the economic value of tourism in the province. The outputs of the tracking system will inform evidence-based policy development, planning, decision-making, monitoring, and evaluation as well as providing support to investors and project partners.

Tourist guiding is an important component of the tourism sector as it provides the tourist with the rich tourism experiences, exposing the tourist to the rich cultural and natural beauty of our province. The Department has been able to empower twenty-nine (29) tourist guides in the province through first aid training which is one of the main criteria of becoming a tourist guide. To this end a campaign against illegal tourist guiding has been mounted to flush out illegal guiding which serves as a high risk to compromising the authentic tourism product offering and experiences on the Northern Cape Province.

To accelerate the transformation in the tourist guiding sector, the Tourism Growth Directorate assisted black and emerging five (5) tourist guides to go through a mentorship programme. The outcome of the mentorship programme was to provide capacity in terms of business, communication and marketing management, product and experience packaging, guiding techniques amongst others.

Rural, heritage and indigenous tourism provides various benefits such as foreign exchange, employment, investment and exposes indigenous cultural and heritage experiences to tourists thus ensuring that they form part of the mainstream economy. The Department engaged rural communities as it recognised their high potential to stimulate local economic growth and social change as they complement with other economic activities and its contribution to GDP and job creation, as well as its capacity to promote geographic spread and limit the negative impact of seasonality.
It seeks to advance the role of tourism in valuing and safeguarding rural and indigenous heritage along with their associated landscapes, knowledge systems, biological and cultural diversity, local values and activities.

Five (5) community-based tourism campaigns were conducted in Ashkam, Andriesvale, Kuboes, Joe Morolong and Colesburg to empower these communities with the benefits of becoming part of the mainstream stream tourism economy.

Safety in the tourism industry has become a major concern as any form of aggression against tourist serves as a deterrent to report visits and therefore affects the growth of the tourism industry in the province. The Department embarked on seven (7) tourism awareness campaigns to highlight the impact of safety in the tourism sector

Linking performance with budgets

	2021/2022			2020/2021		
Sub- Programme Name	**Final Appropriation**	**Actual Expenditure**	**(Over)/Under Expenditure**	**Final Appropriation**	**Actual Expenditure**	**(Over)/Under Expenditure**
	R'000	**R'000**	**R'000**	**R'000**	**R'000**	**R'000**
Tourism Growth	6 061	6 061	-	4 928	4 928	-
Total	**6 061**	**6 061**	**-**	**4 928**	**4 928**	**-**

Strategy to overcome areas of under performance

None

2.4.6.2 Tourism Development

Outcomes, Outputs, Output Indicators, Targets and actual achievements table

Sub-Programme: Tourism Development								
Outcome	Output	Output Indicator	Audited Actual Performance 2019/2020	Audited Actual Performance 2020/2021	Planned Annual Target 2021/2022	Actual Achievement 2021/2022	Deviation from planned target to actual achievement 2021/2022	Reasons for deviations
Higher Economic Growth	Skilled tourism industry workforce.	6.2.1 Upskilled tourism industry workforce.	New	21	10	30	20	Working session conducted with additional guest houses without financial implications. Project costs were lower than projected which meant that more beneficiaries could be assisted.
	Enhanced market offering of black-owned tourism enterprises.	6.2.2 Black-owned tourism entrepreneurs supported.	New	25	15	30	15	Programme provided with bigger budget than planned for. This meant that more black-owned tourism entrepreneurs could be supported.
	Enhanced provincial visitor experience.	6.2.3 Initiatives to enhance provincial visitor experience.	New	3	2	6	4	Additional funding allowed for the implementation of additional tourism experience development projects.
	Improved provincial destination tourism infrastructure.	6.2.4 Tourism infrastructure development interventions.	New	5	5	5	0	None
	Tourism industry complaint with industry standards.	6.2.5 Tourism Industry compliance interventions.	New	90	50	103	53	The increased budget allowed the SA Grading Council to grade additional properties.
	Optimally functioning provincial tourism authority.	6.2.6. NCTA operational support initiatives.	New	4	4	4	0	None

Performance Narrative for Tourism Development

The Tourism Development sub-programme, steered by the relevant national and provincial tourism strategies and provincial tourism recovery plan, plays a significant role in developing and promoting the Northern Cape as attractive and competitive destination. In this regard it contributes to skills development, enterprise development and compliance support for tourism businesses, as well as tourism experience and infrastructure development. The work done by the sub-programme also provides support to efforts to transform the provincial tourism industry.

The sub-programme has a close operational relationship with the Northern Cape Tourism Authority, not only by way of providing the entity's operational budget but also to develop and refine the tourism products and experiences marketed by the entity. As such, the entity provides important guidance to the Tourism Development sub-programme. This guidance is grounded in market requirements and desires which in turn influences the selection of projects implemented by the sub-programme.

The Tourism Development sub-programme achieved all of its planned targets and exceeded targets for four of its six indicators. Targets exceeded in the main are as a result of receiving a bigger budget than planned for. Having said that, the sub-programme could have achieved even more was it not for the departmental Supply Chain Management being constrained in the timely recruitment of CSD compliant and specialist service providers, to some extent a fallout of the impact of Covid related lockdowns on service providers still struggling for economic survival and remaining tax non-compliant. This impacted on the following projects: the design for the Riemvasmaak hot spring recreational area and day spa, training of six adventure tourism tourist guides for Riemvasmaak and mountain bike trail development at the McGregor Museum's Magersfontein Battlefield Museum. The first two affected projects could not be completed as planned while the last project was completed with a scaled-down scope and funded by a private project sponsor. Subsequently this situation resulted in the eventual underspending on the available budget by the sub-programme and causing sequencing challenges to complete related projects planned for the medium-term.

Thirty individuals (9 youth, 24 females, 6 males) benefitted from skills development initiatives launched by the sub-programme. This included six youth trained in massage therapy at the Central University of Technology with all six of the recruits passing the course with distinction. Twenty-four individuals (3 youth, 20 females) benefitted from quality assurance work sessions presented at participating accommodation establishments in the Pixley ka Seme and Namakwa districts. The district distribution of beneficiaries is as follows: 14 – Pixley ka Seme, 10 – Namakwa, 6 – Z.F. Mgcawu,

Thirty small tourism enterprises (1 youth, 18 females, 12 male), all of them black-owned, benefitted from financial support provided to develop their business capacity and product offerings. The department partnered with the national department of Tourism to manage the Mier Tourism Enterprise incubator to benefit small tourism businesses from Mier and Riemvasmaak. The incubator supported 46 incubatees during the period under review. Twenty of the incubatees (15 female owned, 5 males owned) benefited from financial support made available by the Tourism Development sub-programme. Eight black-owned conference centres (1 youth owned, 5 female-owned, 3 male-owned) received financial support in an effort to enhance their capacity to adapt to the new business normal of being able to present virtual and hybrid events. Two taverns, both black-owned and located near the Mayibuye precinct on the Galeshewe Activity Route, received financial support to improve the tourism experience offered. Tourism enterprise non-compliance with CSD requirements, almost always tax non-compliance related, continue to be a challenge. Two more small tourism enterprises could have been supported financially have they been CSD compliant. The district distribution of tourism enterprise beneficiaries is as follows: 21 – Z.F. Mgcawu, 4 – Frances Baard, 3 – Namakwa, 2 – John Taolo Gaetsewe.

Six projects were launched to enhance the provincial visitor experience in the province. The projects are –

- supporting Mob Entertainment and Teemaneng Running Club to procure event infrastructure.
- improving the tourism experience at the accommodation units in Witsand Nature Reserve.
- furnishing the McGregor Museum's Bagpipe Lodge.
- assisting Dawid Kruiper Municipality to improve their visitor information services and the municipal area as tourist gateway.
- funding the presentation of the Kimberley Diamond Cup.

The district distribution of tourism experience development projects is as follows: 4 – Frances Baard, 1 – Z.F. Mgcawu, 1 – Pixley ka Seme.

The Tourism Development sub-programme financially supported the Sol Plaatje Local Football Association to present an inter-regional soccer tournament. The funds were transferred in March 2022 with the event postponed to April 2022.

The Tourism Development sub-programme completed five tourism infrastructure projects. The projects are –

- improving the Northern Cape Cricket's stadium in Kimberley in an effort to improve the International Cricket Council grading of the stadium.

- rejuvenating the community-owned Namaqua 4x4 Eco Trail.
- building two new bungalows at Witsand Nature Reserve.
- establishing mountain bike trails at Magersfontein Battlefield Museum.
- re-developing Bagpipe Lodge at the Magersfontein Battlefield Museum.

The latter three projects are also intended to improve the revenue generating potential of NCEDA and the McGregor Museum. The district distribution of tourism infrastructure projects is as follows: 3 – Frances Baard, 1 – Namakwa, 1 – Pixley ka Seme.

Twenty recruits (18 youth, 11 females, 9 male) from Mier in the Z.F. Mgcawu district were trained to become security guards with an event competency to render services to the local tourism industry and at the Hakskeenpan open-air mega event venue.

Eighty-three accommodation properties and conference centres were graded in partnership with the Tourism Grading Council of South Africa with the Tourism Development sub-programme providing the funding. This project is designed to maintain and increase the number of graded properties in the Northern Cape and to support the tourism industry with recovery from the adverse effects of Covid pandemic related lockdowns. Grading beneficiaries were from all provincial districts.

Some 246 employment opportunities were created during the period under review (source: project implementing entities).

150 – Kimberley Diamond Cup
40 – Namakwa 4x4 Eco Trail
16 – Northern Cape Cricket
18 – Witsand Bungalow Construction.
2 – McGregor Museum Magersfontein Battlefield mountain bike trails.
20 – Mier Security Guard Training (stipend paid for two weeks).

The Tourism Development sub-programme partners with tourism industry role-players to enhance the tourism experience in the Northern Cape and develop critical infrastructure to support industry growth. The five partnership projects are (project partner in brackets) –

- Square Kilometre Array Carnarvon Exploratorium (national department of Science and Innovation, national department of Tourism, South African Radio Astronomy Observatory, Kareeberg Municipality).
- Critical tourism infrastructure maintenance in provincial nature reserves (national department of Tourism).
- Critical infrastructure development for the McGregor Museum (national department of Tourism).
- Tourism infrastructure development in the Richtersveld World Heritage Site (national department of Forestry, Fisheries and Environment).
- #Khomani San Cultural Interpretation Centre and Market Tree Development at Twee Rivieren rest camp in the Kgalagadi Transfrontier Park (national department of Tourism, South African National Parks).

The Tourism Development sub-programme continues to operate in an environment of significant risk. This relates to continued big budget cuts impacting adversely on the sub-programmes ability and capacity to achieve its strategic objectives, the struggle of targeted beneficiaries to be CSD compliant which limits the sub-programme to provide financial support and the risk of contractual non-compliance where it concerns financial support to targeted beneficiaries. Budget cuts also expose the lack of specialist technical skills within the sub-programme which need to be urgently addressed via upskilling staff and strengthening the sub-programme ability and capacity to manage tourism enterprise, experience and infrastructure development projects.

Nonetheless, the success of the Tourism Development sub-programme to achieve its planned targets, despite operational difficulties, is the result of the absolute dedication of the staff compliment of eight employees and their willingness to go the extra mile to support the provincial tourism industry recovery and to place it on the path of thriving again.

Linking performance with budgets

	2021/2022			2020/2021		
Sub- Programme Name	Final Appropriation	Actual Expenditure	(Over)/Under Expenditure	Final Appropriation	Actual Expenditure	(Over)/Under Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000
Tourism Development	62 293	62 204	89	43 352	42 032	1 320
Total	**62 293**	**62 204**	**89**	**43 352**	**42 032**	**1320**

Strategy to overcome areas of under performance

The Tourism Development sub-programme did not have any area of under performance during the period under review.

However, a significant risk to achievement of planned targets is present as the department's Supply Chain Management unit is under pressure to do timely procurement for the sub-programme to achieve its targets. This relates to identification and recruitment of specialist service providers and CSD compliant service providers.

Failure to do timely procurement will make it impossible for the sub-programme to achieve its planned targets and will also create significant underspending.

It is recommended that the following corrective action be taken to mitigate the risk of procurement non-performance -

(i) that the head of department and chief financial officer work towards improving the human capacity of the supply chain management unit.

(ii) that specialist project procurement knowledge within the supply chain management unit be improved through working closer with the affected programme before the start of and during a financial year to better respond to specialist procurement needs.

Reporting on the Institutional Response to the COVID-19 Pandemic

Budget Programme	Intervention	Geographic location (province/district/local municipality – where possible)	Number of beneficiaries (where possible)	Disaggregation of beneficiaries (where possible)	Total Budget Allocation per intervention. (R'000)	Budget spent per intervention.	Contribution to the Outputs in the APP (where applicable)	Immediate outcomes
Programme 2: IEDS	Enterprises supported with Companies and Intellectual Properties Commission services (CIPC)	Frances Baard	288	-	R 100 000	No budget spent on this intervention; services was office based.	Enterprises assisted with non-financial support services.	Enterprises enabled to expand their markets and improve sustainability.
Programme 2: IEDS	DSBD Township and Rural Entrepreneurship Progamme (TREP) implemented Programme implemented by DSBD – no information received regarding Q3 performance	Northern Cape	Applications, from across the province, for TREP instruments	Enterprises across the province.	-	-	Enterprise support initiatives.	Investment directed at growing of township economies Programme (TREP) is continuing in all 5 districts of the province. Mobilise a drive to formalise businesses.
Programme 2: IEDS	Establishment of the Northern Cape SMME Fund (Access to finance – blended funding instrument between NEF and DEDaT)	JTG/Ga-Segonyana	One enterprise successful	Black: 100% Woman: 77% Youth: 0%	R 57 225 000.00	R 6 000 000.00	EGDF disbursed: Financial support to enterprises	Enterprises enabled to access finance.
Programme 2: IEDS	Youth Development Stakeholder Meeting – Not held	Northern Cape	-	-	-	-	-	DEDaT will consult stakeholders with regards to entrepreneurship and empowerment.
Programme 2: IEDS	Youth Development Fund	Northern Cape	To be determined	100 % Youth	None. Awaiting outcome of budget pressure submitted	None. Awaiting outcome of budget pressure submitted	Financial support for youth enterprises	No progress. Due to lack of funds Information was shared with Youth on other funding opportunities available at the NEF and the Blended funding that

Budget Programme	Intervention	Geographic location (province/district/local municipality – where possible)	Number of beneficiaries (where possible)	Disaggregation of beneficiaries (where possible)	Total Budget Allocation per intervention. (R'000)	Budget spent per intervention.	Contribution to the Outputs in the APP (where applicable)	Immediate outcomes
								was established by the NEF and DEDAT
Programme 2: IEDS	Youth Information Session	Pixley Ka seme	±100	100% youth	R18 000.00	±R10 000.00	Number of targeted groups upskilled to participate in the mainstream economy	Youth are informed of opportunities that exist for youth that want to venture into business
Programme 2: IEDS	Youth Information Session	Z F Mcgawu	▪ Pabalelo High School (Grade 12) –(42 people attended the event. Upington TVET college-(53 people attended the event.	• 38 youth (17 female youth and 21 male youth) and 4 male adults. 40 female youth, 12 male youth and 1 adult)	R20 000.00	±R15 000.00	Number of targeted groups upskilled to participate in the mainstream economy	Youth are informed of opportunities that exist for youth that want to venture into business
Programme 2: IEDS	Youth Information Session	Namakwa	▪ Okiep High School-(59 people attended. ▪ Garies Youth Service Centre-(17 People attended. ▪ Porth Nolloth Youth Service Centre-(6 people attended.	• 26 female youth and 33 Male youth) • 8 female youth and 9 male youth) • 4 females (2 youth and 2 adult) and 2males (1 youth and 1 adult)	R20 000.00	±R15 000.00	Number of targeted groups upskilled to participate in the mainstream economy	Youth are informed of opportunities that exist for youth that want to venture into business
Programme 2: IEDS	Youth Information Session	Frances Baard	85 students	55 male youth and 30 Female youth	-	-	Number of targeted groups upskilled to participate in the mainstream economy	Information on Entrepreneurial thinking, Businesses registration, funding opportunities and other business support rendered by other stakeholders that are available for small businesses.
Programme 2: IEDS	Seminar for Women owned Businesses	Frances Baard	35	35 Women	R18 000.00	±R8 000.00	Number of targeted groups upskilled to participate in the	Women were informed of funding opportunities available, construction tenders, and

Budget Programme	Intervention	Geographic location (province/district/local municipality – where possible)	Number of beneficiaries (where possible)	Disaggregation of beneficiaries (where possible)	Total Budget Allocation per intervention. (R'000)	Budget spent per intervention.	Contribution to the Outputs in the APP (where applicable)	Immediate outcomes
	(Not attended by women only)						mainstream economy	machinery and equipment funding opportunities. They were assisted with the applications for the opportunities.
		Pixley Ka Seme	• Prieska: attended by 20 people • Victoria West: Thirty-three (33) people • De Aar: Twenty (20) people attended the event. Petrusville: Forty-eight (48) people attended the event,	• Prieska: 6 female of which 1 was youth • Victoria West: 11 female of which 6 was youth. • De Aar: Eleven were female (5 were youth) Petrusville: 27 was female (of which 13 was youth)	R40 000.00	±R28 000.00	Number of targeted groups upskilled to participate in the mainstream economy	Women were informed of funding opportunities available , construction tenders, and machinery and equipment funding opportunities. They were assisted with the applications for the opportunities.
Programme 2: IEDS	BBBEE	Frances Baard	Beneficiaries	2 Women (sector dept) 1 Woman (SMME)	R 30 000.00	R0. (due to covid 19 pandemic the intervention was done virtually)	BBBEE Interventions	Sector departments to Comply with BBBEE compliance by submitting reports to the BBBEE Commission
	John Taolo Gaetsewe	17	13 Youth (12 Women,1 Male) 4 adults	R30 000.00	±R18 000.00	Number of HDI's Capacitated to access economic opportunities	SMMEs in JTG are now empowered with information and can apply for the opportunities linked to the YES programme	John Taolo Gaetsewe
	Frances Baard	25	12 – male 9 – female 3 – youth 1 – PWD	R30 000.00	±R18 000.00	Compliance workshop for Provincial Departments	Awareness of compliance regarding BBBEE reports of Provincial Departments	Frances Baard
	Strengthen LED units in municipalities	ZFM/Tsantsabane LM	Local Municipality			R40 000	- Conducted Red Tape Reduction assessment for	Benchmark with Municipalities with best practices in

Budget Programme	Intervention	Geographic location (province/district/local municipality – where possible)	Number of beneficiaries (where possible)	Disaggregation of beneficiaries (where possible)	Total Budget Allocation per intervention. (R'000)	Budget spent per intervention.	Contribution to the Outputs in the APP (where applicable)	Immediate outcomes
							Gamagara and Tsantsabane Local Municipalities	reducing Red Tape for ease of doing business in localities e.g. By-laws
	JT Gaetsewe DM (Gamagara LM)	District Municipality			R20 000	- Conducted Red Tape Reduction assessment for Gamagara Local Municipality.	- Benchmark with Municipalities with best practices in reducing Red Tape for ease of doing business in localities e.g. By -laws	JT Gaetsewe DM (Gamagara LM)
		ZFM/Tsantsabane LM	District Municipality	-	-	-	None	Conducted Virtual LED Forum: Kheis Local Municipality (30th August 2021)
	ZF Mcgawu DM Tsantsabane LM	District Municipality			R20 000	- Conducted Red Tape Reduction assessment for Tsantsabane Local Municipality. - Development of the LED Strategy: Chapter 1-5	Benchmark with Municipalities with best practices in reducing Red Tape for ease of doing business in localities e.g. By-laws	ZF Mcgawu DM Tsantsabane LM
Programme 3: Trade and Sector Development	Formal engagement structure between government and agriculture and mining industries.	JTG DM: Gamagara LM	Kheis Local Municipality	-	-	-	None	Conducted Virtual LED Forum: Kheis Local Municipality (30th August 2021)
Programme 3: Trade and Sector Development		JTG DM: Gamagara LM	28	Female – 17 Male – 11 Youth – 11 (9-M and 2-F)	-	-	Stakeholder engagements regarding LED in the municipality	LED Forum conducted: Gamagara Local Municipality
Programme 2: IEDS	Goodhouse Removal of Prosopis trees	NDM - Namakhoi	36	Women – 21 Youth – 22	R 450 000	R 450 000	Financial support for EPWP projects in the environmental sector	192 EPWP employment opportunities created

Budget Programme	Intervention	Geographic location (province/district/local municipality – where possible)	Number of beneficiaries (where possible)	Disaggregation of beneficiaries (where possible)	Total Budget Allocation per intervention. (R'000)	Budget spent per intervention.	Contribution to the Outputs in the APP (where applicable)	Immediate outcomes
Programme 2: IEDS	Eradication of Alien Vegetation	PKSDM: Siyathemba	40	Women – 19 Youth – 25	R 1 000 000	R 1 000 000	-	-
Programme 2: IEDS	Sol Plaatje Langley Resort	FBDM: Sol Plaatje	60	Women – 30 Youth – 37	R 510 000	R 510 000	-	-
Programme 2: IEDS	Inner City Revitalisation	FBDM: Sol Plaatje	40	Women – 21 Youth – 22	R 140 000 Roll-over amount	R 140 000	-	-
Programme 2: IEDS	Mhlanga Cleaners	FBDM: Sol Plaatje	16	Women – 10 Youth – 12	Departmental funded project	-	-	-
Programme 6 : Tourism	Tourism and NCTA - Monitoring of incentives and Foreign visitor tracking	Northern Cape	-	-	-	-	-	No further COVID relief related incentives available. Foreign visitor tracking phase completed.
Programme 4: Consumer Education	Consumer Protection Authority - Issue compliance notices to suppliers and shop owners to protect the consumers against exploitation	Northern Cape	16000	All consumers	R55 000	R55 000	Expanding consumer reach and provided effective redress to people of the Northern Cape	1 Outreach programmes held: Namaqua District 24/05/2021-28/05/2021 Inspections conducted: 50 Compliance Notices:6 Sutherland 24/05/2021 Brandvlei 25/05/2021 Loeriesfontein 26/05/2021 Niewoudtville 26/05/2021 Calvinia 2705/2021

Budget Programme	Intervention	Geographic location (province/district/local municipality – where possible)	Number of beneficiaries (where possible)	Disaggregation of beneficiaries (where possible)	Total Budget Allocation per intervention. (R'000)	Budget spent per intervention.	Contribution to the Outputs in the APP (where applicable)	Immediate outcomes
								3 Complaints resolved through mediation Radio interview Radio Kaboesna FM 24/05/2021-27/05/2021 16000 listeners in the Hantam area reached
Programme 4: Consumer Education	-	Northern Cape	-	All consumers	-	-	Expanding consumer reach and provided effective redress to people of the Northern Cape	A Community outreach programme was held for Education and Awareness in Namaqua District from 16-20 August 2021: 16/08/2021 Introduction on Consumer, Education and Awareness 17/08/2021 Visibility of Prices on products 18/08/2021 Expiry dates on products/ best before dates /sell by dates

Budget Programme	Intervention	Geographic location (province/district/local municipality – where possible)	Number of beneficiaries (where possible)	Disaggregation of beneficiaries (where possible)	Total Budget Allocation per intervention. (R'000)	Budget spent per intervention.	Contribution to the Outputs in the APP (where applicable)	Immediate outcomes
								19/08/2021 Type of complaints A Radio talk show was held at Radio NFM and about 7 499 people were reached.
Programme 4: Consumer Education	-	-	-	All consumers	-	-	Expanding consumer reach and provided effective redress to people of the Northern Cape	A Community outreach programme was held for Education and Awareness in Special sessions were held in Namaqua and ZF Mgcawu Districts in collaboration with the NCC, NCR and ICASA in order to prepare consumers for responsible shopping during Black Friday week
Programme 4: Consumer Education	-	Northern Cape	-	All consumers	-	-	Expanding consumer reach and provided effective redress to people of the Northern Cape	A Community outreach programme was held for Education and Awareness in Namaqua District from 16-20 August 2021: 16/08/2021 Introduction on Consumer, Education

Budget Programme	Intervention	Geographic location (province/district/local municipality – where possible)	Number of beneficiaries (where possible)	Disaggregation of beneficiaries (where possible)	Total Budget Allocation per intervention. (R'000)	Budget spent per intervention.	Contribution to the Outputs in the APP (where applicable)	Immediate outcomes
								and Awareness 17/08/2021 Visibility of Prices on products 18/08/2021 Expiry dates on products/ best before dates /sell by dates 19/08/2021 Type of complaints A Radio talk show was held at Radio NFM and about 7 499 people were reached.
Programme 2: IEDS	Companies assisted through the R1.6 billion paid out by the Unemployment Insurance Fund's special COVID-19 benefit scheme – determine NC beneficiaries	Northern Cape	Northern Cape	11 624	-	-	R591 327 453.74	-
Programme 2: IEDS	Benefit to workers from the R1.6 billion paid out by the Unemployment Insurance Fund's special COVID-19 benefit scheme – support to determine NC beneficiaries	Northern Cape	Northern Cape	135 897	-	-	-	-
Programme 2: IEDS	R162 million – finance approved by the Industrial Development Corporation	-	-	-	-	-	-	-

Budget Programme	Intervention	Geographic location (province/district/local municipality – where possible)	Number of beneficiaries (where possible)	Disaggregation of beneficiaries (where possible)	Total Budget Allocation per intervention. (R'000)	Budget spent per intervention.	Contribution to the Outputs in the APP (where applicable)	Immediate outcomes
	(IDC) to support companies to procure or manufacture personal protective equipment							

2.5. TRANSFER PAYMENTS

2.5.1 Transfer payments to Public Entities

Table 2.5.1.1: transfer payments made for the period 1 April 2021 to 31 March 2022

Name of Public Entity	Key Outputs of the Public Entity	Amount transferred to the public entity (R'000)	Amount spent by the public entity (R'000)	Achievements of the public entity
Northern Cape Trade and Investment Agency (**NCEDA**)	Promoting direct foreign and local investment in the Province	R 50 083	R 50 083	Please refer to the annual report of The Northern Cape Trade and Investment Agency (**NCEDA**) obtainable from the Public Entity.
Northern Cape Liquor Board	Regulating the Liquor Industry in the Province	R 13 932	R 9 371	Please refer to the annual report of the **Northern Cape Liquor Board** obtainable from the Public Entity
Northern Cape Gambling Board	Regulating the Gambling Industry in the Province	R 16 255	R 13 845	Please refer to the annual report of the **Northern Cape Gambling Board** obtainable from the Public Entity
Northern Cape Tourism Agency (NCTA)	Marketing the Province as a Tourist Destination	R 25 152	R25 152	Please refer to the annual report of the **Northern Cape Tourism Agency (NCTA)** obtainable from the Public Entity,
Total		**R 105 422**	**R 98 451**	

2.5.2. Transfer payments to all organisations other than public entities

Table 2.5.2.1: Transfer payments made for the period 1 April 2021 to 31 March 2022

Name of transferee	Type of organisation	Purpose for which the funds were used	Did the dept. comply with s 38 (1) (j) of the PFMA	Amount transferred (R'000)	Amount spent by the entity (R'000)	Reasons for the funds unspent by the entity
TOURISM GRADING COUNCIL OF SOUTH	DEPARTMENTAL AGENCIES	ACCOMMODATION & CONFERENCE GRADING	YES	500	500	
NATIONAL EMPOWERMENT FUND TRUST	DEPARTMENTAL AGENCIES	ENTERPRISE DEV PARTNERSHIP: NEF	YES	27 225	27 225	
DEPARTMENT OF ROADS AND PUBLIC WORKS	DEPARTMENTAL AGENCIES	HERRITAGE SITES AND MONUMENTS	YES	1 000	1 000	
MCGREGOR MUSEUM	DEPARTMENTAL AGENCIES	HERRITAGE SITES AND MONUMENTS	YES	166	166	
NORTHERN CAPE SMME TRUST	DEPARTMENTAL AGENCIES	SMME DEVELOPMENT	YES	8 694	8 694	
SOL PLAATJE UNIVERSITY	HIGHER EDUCATION INSTITUTIONS	MLAB	YES	500	500	
NORTHERN CAPE PROVINCIAL GOVERNM	DONATION	SPONSORSHIP	N/A	11	11	
GEPF	EX-EMPLOYEE	EARLY RETIREMENT	N/A	591	591	
KV MARUMO	EX-EMPLOYEE	LEAVE GRATUITY	N/A	31	31	
O MOLUSI	EX-EMPLOYEE	LEAVE GRATUITY	N/A	24	24	
P WILDEMANS	EX-EMPLOYEE	LEAVE GRATUITY	N/A	8	8	

Name of transferee	Type of organisation	Purpose for which the funds were used	Did the dept. comply with s 38 (1) (j) of the PFMA	Amount transferred (R'000)	Amount spent by the entity (R'000)	Reasons for the funds unspent by the entity
TF LEGAE	EX-EMPLOYEE	LEAVE GRATUITY	N/A	98	98	
NAMAKWA DISTRICT MUNICIPALITY	MUNICIPALITY	EPWP CAPITAL AND STIPENDS	YES	450	450	
PIXLEY KA SEME DISTRICT MUNICIPA	MUNICIPALITY	EPWP CAPITAL AND STIPENDS	YES	1 000	1 000	
SOL PLAATJE-NC LOCAL MUNICIPAL	MUNICIPALITY	EPWP CAPITAL AND STIPENDS	YES	510	510	
DAWID KRUIPER MUNICIPALITY	MUNICIPALITY	VIC SUPPORT	YES	500	500	
KIMBERLEY DIAMOND AND JEWELLERY	PRIVATE ENTERPRISES	KIDJI (DIAMOND AND JUWELARY INCUBATOR)	YES	3 000	3 000	
MLAB SOUTH AFRICA	PRIVATE ENTERPRISES	MLAB	YES	1 000	1 000	
MOBENTERTEINMENT	PRIVATE ENTERPRISES	TOURISM-EVENT SUPPORT	YES	230	230	
BLUE DIAMOND LODGE	PRIVATE ENTERPRISES	TOURISM-SMME GRANTS	YES	90	90	
BOOKER TC ENTERPRISES	PRIVATE ENTERPRISES	TOURISM-SMME GRANTS	YES	200	200	
DCVW SOLUTIONS PTY LTD	PRIVATE ENTERPRISES	TOURISM-SMME GRANTS	YES	100	100	
HEAVENLY DINE GENERAL TRADING CC	PRIVATE ENTERPRISES	TOURISM-SMME GRANTS	YES	69	69	
IBHOTWE GUEST HOUSE NGS-SCM	PRIVATE ENTERPRISES	TOURISM-SMME GRANTS	YES	98	98	
MAIKEMISETSO TRANSPORT AND PROJE	PRIVATE ENTERPRISES	TOURISM-SMME GRANTS	YES	28	28	
MERITING GUEST HOUSE(PTY)LTD	PRIVATE ENTERPRISES	TOURISM-SMME GRANTS	YES	97	97	
NAMAKWA 4X4 EXPLORATION	PRIVATE ENTERPRISES	TOURISM-SMME GRANTS	YES	150	150	
NORTHERN CAPE CRICKET NPC	PRIVATE ENTERPRISES	TOURISM-SMME GRANTS	YES	1 000	1 000	
OUPA AT OUPAS TAVERN	PRIVATE ENTERPRISES	TOURISM-SMME GRANTS	YES	160	160	
OUS MEISIES LODGE (PTY)LTD	PRIVATE ENTERPRISES	TOURISM-SMME GRANTS	YES	97	97	
SIGMA INTERNATIONAL	PRIVATE ENTERPRISES	TOURISM-SMME GRANTS	YES	500	500	
SOL PLAATJE LOCAL FOOTBALL ASSOC	PRIVATE ENTERPRISES	TOURISM-EVENT SUPPORT	YES	810	810	
STEINKOPF INVESTMENT (P	PRIVATE ENTERPRISES	TOURISM-SMME GRANTS	YES	100	100	
TEEMANENG RUNNING CLUB	PRIVATE ENTERPRISES	TOURISM-EVENT SUPPORT	YES	87	87	
TOTAL				**49 124**	**49 124**	

Table 2.5.2.2: Transfer payments budgeted for but not made for the period 1 April 2021 to 31 March 2022

Name of transferee	Type of organisation	Purpose for which the funds were to be used	Amount budgeted for (R'000)	Amount transferred (R'000)	Reasons why funds were not transferred
N/A	N/A	N/A	N/A	N/A	N/A
Total	-	-	-	-	-

2.6. CONDITIONAL GRANTS

2.6.1 Conditional grants and earmarked funds paid

Table 2.6.1.1: Conditional Grants and Earmarked funds paid for the period 1 April 2021 to 31 March 2022

Department/ Municipality to whom the grant has been transferred	NAMAKWA DISTRICT MUNICIPALITY
Purpose of the grant	EPWP
Expected outputs of the grant	Expansion of the EPWP
Actual outputs achieved	100% implementation
Amount per amended DORA	450
Amount transferred (R'000)	450
Reasons if amount as per DORA not transferred	N/A
Amount spent by the department/ municipality (R"000)	450
Reasons for the funds unspent by the entity	N/A
Reasons for deviations on performance	N/A
Monitoring mechanism by the transferring department	In year monitoring report completed and submitted monthly. Employment contracts, attendance registers and site visits.

Table 2.6.1.2: Conditional Grants and Earmarked funds paid for the period 1 April 2021 to 31 March 2022

Department/ Municipality to whom the grant has been transferred	PIXLEY KA SEME DISTRICT MUNICIPA
Purpose of the grant	EPWP
Expected outputs of the grant	Expansion of the EPWP
Actual outputs achieved	100% implementation
Amount per amended DORA	1 000
Amount transferred (R'000)	1 000
Reasons if amount as per DORA not transferred	N/A
Amount spent by the department/ municipality (R"000)	1 000
Reasons for the funds unspent by the entity	N/A
Reasons for deviation on performance	N/A
Monitoring mechanism by the transferring department	In year monitoring report completed and submitted monthly. Employment contracts, attendance registers and site visits.

Table 2.6.1.3: Conditional Grants and Earmarked funds paid for the period 1 April 2021 to 31 March 2022

Department/ Municipality to whom the grant has been transferred	SOL PLAATJE-NC LOCAL MUNICIPAL
Purpose of the grant	EPWP
Expected outputs of the grant	Expansion of the EPWP
Actual outputs achieved	100% implementation
Amount per amended DORA	510
Amount transferred (R'000)	510
Reasons if amount as per DORA not transferred	N/A
Amount spent by the department/ municipality (R"000)	510
Reasons for the funds unspent by the entity	N/A
Reasons for deviation on performance	N/A
Monitoring mechanism by the transferring department	In year monitoring report completed and submitted monthly. Employment contracts, attendance registers and site visits.

Table 2.6.1.4: Conditional Grants and Earmarked funds paid for the period 1 April 2021 to 31 March 2022

Department/ Municipality to whom the grant has been transferred	-
Purpose of the grant	-
Expected outputs of the grant	-
Actual outputs achieved	-
Amount per amended DORA	-
Amount transferred (R'000)	-
Reasons if amount as per DORA not transferred	-
Amount spent by the department/ municipality (R"000)	-
Reasons for the funds unspent by the entity	-
Reasons for deviation on performance	-
Measures taken to improve performance	-
Monitoring mechanism by the transferring department	-

2.6.2. Conditional grants and earmarked funds received

Table 2.6.2.1: Conditional Grants and Earmarked funds received during for the period 1 April 2021 to 31 March 2022

Department who transferred the grant	Provincial Treasury
Purpose of the grant	EPWP
Expected outputs of the grant	Expansion of the EPWP
Actual outputs achieved	100% implementation
Amount per amended DORA (R'000)	1 960
Amount received (R'000)	1 960
Reasons if amount as per DORA was not received	N/A
Amount spent by the department (R"000)	1 960
Reasons for the funds unspent by the entity	N/A
Reasons for deviations on performance	N/A
Measures taken to improve performance	N/A
Monitoring mechanism by the receiving department	In year monitoring report completed and submitted monthly. Employment contracts, attendance registers and site visits.

2.7. DONOR FUNDS

2.7.1 Donor Funds Received

Table 2.7.1.1: Donor funds received during for the period 1 April 2021 to 31 March 2022

Name of donor	N/A
Full amount of the funding	N/A
Period of the commitment	N/A
Purpose of the funding	N/A
Expected outputs	N/A
Actual outputs achieved	N/A
Amount received (R'000)	N/A
Amount spent by the department (R'000)	N/A
Reasons for the funds unspent	N/A
Monitoring mechanism by the donor	N/A

2.8. CAPITAL INVESTMENTS

2.8.1. Capital investment, maintenance and asset management plan

Infrastructure projects	2021/2022			2020/2021		
	Final Appropriation R'000	Actual Expenditure (R'000)	(Over)/Under Expenditure (R'000)	Final Appropriation (R'000)	Actual Expenditure (R'000)	(Over)/Under Expenditure (R'000)
New and replacement assets	-	-	-	-	-	-
Existing infrastructure assets	-	-	-	-	-	-
Upgrades and additions	483	483	-	1 282	1 282	-
Rehabilitation, renovations and refurbishments	-	-	-	-	-	-
Maintenance and repairs	-	-	-	-	-	-
Infrastructure transfer	-	-	-	-	-	-
Current	-	-	-	-	-	-
Capital	-	-	-	-	-	-
Total	**483**	**483**	**-**	**1 282**	**1 282**	**-**

PART C: GOVERNANCE

PART C: GOVERNANCE

3.1. INTRODUCTION

The Accounting Officer is responsible for the governance of the Department. The following makes up the department's governance structures:

- An executive management committee chaired by the Head of Department.
- An extended executive management committee which includes senior managers and responsibility managers and is also chaired by the Head of Department.
- An Enterprise Risk and Ethics Management Committee chaired by an external Executive Manager.
- An Information Communication Technology Steering Committee chaired by the Acting Chief Operations Officer.
- A departmental Planning Forum chaired by the Head of Economic Policy Development.
- An independent internal audit function providing independent assurance that the controls in place to manage risks are adequate and function effectively.
- An Audit Committee providing independent oversight over governance, risk management and control processes

3.2. RISK MANAGEMENT

The Department has an approved risk management policy, risk management strategy and an annual risk management implementation plan in place.

Annual risk identification and assessments were conducted both at a strategic and operational level. Risks were prioritised based on its likelihood and impact at an inherent and residual level. Management developed risk response plans and implemented those plans to ensure risks are mitigated to acceptable levels.

The departmental risk and ethics management committee is chaired by an external Chairperson. The departmental risk and ethics management committee assists the Accounting Officer in addressing his oversight requirements of risk and ethics management and evaluating and monitoring the department's performance with regards to Risk and Ethics Management. The Committee operates under an approved Risk and Ethics Management Committee Charter. The committee submitted quarterly committee reports to the Accounting Officer and the Audit Committee.

The Department submitted quarterly progress reports on the material risks faced by the Department to the Audit Committee.

3.3. FRAUD AND CORRUPTION

The Department has an approved fraud prevention and ethics management strategy with an annual implementation plan implemented by departmental officials. The approved departmental whistle blowing policy and fraud prevention and ethics management strategy encourage and outlines how and where concerns should be reported.

3.4. MINIMISING CONFLICT OF INTEREST

The Department has adopted the Remuneration for Work Outside the Public Service (RWOPS) policy to manage conflict of interest, which ensures that the department does not do business with its employees. The Gifts Policy provides for the Gifts Register and ensures that employees refrain from accepting or soliciting gifts. Departmental officials from levels 11 to 15 as well as financial management (including supply chain management) declared their interest through the E-Disclosure system. The department has an approved financial disclosure policy in place.

3.5. CODE OF CONDUCT

The Department of Economic Development and Tourism uses the Code of Conduct for the Public Service and generally disciplines employees who breach this code. Awareness sessions are conducted and all new employees are issued with a copy of the Code and they sign for receipt thereof.

3.6. HEALTH SAFETY AND ENVIRONMENTAL ISSUES

The Department has an adopted Health and Safety Policy in place. All the necessary structures are in place to ensure that it is implemented. Health and Safety Committee members are trained on the Occupational Health and Safety Act. The department was subjected to OHS inspections by the Department of Labour, where after contravention notices were issued to which the departments need to respond. The department continues to ensure that all Covid 19 protocols are adhered to, to prevent the spread and/ or increase of infections in the department.

3.7. PORTFOLIO COMMITTEES

Resolution and Date	Matters raised by the Portfolio Committee	Response by the department
Resolutions of Annual Performance Plan and Budget 2021/22	6 Recommendations The Committee therefore recommends that the Department must: 6.1 Streamline their financial and supply chain management processes to ensure that a clean audit is realised by the Department. 6.2 Develop a measureable monitoring plan with specific timelines to adequately track and monitor progress of the implementation of planned mega projects as envisaged by NCEDA. This plan must be forwarded to the Committee within one month. 6.3 Develop a SMART plan to mitigate the risks involved in ensuring administrative responsibility in respect of service level agreements prior to the disbursement of EGDF funding to SMME's. This plan must oblige SMME recipients to spend the funding for the intended purposes and ensure that they are held accountable for such funds. Such plan must be forwarded to the Committee within 3 months.	The Department submitted a signed report on the Resolutions of Annual Performance Plan and Budget 2021/22 with supporting documentation on the 08th of October 2021.
Resolutions of 1st quarterly performance report of the 2021/2022 financial year.	6 Recommendations The Committee therefore recommends that the Department must: 6.1 Submit measurable plans to attract local and foreign investments with the planned renewable energy projects 6.2 Give an update during the Annual Performance Plan/Budget of 2022/23 on progress of the benchmarking with Gauteng in strengthening the capacity of LED units at municipalities.	The Department submitted a signed report on the Resolutions of the 1st quarterly performance report of the 2021/2022 financial year on the 17th of February 2022.
Resolutions of 2nd quarterly performance report of the 2021/2022 financial year.	6 Recommendations The Committee therefore recommends that the Department must: 6.1 Provide the details of the administrative delays for not reaching some of the targets set in Programme 6, together with the corrective action that will be taken to prevent this prevailing in future. 6.2 Avoid irregular expenditure at Provincial Public Entities by providing plans on how the shortage of funding to these Entities will be addressed. 6.3 Provide systems and plans put in place to ensure that departmental funds are used accordingly and for purposes intended.	The Department submitted a signed report on the Resolutions of the 2nd quarterly performance report of the 2021/2022 financial year with supporting documentation on the 26th of April 2022.

3.8. SCOPA RESOLUTIONS

The Department presented its Annual Report for the 2020/21 financial year to the Portfolio Committee on Finance, Economic Development & Tourism and the Standing Committee on Public Accounts on Thursday, 17 March 2022.

Resolution No.	Subject	Details	Response by the department	Resolved (yes/no)
16.6.2.3.1	Committee Report - Annual report of the 2020/21 financial year	Recommendations The Committee therefore recommends that the Department must: 6.1 Report adequately on activities undertaken, targets or outcomes achieved or work done in the various sub-programmes in order to determine if funds were spent to the benefit of the people of the Northern Cape or to boost economic growth in the Province. 6.2 Work towards achieving a clean audit. 6.3 Ensure that senior management positions be filled permanently to ensure stability and improve the performance of the Department and its entities. 7.1 A plan outlining the current operating procedures of all entities, as well as a detailed master plan on the transitions of these entities into a mega entity.	The Department submitted a signed report on the Committee Report - Annual Report of the 2020/21 financial year with supporting documentation on the 13th of May 2022.	6.1 Yes 6.2 In progress 6.3 In progress 7.1 In progress

3.9. PRIOR MODIFICATIONS TO AUDIT REPORTS

Nature of qualification, disclaimer, adverse opinion and matters of non -compliance	Financial year in which it first arose	Progress made in clearing / resolving the matter
Unqualified audit opinion with findings		
Annual financial statements The financial statements submitted for auditing were not prepared in accordance with the prescribed financial reporting framework as required by section 40(1) (b) of the PFMA. Material misstatements of current assets and disclosure items identified by the auditors in the submitted financial statements were corrected, resulting in the financial statements receiving an unqualified opinion.	2020-21	The financial statements were corrected.
Expenditure management Effective and appropriate steps were not taken to prevent irregular expenditure amounting to R4 413 000, as disclosed in note 20 to the annual financial statements, as required by section 38(1) (c) (ii) of the PFMA and Treasury Regulation 9.1.1. The majority of the irregular expenditure was caused by non- compliance with the Supply Chain Management regulations.	2020-21	A competitive bidding process has been followed for security services and the Accounting Officer has appointed the successful bidder.
Procurement and contract management Goods and services of a transaction value above R500 000 were procured without inviting competitive bids, as required by treasury regulations 16A6.1. Similar non - compliance was also reported in the prior year.	2020-21	A competitive bidding process has been followed for travel management and the Accounting Officer has appointed 3 x successful bidders.
Consequence management I was unable to obtain sufficient appropriate audit evidence that disciplinary steps were taken against officials who had incurred irregular expenditure as required by section 38(1) (h) (iii) of the PFMA. This was due to proper and complete records that were not maintained as evidence to support the investigations into irregular expenditure.	2020-21	The loss control committee has held various meetings to deal with irregular expenditure. An investigator has been appointed in this regard and it’s ongoing.

3.10. INTERNAL CONTROL UNIT

The Department does not have an Internal Control Unit, However, the Directorate: Management Accounting and Directorate: Financial Accounting in Supply Chain Management Unit fulfil the function of an Internal Control Unit as submissions, forms, route forms and delegations are compiled in such a manner to ensure compliance.

3.11. Internal Audit and Audit Committees

Key activities and objectives of Internal Audit

The Northern Cape Provincial Treasury established the shared Internal Audit function. The function was established in terms of section 38(1)(a)(i) and section 76(4)(e) of the Public Finance Management Act (PFMA) as a shared service for the Northern Cape Provincial Administration, in terms of paragraph 3.2.3. of the Treasury Regulations. The function fulfils an independent assurance and consulting function.

The Internal Audit function follows a risk-based audit approach in providing management and the Audit Committee with assurance on the adequacy and effectiveness of governance, risk management, and internal control processes. Internal Audit is guided by an Internal Audit Charter, approved by the Audit Committee, and performs its functions as provided for in the PFMA and the Internal Audit Charter.

The Internal Audit function compiles a rolling three-year strategic, risk-based Internal Audit plan and prepares an annual Internal Audit plan after taking into consideration the risks faced by the Department of Economic Development and Tourism, strategic objectives, the Department's mandate, audit issues and inputs by management. The Audit Committee considers and approves the Internal Audit plan for implementation.

Summary of audit work done

The Internal Audit work performed for the financial year under review were all completed in line with the approved annual Internal Audit plan and included the following audits:

- Annual Financial Statements review
- Assets Management review
- Information Technology review
- Performance Information review
- Oversight Role on Entities review
- Risk Management review
- Fraud and Ethics Management review
- Interim Financial Statements review
- Follow-up on implementation of action plans
- Transfer Payments review

Internal Audit findings were communicated timely to management and measures to mitigate the risks were implemented. Significant matters identified during the year were reported to the Audit Committee and included the following:

- Discrepancies between the asset register and physical assets verification
- Inadequate monitoring and oversight of public entities by the Department
- Action plans partially adequate to address the audit findings raised by the AGSA.
- Some leave taken not captured timeously
- Reasons for deviation provided for over/underachievement for some performance indicators under programme 6 were not specificfor quarters 2 and 3.

Audit Committee members and attendance

Throughout the year under review, the Audit Committee operated in terms of an approved Audit Committee Charter, which was the committee's approved terms of reference. The Audit Committee comprised of five (5) members three (3) external members and two (2) internal members, all of whom are not employed by the Department. The current Audit Committee three-year term membership started on 1 December 2020.

The Audit Committee has, as part of its oversight responsibility on a quarterly basis, followed up on audit findings to ensure that issues raised were addressed timely.

Further information relating to the Audit Committee, as required by the PFMA and the Treasury Regulations is included in the Audit Committee's report, which is incorporated in the annual report of the Department.

Four meetings were convened during the financial year under review. The table below discloses relevant information on the audit committee members:

Name	Qualifications	Internal or external	If internal, position in the department	Date appointed	Date Resigned	No. of Meetings attended
Ms A Mafuleka	- CA (SA) - B Com – Honours	External	n/a	01 December 2020	n/a	03
Ms J Gunther	- Certified Internal Auditor - CRMA - Associate General Accountant - Masters in Cost Accounting - BCompt - Various accounting and auditing certificates	External	n/a	01 December 2020	n/a	04
Mr F Docrat	- Master of Business Administration - Chartered Director (SA) - Certified Information Security Manager - Certified Information Systems Auditor - Certified in the Governance of Enterprise Information Technology - Certified Risk Management Practitioner - Management Advancement Program - Total Quality	External	n/a	01 December 2020	n/a	04

Name	Qualifications	Internal or external	If internal, position in the department	Date appointed	Date Resigned	No. of Meetings attended
	Management - Computer Operations Proficiency Examination					
Ms S Vallabh	- Bachelor of Arts - Post Graduate Diploma in Library and Information Science - Certificate Programme in Public Service Management	Internal	Chief Director: Performance, Monitoring and Evaluations (OTP)	01 December 2020	n/a	02
Mr M Mdunge	- BA Degree - Post graduate diploma governance and political transformation - Masters in governance and political transformation	Internal	Director: Frances Baard Head COGHSTA	01 April 2020	n/a	02

3.12. Audit Committee Report

We are pleased to present the Audit Committee report of the Northern Cape Department of the Economic Development and Tourism for the financial year ended 31 March 2022.

Audit Committee Responsibility

The Audit Committee reports that it has complied with its responsibilities arising from section 38 (1)(a)(ii) of the Public Finance Management Act and Treasury Regulation 3.1.13. The Audit Committee also reports that it has adopted appropriate formal terms of reference as its Audit Committee Charter, has regulated its affairs in compliance with this Charter and has discharged all its responsibilities as contained therein, except that we have not reviewed changes in accounting policies and practices.

During the year under review the Audit Committee consistently engaged with the senior management of the Department of Economic Development and Tourism, Internal Audit and the AGSA, individually and collectively, to address risks and challenges facing the department.

The Effectiveness of Internal Control

Our review of the findings of the Internal Audit work, which was based on the risk assessments conducted in the department revealed certain weaknesses, which were then raised with the Department.The following Internal Audit work was completed during the year under review:

- Annual Financial Statements review
- Assets Management review
- Information Technology review
- Performance Information review
- Oversight Role on Entities review
- Risk Management review
- Fraud and Ethics Management review
- Interim Financial Statements review
- Follow-up on implementation of action plans
- Transfer Payments review

The following were areas of concern:

- Oversight role provided by the department to its entities.
- Though legal matters showed some progress, but some cases were still not finalised.
- Non-recovery of cash erroneously transferred to third parties.
- Allegations of misappropriation of uncut diamonds which were acquired by the department in 2012 where four (4) officials were being investigated for possible fraud activities.
- 56% of internal audit findings remained unresolved.

Management developed an audit action plan to address the audit findings raised by both the AGSA and Internal Audit. The Audit Committee monitored the implementation of the audit action plan during the year under review and the implementation of the Audit Committee’s recommendations by management still requires improvement.

In-year management monitoring and reporting

The department reported monthly and quarterly to the Provincial Treasury as is required by the PFMA.

Evaluation of Financial Statements

We have reviewed the annual financial statements prepared by the department.

AGSA's report

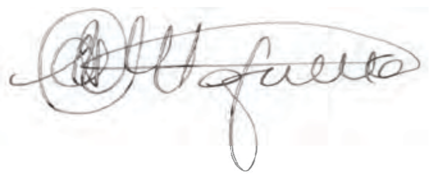
We have reviewed the department's implementation plan for audit issues raised in the previous year and we are satisfied that the matters have been adequately resolved except for the following:

- Finding on consequence management was not resolved, though an investigator was appointed.
- Finding on lack of IT disaster recovery plan for internal systems remained open.

The Audit Committee concurs and accepts the conclusions of the AGSA on the annual financial statements and is of the opinion that the audited annual financial statements for financial year ended 31 March 2022 be accepted and read together with the report of the AGSA.

Report to Executive Authority and Accounting Officer

On a quarterly basis the Audit Committee wrote a report to the Executive Authority and Head of Department which highlights the issues that need attention or improvement within the department's performance. The Audit Committee met with the Accounting Officer in the Audit Committee meetings. The Audit Committee met with the Northern Cape Provincial Legislature in March 2022 to discuss the Audit Committee annual report of 2020/21.



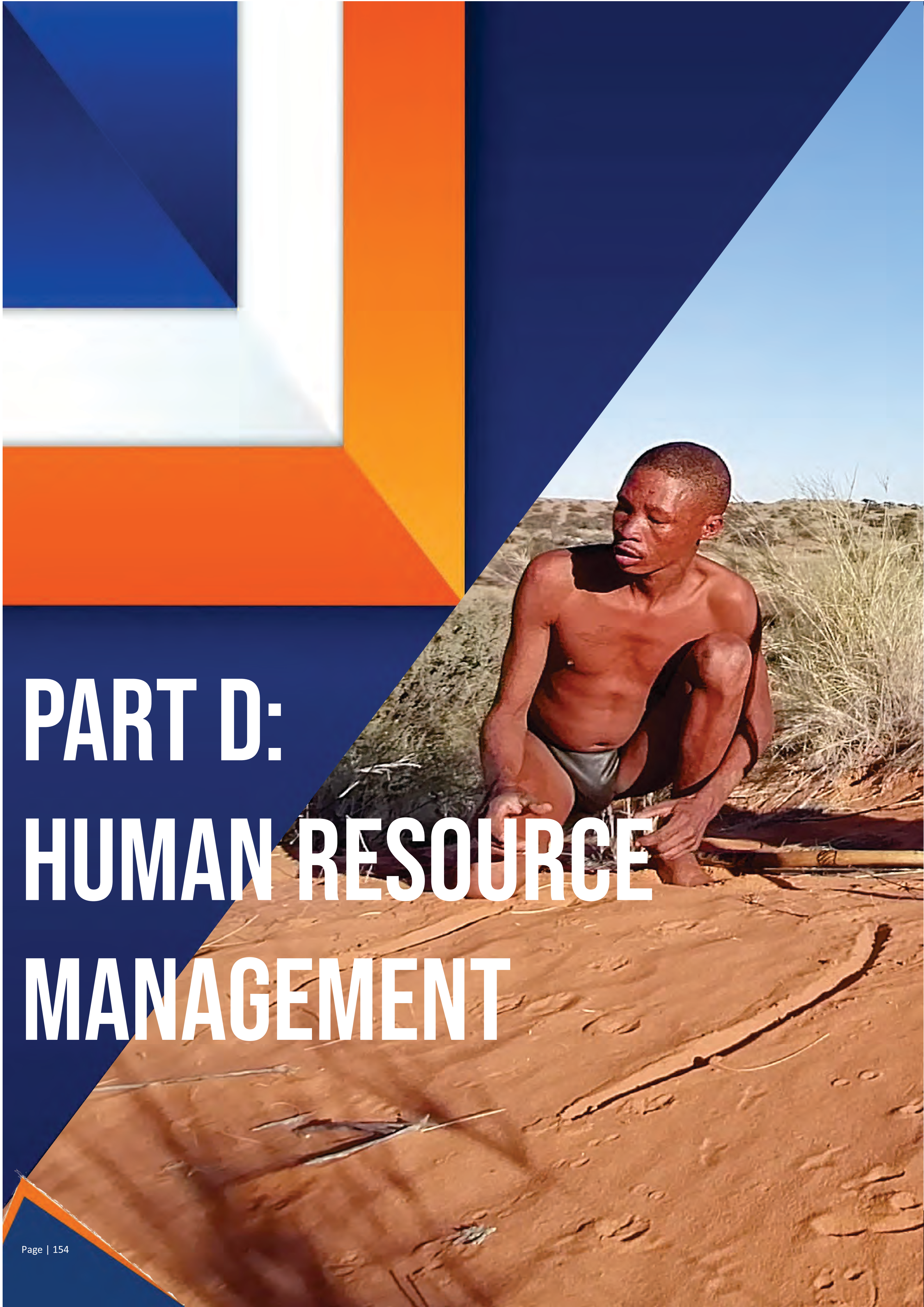
Ms Ayanda Mafuleka CA(SA)
Chairperson of the Audit Committee
Department of Economic Development and Tourism

15 August 2022

3.13. B-BBEE Compliance Performance Information

Has the Department/Public Entity applied the relevant Code of Good Practice (B-BBEE Certificate Levels 1-8) with regards to the following:		
Criteria	**Response (yes/no)**	**Discussion**
Determining the qualification criteria for the issuing of licenses, concessions or other authorisations in respect of economic activity in terms of any law?	Yes	-
Developing and implementing a preferential procurement policy?	Yes	-
Determining qualification criteria for the sale of state-owned enterprises?	N/A	-
Developing criteria for entering into partnerships with the private sector?	N/A	-
Determining criteria for the awarding of incentives, grants and investment schemes in supporting Broad Based Black Economic Empowerment?	N/A	-

PART D: HUMAN RESOURCE MANAGEMENT



PART D: HUMAN RESOURCE MANAGEMENT

4.1. INTRODUCTION

The status of human resources in the department

The human resource function is performed efficiently and effectively within the directorate of human resource management, with the following sub-directorates fully functional:

- Human Resource Administration,
- Human Resource Development,
- Labour Relations, and
- Employee Health and Wellness.

The comprehensive HR Plan, HRD Implementation Plan, Employment Equity Plan and the Workplace Skills Plan all guide the HR function in the department. The function is also directed by the comprehensive policy framework that includes the Public Service Regulations, the Leave Determination, Recruitment and Selection Policy, Training Policy, Employee Health and Wellness Policy, Sexual Harassment Policy and others which ensure consistent application of rules and regulations.

Human resource priorities for the year under review and the impact of these

The priorities include the following:

- The reduction of the vacancy rate to within 10% or below,
- To maintain the turnover rate at 10% or below,
- A review of the HR policies to comply with any changes in the Labour Law, and
- The implementation of the ethics standards as required by the Public Administration Management Act.

Workforce planning and key strategies to attract and recruit a skilled and capable workforce

The recruitment process was guided by a comprehensive HR Plan which sought to recruit and place a skilled and capable workforce at the right place at the right time. The recruitment of senior management was guided by the competency assessment as prescribed. The pursuit of targeting 50% women at senior management level continued, as well as efforts to ensure that 2% the workforce of the department is comprised of those who are physically challenged.

Employee performance management

The Department utilises the Employee Performance and Management System and Chapter 4 of the SMS Handbook to manage performance in a manner that rewards excellence and correct poor performance. The performance agreements, work plans, personal development plans are concluded annually as part of performance management.

Employee wellness programmes

The Department has established the employee wellness and diversity unit to manage the employee wellness programmes. As part of this, four compulsory employee health and wellness policies and operational plans are guiding our wellness programmes. It is the intention of the Department to institute a 24-hour employee assistance programme in the near future.

Achievements and challenges faced by the Department, as well as future human resource plans/goals.

The human resource function is now focussed and dedicated and is a reliable strategic partner to the line functionaries in the Department. In the past few years, it has consistently improved its value addition to the strategic direction of the Department. It has facilitated the recruitment of suitable candidates into key posts in the department. The Department is subsiding its employees in their efforts to upskill themselves through several bursaries.

We strive to continuously upskill and motivate our human resource team to be ethical HR generalists who add value to the strategic objectives of the Department. The Ethics Programme is being institutionalised within the labour Relations unit.

In the period under review, the Department awarded 15 bursaries to employees and accommodated 13 interns/ learnerships.

Nine (9) permanent officials exited the department in 2021/2022. Two (2) officials passed away, seven (7) exited by means of resignations.

4.2. HUMAN RESOURCE OVERSIGHT STATISTICS

4.2.1. Personnel related expenditure

Table 4.2.1.1 Personnel expenditure by programme for the period 1 April 2021 and 31 March 2022

Programme	Total expenditure (R'000)	Personnel expenditure (R'000)	Training expenditure (R'000)	Professional and special services expenditure (R'000)	Personnel expenditure as a % of total expenditure	Average personnel cost per employee (R'000)
Administration	55 737.00	38 982.00	0.00	0.00	69.90	573.00
Small business Development (IEDS)	60 678.00	15 491.00	0.00	0.00	25.50	738.00
Trade and Sector Development	70 223.00	10 395.00	0.00	0.00	14.80	866.00
Business Regulation and Governance	43 767.00	9 611.00	0.00	0.00	22.00	418.00
Policy Research and Innovation (Economic Planning)	20 988.00	14 845.00	0.00	0.00	70.70	781.00
Tourism	77 159.00	11 775.00	0.00	0.00	15.30	654.00
Total	**328 551.00**	**101 100.00**	**0.00**	**0.00**	**30.80**	**628.00**

Table 4.2.1.2 Personnel costs by salary band for the period 1 April 2021 and 31 March 2022

Salary band	Personnel expenditure (R'000)	% of total personnel cost	No. of employees	Average personnel cost per employee (R'000)
Lower skilled (levels 1-2)	0.00	0.00	00.00	0.00
Skilled (levels 3-5)	6 309.00	6.20	22.00	286 773.00
Highly skilled production (levels 6-8)	21 626.00	21.10	48.00	450 542.00
Highly skilled supervision (levels 9-12)	42 947.00	41.90	58.00	740 466.00
Senior and Top management (levels 13-16)	27 532.00	26.80	22.00	1 251 455.00
Contract (levels 1-2)	0.00	0.00	0.00	0.00
Contract (levels 3-5	0.00	0.00	0.00	0.00
Contract (levels 6-8)	0.00	0.00	0.00	0.00
Contract (levels 9-12)	916.00	0.90	1.00	916.000.00
Contract (levels 13-16)	1 143.00	1.10	1.00	1 143 000.00
Contract Other	146.00	0.10	2.00	73 000.00
Periodical Remuneration	74.00	0.10	7.00	10 571.00
Abnormal Appointment	0.00	0.00	0.00	0.00
Total	100 693.00	98.20	161.00	625 422.00

Table 4.2.1.3 Salaries, Overtime, Home Owners Allowance and Medical Aid by programme for the period 1 April 2021 and 31 March 2022

Programme	Salaries		Overtime		Home Owners Allowance		Medical Aid	
	Amount (R'000	Salaries as a % of personnel costs	Amount (R'000	Overtime as a % of personnel costs	Amount (R'000)	HOA as a % of personnel costs	Amount (R'000)	Medical aid as a % of personnel costs
Administration	32 870.00	83.50	0.00	0.00	935.00	2.40	1924.00	4.90
Small business Development (IEDS) (INTEGRATED ECONOMIC DEV SERV)	13 220.00	84.50	0.00	0.00	322.00	2.10	586.00	3.70
Trade and Sector Development	8 221.00	82.20	0.00	0.00	213.00	2.10	347.00	3.50
Business Regulation and Governance	8 003.00	81.60	0.00	0.00	334.00	3.40	527.00	5.40
Policy Research and Innovation (Economic Planning)	12 783.00	81.90	0.00	0.00	343.00	2.20	517.00	3.30
Tourism	9 802.00	80.60	0.00	0.00	278.00	2.30	625.00	5.10
Total	84 900.00	82.80	0.00	0.00	2 425.00	2.40	4 526.00	4.40

Table 4.2.1.4 Salaries, Overtime, Home Owners Allowance and Medical Aid by salary band for the period 1 April 2021 and 31 March 2022

Salary Band	Salaries		Overtime		Home Owners Allowance		Medical Aid	
	Amount (R'000	Salaries as a % of personnel costs	Amount (R'000)	Overtime as a % of personnel costs	Amount (R'000)	HOA as a % of personnel costs	Amount (R'000)	Medical aid as a % of personnel costs
Lower skilled (levels 1-2)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Skilled (levels 3-5)	4 596.00	72.70	0.00	0.00	390.00	6.20	839.00	13.30
Highly skilled production (levels 6-8)	16 683.00	76.90	0.00	0.00	924.00	4.30	1 957.00	9.00
Highly skilled supervision (levels 9-12)	36 670.00	84.40	0.00	0.00	729.00	1.70	1 501.00	3.50
Senior and Top management (levels 13-16)	24 672.00	85.80	0.00	0.00	382.00	1.30	230.00	0.80
Contract (levels 1-2)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Contract (levels 3-5)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Contract Other	146.00	100.00	0.00	0.00	0.00	0.00	0.00	0.00
Contract (levels 6-8)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Contract (levels 9-12)	916.00	100.00	0.00	0.00	0.00	0.00	0.00	0.00
Contract (levels 13-16)	1 143.00	97.30	0.00	0.00	0.00	0.00	0.00	0.00
Periodical Remuneration	74.00	72.50	0.00	0.00	0.00	0.00	0.00	0.00
Abnormal Appointment	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Total	84 900.00	82.80	0.00	0.00	2 425.00	2.40	4 526.00	4.40

4.2.2. Employment and Vacancies

Table 4.2.2.1 Employment and vacancies by programme as on 31 March 2022

Programme	Number of posts on approved establishment	Number of posts filled	Vacancy Rate	Number of employees additional to the establishment
Administration	77.00	68.00	11.70	0.00
Small business Development (IEDS)	23.00	21.00	8.70	0.00
Trade and Sector Development	12.00	12.00	0.00	0.00
Business Regulation and Governance	16.00	16.00	0.00	0.00
Policy Research and Innovation (Economic Planning)	22.00	19.00	13.60	0.00
Tourism	18.00	18.00	0.00	0.00
Total	168.00	154.00	8.30	0.00

Table 4.2.2.2 Employment and vacancies by salary band as on 31 March 2022

Salary band	Number of posts on approved establishment	Number of posts filled	Vacancy Rate	Number of employees additional to the establishment
Lower skilled (1-2)	0.00	0.00	0.00	0.00
Skilled (3-5)	22.00	22.00	0.00	0.00
Highly skilled production (6-8)	50.00	48.00	4.00	0.00
Highly skilled supervision (9-12)	67.00	58.00	13.40	0.00
Senior management (13-16)	25.00	22.00	12.00	0.00
09 Other, Permanent	2.00	2.00	0.00	0.00
Contract (levels 1-2)	0.00	0.00	0.00	0.00
Contract (levels 3-5)	0.00	0.00	0.00	0.00
Contract (levels 6-8)	0.00	0.00	0.00	0.00
Contract (levels 9-12)	1.00	1.00	0.00	0.00
Contract (levels 13-16)	1.00	1.00	0.00	0.00
Periodical Remuneration	0.00	0.00	0.00	0.00
Abnormal Appointment	0.00	0.00	0.00	0.00
Total	168.00	154.00	8.30	0.00

Table 4.2.2.3 Employment and vacancies by critical occupation as on 31 March 2022

Critical occupations	Number of posts on approved establishment	Number of posts filled	Vacancy Rate	Number of employees additional to the establishment
Administrative Related, Perm	56.00	52.00	7.10	0.00
Client information clerks (e.g. switchboard	0.00	1.00	0.00	0.00
Communication and information related	1.00	1.00	0.00	0.00
Computer programmers	0.00	0.00	0.00	0.00
Computer system designers and analysts	1.00	1.00	0.00	0.00
Economists	3.00	2.00	33.30	0.00
Finance and economics related	6.00	6.00	0.00	0.00
Financial and related professionals	8.00	6.00	25.00	0.00
Financial clerks and credit controllers	6.00	6.00	0.00	0.00
Food services aids and waiters	0.00	0.00	0.00	0.00
General legal administration and related professionals	1.00	1.00	0.00	0.00
Human resources and organisation developed and related	8.00	8.00	0.00	0.00
Human resources clerks	1.00	1.00	0.00	0.00
Human resources related	2.00	1.00	50.00	0.00
Information technology related	1.00	1.00	0.00	0.00
Language practitioners, interpreters and other communication	0.00	0.00	0.00	0.00
Library mail and related clerks	2.00	2.00	0.00	0.00
Material-recording clerks and transport clerks	0.00	0.00	0.00	0.00
Messengers, porters and deliverers	2.00	2.00	0.00	0.00
Other administration and related clerks and organisers	11.00	10.00	9.10	0.00
Other administrative policy and related officers	5.00	5.00	0.00	0.00
Other information technology personnel	1.00	1.00	0.00	0.00
Other occupations	3.00	2.00	33.30	0.00
Regulatory inspectors	8.00	8.00	0.00	0.00
Risk management and security services	1.00	1.00	0.00	0.00
Secretaries and other keyboard operating clerks	13.00	12.00	7.70	0.00
Security guards	0.00	0.00	0.00	0.00
Security Officers, Permanent	6.00	6.00	0.00	0.00
Senior managers	17.00	14.00	17.60	0.00
Trade Labourers, Permanent	1.00	1.00	0.00	0.00
Trade/industry advisors and other related professionals	3.00	3.00	0.00	0.00
Total	168.00	154.00	8.30	0.00

4.2.3. Filling of SMS Posts

Table 4.2.3.1 SMS post information as on 31 March 2022

SMS Level	Total number of funded SMS posts	Total number of SMS posts filled	% of SMS posts filled	Total number of SMS posts vacant	% of SMS posts vacant
Director-General/ Head of Department	1	1	100%	0	100%
Salary Level 16	0	0	0	0	0
Salary Level 15	1	1	100%	0	100%
Salary Level 14	5	5	100%	0	100%
Salary Level 13	16	16	100%	0	100%
Total	**23**	**23**	**100%**	**0**	**100%**

Table 4.2.3.2 SMS post information as on 30 September 2021

SMS Level	Total number of funded SMS posts	Total number of SMS posts filled	% of SMS posts filled	Total number of SMS posts vacant	% of SMS posts vacant
Director-General/ Head of Department	1	1	100%	0	100%
Salary Level 16	0	0	0	0	0
Salary Level 15	1	1	100%	0	100%
Salary Level 14	5	5	100%	0	100%
Salary Level 13	15	15	100%	0	100%
Total	**22**	**22**	**100%**	**0**	**100%**

Table 4.2.3.3 Advertising and filling of SMS posts for the period 1 April 2021 to 31 March 2022

SMS Level	Advertising	Filling of Posts	
	Number of vacancies per level advertised in 6 months of becoming vacant.	Number of vacancies per level filled in 6 months of becoming vacant.	Number of vacancies per level not filled in 6 months but filled in 12 months.
Director-General/ Head of Department	0	0	0
Salary Level 16	0	0	0
Salary Level 15	0	0	0
Salary Level 14	0	0	0
Salary Level 13	0	0	0
Total	**0**	**0**	**0**

Table 4.2.3.4 Reasons for not having complied with the filling of funded vacant SMS - Advertised within 6 months and filled within 12 months after becoming vacant for the period 1 April 2021 to 31 March 2022

Reasons for vacancies not advertised within six months
Budget constraints

Reasons for vacancies not filled within twelve months
Budget constraints

Table 4.2.3.5 Disciplinary steps taken for not complying with the prescribed timeframes for filling SMS posts within 12 months for the period 1 April 2021 to 31 March 2022

Reasons for vacancies not advertised within six months
Budget constraints

Reasons for vacancies not filled within six months
Budget constraints

4.2.4. Job Evaluation

Table 4.2.4.1 Job Evaluation by salary band for the period 1 April 2021 to 31 March 2022

Salary band	Number of posts on approved establishment	Number of Jobs Evaluated	% of posts evaluated by salary bands	Posts Upgraded		Posts downgraded	
				Number	% of posts evaluated	Number	% of posts evaluated
Lower Skilled (levels1-2)	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Skilled (levels 3-5)	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Highly skilled production (levels 6-8)	48	1	2.08	0.00	0.00	0.00	0.00
Highly skilled supervision (Levels 9-12)	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Senior Management Service Band A	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Senior Management Service Band B	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Senior Management Service Band C	0.00	0.00	0.00	0.00	0.00	0.00	0.00
09 Other	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Senior Management Service Band D	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Contract (levels 1-2)	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Contract (levels 3-5)	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Contract (levels 6-8)	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Contract (levels 9-12)	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Contract (Band A)	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Contract (Band B)	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Contract (Band C)	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Contract (Band D)	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Total	0.00	0.00	0.00	0.00	0.00	0.00	0.00

Table 4.2.4.2 Profile of employees whose positions were upgraded due to their posts being upgraded for the period 1 April 2021 to 31 March 2022

Beneficiaries	African	Asian	Coloured	White	Total
Female	0.00	0.00	0.00	0.00	0.00
Male	0.00	0.00	0.00	0.00	0.00
Total	**0.00**	**0.00**	**0.00**	**0.00**	**0.00**

Employees with a disability	**0**

Table 4.2.4.3 Employees with salary levels higher than those determined by job evaluation by occupation for the period 1 April 2021 to 31 March 2022

Occupation	Number of employees	Job evaluation level	Remuneration level	Reason for deviation
	1	14	15	Internal arrangement
Total number of employees whose salaries exceeded the level determined by job evaluation				**1**
Percentage of total employed				**0,6%**

Table 4.2.4.4 Profile of employees who have salary levels higher than those determined by job evaluation for the period 1 April 2021 to 31 March 2022

Beneficiaries	African	Asian	Coloured	White	Total
Female	0.00	0.00	0.00	0.00	0.00
Male	0.00	1,00	0.00	0.00	1,00
Total	**0.00**	**1,00**	**0.00**	**0.00**	**1,00**

Employees with a disability	**0**	**0**	**0**	**0**	**0**

Total Number of Employees whose remuneration exceeded the grade determined by job evaluation in 20202021	**1**

4.2.5. Employment Changes

Table 4.2.5.1 Annual turnover rates by salary band for the period 1 April 2021 to 31 March 2022

Salary Band	Employment at beginning of period-April 2020	Appointments and transfers into the department	Terminations and transfers out of the department	Turnover rate
Lower skilled (levels 1-2)	0.00	0.00	0.00	0.00
Skilled (levels 3-5)	22.00	0.00	0.00	0.00
Highly skilled production (levels 6-8)	51.00	0.00	2.00	3.90
Highly skilled supervision (levels 9-12)	61.00	1.00	5.00	8.20
Senior Management Service Bands A	13.00	0.00	0.00	0.00
Senior Management Service Bands B	7.00	0.00	0.00	0.00
Senior Management Service Bands C	1.00	0.00	0.00	0.00
Senior Management Service Bands D	0.00	0.00	0.00	0.00
Other Permanent	2.00	0.00	0.00	0.00
Contract (Levels 1-2)	0.00	0.00	0.00	0.00
Contract (Levels 3-5)	0.00	0.00	0.00	0.00
Contract (Levels 6-8)	0.00	0.00	0.00	0.00
Contract (Levels 9-12)	1.00	1.00	1.00	100.00
Contract (Band A)	1.00	0.00	0.00	0.00
Total	**159.00**	**2.00**	**8.00**	**5.00**

Table 4.2.5.2 Annual turnover rates by critical occupation for the period 1 April 2021 to 31 March 2022

Critical Occupation	Number of employees at beginning of period-April 2021	Appointments and transfers into the department	Terminations and transfers out of the department	Turnover rate
Administrative Related	53.00	1.00	4.00	7.50
Client information clerks	1.00	0.00	0.00	0.00
Communication and information related	1.00	0.00	0.00	0.00
Computer programmers	-	-	-	-
Computer system designers and analysts	1.00	0.00	0.00	0.00
Economists	2.00	0.00	0.00	0.00
Finance and economics related	6.00	0.00	0.00	0.00
Financial and related professionals	7.00	0.00	0.00	0.00
Financial clerks and credit controllers	6.00	0.00	0.00	0.00
Food services aids and waiters	-	-	-	-
General legal administration and related professionals	1.00	0.00	0.00	0.00
Head of department/chief executive officer	-	-	-	-
Human resources and organisation developed and related	11.00	0.00	2.00	18.20
Human resources clerk	1.00	0.00	0.00	0.00
Human resources related	0.00	1.00	0.00	0.00
Information technology related	1.00	0.00	0.00	0.00
Library mail and related clerks	2.00	0.00	0.00	0.00
Material-recording clerks and transport clerks	0.00	0.00	0.00	0.00
Messengers, porters and deliverers	2.00	0.00	0.00	0.00
Other administrative and related clerks and organisers	9.00	0.00	1.00	11.10
Other administrative policy and related officers	6.00	0.00	1.00	16.70
Other information technology personnel	1.00	0.00	0.00	0.00
Other occupations	2.00	0.00	0.00	0.00
Regulatory inspectors	8.00	0.00	0.00	0.00
Risk management and security services	1.00	0.00	0.00	0.00
Secretaries and other operating clerks	13.00	0.00	0.00	0.00
Security guards	6.00	0.00	0.00	0.00
Security Officers	0.00	0.00	0.00	0.00
Senior managers	14.00	0.00	0.00	0.00
Trade Labourers	1.00	0.00	0.00	0.00
Trade/industry advisers and other related professionals	3.00	0.00	0.00	0.00
Total	**159.00**	**2.00**	**8.00**	**5.00**

Table 4.2.5.3 Reasons why staff left the department for the period 1 April 2021 to 31 March 2022

Termination Type	Number	% of Total Resignations
Death	2.00	22.2
Resignation	7.00	77.8
Expiry of contract	0.00	0.00
Dismissal – operational changes	0.00	0.00
Dismissal – misconduct	0.00	0.00
Dismissal – inefficiency	0.00	0.00
Discharged due to ill-health	0.00	0.00
Retirement	0.00	0.00
Transfer to other Public Service Departments	0.00	0.00
Other	0.00	0.00
Total	**9.00**	**100.00**
Total number of employees who left as a % of total employment	**9.00**	**5,9%**

Table 4.2.5.4 Promotions by critical occupation for the period 1 April 2021 to 31 March 2022

Occupation:	Employees 1 April 2021	Promotions to another salary level	Salary level promotions as a % of employees by occupation	Progressions to another notch within a salary level	Notch promotions as a % of employees by occupation
Administrative related	53.00	0.00	0.00	53.00	100.00
Client information clerks	1.00	0.00	0.00	1.00	100.00
Communication and information related	1.00	0.00	0.00	1.00	100.00
Computer system designers and analysts	1.00	0.00	0.00	1.00	100.00
Economists	2.00	0.00	0.00	2.00	100.00
Finance and economics related	6.00	0.00	0.00	6.00	100.00
Financial and related professionals	7.00	0.00	0.00	8.00	114.30
Financial clerks and credit controllers	6.00	0.00	0.00	6.00	100.00
Food services aids and waiters	0.00	0.00	0.00	0.00	0.00
General legal administration and related professionals	1.00	0.00	0.00	1.00	100.00
Head of department	0.00	0.00	0.00	0.00	0.00
Human resources and organisational developed and related	11.00	0.00	0.00	10.00	90.90
Human resources clerk	1.00	0.00	0.00	1.00	100.00
Human resources related	0.00	0.00	0.00	0.00	0.00
Information technology related	1.00	0.00	0.00	1.00	100.00
Library mail and related clerks	2.00	0.00	0.00	2.00	100.00
Material-recording clerks and transport clerks	0.00	0.00	0.00	0.00	0.00
Messengers, porters and deliverers	2.00	0.00	0.00	2.00	100.00
Other administrative and related clerks and organisers	9.00	0.00	0.00	9.00	100.00
Other administrative policy and related officers	6.00	0.00	0.00	5.00	83.30
Other information technology personnel	1.00	0.00	0.00	1.00	100.00
Other occupations	2.00	0.00	0.00	2.00	100.00
Regulatory inspectors	8.00	0.00	0.00	8.00	100.00
Risk management and security services	1.00	0.00	0.00	1.00	100.00
Secretaries and other keyboard operating clerks	13.00	0.00	0.00	13.00	100.00
Security Guards	6.00	0.00	0.00	6.00	100.00
Security Officers	0.00	0.00	0.00	0.00	0.00
Senior managers	14.00	1.00	7.10	14.00	100.00

Occupation:	Employees 1 April 2021	Promotions to another salary level	Salary level promotions as a % of employees by occupation	Progressions to another notch within a salary level	Notch promotions as a % of employees by occupation
Trade Labourers	1.00	0.00	0.00	1.00	100.00
Statisticians and related professionals	0.00	0.00	0.00	0.00	0.00
Trade/industry advisers and other related professionals	3.00	0.00	0.00	3.00	100.00
Total	**159.00**	**1.00**	**0.60**	**158.00**	**99.40**

Table 4.2.5.5 Promotions by salary band for the period 1 April 2021 to 31 March 2022

Salary band	Employees 1 April 2021	Promotions to another salary level	Salary bands promotions as a % of employees by salary level	Progressions to another notch within a salary level	Notch progression as a % of employees by salary bands
Lower skilled (levels 1-2)	0.00	0.00	0.00	0.00	0.00
Skilled (levels3-5)	22.00	0.00	0.00	0.00	22.00
Highly skilled production (levels 6-8)	51.00	0.00	0.00	50.00	98.00
Highly skilled supervision (levels 9-12)	61.00	0.00	0.00	62.00	101.60
Senior Management (level 13-16)	21.00	1.00	4.80	22.00	104.80
Other, Permanent	2.00	0.00	0.00	0.00	0.00
Contract (levels 1-2)	0.00	0.00	0.00	0.00	0.00
Contract (levels 3-5)	0.00	0.00	0.00	0.00	0.00
Contract (levels 6-8)	0.00	0.00	0.00	0.00	0.00
Contract (levels 9-12)	1.00	0.00	0.00	1.00	100.00
Contract (levels 13-16)	1.00	0.00	0.00	1.00	100.00
Total	**159.00**	**1.00**	**0.60**	**158.00**	**99.40**

4.2.6. Employment Equity

Table 4.2.6.1 Total number of employees (including employees with disabilities) in each of the following occupational categories as at 31 March 2022

Occupational categories	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Legislators, senior officials and managers	8	4	1	3	4	2	0	0	22
Professionals	13	5	0	0	3	3	0	0	24
Technicians and associate professionals	11	4	0	1	15	9	0	6	46
Clerks	7	4	0	0	22	17	0	2	52
Service and sales workers Labourers and related workers	3	3	0	0	2	1	0	0	9
Skilled agriculture and fishery workers	0	0	0	0	0	0	0	0	0
Craft and related trades workers	0	0	0	0	0	0	0	0	0
Plant and machine operators and assemblers	0	0	0	0	0	0	0	0	0
Elementary occupations	0	0	0	0	0	0	0	0	0
Total	**42**	**20**	**1**	**4**	**46**	**32**	**0**	**8**	**153**
Employees with disabilities				1	3	1			

Table 4.2.6.2 Total number of employees (including employees with disabilities) in each of the following occupational bands on 31 March 2022

Occupational Bands	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Top Management (L15-L16)	1	0	1	0	0	0	0	0	**2**
Senior Management (L13-L14)	5	4	0	3	4	2	0	0	**18**
Professionally qualified and experienced specialists and mid-management	14	5	0	0	3	3	0	0	**25**
Skilled technical and academically qualified workers, junior management, supervisors, foreman and superintendents	12	4	0	1	15	9	0	6	**47**
Semi-skilled and discretionary decision making Not available, Permanent	7	4	0	0	22	17	0	2	**52**
Unskilled and defined decision making	3	3	0	0	2	1	0	0	**9**
Contract (Senior Management)	0	0	0	0	0	0	0	0	**0**
Contract (Professionally qualified)	0	0	0	0	0	0	0	0	**0**
Contract (Semi-skilled)	0	0	0	0	0	0	0	0	**0**
Contract (Unskilled)	0	0	0	0	0	0	0	0	**0**
Total	**42**	**20**	**1**	**4**	**46**	**32**	**0**	**8**	**153**

Table 4.2.6.3 Recruitment for the period 1 April 2021 and 31 March 2022

Occupational Bands	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Top Management	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	**0.00**
Senior Management	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	**0.00**
Professionally qualified and experienced specialists and mid-management	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	**0.00**
Skilled technical and academically qualified workers, junior management, supervisors, foreman and superintendents	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	**0.00**
Semi-skilled and discretionary decision making	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	**0.00**
Not available, Permanent	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	**0.00**
Unskilled and defined decision making	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	**0.00**
Contract (Senior Management)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	**0.00**
Contract (Professionally qualified)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	**0.00**
Contract (Semi-skilled)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	**0.00**
Contract (Unskilled)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	**0.00**
Total	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	**0.00**
Employees with disabilities	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	**0.00**

Table 4.2.6.4 Promotions for the period 1 April 2021 to 31 March 2022

Occupational Bands	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Top Management	0	0	0	0	0	0	0	0	**0**
Senior Management	0	0	0	0	0	0	0	0	**0**
Professionally qualified and experienced specialists and mid-management	0	0	0	0	0	0	0	0	**0**
Skilled technical and academically qualified workers, junior management, supervisors, foreman and superintendents	0	0	0	0	0	0	0	0	**0**
Semi-skilled and discretionary decision making	0	0	0	0	0	0	0	0	**0**
Unskilled and defined decision making	0	0	0	0	0	0	0	0	**0**
Contract (Senior Management)	0	0	0	0	0	0	0	0	**0**
Contract (Professionally qualified)	0	0	0	0	0	0	0	0	**0**
Contract (Semi-skilled)	0	0	0	0	0	0	0	0	**0**
Contract (Unskilled)	0	0	0	0	0	0	0	0	**0**
Total	0	0	0	0	0	0	0	0	**0**
Employees with disabilities	0	0	0	0	0	0	0	0	**0**

Table 4.2.6.5 Terminations for the period 1 April 2021 to 31 March 2022

Occupational Bands	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Top Management	0	0	0	0	0	0	0	0	**0**
Senior Management	0	0	0	0	0	0	0	0	**0**
Professionally qualified and experienced specialists and mid-management	3	0	0	0	0	0	0	0	**3**
Skilled technical and academically qualified workers, junior management, supervisors, foreman and superintendents	2	0	0	0	0	0	0	1	**3**
Semi-skilled and discretionary decision making Not available, Permanent	0	0	0	0	0	3	0	0	**3**
Unskilled and defined decision making	0	0	0	0	0	0	0	0	**0**
Contract (Senior Management)	0	0	0	0	0	0	0	0	**0**
Contract (Professionally qualified)	0	0	0	0	0	0	0	0	**0**
Contract (semi-skilled)	0	0	0	0	0	0	0	0	**0**
Contract (Unskilled)	0	0	0	0	0	0	0	0	**0**
Total	**5**	**0**	**0**	**0**	**0**	**3**	**0**	**1**	**9**
Employees with Disabilities									

Table 4.2.6.6 Disciplinary action for the period 1 April 2021 to 31 March 2022

Disciplinary action	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Absenteeism	0	1	0	0	0	1	0	0	**2**
Insubordination	0	0	0	0	0	0	0	0	**0**
Refusing a lawful instruction	0	0	0	0	0	0	0	0	**0**
Non-compliance to supply chain processes	1	1	1	0	0	0	0	0	**3**
Non-compliance to EPMDS processes	0	0	0	0	0	0	0	0	**0**

Table 4.2.6.7 Skills development for the period 1 April 2021 to 31 March 2022

Occupational categories	Male				Female				Total
	African	Coloured	Indian	White	African	Coloured	Indian	White	
Legislators, senior officials and managers	0	0	0	0	0	0	0	0	**0**
Professionals	0	0	0	0	0	1	0	0	**1**
Technicians and associate professionals	0	0	0	0	0	0	0	0	**0**
Clerks	0	0	0	0	0	1	0	0	**1**
Service and sales workers	0	0	0	0	0	0	0	0	**0**
Skilled agriculture and fishery workers	0	0	0	0	0	0	0	0	**0**
Craft and related trades workers	0	0	0	0	0	0	0	0	**0**
Plant and machine operators and assemblers	0	0	0	0	0	0	0	0	**0**
Elementary occupations	0	0	0	0	0	0	0	0	**0**
Total	0	0	0	0	0	2	0	0	**2**
Employees with disabilities	0	0	0	0	0	0	0	0	**0**

4.2.7. Signing of Performance Agreements by SMS Members

Table 4.2.7.1 Signing of Performance Agreements by SMS members as on 31 May 2022

SMS Level	Total number of funded SMS posts	Total number of SMS members	Total number of signed performance agreements	Signed performance agreements as % of total number of SMS members
Director-General/ Head of Department	1	22	1	4,5%
Salary Level 16	0	22	0	0
Salary Level 15	1	22	1	4,5%
Salary Level 14	5	22	5	22,8%
Salary Level 13	15	22	15	68,2%
Total	**22**	**22**	**22**	**100%**

Table 4.2.7.2 Reasons for not having concluded Performance agreements for all SMS members as on 31 March 2022

Reasons
N/A

Table 4.2.7.3 Disciplinary steps taken against SMS members for not having concluded Performance1agreements as on 31 March 2022

Reasons
N/A

4.2.8. Performance Rewards

Table 4.2.8.1 Performance Rewards by race, gender and disability for the period 1 April 2021 to 31 March 2022

Race and Gender	Beneficiary Profile			Cost	
	Number of beneficiaries	Number of employees	% of total within group	Cost (R'000)	Average cost per employee
African					
Male	0	42	27,4%	0	0
Female	0	46	30.0%	0	0
Asian					
Male	0	1	0.6%	0	0
Female	0	0	0	0	0
Coloured					
Male	0	20	13,1%	0	0
Female	0	32	21,0%	0	0
White					
Male	0	4	2,6%	0	0
Female	0	8	5,2%	0	0
Total	**0**	**153**	**99%**	**0**	**0**

Table 4.2.8.2 Performance Rewards by salary bands for personnel below Senior Management Service for the period 1 April 2021 to 31 March 2022

Salary Bands	Beneficiary Profile			Cost		Total cost as a % of the total personnel expenditure
	Number of beneficiaries	Number of employees	% of total within salary bands	Total Cost (R'000)	Average cost per employee	
Skilled (levels 3-5)	0	22	16,9%	0	0	0
Highly skilled production (levels 6-8)	0	49	37,7%	0	0	0
Highly skilled supervision (levels 9-12)	0	59	45,4%	0	0	0
Contract (levels1-2)	0	0	0	0	0	0
Contract (levels 3-5)	0	0	0	0	0	0
Contract (levels 9-12)	0	0	0	0	0	0
Abnormal Appointments	0	0	0	0	0	0
Total	**0**	**130**	**100%**	**0**	**0**	**0**

Table 4.2.8.3 Performance Rewards by critical occupations for the period 1 April 2021 to 31 March 2022

Critical Occupations	Beneficiary Profile				Cost
	Number of beneficiaries	Number of employees	% of total within occupation	Total Cost (R'000)	Average cost per employee
Administrative Related	0.00	52.00	0.00	0.00	0.00
Client information clerks	0,00	1,00	0.00	0.00	0.00
Communication and information related	0,00	1.00	0.00	0.00	0.00
Computer system designers and analysts	0,00	1,00	0.00	0.00	0.00
Economists	0,00	2,00	0.00	0.00	0.00
Finance and economics related	0,00	6.00	0.00	0.00	0.00
Financial and related professionals	0,00	6.00	0.00	0.00	0.00
Financial clerks and credit controllers	0,00	6.00	0.00	0.00	0.00
Food services aids and waiters	0,00	0,00	0.00	0.00	0.00
General legal administration and related professionals	0.00	1.00	0.00	0.00	0.00
Human resources and organisational development and related personnel	0.00	7.00	0.00	0.00	0.00
Human resources clerk	0.00	1.00	0.00	0.00	0.00
Human resources related	0.00	1.00	0.00	0.00	0.00

Critical Occupations	Beneficiary Profile				Cost
	Number of beneficiaries	Number of employees	% of total within occupation	Total Cost (R'000)	Average cost per employee
Information technology related	0.00	1,00	0.00	0.00	0.00
Library mail and related clerks	0.00	2.00	0.00	0.00	0.00
Material-recording clerks and transport clerks	0.00	0,00	0.00	0.00	0.00
Messengers porters and deliverers	0.00	2.00	0.00	0.00	0.00
Other administrative related clerks and organisers	0.00	10.00	0.00	0.00	0.00
Other administrative policy and related officers	0.00	5,00	0.00	0.00	0.00
Other information technology personnel	0.00	1,00	0.00	0.00	0.00
Other occupations	0.00	2.00	0.00	0.00	0.00
Regulatory inspectors	0.00	8,00	0.00	0.00	0.00
Risk management and security services	0.00	1.00	0.00	0.00	0.00
Secretaries and other keyboard operating clerks	0.00	12.00	0.00	0.00	0.00
Security guards	0.00	6,00	0.00	0.00	0.00
Security Officers	0.00	0,00	0.00	0.00	0.00
Senior managers	0.00	14,00	0.00	0.00	0.00
Trade Labourers	0.00	1,00	0.00	0.00	0.00
Trade/industry advisors and other related professions	0.00	3,00	0.00	0.00	0.00
Total	**0.00**	**153.00**	**0.00**	**0.00**	**0.00**

Table 4.2.8.4 Performance related rewards (cash bonus), by salary band for Senior Management Service for the period 1 April 2021 to 31 March 2022

Salary Band	Number of beneficiaries			Cost		
	Number of beneficiaries	Number of employees	% of total within band	Total Cost (R'000)	Average cost per employee	Total cost as a % of the personnel expenditure
Band A	0	15.00	68.2%	0	0	0
Band B	0	6.00	27,3%	0	0	0
Band C	0	1.00	4,5 %	0	0	0
Band D	0	0	0	0	0	0
Total	**0**	**22**	**100%**	**0**	**0**	**0**

4.2.9. Foreign Workers

Table 4.2.9.1 foreign workers by salary band for the period 1 April 2021 to 31 March 2022

Salary Band	01 April 2019	31 March 2020	Number	Change	Number	% Change
	Number	% of total		% of total		
Lower skilled	-	-	-	-	-	-
Highly skilled production (level 6-8)	-	-	-	-	-	-
Highly skilled supervision (level 9-12)	1	100%	1	0%	1	100%
Contract (level 9-12)	-	-	-	-	-	-
Contract (level 13-16)	-	-	-	-	-	-
Total	**1**	**100%**	**1**	**0%**	**1**	**100%**

Table 4.2.9.2 foreign workers by major occupation

Major occupation	01 April 2021		31 March 2022		Change	
	Number	% of total	Number	% of total	Number	% Change
Economic and Advisory Support	1	100%	1	100%	0	0

4.2.10. Leave utilisation

Table 4.2.10.1 Sick leave for the period 1 January 2021 to 31 December 2022

Salary Band	Total days	% Days with Medical certification	Number of Employees using sick leave	% of total employees using sick leave	Average days per employee	Estimated Cost (R'000)
Lower Skills (levels 1-2)	0.00	0.00	0.00	0.00	0.00	0.00
Skilled (levels 3-5)	112.00	74.10	17.00	15.90	7.00	95.00
Highly skilled production (levels 6-8)	289.00	72.00	39.00	36.40	7.00	430.00
Highly skilled supervision (levels 9 -12)	283.00	74.90	39.00	36.40	7.00	721.00
Top and Senior management (levels 13-16)	75.00	82.70	11.00	10.30	7.00	360.00
Contract (levels 1-2)	0.00	0.00	0.00	0.00	0.00	0.00
Contract (levels 3-5)	0.00	0.00	0.00	0.00	0.00	0.00
Contract Other	11.00	100.00	1.00	0.90	11.00	37.00
Contract (levels 6-8)	0.00	0.00	0.00	0.00	0.00	0.00
Contract (levels 13-16)	0.00	0.00	0.00	0.00	0.00	0.00
Total	**770.00**	**74.80**	**107.00**	**100.00**	**7.00**	**1643.00**

Table 4.2.10.2 Disability Leave (temporary and permanent) for the period 1 January 2021 to 31 December 2022

Salary Band	Total days	% Days with Medical certification	Number of Employees using disability leave	% of total employees using disability leave	Average days per employee	Estimated Cost (R'000)
Lower skilled (levels 1-2)	0.00	0.00	0.00	0.00	0.00	0.000.
Skilled (levels 3-5)	0.00	0.00	0.00	0.00	0.00	0.00
Highly skilled production (levels 6-8)	0.00	0.00	0.00	0.00	0.00	0.00
Highly skilled supervision (levels 9-12)	36.00	100.00	2.00	100.00	18.00	105.00
Senior management (levels 13-16)	0.00	0.00	0.00	0.00	0.00	0.00
Total	**36.00**	**100.00**	**2.00**	**100.00**	**18.00**	**105.00**

Table 4.2.10.3 Annual Leave for the period 1 January 2021 to 31 December 2021

Salary Band	Total days taken	Number of Employees using annual leave	Average per employee
Lower skilled (levels 1-2)	0.00	0.00	0.00
Skilled (levels 3-5)	457.00	22.00	21.00
Highly skilled production (levels 6-8)	1 288.00	51.00	25.00
Highly skilled supervision (levels 9-12)	1 667.00	62.00	27.00
Senior management (levels 13-16)	533.00	22.00	24.00
Contract (level 1-2)	0.00	0.00	0.00
Contract (level 3-5)	0.00	0.00	0.00
Contract (level 6-8)	0.00	0.00	0.00
Contract) level 9-12)	16.00	1.00	16.00
Contract Other	2.00	1.00	2.00
Contract (level 13-16)	18.00	1.00	18.00
Total	**3 981.00**	**160.00**	**25.00**

Table 4.2.10.4 Capped leave for the period 1 January 2021 to 31 December 2021

Salary Band	Total days of capped leave taken	Number of Employees using capped leave	Average number of days taken per employee	Average capped leave per employee as at 31 March
Lower skilled (Levels 1-2)	0.00	0.00	0.00	0.00
Skilled Levels 3-5)	0.00	0.00	0.00	0.00
Highly skilled production (Levels 6-8)	0.00	0.00	0.00	17.00
Highly skilled supervision(Levels 9-12)	3.00	2.00	2.00	22.00
Senior management (Levels 13-16)	8.00	1.00	8.00	52.00
Total	**11.00**	**3.00**	**4.00**	**28.00**

Table 4.2.10.5 Leave pay outs for the period 1 April 2021 to 31 March 2022

Reason	Total Amount (R'000)	Number of Employees	Average per employee (R'000)
Leave payout for 2020/2021 due to non-utilisation of leave for the previous cycle.	0	0	0
Capped leave payouts on termination of service for 2020/2021	63209.46	4	15802.36
Current leave payout on termination of service for 2020/2021	80527.27	1	80527.27
Total	**143736.73**	**5**	**96329.63**

4.2.11. HIV/AIDS & Health Promotion Programmes

Table 4.2.11.1 Steps taken to reduce the risk of occupational exposure

Units/categories of employees identified to be at high risk of contracting HIV & related diseases (if any)	Key steps taken to reduce the risk
None	General awareness programmes are conducted within the department.

Table 4.2.11.2 Details of Health Promotion and HIV/AIDS Programmes (tick the applicable boxes and provide the required information)

Question	Yes	No	Details, if yes
1. Has the department designated a member of the SMS to implement the provisions contained in Part VI E of Chapter 1 of the Public Service Regulations, 2001? If so, provide her/his name and position.	X		Mr. T. Ngamole is such a designated SMS.
2. Does the department have a dedicated unit or has it designated specific staff members to promote the health and well-being of your employees? If so, indicate the number of employees who are involved in this task and the annual budget that is available for this purpose.	X		We have a dedicated Employee Wellness and Diversity Management Unit, with 3 officials
3. Has the department introduced an Employee Assistance or Health Promotion Programme for your employees? If so, indicate the key elements/services of this Programme.	X		FAMSA has been appointed to provide EA and Health promotion programmes. Key services of EAP are: Telephone counselling Face to face & virtual counselling Trauma Response Services / Critical Incident Stress Debriefing. Life Management Services. Disease awareness & management services. Account Manager services. Manager / Supervisor Training. Communication, promotion and marketing. Value added services.
4. Has the department established (a) committee(s) as contemplated in Part VI E.5 (e) of Chapter 1 of the Public Service Regulations, 2001? If so, please provide the names of the members of the committee and the stakeholder(s) that they represent.	X		Health and Safety Committee has been established. The Members are: Mr. T. Ngamole (Chair) Ms. N. Mereeotlhe Ms. M. Namate Mr. J. Van Zyl Ms. E. Dennis Ms. L. Molefe Mr. R. Louw Mr. R. Moses Mr. G. Bosman Mr. M. Makhathe and Ms. M. Van Der Lith Ms. F. Links Ms. P. Phoofolo Ms. J. Moalekwa
5. Has the department reviewed its employment policies and practices to ensure that these do not unfairly discriminate against employees on the basis of their HIV status? If so, list the employment policies/practices so reviewed.	X		The EHW policies are due for review this year. All HR policies ensures no discrimination on the basis of HIV/ AIDS Status.
6. Has the department introduced measures to protect HIV-positive employees or those perceived to be HIV-positive from discrimination? If so, list the key elements of these measures.	X		Yes, we have policies in this regard. Workshops are conducted during HR Information Sessions to create awareness and ensure a culture free of discrimination towards department staff.
7. Does the department encourage its employees to undergo Voluntary Counselling and Testing? If so, list the results that you have you achie ved.	X		Yes, we do have regular VCT programmes where various tests are conducted, these include: HIV/AIDS, High Blood, Diabetes & Cholesterol.
8. Has the department developed measures/indicators to monitor & evaluate the impact of its health promotion programme? If so, list these measures/indicators.	X		Yes, A staff survey was conducted and feedback is also received from all forums in the Department.

4.2.12. Labour Relations

Table 4.2.12.1 Collective agreements for the period 1 April 2021 to 31 March 2022

Subject Matter	Total	Date
Total number of collective agreements.	0	n/a

Table 4.2.12.2 Misconduct and disciplinary hearings finalised for the period 1 April 2021 to 31 March 2022

Outcomes of disciplinary hearings	Number	% of total
Correctional counselling	0	0
Verbal warning	0	0
Written warning	1	33.3
Final written warning	1	33.3
Suspended without pay	1	33.3
Fine	0	0
Demotion	0	0
Dismissal	0	0
Not guilty	0	0
Case withdrawn	0	0
Total	**3**	**100**

Total number of Disciplinary hearings finalised	**1**

Table 4.2.12.3 Types of misconduct addressed at disciplinary hearings for the period 1 April 2021 to 31 March 2022

Type of misconduct (based on annexure A)	Number	% of total
Theft	1	16.7
Absent or repeatedly absents him/ herself from work without reason or permission	2	33.3
Irregular expenditure	3	50.0
Total	**6**	**100**

Table 4.2.12.4 Grievances logged for the period 1 April 2021 to 31 March 2022

Grievances	Number	% of Total
Number of grievances resolved	0	0
Number of grievances not resolved	0	0
Total number of grievances lodged	**0**	0

Table 4.2.12.5 Disputes logged for the period 1 April 2021 to 31 March 2022

Disputes	Number	% of Total
Number of disputes upheld	0	0
Number of disputes dismissed	0	0
Total number of disputes lodged	**0**	0

Table 4.2.12.6 Strike actions for the period 1 April 2021 to 31 March 2022

Total number of persons working days lost	0
Total costs working days lost	0
Amount (R'000) recovered as a result of no work no pay	0

Table 4.2.12.7 Precautionary suspensions for the period 1 April 2021 to 31 March 2022

Number of people suspended	**2**
Number of people whose suspension exceeding 30 days	**1**
Average number of days suspended	**169**
Cost (R'000) of suspension	**R 793 645.97**

4.2.13. Skills development

Table 4.2.13.1 Training needs identified for the period 1 April 2021 to 31 March 2022

Occupational Categories	Gender	Number of employees as at 1 April 2021	Training needs identified at start of the reporting period			
			Learnerships	Skills Programmes & other short courses	Other forms of training	Total
Legislators, senior officials and managers	Males – 16	22	0	Leadership Management Programme	0	**22**
	Females - 6	-	-	-	-	**-**
Professionals	Males – 18	24	0	Advanced Project Management, Business Management	0	**24**
	Females – 6	-	-	-	-	**-**
Technicians and associate professionals	Males	-	-	-	-	**-**
	Females	-	-	-	-	**-**
Clerks	Males	-	-	-	-	**-**
	Females	-	-	-	-	**-**
Service and sales workers	Males	-	-	-	-	**-**
	Females	-	-	-	-	**-**
Skilled agriculture and fishery workers	Males	-	-	-	-	**-**
	Females	-	-	-	-	**-**
Craft and related trade workers	Males	-	-	-	-	**-**
	Females	-	-	-	-	**-**
Plant and machine operators and assemblers	Males	-	-	-	-	**-**
	Females	-	-	-	-	**-**
Elementary occupations	Males	-	-	-	-	**-**
	Females	-	-	-	-	**-**
Sub Total	Males	34	-	-	-	**34**
	Females	12	0	-	0	**12**
TOTAL		**46**	**0**	**-**	**0**	**46**

Table 4.2.13.2 Training provided for the period for the period 1 April 2020 to 31 March 2021

Occupational Categories	Gender	Number of employees as at 1 April 2021	Training provided within the reporting period			
			Learnerships	Skills Programmes & other short courses	Other forms of training	Total
Legislators, senior officials and managers	Female	-	-	-	-	-
	Male	-	-	-	-	-
Professionals	Female	1	0	Service Delivery Skills Programme	n/a	**1**
	Male	-	-	-	-	-
Technicians and associate professionals	Female	-	-	-	-	-
	Male	-	-	-	-	-
Clerks	Female	1	0	Service Delivery Skills Programme	n/a	**1**
	Male	-	-	-	-	-
Service and sales workers	Female	-	-	-	-	-
	Male	-	-	-	-	-
Skilled agriculture and fishery workers	Female	-	-	-	-	-
	Male	-	-	-	-	-
Craft and related trade workers	Female	-	-	-	-	-
	Male	-	-	-	-	-
Plant and machine operators and assemblers	Female	-	-	-	-	-
	Male	-	-	-	-	-
Elementary occupations	Female	-	-	-	-	-
	Male	-	-	-	-	-
Sub Total	Female	-	-	-	-	-
	Male	-	-	-	-	-
Total		2	-	-	-	**2**

4.2.14. Injury on duty

Table 4.2.14.1 Injury on duty for the period 1 April 2021 to 31 March 2022

Nature of injury on duty	Number	% of total
Required basic medical attention only	0	0
Temporary Total Disablement	0	0
Permanent Disablement	0	0
Fatal	0	0
Total	**0**	**0**

4.2.15. Utilisation of Consultants

Table 4.2.15.1 Report on consultant appointments using appropriated funds for the period 1 April 2021 to 31 March 2022

Project Title		Total Number of consultants that worked on project	Duration Work days	Contract value in Rand (R'000)
1	Management of Skate Park: HRA Trading	2	365	3 123
2	Link Northern Cape Companies with U.S.A retailers and distributors – ONTDEK CPG Inc.	1	22	36

Total number of projects	Total individual consultants	Total duration Work days	Total contract value in Rand (R'000)
2	3	387	3160

Table.4.2.15.2 Analysis of consultant appointments using appropriated funds, in terms of Historically Disadvantaged Individuals (HDIs) for the period 1 April 2021 to 31 March 2022

	Project Title	Percentage ownership by HDI groups	Percentage management by HDI groups	Number of Consultants from HDI groups that work on the project
1	Management of Skate Park: HRA Trading	100%	100%	2
2	Link Northern Cape Companies with U.S.A retailers and distributors – ONTDEK CPG Inc.	-	-	-

Table.4.2.15.3 Report on consultant appointments using donor funds for the period 1 April 2021 to 31 March 2022

	Project Title	Total number of consultants that worked on project	Duration (work days)	Donor and contract value in Rand
1	0	0	0	0
2	0	0	0	0
3	0	0	0	0
4	0	0	0	0
5	0	0	0	0
6	0	0	0	0

	Total Number of projects	Total individual consultants	Total Duration (work days)	Total contract value in Rand
1	0	0	0	0
2	0	0	0	0
3	0	0	0	0
4	0	0	0	0
5	0	0	0	0
6	0	0	0	0

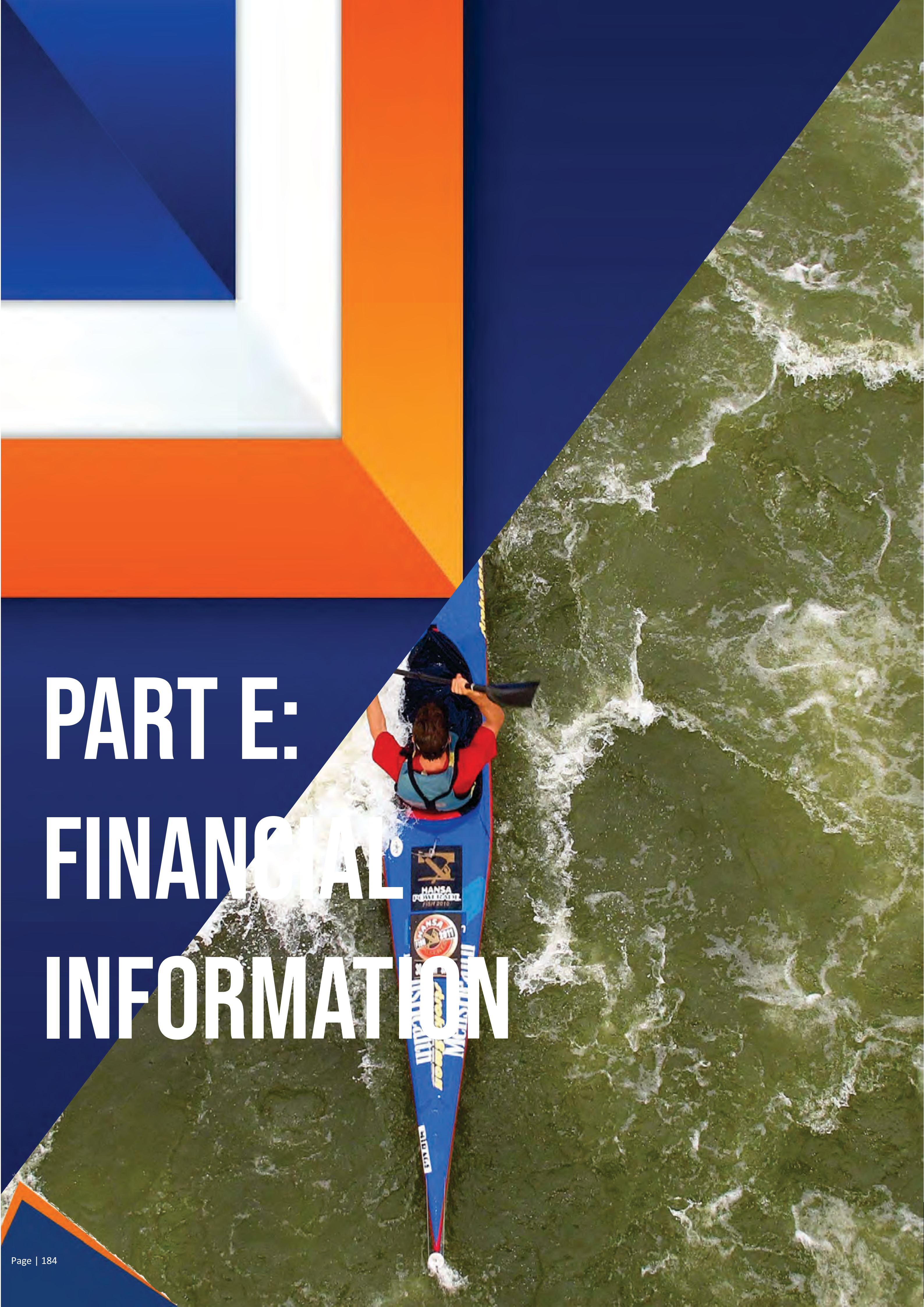
Table.4.2.15.4 Analysis of consultant appointments using donor funds in terms of Historically Disadvantaged individuals (HDIs) for the period 1 April 2021 t0 31 March 2022

Project title	Percentage ownership by HDI groups	Percentage management by HDI groups	Number of consultants from HDI groups that work on the project
0	0	0	0

Severance Packages

Table.4.2.16.1 Granting of employee-initiated severance packages for the period 1 April 2021 to 31 March 2022

Salary Band	Number of applications received	Number of applications referred to MPSA	Number of applications supported by MPSA	Number of packages approved by the department
Lower skilled (Levels 1-2)	0	0	0	0
Skilled (Levels 3 -5)	0	0	0	0
Highly skilled production (Levels 6-8)	0	0	0	0
Highly Skilled supervision (Levels 9-12)	0	0	0	0
Senior Management (Levels 13-16)	0	0	0	0
TOTAL	**0**	**0**	**0**	**0**



PART E: FINANCIAL INFORMATION

PART E: FINANCIAL INFORMATION
5.1 REPORT OF THE AUDITOR GENERAL

Report of the auditor-general to the Northern Cape Provincial Legislature on vote no. 6: Department of Economic Development and Tourism

Report on the audit of the financial statements

Opinion

1. I have audited the financial statements of the Department of Economic Development and Tourism set out on pages 194 - 273 which comprise the appropriation statement, statement of financial position as at 31 March 2022, the statement of financial performance, statement of changes in net assets and cash flow statement for the year then ended, as well as notes to the financial statements, including a summary of significant accounting policies.
2. In my opinion, the financial statements present fairly, in all material respects, the financial position of the Department of Economic Development and Tourism as at 31 March 2022, and its financial performance and cash flows for the year then ended in accordance with the Modified Cash Standard (MCS) prescribed by National Treasury and the requirements of the Public Finance Management Act 1 of 1999 (PFMA) and the Division of Revenue Act, 9 of 2021 (Dora).

Basis for opinion

3. I conducted my audit in accordance with the International Standards on Auditing (ISAs). My responsibilities under those standards are further described in the auditor-general's responsibilities for the audit of the financial statements section of my report.
4. I am independent of the department in accordance with the International Ethics Standards Board for Accountants' *International code of ethics for professional accountants (including International Independence Standards)* (IESBA code) as well as other ethical requirements that are relevant to my audit in South Africa. I have fulfilled my other ethical responsibilities in accordance with these requirements and the IESBA code.
5. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Emphasis of matters

6. I draw attention to the matter below. My opinion is not modified in respect of this matter.

Restatement of corresponding figures

7. As disclosed in note 28 to the financial statements, the corresponding figures for 31 March 2021 were restated as a result of errors in the financial statements of the department at, and for the year ended, 31 March 2022.

Other matter

8. I draw attention to the matter below. My opinion is not modified in respect of this matter.

Unaudited supplementary schedules

9. The supplementary information set out on pages 263 - 273 does not form part of the financial statements and is presented as additional information. I have not audited these schedules and, accordingly, I do not express an opinion on them.

Responsibilities of the accounting officer for the financial statements

10. The accounting officer is responsible for the preparation and fair presentation of the financial statements in accordance with the MCS prescribed by National Treasury and the requirements of the PFMA and Dora, and for such internal control as the accounting officer determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.
11. In preparing the financial statements, the accounting officer is responsible for assessing the department's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless the appropriate governance structure either intends to liquidate the department or to cease operations, or has no realistic alternative but to do so.

Auditor-general's responsibilities for the audit of the financial statements

12. My objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with the ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.
13. A further description of my responsibilities for the audit of the financial statements is included in the annexure to this auditor's report.

Report on the audit of the annual performance report

Introduction and scope

14. In accordance with the Public Audit Act 25 of 2004 (PAA) and the general notice issued in terms thereof, I have a responsibility to report on the usefulness and reliability of the reported performance information against predetermined objectives for selected programme presented in the annual performance report. I performed procedures to identify material findings but not to gather evidence to express assurance.

15. My procedures address the usefulness and reliability of the reported performance information, which must be based on the department's approved performance planning documents. I have not evaluated the completeness and appropriateness of the performance indicators included in the planning documents. My procedures do not examine whether the actions taken by the department enabled service delivery. My procedures do not extend to any disclosures or assertions relating to the extent of achievements in the current year or planned performance strategies and information in respect of future periods that may be included as part of the reported performance information. Accordingly, my findings do not extend to these matters.
16. I evaluated the usefulness and reliability of the reported performance information in accordance with the criteria developed from the performance management and reporting framework, as defined in the general notice, for the following selected programme presented in the department's annual performance report for the year ended 31 March 2022:

Programme	Pages in the annual performance report
Programme 3 – Trade and Sector Development	96 - 103

17. I performed procedures to determine whether the reported performance information was properly presented and whether performance was consistent with the approved performance planning documents. I performed further procedures to determine whether the indicators and related targets were measurable and relevant, and assessed the reliability of the reported performance information to determine whether it was valid, accurate and complete.
18. I did not identify material findings on the usefulness and reliability of the reported performance information for this programme:

Programme 3: Trade and Sector Development

Other matter

19. I draw attention to the matter below.

Achievement of planned targets

20. Refer to the annual performance report on pages 74 - 134 for information on the achievement of planned targets for the year and management's explanations provided for the under/over achievement of targets.

Report on the audit of compliance with legislation

Introduction and scope

21. In accordance with the PAA and the general notice issued in terms thereof, I have a responsibility to report material findings on the department's compliance with specific matters in key legislation. I performed procedures to identify findings but not to gather evidence to express assurance.

22. The material findings on compliance with specific matters in key legislation are as follows:

Annual financial statements

23. The financial statements submitted for auditing were not prepared in accordance with the prescribed financial reporting framework as required by section 40(1)(b) of the PFMA. Material misstatements of expenditure and disclosure items identified by the auditors in the submitted financial statements were corrected, resulting in the financial statements receiving an unqualified opinion.

Expenditure management

24. Effective and appropriate steps were not taken to prevent irregular expenditure amounting to R4 394 000, as disclosed in note 20 to the annual financial statements, as required by section 38(1)(c)(ii) of the PFMA and treasury regulation 9.1.1. The majority of the irregular expenditure was caused by non-compliance with the supply chain management regulations.

Procurement and contract management

25. Some of the goods and services of a transaction value above R500 000 were procured without inviting competitive bids, as required by treasury regulations 16A6.1. Similar non-compliance was also reported in the prior year.

Consequence management

26. I was unable to obtain sufficient appropriate audit evidence that disciplinary steps were taken against officials who had incurred irregular expenditure as required by section 38(1)(h)(iii) of the PFMA.

Other information

27. The accounting officer is responsible for the other information. The other information comprises the information included in the annual report. The other information does not include the financial statements, the auditor's report and those selected programme presented in the annual performance report that have been specifically reported in this auditor's report.
28. My opinion on the financial statements and findings on the reported performance information and compliance with legislation do not cover the other information and I do not express an audit opinion or any form of assurance conclusion on it.
29. In connection with my audit, my responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements and the selected programme presented in the annual performance report, or my knowledge obtained in the audit, or otherwise appears to be materially misstated.
30. I did not receive the other information prior to the date of this auditor's report. When I do receive and read this information, if I conclude that there is a material misstatement therein, I am required to communicate the matter to those charged with governance and request that the other information be

corrected. If the other information is not corrected, I may have to retract this auditor's report and re-issue an amended report as appropriate. However, if it is corrected this will not be necessary.

Internal control deficiencies

31. I considered internal control relevant to my audit of the financial statements, reported performance information and compliance with applicable legislation; however, my objective was not to express any form of assurance on it. The matters reported below are limited to the significant internal control deficiencies that resulted in the opinion and the findings on compliance with legislation included in this report.
32. There were material findings identified in the notes to the financial statements which were corrected, as changes were made to the financial statements subsequent to leadership's review.
33. The department's internal processes and systems did not prevent material misstatements in the financial statements and material non-compliance from occurring.
34. The department did conduct a risk assessment as required by the PFMA however the risk assessment performed was not adequate to prevent the control deficiencies identified.

Other reports

35. I draw attention to the following engagements conducted by various parties which had, or could have, an impact on the matters reported in the department's financial statements, reported performance information, compliance with applicable legislation and other related matters. These reports did not form part of my opinion on the financial statements or my findings on the reported performance information or compliance with legislation.
36. An investigation was conducted by the South African Police Services to probe the manner in which some projects utilized funds advanced as transfer payments by the department. The investigation aims to establish whether the funds were utilized for the intended purpose and in accordance with approved business plans. The investigation has been referred to the National Prosecution Authority for a final decision at the reporting date.
37. An investigation was conducted by the South African Police Services on request by the department. The investigation was initiated based on the allegation of possible misappropriation of uncut diamonds that was acquired by the department. The investigation was completed and the matter was referred to the court for a final decision.

Auditor General

Kimberley

29 July 2022

AUDITOR-GENERAL
SOUTH AFRICA

Auditing to build public confidence

Annexure – Auditor-general's responsibility for the audit

1. As part of an audit in accordance with the ISAs, I exercise professional judgement and maintain professional scepticism throughout my audit of the financial statements and the procedures performed on reported performance information for selected programme and on the department's compliance with respect to the selected subject matters.

Financial statements

2. In addition to my responsibility for the audit of the financial statements as described in this auditor's report, I also:

   identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error; design and perform audit procedures responsive to those risks; and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal control

   obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the department's internal control

   evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the accounting officer

   conclude on the appropriateness of the accounting officer's use of the going concern basis of accounting in the preparation of the financial statements. I also conclude, based on the audit evidence obtained, whether a material uncertainty exists relating to events or conditions that may cast significant doubt on the ability of the Department of Economic Development and Tourism to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial statements about the material uncertainty or, if such disclosures are inadequate, to modify my opinion on the financial statements. My conclusions are based on the information available to me at the date of this auditor's report. However, future events or conditions may cause a department to cease operating as a going concern

   evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and determine whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation

Communication with those charged with governance

3. I communicate with the accounting officer regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

4. I also provide the accounting officer with a statement that I have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on my independence and, where applicable, actions taken to eliminate threats or safeguards applied.

national treasury

Department:
National Treasury
REPUBLIC OF SOUTH AFRICA

AUDITED ANNUAL FINANCIAL STATEMENTS FOR THE DEPARTMENT OF ECONOMIC DEVELOPMENT AND TOURISM

For the year ended
31 March 2022

DEPARTMENT OF ECONOMIC DEVELOPMENT AND TOURISM
VOTE 6

ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2022

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DEPARTMENT OF ECONOMIC DEVELOPMENT AND TOURISM
VOTE 6
APPROPRIATION STATEMENT
for the year ended 31 March 2022

Appropriation per programme

	2021/22							2020/21	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000
Programme									
1. Administration	63,891	-	(5,089)	58,802	55,637	3,165	94.6%	52,724	51,696
2. Integrated Economic Development Services	58,866	-	2,630	61,496	60,600	896	98.5%	58,090	57,988
3. Trade and Sector Development	65,453	-	5,109	70,562	70,458	104	99.9%	51,263	51,237
4. Business Regulation and Governance	44,594	-	(868)	43,726	43,634	92	99.8%	40,567	40,331
5. Economic Planning	22,501	-	(1,009)	21,492	20,907	585	97.3%	19,897	19,813
4. Tourism	78,201	-	(773)	77,428	77,257	171	99.8%	56,059	54,474
Subtotal	**333,506**	**-**	**-**	**333,506**	**328,493**	**5,013**	**98.5%**	**278,600**	**275,539**
Total	**333,506**	**-**	**-**	**333,506**	**328,493**	**5,013**	**98.5%**	**278,600**	**275,539**

	2021/22			2020/21	
	Final Appropriation	Actual Expenditure		Final Appropriation	Actual Expenditure
Reconciliation with statement of financial performance					
ADD					
Departmental receipts	**2,236**		-		
Actual amounts per statement of financial performance (total revenue)	**335,742**			**278,600**	
Actual amounts per statement of financial performance (total expenditure)		**328,493**			**275,539**

DEPARTMENT OF ECONOMIC DEVELOPMENT AND TOURISM
VOTE 6
APPROPRIATION STATEMENT
for the year ended 31 March 2022

Appropriation per economic classification									
	2021/22							2020/21	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Economic classification									
Current payments	**188,686**	**(3,391)**	**(9,997)**	**175,298**	**171,601**	**3,697**	**97.9%**	**143,846**	**142,490**
Compensation of employees	103,507	(1,026)	(41)	102,440	101,002	1,438	98.6%	99,717	99,481
Salaries and wages	89,716	(447)	(41)	89,228	87,790	1,438	98.4%	86,348	86,348
Social contributions	13,791	(579)	-	13,212	13,212	-	100.0%	13,369	13,133
Goods and services	85,179	(2,365)	(9,956)	72,858	70,599	2,259	96.9%	44,129	43,009
Administrative fees	757	68	(24)	801	518	283	64.7%	220	220
Advertising	2,619	(283)	(548)	1,788	1,788	-	100.0%	1,217	1,217
Minor assets	430	78	(166)	342	142	200	41.5%	101	101
Audit costs: External	3,238	-	(60)	3,178	3,178	-	100.0%	2,611	2,611
Bursaries: Employees	831	(57)	(101)	673	673	-	100.0%	559	559
Catering: Departmental activities	879	(11)	(261)	607	607	-	100.0%	244	244
Communication	2,127	(351)	(42)	1,734	1,734	-	100.0%	1,925	1,925
Computer services	1,615	(17)	(502)	1,096	1,096	-	100.0%	1,731	1,731
Consultants: Business and advisory services	9,654	(4,536)	(1,959)	3,159	3,159	-	100.0%	3,469	3,469
Legal services	214	146	(156)	204	204	-	100.0%	21	21
Contractors	17,405	3,432	(668)	20,169	20,169	-	100.0%	3,397	2,277
Agency and support/outsourced services	16	2	-	18	18	-	100.0%	23	23
Fleet services	662	183	(174)	671	671	-	100.0%	447	447
Consumables supplies	2,774	424	(1442)	1,756	616	1,140	35.1%	1,202	1,202
Consumable: Stationery, Printing and Office Supplies	1,183	(506)	(6)	671	671	-	100.0%	176	176
Operating leases	11,413	272	-	11,685	11,685	-	100.0%	10,276	10,276
Property payments	16,336	974	(1,418)	15,892	15,892	-	100.0%	14,745	14,745
Travel and subsistence	9,565	(2,017)	(1,720)	5,828	5,828	-	100.0%	1,340	1,340
Training and development	1,431	103	(12)	1,522	886	636	58.2%	49	49
Operating payments	505	93	(202)	396	396	-	100.0%	265	265
Venues and facilities	1,525	(503)	(543)	479	479	-	100.0%	111	111
Rental and hiring	-	141	48	189	189	-	100.0%	-	-

DEPARTMENT OF ECONOMIC DEVELOPMENT AND TOURISM
VOTE 6
APPROPRIATION STATEMENT
for the year ended 31 March 2022

Appropriation per economic classification									
	2021/22							2020/21	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Transfers and subsidies	**141,248**	**3,390**	**9,997**	**154,635**	**154,546**	**89**	**99.9%**	**130,562**	**129,783**
Provinces and municpalites	2,460	-	-	2,460	2,460	-	100.0%	2,525	2,525
Municipalities	2,460	-	-	2,460	2,460	-	100.0%	2,525	2,525
Municipal bank accounts	2,460	-	-	2 460	2,460	-	100.0%	2,525	2,525
Departmental agencies and accounts	96,234	36,476	10,297	143,007	143,007	-	100.0%	118,737	118,737
Departmental agencies	96,234	36,476	10,297	143,007	143,007	-	100.0%	118,737	118,737
Higher education institutions	500	-	-	500	500	-	100.0%	500	500
Public corporations and private enterprises	41,431	(33,215)	(311)	7,905	7,816	89	98.9%	6,891	6,691
Private enterprises	41,431	(33,215)	(311)	7,905	7,816	89	98.9%	6,891	6,691
Other transfers to private enterprises	41,431	(33,215)	(311)	7,905	7,816	89	98.9%	6,891	6,691
Households	623	129	11	763	763	-	100.0%	1,909	1,330
Social benefits	623	129	-	752	752	-	100.0%	1,849	1,270
Other transfers to households	-	-	11	11	11	-	100.0%	60	60
Payments for capital assets	**3,572**	**1**	**-**	**3,573**	**2,346**	**1,227**	**65.7%**	**4,192**	**3,266**
Buildings and other fixed structures	516	(33)	-	483	483	-	100.0%	1,282	1,282
Buildings	516	(33)	-	483	483	-	100.0%	1,282	1,282
Machinery and equipment	2,906	184	-	3,090	1,863	1,227	60.3%	2,910	1,984
Transport equipment	281	202	337	820	820	-	100.0%	961	961
Other machinery and equipment	2,625	(18)	(337)	2,270	1,043	1,227	45.9%	1,949	1,023
Software and other intangible assets	150	(150)	-	-	-	-	-	-	-
Total	**333,506**	**-**	**-**	**333,506**	**328,493**	**5,013**	**98.5%**	**278,600**	**275,539**

DEPARTMENT OF ECONOMIC DEVELOPMENT AND TOURISM
VOTE 6
APPROPRIATION STATEMENT
for the year ended 31 March 2022

Programme 1: ADMINISTRATION

	2021/22							2020/21	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Sub programme									
1. Office of the MEC	1,239	(161)	(700)	378	378	-	100.0%	-	-
2. Office of the HOD	5,596	(1,204)	11	4,403	4,242	161	96.3%	2,888	2,888
3. Corporate Services	24,970	(501)	(2,100)	22,369	21,950	419	98.1%	23,290	22,711
4. Financial Management	32,086	1,866	(2,300)	31,652	29,067	2,585	91.8%	26,546	26,097
Total for sub programmes	**63,891**	**-**	**(5,089)**	**58,802**	**55,637**	**3,165**	**94.6%**	**52,724**	**51,696**
Economic classification									
Current payments	**62,193**	**(98)**	**(5,100)**	**56,995**	**54,412**	**2,583**	**95.5%**	**50,780**	**50,780**
Compensation of employees	40,284	(98)	-	40,186	38,884	1,302	96.8%	37,838	37,838
Salaries and wages	34,748	126	-	34,874	33,572	1,302	96.3%	32,567	32,567
Social contributions	5,536	(224)	-	5,312	5,312	-	100.0%	5,217	5,217
Goods and services	21,909	-	(5,100)	16,809	15,528	1,281	92.4%	12,942	12,942
Administrative fees	208	(83)	(3)	122	122	-	100.0%	140	140
Advertising	662	(48)	(358)	256	256	-	100.0%	73	73
Minor assets	291	82	(155)	218	77	141	35.3%	7	7
Audit costs: External	3,238	-	(60)	3,178	3,178	-	100.0%	2,611	2,611
Bursaries: Employees	684	-	(83)	601	601	-	100.0%	257	257
Catering: Departmental activities	282	(97)	(71)	114	114	-	100.0%	107	107
Communication	716	(64)	(42)	610	610	-	100.0%	1,120	1,120
Computer services	1,596	-	(502)	1,094	1,094	-	100.0%	1,713	1,713
Consultants: Business and advisory	436	-	(436)	-	-	-	-	-	-
Legal services	50	-	(50)	-	-	-	-	-	-
Contractors	104	1	-	105	105	-	100.0%	120	120
Agency and support/outsourced service	16	2	-	18	18	-	100.0%	23	23
Fleet services	330	64	(174)	220	220	-	100.0%	101	101
Consumable supplies	2,704	483	(1,442)	1,700	560	1,140	32.9%	1,020	1,020
Consumable: stationery, printing and office supplies	538	(164)	(6)	368	368	-	100.0%	130	130
Operating leases	4,713	299	-	5,012	5,012	-	100.0%	2,830	2,830

DEPARTMENT OF ECONOMIC DEVELOPMENT AND TOURISM
VOTE 6
APPROPRIATION STATEMENT
for the year ended 31 March 2022

Programme 1: ADMINISTRATION									
	2021/22							**2020/21**	
	Adjusted Appropriation	**Shifting of Funds**	**Virement**	**Final Appropriation**	**Actual Expenditure**	**Variance**	**Expenditure as % of final appropriation**	**Final Appropriation**	**Actual expenditure**
	R'000	**R'000**	**R'000**	**R'000**	**R'000**	**R'000**	**%**	**R'000**	**R'000**
Property payments	2,294	8	(401)	1,901	1,901	-	100%	2,266	2,266
Travel and subsistence	1,870	(545)	(522)	803	803	-	100.0%	249	249
Training and development	194	(18)	(59)	117	117	-	100.0%	-	-
Venues and facilities	596	(7)	(534)	55	55	-	100.0%	-	-
Transfers and subsidies	**591**	**98**	**11**	**700**	**700**	**-**	**100.0%**	**854**	**275**
Households	591	98	11	700	700	-	100.0%	854	275
Social benefits	591	98	-	689	689	-	100.0%	794	215
Other transfers to households	-	-	11	11	11	-	100.0%	60	60
Payments for capital assets	**1,107**	**-**	**-**	**1,107**	**525**	**582**	**47.4%**	**1,090**	**641**
Machinery and equipment	1,107	-	-	1,107	525	582	47.4%	1,090	641
Transport equipment	50	121	-	171	171	-	100.0%	201	201
Other machinery and equipment	1 057	(121)	-	936	354	582	37.8%	889	440
Total	**63,891**	**-**	**(5,089)**	**58,802**	**55,637**	**3,165**	**94.6%**	**52,724**	**51,696**

1.1 OFFICE OF THE MEC									
	2021/22							**2020/21**	
	Adjusted Appropriation	**Shifting of Funds**	**Virement**	**Final Appropriation**	**Actual Expenditure**	**Variance**	**Expenditure as % of final appropriation**	**Final Appropriation**	**Actual expenditure**
Economic classification	**R'000**	**R'000**	**R'000**	**R'000**	**R'000**	**R'000**	**%**	**R'000**	**R'000**
Current payments	**1,239**	**(161)**	**(700)**	**378**	**378**	**-**	**100.0%**	**-**	**-**
Good and services	1,239	(161)	(700)	378	378	-	100.0%	-	-
Total	**1,239**	**(161)**	**(700)**	**378**	**378**	**-**	**100.0%**	**-**	**-**

DEPARTMENT OF ECONOMIC DEVELOPMENT AND TOURISM
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for the year ended 31 March 2022

1.2 OFFICE OF THE HOD									
	2021/22							2020/21	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
Economic classification	**R'000**	**R'000**	**R'000**	**R'000**	**R'000**	**R'000**	**%**	**R'000**	**R'000**
Current payments	**5,389**	**(1,114)**	**-**	**4,275**	**4,164**	**111**	**97.4%**	**2,700**	**2,700**
Compensation of employees	4,234	(740)	-	3,494	3,494	-	100.0%	2,417	2,417
Goods and services	1,155	(374)	-	781	670	111	85.8%	283	283
Transfers and subsidies	**-**	**-**	**11**	**11**	**11**	**-**	**100.0%**	**-**	**-**
Households	-	-	11	11	11	-	100.0%	-	-
Payments for capital assets	**207**	**(90)**	**-**	**117**	**67**	**50**	**57.3%**	**188**	**188**
Machinery and equipment	207	(90)	-	117	67	50	57.3%	188	188
Total	**5,596**	**(1,204)**	**11**	**4,403**	**4,242**	**161**	**96.3%**	**2,888**	**2,888**

1.3 CORPORATE SERVICES									
	2021/22							2020/21	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
Economic classification	**R'000**	**R'000**	**R'000**	**R'000**	**R'000**	**R'000**	**%**	**R'000**	**R'000**
Current payments	**24,124**	**(624)**	**(2,100)**	**21,400**	**21,075**	**325**	**98.5%**	**22,382**	**22,382**
Compensation of employees	19,114	(902)	-	18,212	18,212	-	100.0%	19,857	19,857
Goods and services	5,010	278	(2,100)	3,188	2,863	325	89.8%	2,525	2,525
Transfers and subsidies	**591**	**98**	**-**	**689**	**689**	**-**	**100.0%**	**794**	**215**
Households	591	98	-	689	689	-	100.0%	794	215
Payments for capital assets	**255**	**25**	**-**	**280**	**186**	**94**	**66.4%**	**114**	**114**
Machinery and equipment	255	25	-	280	186	94	66.4%	114	114
Total	**24,970**	**(501)**	**(2,100)**	**22,369**	**21,950**	**419**	**98.1%**	**23,290**	**22,711**

DEPARTMENT OF ECONOMIC DEVELOPMENT AND TOURISM
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1.4 FINANCIAL MANAGEMENT									
	2021/22							2020/21	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
Economic classification	**R'000**	**R'000**	**R'000**	**R'000**	**R'000**	**R'000**	**%**	**R'000**	**R'000**
Current payments	**31,441**	**1,801**	**(2,300)**	**30,942**	**28,795**	**2,147**	**93.1%**	**25,698**	**25,698**
Compensation of employees	16,936	1,544	-	18,480	17,178	1,302	93.0%	15,564	15,564
Goods and services	14,505	257	(2,300)	12,462	11,617	845	93.2%	10,134	10,134
Transfers and subsidies	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**60**	**60**
Households	-	-	-	-	-	-	-	60	60
Payments for capital assets	**645**	**65**	**-**	**710**	**272**	**438**	**38.3%**	**788**	**339**
Machinery and equipment	645	65	-	710	272	438	383%	788	339
Total	**32,086**	**1,866**	**(2,300)**	**31,652**	**29,067**	**2,585**	**91.8%**	**26,546**	**26,097**

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Programme 2: INTEGRATED ECONOMIC DEVELOPMENT SERVICES									
	2021/22							2020/21	
	Adjusted Appropriation	**Shifting of Funds**	**Virement**	**Final Appropriation**	**Actual Expenditure**	**Variance**	**Expenditure as % of final appropriation**	**Final Appropriation**	**Actual expenditure**
	R'000	**R'000**	**R'000**	**R'000**	**R'000**	**R'000**	**%**	**R'000**	**R'000**
Sub programme									
1. Enterprise Development	11,575	28,014	2,582	42,171	41,535	636	98.5%	40,686	40,686
2. Regional and Local Economic Development	7,396	(237)	48	7,207	7,120	87	98.8%	6,277	6,277
3. Economic Empowerment	5,966	(292)	-	5,674	5,674	-	100.0%	5,155	5,155
4. Economic Growth and Development Fund	27,225	(27,225)	-	-	-	-	-	-	-
5. Office of the Chief Director	6,704	(260)	-	6,444	6,271	173	97.3%	5,972	5,870
Total for sub programmes	**58,866**	**-**	**2,630**	**61,496**	**60,600**	**896**	**98,5%**	**58,090**	**57,988**
Economic classification									
Current payments	**23,610**	**(700)**	**(870)**	**22,040**	**21,302**	**738**	**96.7%**	**20,470**	**20,470**
Compensation of employees	15,990	(499)	-	15,491	15,491	-	100.0%	15,001	15,001
Salaries and wages	13,842	(306)	-	13,536	13,536	-	100.0%	13,108	13,108
Social Contributions	2,148	(193)	-	1,955	1,955	-	100.0%	1,893	1,893
Goods and services	7,620	(201)	(870)	6,549	5,811	738	88.7%	5,469	5,469
Administrative fees	44	98	-	142	55	87	38.7%	14	14
Advertising	116	(36)	-	80	80	-	100.0%	460	460
Minor assets	17	15	-	32	17	15	53.1%	94	94
Bursaries: Employees	99	(53)	-	46	46	-	100.0%	32	32
Catering: Departmental activities	126	9	-	135	135	-	100.0%	42	42
Communication	253	8	-	261	261	-	100.0%	182	182
Computer services	8	(8)	-	-	-	-	-	-	-
Consultants: Business and advisory services	164	(164)	-	-	-	-	-	615	615
Legal services	3	-	-	3	3	-	100.0%	-	-
Contractors	698	-	(668)	30	30	-	100.0%	-	-
Fleet services	50	16	-	66	66	-	100.0%	29	29
Consumable supplies	13	1	-	14	14	-	100.0%	31	31
Consumable: stationery, printing and office supplies	207	(153)	-	54	54	-	100.0%	14	14
Operating leases	2,316	(3)	-	2,313	2,313	-	100.0%	2,142	2,142

Programme 2: INTEGRATED ECONOMIC DEVELOPMENT SERVICES									
	2021/22							2020/21	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Property payments	1,864	(213)	-	1,651	1,651	-	100%	1,567	1,567
Travel and subsistence	1,409	(450)	(332)	627	627	-	100.0%	210	210
Training and development	39	756	82	877	241	636	27.5%	22	22
Operating payments	12	15	-	27	27	-	100.0%	15	15
Venues and facilities	182	(102)	-	80	80	-	100.0%	-	-
Rental and hiring	-	63	48	111	111	-	100.0%	-	-
Transfers and subsidies	**34,887**	**700**	**3,500**	**39,087**	**39,087**	**-**	**100.0%**	**37,191**	**37,191**
Provinces and municipalities	1,960	-	-	1,960	1,960	-	100.0%	2,025	2,025
Municipalities	1,960	-	-	1,960	1,960	-	100.0%	2,025	2,025
Municipal bank accounts	1,960	-	-	1,960	1,960	-	100.0%	2,025	2,025
Departmental agencies and accounts	5,346	27,973	3,800	37,119	37,119	-	100.0%	35,166	35,166
Departmental agencies	5,346	27,973	3,800	37,119	37,119	-	100.0%	35,166	35,166
Public corporations and private enterprises	27,573	(27,273)	(300)	-	-	-	100.0%	-	-
Private enterprises	27,573	(27,273)	(300)	-	-	-	-	-	-
Other transfers to private enterprise	27,573	(27,273)	(300)	-	-	-	-	-	-
Households	8	-	-	8	8	-	100.0%	-	-
Social benefits	8	-	-	8	8	-	100.0%	-	-
Payments for capital assets	**369**	**-**	**-**	**369**	**211**	**158**	**57.2%**	**429**	**327**
Machinery and equipment	369	-	-	369	211	158	57.2%	429	327
Transport equipment	43	19	-	62	62	-	100.0%	60	60
Other machinery and equipment	326	(19)	-	307	149	158	48.5%	369	267
Software and other intangible assets	-	-	-	-	-	-	-	-	-
Total	**58,866**	**-**	**2,630**	**61,496**	**60,600**	**896**	**98.5%**	**58,090**	**57,988**

2.1 ENTERPRISE DEVELOPMENT

	2021/22							2020/21	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
Economic classification	**R'000**	**R'000**	**R'000**	**R'000**	**R'000**	**R'000**	**%**	**R'000**	**R'000**
Current payments	**5,802**	**160**	**(918)**	**5,044**	**4,408**	**636**	**87.4%**	**5,382**	**5,382**
Compensation of employees	3,889	(300)	-	3,589	3,589	-	100.0%	4,053	4,053
Goods and services	1,913	460	(918)	1,455	819	636	56.3%	1,329	1,329
Transfers and subsidies	**5,702**	**27,925**	**3,500**	**37,127**	**37,127**	**-**	**100.0%**	**35,166**	**35,166**
Departmental agencies and accounts	5,346	27,973	3,800	37,119	37,119	-	100.0%	35,166	35,166
Public corporations and private enterprise	348	(48)	(300)	-	-	-	-	-	-
Households	8	-	-	8	8	-	100.0%	-	-
Payments for capital assets	**71**	**(71)**	**-**	**-**	**-**	**-**	**-**	**138**	**138**
Machinery and equipment	71	(71)	-	-	-	-	-	138	138
Total	**11,575**	**28,014**	**2,582**	**42,171**	**41,535**	**636**	**98.5%**	**40,686**	**40,686**

2.2 REGIONAL AND LOCAL ECONOMIC DEVELOPMENT

	2021/22							2020/21	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
Economic classification	**R'000**	**R'000**	**R'000**	**R'000**	**R'000**	**R'000**	**%**	**R'000**	**R'000**
Current payments	**5,362**	**(165)**	**48**	**5,245**	**5,158**	**87**	**98.3%**	**4,252**	**4,252**
Compensation of employees	4,698	81	-	4,779	4,779	-	100.0%	4,148	4,148
Goods and services	664	(246)	48	466	379	87	81.3%	104	104
Transfers and subsidies	**1,960**	**-**	**-**	**1,960**	**1,960**	**-**	**100.0%**	**2,025**	**2,025**
Provinces and municipalities	1,960	-	-	1,960	1,960	-	100.0%	2,025	2,025
Payments for capital assets	**74**	**(72)**	**-**	**2**	**2**	**-**	**100.0%**	**-**	**-**
Machinery and equipment	74	(72)	-	2	2	-	100.0%	-	-
Total	**7,396**	**(237)**	**48**	**7,207**	**7,120**	**87**	**98.8%**	**6,277**	**6,277**

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2.3 ECONOMIC EMPOWERMENT									
	2021/22							2020/21	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
Economic classification	**R'000**	**R'000**	**R'000**	**R'000**	**R'000**	**R'000**	**%**	**R'000**	**R'000**
Current payments	**5,905**	**(291)**	**-**	**5,614**	**5,614**	**-**	**100.0%**	**5,113**	**5,113**
Compensation of employees	5,435	(164)	-	5,271	5,271	-	100.0%	5,024	5,024
Goods and services	470	(127)	-	343	343	-	100.0%	89	89
Payments for capital assets	**61**	**(1)**	**-**	**60**	**60**	**-**	**100.0%**	**42**	**42**
Machinery and equipment	61	(1)	-	60	60	-	100.0%	42	42
Total	**5,966**	**(292)**	**-**	**5,674**	**5,674**	**-**	**100.0%**	**5,155**	**5,155**

2.4 ECONOMIC GROWTH AND DEVELOPMENT FUND									
	2021/22							2020/21	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
Economic classification	**R'000**	**R'000**	**R'000**	**R'000**	**R'000**	**R'000**	**%**	**R'000**	**R'000**
Transfers and subsidies	**27,225**	**(27,225)**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Public corporations and private enterprises	27,225	(27,225)	-	-	-	-	-	-	-
Total	**27,225**	**(27,225)**	**-**	**-**	**-**	**-**	**-**	**-**	**-**

2.5 OFFICE OF THE CHIEF DIRECTOR									
	2021/22							2020/21	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
Economic classification	**R'000**	**R'000**	**R'000**	**R'000**	**R'000**	**R'000**	**%**	**R'000**	**R'000**
Current payments	**6,541**	**(404)**	**-**	**6,137**	**6,122**	**15**	**99.8%**	**5,723**	**5,723**
Compensation of employees	1,968	(116)	-	1,852	1,852	-	100.0%	1,776	1,776
Goods and services	4,573	(288)	-	4,285	4,270	15	99.6%	3,947	3,947
Payments for capital assets	**163**	**144**	**-**	**307**	**149**	**158**	**48.5%**	**249**	**147**
Machinery and equipment	163	144	-	307	149	158	48.5.0%	249	147
Total	**6,704**	**(260)**	**-**	**6,444**	**6,271**	**173**	**97.3%**	**5,972**	**5,870**

DEPARTMENT OF ECONOMIC DEVELOPMENT AND TOURISM
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Programme 3: TRADE AND SECTOR DEVELOPMENT

	2021/22							2020/21	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Transfers and subsidies	**42 115**	**2,092**	**6,100**	**50,307**	**50,307**	**-**	**100.0%**	**33,898**	**33,898**
Departmental agencies and accounts	32,783	8,400	6,100	47,283	47,283	-	100.0%	31,020	31,020
Departmental agencies	32,783	8,400	6,100	47,283	47,283	-	100.0%	31,020	31,020
Public corporations and private enterprise	9,308	(6,308)	-	3,000	3,000	-	100.0%	1,824	1,824
Private enterprises	9,308	(6,308)	-	3,000	3,000	-	100.0%	1,824	1,824
Other transfers to private enterprises	9,308	(6,308)	-	3,000	3,000	-	100.0%	1,824	1,824
Households	24	-	-	24	24	-	100.0%	1,054	1,054
Social benefits	24	-	-	24	24	-	100.0%	1,054	1,054
Payment for capital assets	**341**	**1**	**(135)**	**207**	**197**	**10**	**95.2%**	**196**	**170**
Machinery and equipment	341	1	(135)	207	197	10	95.2%	196	170
Transport equipment	74	25	-	99	99	-	100.0%	67	67
Other machinery and equipment	267	(24)	(135)	108	98	10	90.7%	129	103
Total	**65,453**	**-**	**5,109**	**70,562**	**70,458**	**104**	**99.9%**	**51,263**	**51,237**

3.1 TRADE AND INVESTMENT PROMOTION									
	2021/22							2020/21	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
Economic classification	**R'000**	**R'000**	**R'000**	**R'000**	**R'000**	**R'000**	**%**	**R'000**	**R'000**
Current payments	**6,151**	**(538)**	**-**	**5,613**	**5,613**	**-**	**100.0%**	**4,862**	**4,862**
Compensation of employees	3,220	(242)	-	2,978	2,978	-	100.0%	3,304	3,304
Goods and services	2,931	(296)	-	2,635	2,635	-	100.0%	1,558	1,558
Transfers and subsidies	**32,807**	**5,400**	**6,100**	**44,307**	**44,307**	**-**	**100.0%**	**28,201**	**28,201**
Departmental agencies accounts	32,783	5,400	6,100	44,283	44,283	-	100.0%	28,201	28,201
Households	24	-	-	24	24	-	100.0%	-	-
Payments for capital assets	**58**	**(23)**	**-**	**35**	**35**	**-**	**100.0%**	**73**	**73**
Transport Equipment	25	10	-	35	35	-	100.0%	50	50
Machinery and equipment	33	(33)	-	-	-	-	-	23	23
Total	**39,016**	**4,839**	**6,100**	**49,955**	**49,955**	**-**	**100.0%**	**33,136**	**33,136**

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Programme 3: TRADE AND SECTOR DEVELOPMENT

	2021/22							2020/21	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Sub programme									
1. Trade and Investment Promotion	39,016	4,839	6,100	49,955	49,955	-	100.0%	33,136	33,136
2. Sector Development	10,248	(1,946)	(897)	7,405	7,405	-	100.0%	7,504	7,504
3. Strategic Initiatives	9,368	(3,555)	(135)	5,678	5,678	-	100.0%	4,127	4,127
4.Office of the Chief Director	6,821	662	41	7,524	7,420	104	98.6%	6,496	6,470
Total for sub programmes	**65,453**	**-**	**5,109**	**70,562**	**70,458**	**104**	**99.9%**	**51,263**	**51,237**
Economic classification									
Current payments	**22,997**	**(2,093)**	**(856)**	**20,048**	**19,954**	**94**	**99.5%**	**17,169**	**17,169**
Compensation of employees	10,825	(429)	-	10,396	10,396	-	100.0%	10,447	10,447
Salaries and wages	9,382	(242)	-	9,140	9,140	-	100.0%	9,134	9,134
Social Contributions	1,443	(187)	-	1,256	1,256	-	100.0%	1,313	1,313
Goods and services	12,172	(1,664)	(856)	9,652	9,558	94	99.0%	6,722	6,722
Administrative fees	149	40	-	189	103	86	54.5%	8	8
Advertising	1,276	(214)	-	1,062	1,062	-	100.0%	620	620
Minor assets	14	(2)	-	12	4	8	33.3%	-	-
Bursaries: Employees	5	(5)	-	-	-	-	-	97	97
Catering: Departmental activities	103	35	-	138	138	-	100.0%	69	69
Communication	227	(31)	-	196	196	-	100.0%	193	193
Consultants: Business and advisory services	1,689	(853)	(800)	36	36	-	100.0%	132	132
Contractors	77	(48)	-	29	29	-	100.0%	-	-
Fleet services	28	12	-	40	40	-	100.0%	29	29
Consumable supplies	3	(1)	-	2	2	-	100.0%	62	62
Consumable: stationery, printing and office supplies	200	(63)	-	137	137	-	100.0%	-	-
Operating leases	1,010	(1)	-	1,009	1,009	-	100.0%	1,230	1,230
Property payments	4,692	861	41	5,594	5,594	-	100.0%	3,943	3,943
Travel and subsistence	2,135	(1,068)	(97)	970	970	-	100.0%	206	206
Training and development	44	(44)	-	-	-	-	-	-	-
Operating payments	55	(38)	-	17	17	-	100.0%	22	22
Venues and facilities	465	(322)	-	143	143	-	100.0%	111	111

3.2 SECTOR DEVELOPMENT									
	2021/22							**2020/21**	
	Adjusted Appropriation	**Shifting of Funds**	**Virement**	**Final Appropriation**	**Actual Expenditure**	**Variance**	**Expenditure as % of final appropriation**	**Final Appropriation**	**Actual expenditure**
Economic classification	**R'000**	**R'000**	**R'000**	**R'000**	**R'000**	**R'000**	**%**	**R'000**	**R'000**
Current payments	**5,710**	**(408)**	**(897)**	**4,405**	**4,405**	**-**	**100.0%**	**4,662**	**4,662**
Compensation of employees	4,568	(363)	-	4,205	4,205	-	100.0%	4,472	4,472
Goods and services	1,142	(45)	(897)	200	200	-	100.0%	190	190
Transfers and subsidies	**4,500**	**(1,500)**	**-**	**3,000**	**3,000**	**-**	**100.0%**	**2,819**	**2,819**
Departmental agencies and accounts	-	3,000	-	3,000	3,000	-	100.0%	2,819	2,819
Public corporations and Private enterprises	4,500	(4,500)	-	-	-	-	-	-	-
Payments for capital assets	**38**	**(38)**	**-**	**-**	**-**	**-**	**-**	**23**	**23**
Machinery and equipment	38	(38)	-	-	-	-	-	23	23
Total	**10,248**	**(1,946)**	**(897)**	**7,405**	**7,405**	**-**	**100.0%**	**7,504**	**7,504**

3.3 STRATEGIC INITIATIVES									
	2021/22							**2020/21**	
	Adjusted Appropriation	**Shifting of Funds**	**Virement**	**Final Appropriation**	**Actual Expenditure**	**Variance**	**Expenditure as % of final appropriation**	**Final Appropriation**	**Actual expenditure**
Economic classification	**R'000**	**R'000**	**R'000**	**R'000**	**R'000**	**R'000**	**%**	**R'000**	**R'000**
Current payments	**4,418**	**(1,740)**	**-**	**2,678**	**2,678**	**-**	**100.0%**	**2,280**	**2,280**
Compensation of employees	1,996	34	-	2,030	2,030	-	100.0%	1,981	1,981
Goods and services	2,422	(1,774)	-	648	648	-	100.0%	299	299
Transfers and subsidies	**4,808**	**(1,808)**	**-**	**3,000**	**3,000**	**-**	**100.0%**	**1,824**	**1,824**
Public corporations and private enterprises	4,808	(1,808)	-	3,000	3,000	-	100.0%	1,824	1,824
Payments for capital assets	**142**	**(7)**	**(135)**	**-**	**-**	**-**	**-**	**23**	**23**
Machinery and equipment	142	(7)	(135)	-	-	-	-	23	23
Total	**9,368**	**(3,555)**	**(135)**	**5,678**	**5,678**	**-**	**100.0%**	**4,127**	**4,127**

3.4 OFFICE OF THE CHIEF DIRECTOR									
	2021/22							2020/21	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
Economic classification	**R'000**	**R'000**	**R'000**	**R'000**	**R'000**	**R'000**	**%**	**R'000**	**R'000**
Current payments	**6,718**	**593**	**41**	**7,352**	**7,258**	**94**	**98.7%**	**5,365**	**5,365**
Compensation of employees	1,041	142	-	1,183	1,183	-	100.0%	690	690
Goods and services	5,677	451	41	6,169	6,075	94	98.5%	4,675	4,675
Transfers and subsidies	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**1,054**	**1,054**
Households	-	-	-	-	-	-	-	1,054	1,054
Payments for capital assets	**103**	**69**	**-**	**172**	**162**	**10**	**94.2%**	**77**	**51**
Transport equipment	49	15	-	64	64	-	100.0%	17	17
Machinery and equipment	54	54	-	108	98	10	90.7%	60	34
Total	**6,821**	**662**	**41**	**7,524**	**7,420**	**104**	**98.6%**	**6,496**	**6,470**

Programme 4: BUSINESS REGULATION AND GOVERNANCE									
	2021/22							2020/21	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
	R'000	**R'000**	**R'000**	**R'000**	**R'000**	**R'000**	**%**	**R'000**	**R'000**
Sub programme									
1.Corporate Governance	2,004	(202)	(41)	1,761	1,761	-	100.0%	2,315	2,315
2.Consumer Protection	12,212	(29)	(882)	11,301	11, 209	92	99.2%	11,379	11,143
3.Liquor Regulations	14,060	119	38	14,217	14,217	-	100.0%	13,695	13,695
4.Gambling and equipment	16,318	112	17	16,447	16,447	-	100.0%	13,178	13,178
Total for sub programmes	**44,594**	**-**	**(868)**	**43,726**	**43,634**	**92**	**99.8%**	**40,567**	**40,331**
Economic classification									
Current payments	**14,274**	**-**	**(1,003)**	**13,271**	**13,179**	**92**	**99.3%**	**13,688**	**13,452**
Compensation of employees	9,739	-	(41)	9,698	9,611	87	99.1%	10,110	9,874
Salaries and wages	8,454	9	(41)	8,422	8,335	87	99.0%	8,557	8,557
Social Contributions	1,285	(9)	-	1,276	1,276	-	100.0%	1,553	1,317
Goods and services	4,535	-	(962)	3,573	3,568	5	99.9%	3,578	3,578
Administrative fees	54	(32)	-	22	22	-	100.0%	22	22
Advertising	454	(53)	(190)	211	211	-	100.0%	64	64
Minor assets	33	(28)	-	5	-	5	-	-	-

PROGRAMME 4: BUSINESS REGULATION AND GOVERNANCE									
	2021/22							2020/21	
	Adjusted Appropriation	**Shifting of Funds**	**Virement**	**Final Appropriation**	**Actual Expenditure**	**Variance**	**Expenditure as % of final appropriation**	**Final Appropriation**	**Actual expenditure**
	R'000	**R'000**	**R'000**	**R'000**	**R'000**	**R'000**	**%**	**R'000**	**R'000**
Bursaries: Employees	25	-	(18)	7	7	-	100%	84	84
Catering: Departmental activities	20	(6)	(14)	-	-	-	-	-	-
Communication	224	(57)	-	167	167	-	100.0%	173	173
Legal services	130	-	(106)	24	24	-	100.0%	13	13
Contractors	-	-	-	-	-	-	-	30	30
Fleet services	84	78	-	162	162	-	100.0%	210	210
Consumable supplies	6	2	-	8	8	-	100.0%	27	27
Consumable: stationery, printing and office supplies	73	(33)	-	40	40	-	100.0%	-	-
Operating leases	1,348	(15)	-	1,333	1,333	-	100.0%	1,277	1,277
Property payments	1,691	165	(594)	1,262	1,262	-	100.0%	1,417	1,417
Travel and subsistence	378	(14)	(40)	324	324	-	100.0%	248	248
Operating payments	15	(7)	-	8	8	-	100.0%	13	13
Transfers and subsidies	**30,187**	**-**	**-**	**30,187**	**30,187**	**-**	**100.0%**	**26,418**	**26,418**
Departmental agencies and accounts	30,187	-	-	30,187	30,187	-	100.0%	26,417	26,417
Departmental agencies	30,187	-	-	30,187	30,187	-	100.0%	26,417	26,417
Households	-	-	-	-	-	-	-	1	1
Social benefits	-	-	-	-	-	-	-	1	1
Payment for capital assets	**133**	**-**	**135**	**268**	**268**	**-**	**100.0%**	**461**	**461**
Machinery and equipment	133	-	135	268	268	-	100.0%	461	461
Transport equipment	114	-	98	212	212	-	100.0%	441	441
Other machinery and equipment	19	-	37	56	56	-	100.0%	20	20
Total	**44,594**	**-**	**(868)**	**43,726**	**43,634**	**92**	**99.8%**	**40,567**	**40,331**

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4.1 CORPORATE GOVERNANCE									
	2021/22							**2020/21**	
	Adjusted Appropriation	**Shifting of Funds**	**Virement**	**Final Appropriation**	**Actual Expenditure**	**Variance**	**Expenditure as % of final appropriation**	**Final Appropriation**	**Actual expenditure**
Economic classification	**R'000**	**R'000**	**R'000**	**R'000**	**R'000**	**R'000**	**%**	**R'000**	**R'000**
Current payments	**2,004**	**(202)**	**(41)**	**1,761**	**1,761**	**-**	**100.0%**	**2,315**	**2,315**
Compensation of employees	1,849	(66)	(41)	1,742	1,742	-	100.0%	2,231	2,231
Goods and services	155	(136)	-	19	19	-	100.0%	84	84
Payments for capital assets	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Machinery and equipment	-	-	-	-	-		- -	-	
Total	**2,004**	**(202)**	**(41)**	**1,761**	**1,761**	**-**	**100.0%**	**2,315**	**2,315**

4.2 CONSUMER PROTECTION									
	2021/22							**2020/21**	
	Adjusted Appropriation	**Shifting of Funds**	**Virement**	**Final Appropriation**	**Actual Expenditure**	**Variance**	**Expenditure as % of final appropriation**	**Final Appropriation**	**Actual expenditure**
Economic classification	**R'000**	**R'000**	**R'000**	**R'000**	**R'000**	**R'000**	**%**	**R'000**	**R'000**
Current payments	**12,149**	**(29)**	**(962)**	**11,158**	**11,066**	**92**	**99.2%**	**11,211**	**10,975**
Compensation of employees	7,890	66	-	7,956	7,869	87	98.9%	7,879	7,643
Goods and services	4,259	(95)	(962)	3,202	3,197	5	99.8%	3,332	3,332
Transfers and subsidies	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**1**	**1**
Households	-	-	-	-	-	-	-	1	1
Payments for capital assets	**63**	**-**	**80**	**143**	**143**	**-**	**100.0%**	**167**	**167**
Machinery and equipment	63	-	80	143	143	-	100.0%	167	167
Total	**12,212**	**(29)**	**(882)**	**11,301**	**11,209**	**92**	**99.2%**	**11,379**	**11,143**

4.3 LIQUOR REGULATION									
	2021/22							2020/21	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
Economic classification	**R'000**	**R'000**	**R'000**	**R'000**	**R'000**	**R'000**	**%**	**R'000**	**R'000**
Current payments	**72**	**119**	**-**	**191**	**191**	**-**	**100.0%**	**121**	**121**
Goods and services	72	119	-	191	191	-	100.0%	121	121
Transfers and subsidies	**13,932**	**-**	**-**	**13,932**	**13,932**	**-**	**100.0%**	**13,346**	**13,346**
Departmental agencies and accounts	13,932	-	-	13,932	13,932	-	100.0%	13,346	13,346
Payments for capital assets	**56**	**-**	**38**	**94**	**94**	**-**	**100.0%**	**228**	**228**
Machinery equipment	56	-	38	94	94	-	100.0%	228	228
Total	**14,060**	**119**	**38**	**14,217**	**14,217**	**-**	**100.0%**	**13,695**	**13,695**

4.4 GAMBLING AND BETTING									
	2021/22							2020/21	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
Economic classification	**R'000**	**R'000**	**R'000**	**R'000**	**R'000**	**R'000**	**%**	**R'000**	**R'000**
Current payments	**49**	**112**	**-**	**161**	**161**	**-**	**100.0%**	**41**	**41**
Goods and services	49	112	-	161	161	-	100.0%	41	41
Transfers and subsidies	**16,255**	**-**	**-**	**16,255**	**16,255**	**-**	**100.0%**	**13,071**	**13,071**
Departmental agencies and accounts	16,255	-	-	16,255	16,255	-	100.0%	13,071	13,071
Payments for capital assets	**14**	**-**	**17**	**31**	**31**	**-**	**100.0%**	**66**	**66**
Machinery equipment	14	-	17	31	31	-	100.0%	66	66
Total	**16,318**	**112**	**17**	**16,447**	**16,447**	**-**	**100.0%**	**13,178**	**13,178**

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Programme 5: ECONOMIC PLANNING									
	2021/22							**2020/21**	
	Adjusted Appropriation	**Shifting of Funds**	**Virement**	**Final Appropriation**	**Actual Expenditure**	**Variance**	**Expenditure as % of final appropriation**	**Final Appropriation**	**Actual expenditure**
Economic classification	**R'000**	**R'000**	**R'000**	**R'000**	**R'000**	**R'000**	**%**	**R'000**	**R'000**
Sub programme									
1.Policy and Planning	4,002	(17)	-	3,985	3,985	-	100.0%	3,536	3,536
2.Research and Development	3,035	(436)	-	2,599	2,599	-	100.0%	2,578	2,578
3.Knowledge Management	6,605	(224)	(378)	6,003	6,003	-	100.0%	6,073	6,073
4.Monitoring and Evaluation	3,456	256	-	3,712	3,712	-	100.0%	2,794	2,794
5.Office of the Chief Director	5,403	421	(631)	5,193	4,608	585	88.7%	4,916	4,832
Total for sub programmes	**22,501**	**-**	**(1,009)**	**21,492**	**20,907**	**585**	**97.3%**	**19,897**	**19,813**
Economic classification									
Current payments	**20,200**	**-**	**(731)**	**19,469**	**19,316**	**153**	**99.2%**	**18,185**	**18,185**
Compensation of employees	14,873	-	-	14,873	14,845	28	99.8%	14,539	14,539
Salaries and wages	13,177	(23)	-	13,154	13,126	28	99.8%	12,873	12,873
Social Contributions	1,696	23	-	1,719	1,719	-	100.0%	1,666	1,666
Goods and services	5,327	-	(731)	4,596	4,471	125	97.3%	3,646	3,646
Administrative fees	120	55	-	175	65	110	37.1%	20	20
Advertising	34	14	-	48	48	-	100.0%	-	-
Minor assets	26	-	(11)	15	-	15	-	-	-
Bursaries: Employees	17	-	-	17	17	-	100.0%	83	83
Catering: Departmental activ-	106	(8)	(28)	70	70	-	100.0%	5	5
Communications	359	(126)	-	233	233	-	100.0%	166	166
Consultants: Business and advisory services	29	(29)	-	-	-	-		460	460
Legal services	-	150	-	150	150	-	100.0%	-	-
Fleet services	-	38	-	38	38	-	100.0%	2	2
Consumable supplies	13	(7)	-	6	6	-	100.0%	35	35
Consumable: stationery, printing and office supplies	66	(38)	-	28	28	-	100.0%	5	5
Operating leases	1,011	(2)	-	1,009	1,009	-	100.0%	1,231	1,231
Property payments	1,858	-	(527)	1,331	1,331	-	100.0%	1,525	1,525
Travel and subsistence	1,381	24	(121)	1,284	1,284	-	100.0%	109	109
Training and development	183	8	(35)	156	156	-	100.0%	-	-
Operating payments	3	1	-	4	4	-	100.0%	5	5
Venues and facilities	121	(80)	(9)	32	32	-	100.0%	-	-

Programme 5: ECONOMIC PLANNING									
	2021/22	2020/21							
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
Economic classification	**R'000**	**R'000**	**R'000**	**R'000**	**R'000**	**R'000**	**%**	**R'000**	**R'000**
Transfers and subsidies	**1,500**	**-**	**-**	**1,500**	**1,500**	**-**	**100.0%**	**1,540**	**1,540**
Departmental agencies and accounts	1,000	(1,000)	-	-	-	-	-	-	-
Departmental agencies	1,000	(1,000)	-	-	-	-	-	-	-
Higher education institutions	500	-	-	500	500	-	100.0%	500	500
Public corporations and private enterprise	-	1,000	-	1,000	1,000	-	100.0%	1,040	1,040
Private enterprises	-	1,000	-	1,000	1,000	-	100.0%	1,040	1,040
Other transfers to private enterprises	-	1,000	-	1,000	1,000	-	100.0%	1,040	1,040
Payment for capital assets	**801**	**-**	**(278)**	**523**	**91**	**432**	**17.4%**	**172**	**88**
Machinery and equipment	651	150	(278)	523	91	432	17.4%	172	88
Transport equipment	-	15	-	15	15	-	100.0%	13	13
Other machinery and equipment	651	135	(278)	508	76	432	15.0%	159	75
Software and tangible assets	150	(150)	-	-	-	-	-	-	-
Total	**22,501**	**-**	**(1,009)**	**21,492**	**20,907**	**585**	**97.3%**	**19,897**	**19,813**

5.1 POLICY AND PLANNING									
	2021/22							2020/21	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
Economic classification	**R'000**	**R'000**	**R'000**	**R'000**	**R'000**	**R'000**	**%**	**R'000**	**R'000**
Current payments	**3,952**	**33**	**-**	**3,985**	**3,985**	**-**	**100.0%**	**3,536**	**3,536**
Compensation of employees	3,625	76	-	3,701	3,701	-	100.0%	3,460	3,460
Goods and services	327	(43)	-	284	284	-	100.0%	76	76
Payments for capital assets	**50**	**(50)**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Machinery and equipment	50	(50)	-	-	-	-	-	-	-
Total	**4,002**	**(17)**	**-**	**3,985**	**3,985**	**-**	**100.0%**	**3,536**	**3,536**

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5.2 RESEARCH AND DEVELOPMENT									
	2021/22							2020/21	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
Economic classification	**R'000**	**R'000**	**R'000**	**R'000**	**R'000**	**R'000**	**%**	**R'000**	**R'000**
Current payments	**2,983**	**(384)**	**-**	**2,599**	**2,599**	**-**	**100.0%**	**2,578**	**2,578**
Compensation of employees	2,662	(213)	-	2,449	2,449	-	100.0%	2,548	2,548
Goods and services	321	(171)	-	150	150	-	100.0%	30	30
Payments for capital assets	**52**	**(52)**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Machinery and equipment	52	(52)	-	-	-	-	-	-	-
Total	**3,035**	**(436)**	**-**	**2,599**	**2,599**	**-**	**100.0%**	**2,578**	**2,578**

5.3 KNOWLEDGE MANAGEMENT									
	2021/22							2020/21	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
Economic classification	**R'000**	**R'000**	**R'000**	**R'000**	**R'000**	**R'000**	**%**	**R'000**	**R'000**
Current payments	4,555	48	(100)	4,503	4,503	-	100.0%	4,533	4,533
Compensation of employees	3,999	78	-	4,077	4,077	-	100.0%	4,010	4,010
Goods and services	556	(30)	(100)	426	426	-	100.0%	523	523
Transfers and subsidies	**1,500**	**-**	**-**	**1,500**	**1,500**	**-**	**100.0%**	**1,540**	**1,540**
Departmental agencies and accounts	1,000	(1,000)	-	-	-	-	-	-	-
Higher education instates	500	-	-	500	500	-	100.0%	500	500
Public corporations and private enterprise	-	1,000	-	1,000	1,000	-	100.0%	1,040	1,040
Payments for capital assets	**550**	**(272)**	**(278)**	**-**	**-**	**-**	**-**	**-**	**-**
Machinery and equipment	400	(122)	(278)	-	-	-	-	-	-
Software and other tangible assets	150	(150)	-	-	-	-	-	-	-
Total	**6,605**	**(224)**	**(378)**	**6,003**	**6,003**	**-**	**100.0%**	**6,073**	**6,073**

5.4 MONITORING AND EVALUATION									
	2021/22							2020/21	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
Economic classification	**R'000**	**R'000**	**R'000**	**R'000**	**R'000**	**R'000**	**%**	**R'000**	**R'000**
Current payments	**3,456**	**241**	**-**	**3,697**	**3,697**	**-**	**100.0%**	**2,776**	**2,776**
Compensation of employees	2,675	67	-	2,742	2,742	-	100.0%	2,638	2,638
Goods and services	781	174	-	955	955	-	100.0%	138	138
Payments for capital assets	**-**	**15**	**-**	**15**	**15**	**-**	**100.0%**	**18**	**18**
Machinery and equipment	-	15	-	15	15	-	100.0%	18	18
Total	**3,456**	**256**	**-**	**3,712**	**3,712**	**-**	**100.0%**	**2,794**	**2,794**

5.5 OFFICE OF THE CHIEF DIRECTOR									
	2021/22							2020/21	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
Economic classification	**R'000**	**R'000**	**R'000**	**R'000**	**R'000**	**R'000**	**%**	**R'000**	**R'000**
Current payments	**5,254**	**62**	**(631)**	**4,685**	**4,532**	**153**	**96.7%**	**4,762**	**4,762**
Compensation of employees	1,912	(8)	-	1,904	1,876	28	98.5%	1,883	1,883
Goods and services	3,342	70	(631)	2,781	2,656	125	95.5%	2,879	2,879
Payments for capital assets	149	359	-	508	76	432	15.0%	154	70
Machinery and equipment	149	359	-	508	76	432	15.0%	154	70
Total	**5,403**	**421**	**(631)**	**5,193**	**4,608**	**585**	**88.7%**	**4,916**	**4,832**

DEPARTMENT OF ECONOMIC DEVELOPMENT AND TOURISM
VOTE 6
APPROPRIATION STATEMENT
for the year ended 31 March 2022

Programme 6: Tourism									
	2021/22							2020/21	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
Economic classification	**R'000**	**R'000**	**R'000**	**R'000**	**R'000**	**R'000**	**%**	**R'000**	**R'000**
Transfers and subsidies	**31,968**	**500**	**386**	**32,854**	**32,765**	**89**	**99.7%**	**30,661**	**30,461**
Provinces and Municipalities	500	-	-	500	500	-	100.0%	500	500
Municipalities	500	-	-	500	500	-	100.0%	500	500
Municipal bank accounts	500	-	-	500	500	-	100.0%	500	500
Departmental agencies and accounts	26,918	1,103	397	28,418	28,418	-	100.0%	26,134	26,134
Departmental agencies	26,918	1,103	397	28,418	28,418	-	100.0%	26,134	26,134
Public corporations and private enterprise	4,550	(634)	(11)	3,905	3,816	89	97.7%	4,027	3,827
Private enterprises	4,550	(634)	(11)	3,905	3,816	89	97.7%	4,027	3,827
Other transfers to private enterprises	4,550	(634)	(11)	3,905	3,816	89	97.7%	4,027	3,827
Households	-	31	-	31	31	-	100.0%	-	-
Other transfers to households	-	31	-	31	31	-	100.0%	-	-
Payments for capital assets	**821**	**-**	**278**	**1,099**	**1,054**	**45**	**95.9%**	**1,844**	**1,1579**
Buildings and other fixed structures	516	(33)	-	483	483	-	100.0%	1,282	1,282
Buildings	516	(33)	-	483	483	-	100.0%	1,282	1,282
Machinery and equipment	305	33	278	616	571	45	92.7%	562	297
Transport equipment	-	22	239	261	261	-	100.0%	179	179
Other machinery and equipment	305	11	39	355	310	45	87.3%	383	118
Total	**78,201**	**-**	**(773)**	**77,428**	**77,257**	**171**	**99.8%**	**56,059**	**54,474**

DEPARTMENT OF ECONOMIC DEVELOPMENT AND TOURISM
VOTE 6
APPROPRIATION STATEMENT
for the year ended 31 March 2022

Programme 6. TOURISM									
	2021/22							2020/21	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
Economic classification	**R'000**	**R'000**	**R'000**	**R'000**	**R'000**	**R'000**	**%**	**R'000**	**R'000**
Sub programme									
1.Tourism planning	8,872	(2,127)	(684)	6,061	6,061	-	100.0%	4,928	4,928
2.Tourism Growth and Development	59,157	2,687	449	62,293	62,204	89	99.9%	43,352	42,032
3.Tourism Sector Transformation	2,245	(57)	(777)	1,411	1,411	-	100.0%	1,019	1,019
4.Office of the Chief Director	7,927	(503)	239	7,663	7,581	82	98.9%	6,760	6,495
Total for sub programmes	**78,201**	**-**	**(773)**	**77,428**	**77,257**	**171**	**99.8%**	**56,059**	**54,474**
Economic classification									
Current payments	**45,412**	**(500)**	**(1,437)**	**43,475**	**43,438**	**37**	**99.9%**	**23,554**	**22,434**
Compensation of employees	11,796	-	-	11,796	11,775	21	99.8%	11,782	11,782
Salaries and wages	10,113	(11)	-	10,102	10,081	21	99.8%	10,109	10,109
Social Contributions	1,683	11	-	1,694	1,694	-	100.0%	1,673	1,673
Goods and services	33,616	(500)	(1,437)	31,679	31,663	16	99.9%	11,772	10,652
Administrative fees	182	10	(21)	151	151	-	100.0%	16	16
Advertising	77	54	-	131	131	-	100.0%	-	-
Minor assets	49	11	-	60	44	16	73.3%	-	-
Bursaries: Employees	1	1	-	2	2	-	100.0%	6	6
Catering: Departmental activities	242	56	(148)	150	150	-	100.0%	21	21
Communication(G&S)	348	(81)	-	267	267	-	100.0%	91	91
Computer services	11	(9)	-	2	2	-	100.0%	18	18
Consultants: Business and advisory services	7, 336	(3,490)	(723)	3,123	3,123	-	100.0%	2,262	2,262
Legal services	31	(4)	-	27	27	-	100.0%	8	8
Contractors	16,526	3,479	-	20,005	20,005	-	100.0%	3,247	2,127
Fleet services	170	(25)	-	145	145	-	100.0%	76	76
Consumable supplies	35	(9)	-	26	26	-	100.0%	27	27
Consumable: stationery, printing and office supplies	99	(55)	-	44	44	-	100.0%	27	27
Operating leases	1,015	(6)	-	1,009	1,009	-	100.0%	1,566	1,566
Property payments	3,937	153	63	4,153	4,153	-	100.0%	4,027	4,027
Travel and subsistence	2,392	36	(608)	1,820	1,820	-	100.0%	318	318
Training and development	971	(599)	-	372	372	-	100.0%	27	27
Operating payments	33	(10)	-	23	23	-	100.0%	35	35
Venues and facilities	161	8	-	169	169	-	100.0%	-	-

DEPARTMENT OF ECONOMIC DEVELOPMENT AND TOURISM
VOTE 6
APPROPRIATION STATEMENT
for the year ended 31 March 2022

6.1 TOURISM PLANNING									
	2021/22							**2020/21**	
	Adjusted Appropriation	**Shifting of Funds**	**Virement**	**Final Appropriation**	**Actual Expenditure**	**Variance**	**Expenditure as % of final appropriation**	**Final Appropriation**	**Actual expenditure**
Economic classification	**R'000**	**R'000**	**R'000**	**R'000**	**R'000**	**R'000**	**%**	**R'000**	**R'000**
Current payments	**8,872**	**(2,158)**	**(723)**	**5,991**	**5,991**	**-**	**100.0%**	**4,896**	**4,896**
Compensation of employees	4,701	82	-	4,783	4,783	-	100.0%	4,696	4,696
Goods and services	4,171	(2,240)	(723)	1,208	1,208	-	100.0%	200	200
Transfer and subsidies	**-**	**31**	**-**	**31**	**31**	**-**	**100.0%**	**-**	**-**
Households	-	31	-	31	31	-	100.0%	-	-
Payments for capital assets	**-**	**-**	**39**	**39**	**39**	**-**	**100.0%**	**32**	**32**
Machinery and equipment	-	-	39	39	39	-	100.0%	32	32
Total	**8,872**	**(2,127)**	**(684)**	**6,061**	**6,061**	**-**	**100.0%**	**4,928**	**4,928**

6.2 TOURISM GROWTH AND DEVELOPMENT									
	2021/22							**2020/21**	
	Adjusted Appropriation	**Shifting of Funds**	**Virement**	**Final Appropriation**	**Actual Expenditure**	**Variance**	**Expenditure as % of final appropriation**	**Final Appropriation**	**Actual expenditure**
Economic classification	**R'000**	**R'000**	**R'000**	**R'000**	**R'000**	**R'000**	**%**	**R'000**	**R'000**
Current payments	**26,673**	**2,251**	**63**	**28,987**	**28,987**	**-**	**100.0%**	**11,374**	**10,254**
Compensation of employees	4,201	(9)	-	4,192	4,192	-	100.0%	4,389	4,389
Goods and services	22,472	2,260	63	24,795	24,795	-	100.0%	6,985	5,865
Transfers and subsidies	**31,968**	**469**	**386**	**32,823**	**32,734**	**89**	**99.7%**	**30,661**	**30,461**
Provinces and municipalities	500	-	-	500	500	-	100.0%	500	500
Departmental agencies and accounts	26,918	1,103	397	28,418	28,418	-	100.0%	26,134	26,134
Public corporations and private enterprises	4,550	(634)	(11)	3,905	3,816	89	97.7%	4,027	3,827
Payments for capital assets	**516**	**(33)**	**-**	**483**	**483**	**-**	**100.0%**	**1,317**	**1,317**
Buildings and other fixed structures	516	(33)	-	483	483	-	100.0%	1,282	1,282
Machinery and equipment	-	-	-	-	-	-	-	35	35
Total	**59,157**	**2,687**	**449**	**62,293**	**62,204**	**89**	**99.9%**	**43,352**	**42,032**

6.3 TOURISM SECTOR TRANSFORMATION									
	2021/22							2020/21	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
Economic classification	**R'000**	**R'000**	**R'000**	**R'000**	**R'000**	**R'000**	**%**	**R'000**	**R'000**
Current payments	**2,245**	**(57)**	**(777)**	**1,411**	**1,411**	**-**	**100.0%**	**1,019**	**1,019**
Compensation of employees	1,039	(57)	-	982	982	-	100.0%	947	947
Goods and services	1,206	-	(777)	429	429	-	100.0%	72	72
Total	**2,245**	**(57)**	**(777)**	**1,411**	**1,411**	**-**	**100.0%**	**1,019**	**1,019**

6.4 OFFICE OF THE CHIEF DIRECTOR									
	2021/22							2020/21	
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual expenditure
Economic classification	**R'000**	**R'000**	**R'000**	**R'000**	**R'000**	**R'000**	**%**	**R'000**	**R'000**
Current payments	**7,622**	**(536)**	**-**	**7,086**	**7,049**	**37**	**99.5%**	**6,265**	**6,265**
Compensation of employees	1,855	(16)	-	1,839	1,818	21	98.9%	1,750	1,750
Goods and services	5,767	(520)	-	5,247	5,231	16	99.7%	4,515	4,515
Payments for capital assets	**305**	**33**	**239**	**577**	**532**	**45**	**92.2%**	**495**	**230**
Machinery and equipment	305	33	239	557	532	45	92.2%	495	230
Total	**7,927**	**(503)**	**239**	**7,663**	**7,581**	**82**	**98.9%**	**6,760**	**6,495**

1. **Detail of transfers and subsidies as per Appropriation Act (after Virement):**
   Detail of these transactions can be viewed in the note on Transfers and subsidies, disclosure notes and Annexure 1 (A-H) to the Annual Financial Statements.

2. **Detail of specifically and exclusively appropriated amounts voted (after Virement):**
   Detail of these transactions can be viewed in note 1 (Annual Appropriation) to the Annual Financial Statements.

3. **Detail on payments for financial assets**
   Detail of these transactions per programme can be viewed in the note on Payments for financial assets to the Annual Financial Statements.

4. **Explanations of material variances from Amounts Voted (after Virement):**

4.1 Per programme	**Final Appropriation**	**Actual Expenditure**	**Variance R'000**	**Variance as a % of Final Appropriation**
Administration				
Compensation of Employees	40,186	38,884	1,302	3.2%
Goods and Services	16,809	15,528	1,281	7.6%
Payments for Capital Assets	1,107	525	582	52.8%

An underspending, amounting to R 1 302 000 was realised on Compensation of Employees due to the fact that vacant funded posts were not filled before 31 March 2022. This amount will be surrendered to Provincial Treasury. An under spending, amounting to R 1 281 000 was realised on Goods & Services and R 582 000 on Payment for Capital Assets. An order was issued to Open-Source Software Solutions, amounting to R 419 000 (R 325 000 Goods & Services and R 94 000 Payment for Capital Assets) for the Department's wireless ICT Network Infrastructure. Payment can only be affected once the work is completed and the invoice is received. The service provider could not complete the project by 31 March 2022, but about 80% of the work has been completed to date and the rest is still work-in-progress. The commitment was active on LOGIS as at 31 March 2022 which obligates the DEDaT to process the payment. A rollover request was submitted to Provincial Treasury for the unspent funds. An order was issued to MH Office Supplies, amounting to R 161 000 (R 111 000 Goods & Services and R 50 000 Payment for Capital Assets) for the Department's boardroom furniture. Payment can only be affected once the goods have been received. The service provider could not deliver the boardroom furniture by 31 March 2022 due to unforeseen circumstances (out of stock). The commitment was active on LOGIS as at 31 March 2022 which obligates the DEDaT to process the payment. A rollover request was submitted to Provincial Treasury for the unspent funds. An order was issued to Mobile Telephone Networks, amounting to R 89 000 (Goods & Services of which Administration's portion amounts to R 30 000) for the Department's routers. There is an active commitment for routers, but due to no stock on hand the suppliers were unable to deliver before 31 March 2022. The DEDaT has an obligation to process the payments as soon as they take delivery from the Service Providers. The routers will be delivered in April/May 2022. A roll-over request was registered at Provincial Treasury for the unspent so that this commitment can be paid. An order was issued to Telkom SA, amounting to R 537 000 (Payment for Capital As sets of which Administration's portion amount is R 222 000) for the Department's official's mobile phones. There is an active commitment for mobile phones, but due to no stock on hand the suppliers were unable to deliver before 31 March 2022. The DEDaT has an obligation to process the payments as soon as they take delivery from the Service Providers. The mobile phones will be delivered in May/June 2022. A roll-over request was registered at Provincial Treasury for the unspent so that this commitment can be paid.

Business Regulations and Governance				
Compensation of Employees	9,698	9,611	87	0.9%
Goods and Services	3,573	3,568	5	0.1%

An underspending, amounting to R 87 000 was realised on Compensation of Employees due to the fact that vacant funded posts were not filled before 31 March 2022. This amount will be surrendered to Provincial Treasury. An order was issued to Mobile Telephone Networks, amounting to R 89 000 (Goods & Services of which Business Regulations and Governance's portion amounts to R 5 000) for the Department’s routers. There is an active commitment for routers, but due to no stock on hand the suppliers were unable to deliver before 31 March 2022. The DEDaT has an obligation to process the payments as soon as they take delivery from the Service Providers. The routers will be delivered in April/May 2022. A roll-over request was registered at Provincial Treasury for the unspent so that this commitment can be paid.

Economic Planning				
Compensation of Employees	14,873	14,845	28	0.2%
Goods and Services	4,596	4,471	125	2.7%
Payments for Capital Assets	523	91	432	82.6%

An underspending, amounting to R 28 000 was realised on Compensation of Employees due to the fact that vacant funded posts were not filled before 31 March 2022. An order was issued to Mobile Telephone Networks, amounting to R 89 000 (Goods & Services of which Economic Planning's portion amounts to R 15 000) for the Department’s routers. There is an active commitment for routers, but due to no stock on hand the suppliers were unable to deliver before 31 March 2022. The DEDaT has an obligation to process the payments as soon as they take delivery from the Service Providers. The routers will be delivered in April/May 2022. A roll-over request was registered at Provincial Treasury for the unspent so that this commitment can be paid. An order was issued to Telkom SA, amounting to R 537 000 (Payment for Capital Assets of which Economic Planning's portion amount is R 125 000) for the Department’s official’s mobile phones. There is an active commitment for mobile phones, but due to no stock on hand the suppliers were unable to deliver before 31 March 2022. The DEDaT has an obligation to process the payments as soon as they take delivery from the Service Providers. The mobile phones will be delivered in May/June 2022. A roll-over request was registered at Provincial Treasury for the unspent so that this commitment can be paid. An order was issued to IHS Information and Insights, amounting to R 260 000 (Goods & Services of which Economic Planning's portion amounts to R 87 000) for the statistical package licences. There is an active commitment for the service provider on the LOGIS system, but due to the service provider only submitting the invoice in April 2022 the payment could not be processed due to the cut-off date for 2021/2022 financial year payments being 22 March 2022. The DEDaT has an obligation to pay the service provider.

Integrated Economic Development Services				
Goods and Services	6,549	5,811	738	11.3%
Payments for Capital Assets	369	211	158	42.8%

An order was issued to Mobile Telephone Networks, amounting to R 89 000 (Goods & Services of which IEDS's portion amounts to R 15 000) for the Department's routers. There is an active commitment for routers, but due to no stock on hand the suppliers were unable to deliver before 31 March 2022. The DEDaT has an obligation to process the payments as soon as they take delivery from the Service Providers. The routers will be delivered in April/May 2022. A roll-over request was registered at Provincial Treasury for the unspent so that this commitment can be paid. An order was issued to Telkom SA, amounting to R 537 000 (Payment for Capital Assets of which IEDS's portion amount is R 145 000) for the Department's official's mobile phones. There is an active commitment for mobile phones, but due to no stock on hand the suppliers were unable to deliver before 31 March 2022. The DEDaT has an obligation to process the payments as soon as they take delivery from the Service Providers. The mobile phones will be delivered in May/June 2022. A roll-over request was registered at Provincial Treasury for the unspent so that this commitment can be paid. An under spending, amounting to R 738 000 was realised on Goods & Services. An order was issued to Re-Adumela Trading, amounting to R 298 000 for the Sustainable and Resilient Enterprises (SURE) Programme. There is an active commitment on LOGIS. The DEDaT has an obligation to process the payments as soon as they take delivery from the Service Providers. An order was issued to Diamond Creation Vision Hub, amounting to R 338 000 for the Formalisation of Informal Businesses. There is an active commitment on LOGIS. The DEDaT has an obligation to process the payments as soon as they take delivery from the Service Providers. An order was issued to IHS Information and Insights, amounting to R 260 000 (Goods & Services of which IEDS's portion amounts to R 87 000) for the statistical package licences. There is an active commitment for the service provider on the LOGIS system, but due to the service provider only submitting the invoice in April 2022 the payment could not be processed due to the cut-off date for 2021/2022 financial year payments being 22 March 2022. The DEDaT has an obligation to pay the service provider.

Trade and Sector Development				
Goods and services	9,652	9,558	94	1.0%
Payments for Capital Assets	207	197	10	4.8%

An order was issued to Mobile Telephone Networks, amounting to R 89 000 (Goods & Services of which Trade & Sector Development's portion amounts to R 8 000) for the Department's routers. There is an active commitment for routers, but due to no stock on hand the suppliers were unable to deliver before 31 March 2022. The DEDaT has an obligation to process the payments as soon as they take delivery from the Service Providers. The routers will be delivered in April/May 2022. A roll-over request was registered at Provincial Treasury for the unspent so that this commitment can be paid. An order was issued to IHS Information and Insights, amounting to R 260 000 (Goods & Services of which Trade and Sector Development's portion amounts to R 86 000) for the statistical package licences. There is an active commitment for the service provider on the LOGIS system, but due to the service provider only submitting the invoice in April 2022 the payment could not be processed due to the cut-off date for 2021/2022 financial year payments being 22 March 2022. The DEDaT has an obligation to pay the service provider.

Tourism				
Compensation of Employees	11,796	11,775	21	0.2%
Goods and Services	31,679	31,663	16	0.1%
Transfers and Subsidies	32,854	32,765	89	0.3%
Payments for Capital Assets	1,099	1,054	45	4.1%

An underspending, amounting to R 21 000 was realised on Compensation of Employees due to the fact that vacant funded posts were not filled before 31 March 2022. An order was issued to Mobile Telephone Networks, amounting to R 89 000 (Goods & Services of which Tourism's portion amounts to R 16 000) for the Department's routers. There is an active commitment for routers, but due to no stock on hand the suppliers were unable to deliver before 31 March 2022. The DEDaT has an obligation to process the payments as soon as they take delivery from the Service Providers. The routers will be delivered in April/May 2022. A roll-over request was registered at Provincial Treasury for the unspent so that this commitment can be paid. An order was issued to Telkom SA, amounting to R 537 000 (Payment for Capital A ssets of which Tourism's portion amount is R 45 000) for the Department's official's mobile phones. There is an active commitment for mobile phones, but due to no stock on hand the suppliers were unable to deliver before 31 March 2022. The DEDaT has an obligation to process the payments as soon as they take delivery from the Service Providers. The mobile phones will be delivered in May/June 2022. A roll-over request was registered at Provincial Treasury for the unspent so that this commitment can be paid.

4.2 Per economic classification	Final Appropriation	Actual Expenditure	Variance	Variance as a % of Final Appropriation
	R'000	R'000	R'000	R'000
Current payments				
Compensation of employees	102,440	101,002	1,438	1.4%
Goods and services	72,858	70,599	2,259	3.1%
Transfers and subsidies				
Provinces and municipalities	2,460	2,460	-	0.0%
Departmental agencies and accounts	143,007	143,007	-	0.0%
Higher education institutions	500	500	-	0.0%
Public corporations and private enterprises	7,905	7,816	89	1.1%
Households	763	763	-	0.0%
Payments for capital assets				
Buildings and other fixed structures	483	483	-	0.0%
Machinery and equipment	3,090	1,863	1,227	39.7%

An underspending, amounting to R 1 438 000 was realised on Compensation of Employees due to the fact that vacant funded posts were not filled before 31 March 2022. This amount will be surrendered to Provincial Treasury. An under spending, amounting to R 2 259 000 was realised on Goods & Services. Orders amounting to R 1 421 000 were issued to several service providers. Payments can only be affected once the work is completed and the invoice is received. These commitments were active on LOGIS as at 31 March 2022 which obligates the DEDaT to process the payment. A rollover request was submitted to Provincial Treasury for the unspent funds amounting to R 1 421 000. An under spending, amounting to R 89 000 was realised on Transfers & Subsidies in Tourism. This amount will be surrendere d to Provincial Treasury. An under spending, amounting to R 1 227 000 was realised on Payments for capital assets. Orders amounting to R 681 000 was issued to several service providers. Payments can only be affected once the work is completed and the invoice is received. These commitments were active on LOGIS as at 31 March 2022 which obligates the DEDaT to process the payment. A rollover request was submitted to Provincial Treasury for the unspent funds amounting to R 681 000.

4.3 Per conditional grant	Final Appropriatio n	Actual Expenditure	Variance	Variance as a % of Final Appropriation
	R'000	R'000	R'000	R'000
Expanded Public Works Programme Integrated Grant for Provinces-Economic Development and Tourism	1,960	1,960	-	0.0%

DEPARTMENT OF ECONOMIC DEVELOPMENT AND TOURISM
VOTE 6
STATEMENT OF FINANCIAL PERFORMANCE
for the year ended 31 March 2022

	Note	2021/22 R'000	2020/21 R'000
REVENUE			
Annual appropriation	1	333,506	278,600
Departmental revenue	2	2,236	-
TOTAL REVENUE		**335,742**	**278,600**
EXPENDITURE			
Current expenditure			
Compensation of employees	3	101,002	99,481
Goods and services	4	70,599	43,008
Total current expenditure		**171,601**	**142,489**
Transfers and subsidies			
Transfers and subsidies	5	154,546	129,783
Total transfers and subsidies		**154,546**	**129,783**
Expenditure for capital assets			
Tangible assets	6	2,346	3,267
Total expenditure for capital assets		**2,346**	**3,267**
TOTAL EXPENDITURE		**328,493**	**275,539**
SURPLUS/(DEFICIT) FOR THE YEAR		**7,249**	**3,061**

Reconciliation of Net Surplus/(Deficit) for the year			
Voted funds		5,013	3 ,061
Annual appropriation		5,013	3,061
Departmental revenue and NRF Receipts	2	2,236	-
SURPLUS/(DEFICIT) FOR THE YEAR		**7,249**	**3,061**

DEPARTMENT OF ECONOMIC DEVELOPMENT AND TOURISM
VOTE 6
STATEMENT OF FINANCIAL POSITION
as at 31 March 2022

	Note	2021/22 R'000	2020/21 R'000
ASSETS			
Current assets		**57,330**	**56,659**
Cash and cash equivalents	7	10,454	7,695
Prepayments and advances	8	190	635
Receivables	9	46,686	48,329
Non-current assets		**6,796**	**6,796**
Receivables	9	6,796	6,796
TOTAL ASSETS		**64,126**	**63,455**
Current liabilities		**11,635**	**9,359**
Voted funds to be surrendered to the Revenue Fund	10	9,579	7,626
Departmental revenue and NRF Receipts to be surrendered to the Revenue Fund	11	1,921	1,722
Payables	12	135	11
TOTAL LIABILITIES		**11,635**	**9,359**
NET ASSETS		**52,491**	**54,096**
Represented by:			
Recoverable revenue		52,491	54,096
TOTAL		**52,491**	**54,096**

DEPARTMENT OF ECONOMIC DEVELOPMENT AND TOURISM
VOTE 6
STATEMENT OF CHANGES IN NET ASSETS
for the year ended 31 March 2022

	Note	2021/22 R'000	2020/21 R'000
Recoverable revenue			
Opening balance		54,096	56,695
Transfers:		**(1,605)**	**(2,599)**
Debts revised		(1,605)	(2,599)
Closing balance		**52,491**	**54,096**
TOTAL		**52,491**	**54,096**

DEPARTMENT OF ECONOMIC DEVELOPMENT AND TOURISM
VOTE 6
CASH FLOW STATEMENT
for the year ended 31 March 2022

	Note	2021/22 R'000	2020/21 R'000
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts		**358,014**	**298,701**
Annual appropriated funds received	1.1	333,506	278,600
Departmental revenue received	2	24,508	20,101
Net (increase)/decrease in working capital		2,212	3,896
Surrendered to Revenue Fund		(27,369)	(26,849)
Current payments		(171,601)	(142,489)
Transfers and subsidies paid		(154,546)	(129,783)
Net cash flow available from operating activities		**6,710**	**3,476**
CASH FLOWS FROM INVESTING ACTIVITIES			
Payments for capital assets	6	(2,346)	(3,267)
Net cash flows from investing activities		(2,346)	(3,267)
CASH FLOWS FROM FINANCING ACTIVITIES			
Increase/(decrease) in net assets		(1,605)	(2,599)
Net cash flows from financing activities		**(1,605)**	**(2,599)**
Net increase/(decrease) in cash and cash equivalents		2,759	(2,390)
Cash and cash equivalents at beginning of period		7,695	10,085
Cash and cash equivalents at end of period	7	**10,454**	**7,695**

PART A: ACCOUNTING POLICIES

Summary of significant accounting policies

The financial statements have been prepared in accordance with the following policies, which have been applied consistently in all material aspects, unless otherwise indicated. Management has concluded that the financial statements present fairly the department's primary and secondary information.

The historical cost convention has been used, except where otherwise indicated. Management has used assessments and estimates in preparing the annual financial statements. These are based on the best information available at the time of preparation.

Where appropriate and meaningful, additional information has been disclosed to enhance the usefulness of the financial statements and to comply with the statutory requirements of the Public Finance Management Act (PFMA), Act 1 of 1999 (as amended by Act 29 of 1999), and the Treasury Regulations issued in terms of the PFMA and the annual Division of Revenue Act.

1	**Basis of preparation** The financial statements have been prepared in accordance with the Modified Cash Standard.
2	**Going concern** The financial statements have been prepared on a going concern basis.
3	**Presentation currency** Amounts have been presented in the currency of the South African Rand (R) which is also the functional currency of the department.
4	**Rounding** Unless otherwise stated financial figures have been rounded to the nearest one thousand Rand (R'000).
5	**Foreign currency translation** Cash flows arising from foreign currency transactions are translated into South African Rands using the spot exchange rates prevailing at the date of payment / receipt.
6	**Comparative information**
6.1	**Prior period comparative information** Prior period comparative information has been presented in the current year's financial statements. Where necessary figures included in the prior period financial statements have been reclassified to ensure that the format in which the information is presented is consistent with the format of the current year's financial statements.
6.2	**Current year comparison with budget** A comparison between the approved, final budget and actual amounts for each programme and economic classification is included in the appropriation statement.
7	**Revenue**
7.1	**Appropriated funds** Appropriated funds comprise of departmental allocations as well as direct charges against the revenue fund (i.e. statutory appropriation).

	Appropriated funds are recognised in the statement of financial performance on the date the appropriation becomes effective. Adjustments made in terms of the adjustments budget process are recognised in the statement of financial performance on the date the adjustments become effective. The net amount of any appropriated funds due to / from the relevant revenue fund at the reporting date is recognised as a payable / receivable in the statement of financial position.
7.2	**Departmental revenue** Departmental revenue is recognised in the statement of financial performance when received and is subsequently paid into the relevant revenue fund, unless stated otherwise. Any amount owing to the relevant revenue fund at the reporting date is recognised as a payable in the statement of financial position.
7.3	**Accrued departmental revenue** Accruals in respect of departmental revenue (excluding tax revenue) are recorded in the notes to the financial statements when: • it is probable that the economic benefits or service potential associated with the transaction will flow to the department; and • the amount of revenue can be measured reliably. The accrued revenue is measured at the fair value of the consideration receivable. Accrued tax revenue (and related interest and / penalties) is measured at amounts receivable from collecting agents. Write-offs are made according to the department's debt write-off policy.
8	**Expenditure**
8.1	**Compensation of employees**
8.1.1	**Salaries and wages** Salaries and wages are recognised in the statement of financial performance on the date of payment.
8.1.2	**Social contributions** Social contributions made by the department in respect of current employees are recognised in the statement of financial performance on the date of payment. Social contributions made by the department in respect of ex-employees are classified as transfers to households in the statement of financial performance on the date of payment.
8.2	**Other expenditure** Other expenditure (such as goods and services, transfers and subsidies and payments for capital assets) is recognised in the statement of financial performance on the date of payment. The expense is classified as a capital expense if the total consideration paid is more than the capitalisation threshold.
8.3	**Accruals and payables not recognised** Accruals and payables not recognised are recorded in the notes to the financial statements at cost at the reporting date.

8.4	**Leases**
8.4.1	**Operating leases** Operating lease payments made during the reporting period are recognised as current expenditure in the statement of financial performance on the date of payment. Operating lease payments received are recognised as departmental revenue. The operating lease commitments are recorded in the notes to the financial statements.
8.4.2	**Finance leases** Finance lease payments made during the reporting period are recognised as capital expenditure in the statement of financial performance on the date of payment. Finance lease payments received are recognised as departmental revenue. The finance lease commitments are recorded in the notes to the financial statements and are not apportioned between the capital and interest portions. Finance lease assets acquired at the end of the lease term are recorded and measured at the lower of: • cost, being the fair value of the asset; or • the sum of the minimum lease payments made, including any payments made to acquire ownership at the end of the lease term, excluding interest.
9	**Aid Assistance**
9.1	**Aid assistance received** Aid assistance received in cash is recognised in the statement of financial performance when received. In-kind aid assistance is recorded in the notes to the financial statements on the date of receipt and is measured at fair value. Aid assistance not spent for the intended purpose and any unutilised funds from aid assistance that are required to be refunded to the donor are recognised as a payable in the statement of financial position.
9.2	**Aid assistance paid** Aid assistance paid is recognised in the statement of financial performance on the date of payment. Aid assistance payments made prior to the receipt of funds are recognised as a receivable in the statement of financial position.
10	**Cash and cash equivalents** Cash and cash equivalents are stated at cost in the statement of financial position. Bank overdrafts are shown separately on the face of the statement of financial position as a current liability. For the purposes of the cash flow statement, cash and cash equivalents comprise cash on hand, deposits held, other short-term highly liquid investments and bank overdrafts.
11	**Prepayments and advances** Prepayments and advances are recognised in the statement of financial position when the department receives or disburses the cash. Prepayments and advances are initially and subsequently measured at cost. <Indicate when prepayments and advances are expensed and under what circumstances.>

12	**Loans and receivables** Loans and receivables are recognised in the statement of financial position at cost plus accrued interest, where interest is charged, less amounts already settled or written-off. Write-offs are made according to the department's write-off policy.
13	**Investments** Investments are recognised in the statement of financial position at cost.
14	**Financial assets**
14.1	**Financial assets (not covered elsewhere)** A financial asset is recognised initially at its cost plus transaction costs that are directly attributable to the acquisition or issue of the financial asset. At the reporting date, a department shall measure its financial assets at cost, less amounts already settled or written-off, except for recognised loans and receivables, which are measured at cost plus accrued interest, where interest is charged, less amounts already settled or written-off.
14.2	**Impairment of financial assets** Where there is an indication of impairment of a financial asset, an estimation of the reduction in the recorded carrying value, to reflect the best estimate of the amount of the future economic benefits expected to be received from that asset, is recorded in the notes to the financial statements.
15	**Payables** Payables recognised in the statement of financial position are recognised at cost.
16	**Capital Assets**
16.1	**Immovable capital assets** Immovable assets reflected in the asset register of the department are recorded in the notes to the financial statements at cost or fair value where the cost cannot be determined reliably. Immovable assets acquired in a non-exchange transaction are recorded at fair value at the date of acquisition. Immovable assets are subsequently carried in the asset register at cost and are not currently subject to depreciation or impairment. Subsequent expenditure of a capital nature forms part of the cost of the existing asset when ready for use. Additional information on immovable assets not reflected in the assets register is provided in the notes to financial statements.
16.2	**Movable capital assets** Movable capital assets are initially recorded in the notes to the financial statements at cost. Movable capital assets acquired through a non-exchange transaction is measured at fair value as at the date of acquisition. Where the cost of movable capital assets cannot be determined reliably, the movable capital assets are measured at fair value and where fair value cannot be determined; the movable assets are measured at R1. All assets acquired prior to 1 April 2002 (or a later date as approved by the OAG) may be recorded at R1.

	Movable capital assets are subsequently carried at cost and are not subject to depreciation or impairment. Biological assets are subsequently carried at fair value. Subsequent expenditure that is of a capital nature forms part of the cost of the existing asset when ready for use.
16.3	**Intangible assets** Intangible assets are initially recorded in the notes to the financial statements at cost. Intangible assets acquired through a non-exchange transaction are measured at fair value as at the date of acquisition. Internally generated intangible assets are recorded in the notes to the financial statements when the department commences the development phase of the project. Where the cost of intangible assets cannot be determined reliably, the intangible capital assets are measured at fair value and where fair value cannot be determined; the intangible assets are measured at R1. All assets acquired prior to 1 April 2002 (or a later date as approved by the OAG) may be recorded at R1. Intangible assets are subsequently carried at cost and are not subject to depreciation or impairment. Subsequent expenditure of a capital nature forms part of the cost of the existing asset when ready for use.
16.4	**Project Costs: Work-in-progress** Expenditure of a capital nature is initially recognised in the statement of financial performance at cost when paid. Amounts paid towards capital projects are separated from the amounts recognised and accumulated in work-in-progress until the underlying asset is ready for use. Once ready for use, the total accumulated payments are recorded in an asset register. Subsequent payments to complete the project are added to the capital asset in the asset register. Where the department is not the custodian of the completed project asset, the asset is transferred to the custodian subsequent to completion.
17	**Provisions and Contingents**
17.1	**Provisions** Provisions are recorded in the notes to the financial statements when there is a present legal or constructive obligation to forfeit economic benefits as a result of events in the past and it is probable that an outflow of resources embodying economic benefits or service potential will be required to settle the obligation and a reliable estimate of the obligation can be made. The provision is measured as the best estimate of the funds required to settle the present obligation at the reporting date.
17.2	**Contingent liabilities** Contingent liabilities are recorded in the notes to the financial statements when there is a possible obligation that arises from past events, and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not within the control of the department or when there is a present obligation that is not recognised because it is not probable that an outflow of resources will be required to settle the obligation or the

	amount of the obligation cannot be measured reliably.
17.3	**Contingent assets** Contingent assets are recorded in the notes to the financial statements when a possible asset arises from past events, and whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events not within the control of the department.
17.4	**Capital commitments** Capital commitments are recorded at cost in the notes to the financial statements.
18	**Unauthorised expenditure** Unauthorised expenditure is recognised in the statement of financial position until such time as the expenditure is either: • Approved by Parliament or the Provincial Legislature with funding and the related funds are received; or • Approved by Parliament or the Provincial Legislature without funding and is written off against the appropriation in the statement of financial performance; or • Transferred to receivables for recovery. Unauthorised expenditure is measured at the amount of the confirmed unauthorised expenditure.
19	**Fruitless and wasteful expenditure** Fruitless and wasteful expenditure is recorded in the notes to the financial statements when confirmed. The amount recorded is equal to the total value of the fruitless and or wasteful expenditure incurred. Fruitless and wasteful expenditure is removed from the notes to the financial statements when it is resolved or transferred to receivables or written off. Fruitless and wasteful expenditure receivables are measured at the amount that is expected to be recoverable and are de-recognised when settled or subsequently written-off as irrecoverable.
20	**Irregular expenditure** Irregular expenditure is recorded in the notes to the financial statements when confirmed after its assessment. The amount recorded is equal to the value of the irregular expenditure incurred unless it is impracticable to determine, in which case reasons therefor are provided in the note. Irregular expenditure is reduced from the note when it is either condoned by the relevant authority, transferred to receivables for recovery, not condoned and removed or written-off. Irregular expenditure receivables are measured at the amount that is expected to be recoverable and are de-recognised when settled or subsequently written-off as irrecoverable.
21	**Changes in accounting estimates and errors** Changes in accounting estimates are applied prospectively in accordance with MCS requirements. Correction of errors is applied retrospectively in the period in which the error has occurred in accordance with MCS requirements, except to the extent that it is impracticable to determine the period-specific effects or the cumulative effect of the error. In such cases the department shall restate the opening balances of assets, liabilities and net assets for the earliest period

	for which retrospective restatement is practicable.
22	**Events after the reporting date** Events after the reporting date that are classified as adjusting events have been accounted for in the financial statements. The events after the reporting date that are classified as non-adjusting events after the reporting date have been disclosed in the notes to the financial statements.
23	**Principal-Agent arrangements** The department is party to a principal-agent arrangement for [include details here]. In terms of the arrangement the department is the [principal / agent] and is responsible for [include details here]. All related revenues, expenditures, assets and liabilities have been recognised or recorded in terms of the relevant policies listed herein. Additional disclosures have been provided in the notes to the financial statements where appropriate.
24	**Departures from the MCS requirements** Management has concluded that the financial statements present fairly the department's primary and secondary information; that the department complied with the Standard except that it has departed from a particular requirement to achieve fair presentation; and the requirement from which the department has departed, the nature of the departure and the reason for departure.
25	**Capitalisation reserve** The capitalisation reserve comprises of financial assets and/or liabilities originating in a prior reporting period but which are recognised in the statement of financial position for the first time in the current reporting period. Amounts are recognised in the capitalisation reserves when identified in the current period and are transferred to the National/Provincial Revenue Fund when the underlying asset is disposed and the related funds are received.
26	**Recoverable revenue** Amounts are recognised as recoverable revenue when a payment made in a previous financial year becomes recoverable from a debtor in the current financial year. Amounts are either transferred to the National/Provincial Revenue Fund when recovered or are transferred to the statement of financial performance when written-off.
27	**Related party transactions** Related party transactions within the Minister/MEC's portfolio are recorded in the notes to the financial statements when the transaction is not at arm's length. The number of individuals and the full compensation of key management personnel is recorded in the notes to the financial statements.
28	**Inventories** At the date of acquisition, inventories are recognised at cost in the statement of financial performance. Where inventories are acquired as part of a non-exchange transaction, the inventories are measured at fair value as at the date of acquisition. Inventories are subsequently measured at the lower of cost and net realisable value or where intended for distribution (or consumed in the production of goods for distribution) at no or a nominal charge, the lower of cost and current replacement value.

	The cost of inventories is assigned by using the weighted average cost basis.
29	**Public-Private Partnerships** Public Private Partnerships are accounted for based on the nature and or the substance of the partnership. The transaction is accounted for in accordance with the relevant accounting policies. A summary of the significant terms of the PPP agreement, the parties to the agreement, and the date of commencement thereof together with the description and nature of the concession fees received, the unitary fees paid, rights and obligations of the department are recorded in the notes to the financial statements.
30	**Employee benefits** The value of each major class of employee benefit obligation (accruals, payables not recognised and provisions) is disclosed in the Employee benefits note.
31	**Transfer of functions** Transfer of functions are accounted for by the acquirer by recognising or recording assets acquired and liabilities assumed at their carrying amounts at the date of transfer. Transfer of functions are accounted for by the transferor by derecognising or removing assets and liabilities at their carrying amounts at the date of transfer.
32	**Mergers** Mergers are accounted for by the combined department by recognising or recording assets acquired and liabilities assumed at their carrying amounts at the date of the merger. Mergers are accounted for by the combining departments by derecognising or removing assets and liabilities at their carrying amounts at the date of the merger.

1. Annual Appropriation

1.1 Annual Appropriation

	2021/22			2020/21		
	Final Appropriation	Actual Funds Received	Funds not requested/not received	Final Appropriation	Appropriation received	Funds not requested/not received
	R'000	R'000	R'000	R'000	R'000	R'000
1.Administration	63,891	63,891	-	55,658	55,658	-
2.Integrated Economic Development Services	58,866	58,866	-	61,221	61,221	-
3.Trade and Sector Development	65,453	65,453	-	48,303	48,303	-
4.Business Regulation and Governance	44,594	44,594	-	41,043	41,043	-
5.Economic Planning	22,501	22,501	-	20,11	20,116	-
6.Tourism	78,201	78,201	-	52,259	52,259	-
Total	**333,506**	**333,506**	**-**	**278,600**	**278,600**	**-**

The Department received 100% of the appropriated funds for the 2021/2022 financial year from the Northern Cape Provincial Treasury

1.2 Conditional grants

	Note	2021/22	2020/21
		R'000	R'000
Total grants received	29	1,960	2,025

Conditional grants were used for the intended purpose in EPWP projects. Total grants were received from the Department of Public works and Infrastructure

2. Departmental revenue

	Note	2021/22	2020/21
		R'000	R'000
Tax revenue		23,733	17,027
Sales of goods and services other than capital assets	*2.1*	115	95
Fines, penalties and forfeits	*2.2*	175	5
Transactions in financial assets and liabilities	*2.3*	485	2,974
Total revenue collected		**24,508**	**20,101**
Less: Own revenue included in appropriation	*13*	22,272	20,101
Departmental revenue collected		**2,236**	**-**

The over-collection is due to new initiatives (online betting and rolling out of limited pay-out machines) introduced by the Northern Cape Gambling Board.

2.1 Sales of goods and services other than capital assets

	Note	2021/22	2020/21
	2	R'000	R'000
Sales of goods and services produced by the department		115	95
Sales by market establishment		56	36
Other sales		59	59
Total		**115**	**95**

The increase in sales by market establishment is due to rent collected at KIDJA from leasing out of office accommodation.

2.2 Fines, penalties and forfeits

	Note	2021/22	2020/21
	2	R'000	R'000
Fines		6	5
Penalties		169	-
Total		**175**	**5**

Fines paid during the year under review were as a result of business transgressors and penalties paid are as a result of late liquor license annual renewals license holders.

2.3 Transactions in financial assets and liabilities

	Note	2021/22	2021/22
	2	R'000	R'000
Other Receipts including Recoverable Revenue		485	2,974
Total		**485**	**2,974**

3. Compensation of employees

3.1 Salaries and Wages

	Note	2021/22	2020/21
		R'000	R'000
Basic salary		67,756	69,233
Performance award		-	242
Service Based		65	93
Compensative/circumstantial		835	1,067
Periodic payments		417	211
Other non-pensionable allowances		18,717	15,502
Total		**87,790**	**86,348**

3.2 Social contributions

	Note	2021/22 R'000	2020/21 R'000
Employer contributions			
Pension		8,610	8,681
Medical		4,585	4,435
Bargaining council		17	17
Total		**13,212**	**13,133**

Total compensation of employees		**101,002**	**99,481**
Average number of employees		161	158

4. Goods and services

	Note	2021/22 R'000	2020/21 R'000
Administrative fees		518	220
Advertising		1,788	1,217
Minor assets	*4.1*	142	100
Bursaries (employees)		673	559
Catering		607	244
Communication		1,734	1,925
Computer services	*4.2*	1,096	1,731
Consultants: Business and advisory services		3,159	3,469
Legal services		204	21
Contractors		20,169	2,277
Agency and support / outsourced services		18	23
Audit cost – external	*4.3*	3,178	2,611
Fleet services		671	447
Consumables	*4.4*	1,287	1,378
Operating leases		11,685	10,276
Property payments	*4.5*	15,892	14,745
Rental and hiring		189	-
Travel and subsistence	*4.6*	5,828	1,340
Venues and facilities		479	111
Training and development		886	49
Other operating expenditure	*4.7*	396	265
Total		**70,599**	**43,008**

The increase in Goods and Services on the items Contractors is due to the Kimberley Diamond Cup events that were held and Travel and subsistence is due to the trips undertaken by the Departmental officials as well as the SMME's from the Trade and Sector Development and Tourism programmes. Furthermore, included in the total amount of goods and services is the amount on COVID-19 expenditure of R 73 205.61

4.1 Minor assets

	Note	2021/22	2020/21
	4	**R'000**	**R'000**
Tangible assets		**61**	**83**
Machinery and equipment		61	83
Intangible assets		**81**	**17**
Software		81	17
Total		**142**	**100**

4.2 Computer services

	Note	2021/22	2021/22
	4	**R'000**	**R'000**
SITA computer services		1,096	1,252
External computer service providers		-	479
Total		**1,096**	**1,731**

4.3 Audit cost – External

	Note	2021/22	2020/21
	4	**R'000**	**R'000**
Regularity audits		3,178	2,611
Total		**3,178**	**2,611**

4.4 Consumables

	Note	2021/22	2020/21
	4	**R'000**	**R'000**
Consumable supplies		616	1 202
Uniform and clothing		37	357
IT consumables		229	8
Other consumables		350	837
Stationery, printing and office supplies		671	176
Total		**1,287**	**1,378**

Included in the total amount on the line item for other Consumables is the Covid 19 expenditure, as well as the refreshments and groceries procured for Chief Directors.

4.5 Property payments

	Note	2021/22	2020/21
	4	R'000	R'000
Municipal services		4,018	3,560
Property maintenance and repairs		838	1,788
Other		11,036	9,397
Total		**15,892**	**14,745**

Included under the line-item, OTHER is the total cost for security services, Cleaning as well as gardening services expenditure incurred during the financial year.

4.6 Travel and subsistence

	Note	2021/22	2020/21
	4	R'000	R'000
Local		5,133	1,340
Foreign		695	-
Total		**5,828**	**1,340**

The increase on the total amount is due to the easing of Covid -19 restrictions.

4.7 Other operating expenditure

	Note	2021/22	2020/21
	4	R'000	R'000
Resettlement costs		-	26
Other		396	239
Total		**396**	**265**

5. Transfers and subsidies

	Note	2021/22	2020/21
		R'000	R'000
Provinces and municipalities	29,30	2,460	2,525
Departmental agencies and accounts	Annexure 1B	143,007	118,737
Higher education institutions	Annexure 1C	500	500
Public corporations and private enterprises	Annexure 1D	7,816	6,691
Households	Annexure 1G	763	1,330
Total		**154,546**	**129,783**

The increase under the item for Departmental agencies and accounts is due to projects funded for NCEDA in the 2021/2022 financial year.

6. Expenditure for capital assets

	Note	2021/22	2020/21
		R'000	R'000
Tangible assets		**2,346**	**3,267**
Buildings and other fixed structures	27	483	1,282
Machinery and equipment	25	1,863	1,985
Total		**2,346**	**3,267**

6.1 Analysis of funds utilised to acquire capital assets – 2021/22

	Voted funds	Aid assistance	Total
	R'000	R'000	R'000
Tangible assets	**2 346**	**-**	**2 346**
Buildings and other fixed structures	483	-	483
Machinery and equipment	1,863	-	1,863
Total	**2,346**	**-**	**2,346**

6.2 Analysis of funds utilised to acquire capital assets – 2020/21

	Voted funds	Aid assistance	Total
	R'000	R'000	R'000
Tangible assets	**3,267**		**3,267**
Buildings and other fixed structures	1,282	-	1,282
Machinery and equipment	1,985	-	1,985
Total	**3,267**	**-**	**3,267**

6.3 Finance lease expenditure included in Expenditure for capital assets

	Note	2021/22	2020/21
		R'000	R'000
Tangible assets			
Machinery and equipment		986	1,228
Total		**986**	**1,228**

7. Cash and cash equivalents

	Note	2021/22 R'000	2020/21 R'000
Consolidated Paymaster General Account		10,452	7,693
Cash on hand		2	2
Total		**10,454**	**7,695**

8. Prepayments and advances

	Note	2021/22 R'000	2020/21 R'000
Travel and subsistence		39	1
Prepayments (Not expensed)	8.2	-	483
Advances paid (Not expensed)	8.1	151	151
Total		**190**	**635**

Advances paid (Not Expensed) of R151 000 is the refundable deposits relating to lease agreements and municipal services paid (see Annexure 8A)

8.1 Advances paid (Not expensed)

	Note	Balance as at 1 April 2021	Less: Amount expensed in current year	Add or Less: Other	Add: Current Year advances	Balance as at 31 March 2022
	8	R'000	R'000	R'000	R'000	R'000
Other entities		151	-	-	-	**151**
Total		**151**	**-**	**-**	**-**	**151**

	Note	Balance as at 1 April 2020	Less: Amount expensed in current year	Add or Less: Other	Add: Current Year advances	Balance as at 31 March 2021
	8	R'000	R'000	R'000	R'000	R'000
Other entities		151	-	-	-	**151**
Total		**151**	**-**	**-**	**-**	**151**

8.2 Prepayments (Not expensed)

	Note	Balance as at 1 April 2021	Less: Amount expensed in current year	Add or Less: Other	Add: Current Year prepayments	Balance as at 31 March 2022
	8	**R'000**	**R'000**	**R'000**	**R'000**	**R'000**
Capital assets		483	(483)	-	-	-
Total		**483**	**(483)**	**-**	**-**	**-**

	Note	Balance as at 1 April 2020	Less: Amount expensed in current year	Add or Less: Other	Add: Current Year prepayments	Balance as at 31 March 2021
	8	**R'000**	**R'000**	**R'000**	**R'000**	**R'000**
Capital assets		1,766	(1,283)	-	-	483
Total		**1,766**	**(1,283)**	**-**	**-**	**483**

9. Receivables

		2021/22			2020/21		
		Current	Non-current	Total	Current	Non-current	Total
		R'000	R'000	R'000	R'000	R'000	R'000
	Note						
Claims recoverable	*9.1*	-	6,796	**6,796**	-	6,796	**6,796**
Staff Debt	*9.2*	2	-	**2**	-	-	**-**
Other receivables	*9.3*	48,684	-	**46,686**	48,329	-	**48,329**
Total		**46,686**	**6,796**	**53,482**	**48,329**	**6,796**	**55,125**

The restatement on receivables is due to the recalculation on transfer made to the SMME'S (EGDF and TGDF) for determining whether funds were used for its intended purpose.

9.1 Claims recoverable

	Note	2021/22	2020/21
	9	**R'000**	**R'000**
Private enterprises		6,796	6,796
Total		**6,796**	**6,796**

The amount of R 6, 796 million was impaired due to the irrecoverable amount from a company that went under liquidation.

9.2 Staff debt

	Note	2021//22	2020/21
	9	R'000	R'000
Debt Account		2	-
Total		**2**	**-**

9.3 Other receivables

	Note	2021/22	2020/21
	9	R'000	R'000
SAL: Reversal Control		65	181
SAL: Tax Debt		23	4
SAL: Income Tax		10	11
SAL: Insurance Deductions		2	2
Disallowance with a debit balance		889	831
DEBTS – Transfer payments to SMMEs		45,695	47,300
Total		**46,684**	**48,329**

9.4 Impairment of receivables

	Note	2021/22	2020/21
		R'000	R'000
Estimate of impairment of receivables		23,862	25,132
Total		**23,862**	**25,132**

The impairment of R 23, 862 million is due to the irrecoverable amount from SMME's and from the non-current receivable that was classified as being highly irrecoverable due to the company being under liquidation.

10. Voted funds to be surrendered to the Revenue Fund

	Note	2021/22	2020/21
		R'000	R'000
Opening balance		7,626	10,015
As restated		7,626	10,015
Transfer from statement of financial performance (as restated)		5,013	3,061
Paid during the year		(3,060)	(5,450)
Closing balance		**9,579**	**7,626**

11. Departmental revenue and NRF Receipts to be surrendered to the Revenue Fund

	Note	2021/22	2020/21
		R'000	**R'000**
Opening balance		1,722	3,020
As restated		1,722	3,020
Transfer from Statement of Financial Performance (as restated)		2,236	-
Own revenue included in appropriation		22,272	20,101
Paid during the year		(24,309)	(21,399)
Closing balance		**1,921**	**1,722**

The closing balance of departmental revenue and NRF receipts to be surrendered to the revenue funds amounting to R 1, 921 Million will be paid over to Provincial Treasury after the year end book closure

12. Payables – current

	Note	2021/22	2020/21
		R'000	**R'000**
Other payables	*12.1*	135	11
Total		**135**	**11**

The increase for other payable is due to the Government Employee Housing scheme (GEHS) that is payable to the Departmental Official after withdrawal was made on PERSAL

12.1 Other payables

	Note	2021/22	2020/21
	12	**R'000**	**R'000**
SAL : GEHS Refund Control Acc		131	-
Disallowance Miscellaneous -Liquor License Penalty Fees		4	11
Total		**135**	**11**

13. Net cash flow available from operating activities

	Note	2021/22	2020/21
		R'000	**R'000**
Net surplus/(deficit) as per Statement of Financial Performance		7,249	3,061
Add back non cash/cash movements not deemed operating activities		(539)	415
(Increase)/decrease in receivables		1,643	2,612
(Increase)/decrease in prepayments and advances		445	1,283
Increase/(decrease) in payables – current		124	1
Expenditure on capital assets		2,346	3,267
Surrenders to Revenue Fund		(27,369)	(26,849)
Own revenue included in appropriation		22,272	20,101
Net cash flow generated by operating activities		**6,710**	**3,476**

14. Reconciliation of cash and cash equivalents for cash flow purposes

	Note	2021/22	2020/21
		R'000	**R'000**
Consolidated Paymaster General account		10,452	7,693
Cash on hand		2	2
Total		**10,454**	**7,695**

15. Contingent liabilities and contingent assets

15.1 Contingent liabilities

		Note	2021/22	2020/21
			R'000	**R'000**
Liable to	**Nature**			
Claims against the department		*Annex 3B*	568	568
Total			**568**	**568**

Included in the claims against the department is Fleet Damages repairs of R53 000 and R15 000 for Pemberley Investment of which the case is still at court. Furthermore, the R500 000 disclosed relate to the litigation by employees who took the department to the labour court. The matter was withdrawn after the departmental notice of exception but the applicants have re-filed their documents.

16. Capital commitments

	Note	2021/22 R'000	2020/21 R'000
Machinery and equipment		681	768
Total		**681**	**768**

An order was issued to Open Source Software Solutions, amounting to R 419 000 (R 325 000 Goods & Services and R 94 000 Payment for Capital Assets) for the Department's wireless ICT Network Infrastructure. Payment can only be affected once the work is completed and the invoice is received. The service provider could not complete the project by 31 March 2022, but about 80% of the work has been completed to date and the rest is still work-in-progress.

An order was issued to MH Office Supplies, amounting to R 161 000 (R 111 000 Goods & Services and R 50 000 Payment for Capital Assets) for the Department's boardroom furniture. Payment can only be affected once the goods have been received. The service provider could not deliver the boardroom furniture by 31 March 2022 due to unforeseen circumstances (out of stock).

An order was issued to Telkom SA, amounting to R 537 000 (Payment for Capital Assets of which Administration's portion amount is R 222 000) for the Department's official's mobile phones. There is an active commitment for mobile phones, but due to no stock on hand the suppliers were unable to deliver before 31 March 2022. The DEDaT has an obligation to process the payments as soon as they take delivery from the Service Providers.

17. Accruals and payables not recognised

17.1 Accruals

			2021/22 R'000	2020/21 R'000
Listed by economic classification				
	30 Days	**30+ Days**	**Total**	**Total**
Goods and services	2,671	-	2,671	1,867
Capital assets	85	-	85	126
Total	**2,756**	**-**	**2,756**	**1,993**

	Note	2021/22 R'000	2020/21 R'000
Listed by programme level			
Administration		632	178
Integrated Economic Development Services		377	62
Trade and Sector Development		716	305
Business Regulation and Governance		77	88
Economic Planning		444	36
Tourism		510	1 324
Total		**2,756**	**1,993**

17.2 Payables not recognised

Listed by economic classification	30 Days	30+ Days	2021/22 R'000 Total	2020/21 R'000 Total
Goods and services	172	-	172	207
Total	**172**	**-**	**172**	**207**

	Note	2021/22 R'000	2020/21 R'000
Listed by programme level			
Administration		17	-
Integrated Economic Development Services		28	-
Trade and Sector Development		88	148
Economic Planning		10	16
Tourism		29	43
Total		**172**	**207**

	Note	2021/22 R'000	2020/21 R'000
Included in the above totals are the following:			
Confirmed balances with other departments	*Annex 5*	237	805
Total		**237**	**805**

18. Employee benefits

	Note	2021/22 R'000	2020/21 R'000
Leave entitlement		5,027	5,762
Service bonus		2,726	2,710
Performance awards		-	51
Capped leave		1,317	1,361
Other		11	22
Total		**9,081**	**9,906**

Included in the leave entitlement is the negative amount of R159, 833 for leave owed to the Department. Other refers to the 20 years' service award of R11 000 to an official calculated at a rate approved in April 2020. Furthermore, the amount for performance rewards is set out as 0% for the financial year 2021/2022.

19. Lease commitments

19.1 Operating leases

2021/22	Specialised military equipment R'000	Land R'000	Buildings and other fixed structures R'000	Machinery and equipment R'000	Total R'000
Not later than 1 year	-	-	10,910	-	10,910
Later than 1 year and not later than 5 years	-	-	51,209	-	51,209
Later than five years	-	-	45,826	-	45,826
Total lease commitments	**-**	**-**	**107,945**	**-**	**107,945**

2020/21	Specialised military equipment R'000	Land R'000	Buildings and other fixed structures R'000	Machinery and equipment R'000	Total R'000
Not later than 1 year	-	-	10,244	-	10,244
Later than 1 year and not later than 5 years	-	-	48,084	-	48,084
Later than five years	-	-	59,862	-	59,862
Total lease commitments	**-**	**-**	**118,190**	**-**	**118,190**

The Department has leased the following buildings as per table below:

Company	Location	End date of contract
Ocean Echo Properties	Khaya La Bantu	31 August 2030
Ocean Echo Properties	Umzi Mkhulu	Expired
Columbia Falls Properties	Metlife Towers	30 November 2029

19.2 Finance leases **

2021/22	Specialised military equipment R'000	Land R'000	Buildings and other fixed structures R'000	Machinery and equipment R'000	Total R'000
Not later than 1 year	-	-	-	944	944
Later than 1 year and not later than 5 years	-	-	-	1,076	1,076
Total lease commitments	**-**	**-**	**-**	**2,020**	**2,020**

2020/21	Specialised military equipment R'000	Land R'000	Buildings and other fixed structures R'000	Machinery and equipment R'000	Total R'000
Not later than 1 year	-	-	-	907	907
Later than 1 year and not later than 5 years	-	-	-	809	809
Total lease commitments	**-**	**-**	**-**	**1,716**	**1,716**

20. Irregular expenditure

20.1 Reconciliation of irregular expenditure

	Note	2021/22 R'000	2020/21 R'000
Opening balance		16,096	11,683
Prior period error			-
As restated		16,096	11,683
Add: Irregular expenditure – relating to current year		4,394	4,413
Closing balance		**20,490**	**16,096**

Analysis of closing balance		
Current year	4,394	4,413
Prior years	16,096	11,683
Total	**20,490**	**16,096**

Irregular expenditure relating to the current year is due to non-compliance with Supply Chain Management Prescripts (Security Services, Accommodation, Publication Services and Car Rental).

20.2 Details of current and prior year irregular expenditure – added current year (under determination and investigation)

Incident	Disciplinary steps taken/criminal proceedings	2021/22 R'000
Security Services -Bafazi security Services	Under Investigation	3,759
Car rental-Barlow World	Under Investigation	352
Accommodation	Under Investigation	159
Publication Services - advertising	Under Investigation	124
Total		4,394

21. Fruitless and wasteful expenditure

21.1 Reconciliation of fruitless and wasteful expenditure

	Note	2021/22 R'000	2020/21 R'000
Opening balance		-	-
Prior period error			-
Fruitless and wasteful expenditure – relating to current year		4	-
Closing balance		**4**	**-**

21.2 Details of current and prior year fruitless and wasteful expenditure – added current year (under determination and investigation)

Incident	**Disciplinary steps taken/criminal proceedings**	2021/22 R'000
Accommodation	Still under investigation	4
Total		4

22. Related party transactions

Payments made	*Note*	2021/22 R'000	2020/21 R'000
Goods and services		348	123
Expenditure for capital assets		126	295
Total		**474**	**418**

The department has an administrative role over the following public entities of the department, to whom funds are transferred to via transfer payments as disclosed in Note 9 and Annexure 1B a) Northern Cape Tourism Agency, b) NCEDA, c) NCGB d) NCLB. The department pays the contract of car rental of NCLB and NCLG on their behalf for the period under review. 2) The department serves as trustee on the Board of Trustees of Frances Baard SMME to whom funds were transferred via transfer payments, 3) The department serves as a trustee on the Board of Trustees of KIDJA and during the financial year under review the department has assisted them administratively to procure goods and services from the donor funding, 4) The department serves as trustee on the board of Trustees of Kimberley International Diamond and Jewellery Academy and during the financial year. 5) Northern Cape Provincial Treasury - Executive authority provides political and strategic direction to the Northern Cape Provincial Treasury; thus the Provincial Treasury and Economic Development are regarded as related parties. 6) The note on key management personnel also falls under the chapter 15 of the MCS related party disclosures (refer to note 34) for details.

23. Key management personnel

	No. of Individuals	2021/22	2020/21
		R'000	R'000
Political office bearers (provide detail below)			
Officials:			
Level 15	2	2,498	3,364
Level 14 (incl CFO if at lower level)	9	9,583	8,263
Total		**12,081**	**11,627**

Included in the number of level 15 is the Head of Department as well as the Chief Financial Officer. Three (3) officials who are on level thirteen (13) acted in the positions of acting Chief Directors (level 14). The above-mentioned officials had the authority and responsibility for planning, directing and controlling the activities of the Department.

24. Provisions

	Note	2021/22	2020/21
		R'000	R'000
Urban Econ Development Economists		-	309
Total		**-**	**309**

The provision for Urban Econ Development Economists was settled during November 2021 after settlement was reached with the service provider.

24.1 Reconciliation of movement in provisions – 2021/22

	Provision 1 R'000	Provision 2 R'000	Provision 3 R'000	Total provisions R'000
Opening balance	309	-	-	309
Settlement of provision	(150)	-	-	(150)
Unused amount reversed	(159)	-	-	(159)
Closing balance	**-**	**-**	**-**	**-**

Reconciliation of movement in provisions – 2020/21

	Provision 1 R'000	Provision 2 R'000	Provision 3 R'000	Total provisions R'000
Opening balance	309	-	-	309
Closing balance	**309**	**-**	**-**	**309**

25. Movable Tangible Capital Assets

MOVEMENT IN MOVABLE TANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2022

	Opening balance R'000	Value adjustments R'000	Additions R'000	Disposals R'000	Closing Balance R'000
MACHINERY AND EQUIPMENT	**16,232**	**-**	**878**	**88**	**17,022**
Computer equipment	6,481	-	427	26	6,882
Furniture and office equipment	5,460	-	63	62	5,461
Other machinery and equipment	4,291	-	388	-	4,679
TOTAL MOVABLE TANGIBLE CAPITAL ASSETS	**16,232**	**-**	**878**	**88**	**17,022**

Movable Tangible Capital Assets under investigation

	Number	Value
Included in the above total of the movable tangible capital assets per the asset register are assets that are under investigation:		
Machinery and equipment	234	3,132

The department conducted a full asset count. Missing items were identified during the count. The department is currently moving floors during the renovation of the Metlife Towers Building. The department is currently investigating to trace these missing items.

25.1 Movement for 2020/21

MOVEMENT IN TANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2021

	Opening balance R'000	Prior period error R'000	Additions R'000	Disposals R'000	Closing Balance R'000
MACHINERY AND EQUIPMENT	**16,804**	**-**	**848**	**1,420**	**16,232**
Computer equipment	7,409	-	137	1,065	6,481
Furniture and office equipment	5,652	-	121	313	5,460
Other machinery and equipment	3,743	-	590	42	4,291
TOTAL MOVABLE TANGIBLE CAPITAL ASSETS	**16,804**	**-**	**848**	**1,420**	**16,232**

25.1.1 Prior period error

	Note	2020/21
		R'000
Relating to 2020/21		**29**
Relating to 2020/21 for computer equipment revalued write off		21
Relating to 2020/21 for Furniture and office Equipment – revalued write off		8
Total		**29**

25.2 Minor assets

MOVEMENT IN MINOR ASSETS PER THE ASSET REGISTER FOR THE YEAR ENDED AS AT 31 MARCH 2022

	Specialised military assets	Intangible assets	Heritage assets	Machinery and equipment	Biological assets	Total
	R'000	R'000	R'000	R'000	R'000	R'000
Opening balance	-	1,993	-	3,945	-	5,938
Additions	-	81	-	61	-	142
Disposals	-	-	-	52	-	52
TOTAL MINOR ASSETS	**-**	**2,074**	**-**	**3,954**	**-**	**6,028**

	Specialised military assets	Intangible assets	Heritage assets	Machinery and equipment	Biological assets	Total
	R'000	R'000	R'000	R'000	R'000	R'000
Number of minor assets at cost	-	430	-	3,001	-	3,431
TOTAL NUMBER OF MINOR ASSETS	**-**	**430**	**-**	**3,001**	**-**	**3,431**

Minor Capital Assets under investigation

	Number	Value
Included in the above total of the movable tangible capital assets per the asset register are assets that are under investigation:		
Intangible assets	9	31
Machinery and equipment	291	455

The department conducted a full asset count. Missing items were identified during the count. The department is currently moving floors during the renovation of the Metlife Towers Building. The department is currently investigating to trace these missing items.

Minor assets

MOVEMENT IN MINOR ASSETS PER THE ASSET REGISTER FOR THE YEAR ENDED AS AT 31 MARCH 2021

	Specialised military assets	Intangible assets	Heritage assets	Machinery and equipment	Biological assets	Total
	R'000	R'000	R'000	R'000	R'000	R'000
Opening Balance	-	1,976	-	4,382	-	6,358
Additions	-	17	-	363	-	380
Disposals	-		-	800	-	800
TOTAL MINOR ASSETS	**-**	**1,993**	**-**	**3,945**	**-**	**5,938**

	Specialised military assets	Intangible assets	Heritage assets	Machinery and equipment	Biological assets	Total
NUMBER OF MINOR ASSETS	-	411	-	3,019	-	3,430
TOTAL NUMBER OF MINOR ASSETS	**-**	**411**	**-**	**3,019**	**-**	**3,430**

25.2.1 Prior period error

	Note	2021/22
		R'000
Relating to 2020/21		
Relating to 2020/21 for computer equipment		**63**
		63
Total		**63**

25.3 Movable assets written off

MOVABLE ASSETS WRITTEN OFF FOR THE YEAR ENDED AS AT 31 MARCH 2021

	Specialised military assets	Intangible assets	Heritage assets	Machinery and equipment	Biological assets	Total
	R'000	R'000	R'000	R'000	R'000	R'000
Assets written off	-	-	-	1,391	-	1,391
TOTAL MOVABLE ASSETS WRITTEN OFF	**-**	**-**	**-**	**1,391**	**-**	**1,391**

26. INTANGIBLE CAPITAL ASSETS

MOVEMENT IN INTANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2022

	Opening balance	Additions	Disposals	Closing Balance
	R'000	R'000	R'000	R'000
SOFTWARE	504	-	-	504
SERVICES AND OPERATING RIGHTS	51	-	-	51
TOTAL INTANGIBLE CAPITAL ASSETS	**555**	**-**	**-**	**555**

26.1 Movement for 2020/21

MOVEMENT IN INTANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2021

	Opening balance	Prior period error	Additions	Disposals	Closing Balance
	R'000	R'000	R'000	R'000	R'000
SOFTWARE	504	-	-	-	504
SERVICES AND OPERATING RIGHTS	51	-	-	-	51
TOTAL INTANGIBLE CAPITAL ASSETS	**555**	**-**	**-**	**-**	**555**

27. Immovable Tangible Capital Assets

	Opening balance R'000	Additions R'000	Disposals R'000	Closing Balance R'000
BUILDINGS AND OTHER FIXED STRUCTURES	**9,594**	**483**	**5,299**	**4,778**
Other fixed structures	9,594	483	5,299	4,778
TOTAL IMMOVABLE TANGIBLE CAPITAL ASSETS	**9,594**	**483**	**5,299**	**4,778**

27.1 Movement for 2020/21

MOVEMENT IN IMMOVABLE TANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2021

	Opening balance R'000	Prior period error R'000	Additions R'000	Disposals R'000	Closing Balance R'000
BUILDINGS AND OTHER FIXED STRUCTURES	**8,312**	**-**	**1,282**	**-**	**9,594**
Other fixed structures	8,312	-	1,282	-	9,594
TOTAL IMMOVABLE TANGIBLE CAPITAL ASSETS	**8,312**	**-**	**1,282**	**-**	**9,594**

28. Prior period errors

Correction of prior period errors

	Note	Amount bef error correction 2020/21 R'000	Prior period error 2020/21 R'000	Restated Amount 2020/21 R'000
Expenditure: Compensation of Employees, Goods and Services and Tangible assets				
Compensation of employees				
Service based		5,290	(5,197)	93
Other non-pensionable allowance		10,305	5,197	15,502
Goods and services				
Minor assets – Computer				
Equipment revalued write offs		737	63	800

Expenditure for Capital Assets			
Computer Equipment – revalued with offs	1,044	21	1,065
Furniture and office equipment	305	8	313
Net effect	**17,681**	**92**	**17,773**

Restatement is due to the misclassification of items under Compensation of Employees, Goods and services is for revaluation of write-offs relating to 2020/21 financial year and expenditure for capital assets is for revaluation of write-offs relating to 2020/21 financial year.

	Note	**Amount bef error correction**	**Prior period error**	**Restated Amount**
		2020/21	**2020/21**	**2020/21**
		R'000	**R'000**	**R'000**
Assets: Receivables, Investments, Accrued departmental revenue, Movable tangible capital assets				
Receivables-transfer to SMME's		47,981	5,422	53,403
Receivables – invoices Cleared		-	(6,103)	(6,103)
Impairment – Transfer to SMME's		18,110	226	18,336
Impairment – Debtor Liquidated		-	6,796	6,796
Net effect		**66,091**	**6,341**	**72,432**

The restatement on receivables due to the recalculation on transfers and subsidies made to SMME's (EGDF and TGDF) as well invoices submitted by the SMME's to clear the debt. Furthermore, an amount of R6 796 million was impaired after the company went under liquidation.

29 STATEMENT OF CONDITIONAL GRANTS RECEIVED

NAME OF GRANT	GRANT ALLOCATION					SPENT				2021/22	
	Division of Revenue Act/ Provincial Grants	Roll Overs	DORA Adjust-ments	Other Adjust-ments	Total Availa ble	Amount received by depart-ment	Amount spent by depart-ment	Under / (Overs pendin g)	% of available funds spent by depart-ment	Divisio n of Reven ue Act	Amount spent by departme nt
	R'000	R'000	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Expanded Public Works Programme	1,960	-	-	-	1,960	1,960	1,960	-	100.0%	2,025	2,025
TOTAL	**1,960**	**-**	**-**	**-**	**1,960**	**1,960**	**1,960**	**-**	**100.0%**	**2,025**	**2,025**

Conditional grants were used for EPWP projects as well as Tourism projects as disclosed in note 5 and Annexure 1A

30. STATEMENT OF CONDITIONAL GRANTS AND OT HER TRANSFERS PAID TO MUNICIPALITIES

	2021/22							2020/21	
	GRANT ALLOCATION				TRANSFER				
NAME OF MUNICIPALITY	DoRA and other transfers	Roll Overs	Adjustmen ts	Total Available	Actual Transfer	Funds Withheld	Re-allocations by National Treasury or National Department	Division of Revenue Act	Actual transfer
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Richtersveld Municipality	-	-	-	-	-	-	500	500	
Sol Plaatje Municipality	510	-	-	510	-	-	625	625	
Namakwa District Municipality	450	-	-	450	-	-	430	430	
Pixley ka Seme District Municipality	1,000	-	-	1,000	-	-	970	970	
DAWID KRUIPER MUNICIPALITY	500	-	-	500	-	-	-	-	
TOTAL	**2,460**	**-**	**-**	**2,460**	**-**	**-**	**2,525**	**2,525**	

Transfers to Municipalities were used for Conditional grants for EPWP projects as well as Tourism projects as disclosed in note 29 and Annexure 1A

31. BROAD BASED BLACK ECONOMIC EMPOWERMENT PERFORMANCE

Information on compliance with the B-BBEE Act is included in the annual report under the section titled B-BBEE Compliance Performance Information.

32. COVID 19 Response Expenditure

	Note	**2021/2022**	**2020/21**
	Annexure 11	**R'000**	**R'000**
Goods and services		73	1,066
Total		**73**	**1,066**

The expenditure incurred was relating to the procurement of PPE materials during the pandemic of Covid-19.

ANNEXURE 1A

STATEMENT OF CONDITIONAL GRANTS AND OTHE R TRANSFERS PAID TO MUNICIPALITIES

	GRANT ALLOCATION				TRANSFER			SPENT				2020/21	
NAME OF MUNICIPALITY	**DoRA and other transfers**	**Roll Overs**	**Adjust-ments**	**Total Available**	**Actual Transfer**	**Funds Withheld**	**Re-allocations by National Treasury or National Department**	**Amount received by munici-pality**	**Amount spent by municipality**	**Unspent funds**	**% of available funds spent by munici-pality**	**Division of Revenue Act**	**Actual transfer**
	R'000	**R'000**	**R'000**	**R'000**	**R'000**	**R'000**	**%**	**R'000**	**R'000**	**R'000**	**%**	**R'000**	**R'000**
Richtersveld Municipality	-	-	-	-	-	-	-	-	-	-	-	500	500
Sol Plaatje Municipality	510	-	-	510	510	-	-	510	510	-	100.0%	625	625
Namakwa District municipality	450	-	-	450	450	-	-	450	450	-	100.0%	430	430
Pixley Ka Seme District municipality	1,000	-	-	1,000	1,000	-	-	1,000	1,000	-	100.0%	970	970
Dawid Kruiper Municipality	500	-	-	500	500	-	-	500	500	-	100.0%	-	-
TOTAL	**2,460**	**-**	**-**	**2,460**	**2,460**	**-**	**-**	**2,460**	**2,460**	**-**		**2,525**	**2,525**

Transfers to Municipalities were used for Conditional grants for EPWP projects as well as Tourism projects as disclosed in note 5

ANNEXURE 1B

STATEMENT OF TRANSFERS TO DEPARTMENTAL AGENCIES AND ACCOUNTS

DEPARTMENTAL AGENCY/ ACCOUNT	TRANSFER ALLOCATION				TRANSFER		2020/21
	Adjusted Appropriation	Roll Overs	Adjustm ents	Total Available	Actual Transfer	% of Available funds Transferred	Final Appropriatio n
	R'000	R'000	R'000	R'000	R'000	%	R'000
Northern Cape Gambling Board	16,255	-	-	16,255	16,225	100%	13,071
NCEDA	34,383	-	15,700	50,083	50,083	100.0%	30,701
Northern Cape Liquor Board	13,932	-	-	13,932	13,932	100.0%	13,346
NCTA tourism Promotion Dev	25,152	-	-	25,152	25,152	100.0%	22,942
NCMIC NPC	-	-	-	-	-	-	2,819
Northern Cape SMME Trust	5,694	-	3,000	8,694	8,964	100.0%	5,166
Mc Gregor Museum	166	-	-	166	166	100.0%	163
Tourism Grading Council SA	500	-	-	500	500	100.0%	400
Department of Roads and Public Works	1,000	-	-	1,000	1,000	100.0%	129
National Empowerment Fund Trust	-	-	27,225	27,225	27,225	100.0%	30,000
TOTAL	**97,082**	**-**	**45,925**	**143,007**	**143,007**		**118,737**

Transfer to public entities and other projects to departmental agencies.

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ANNEXURE 1C

STATEMENT OF TRANSFERS TO HIGHER EDUCATION INSTITUTIONS

NAME OF HIGHER EDUCATION INSTITUTION	TRANSFER ALLOCATION				TRANSFER			2020/21
	Adjusted Appropriation	Roll Overs	Adjust-ments	Total Available	Actual Transfer	Amount not transferred	% of Available funds Transferred	Final Appropriation
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000
Sol Plaatje University	500	-	-	500	500	-	100%	500
TOTAL	**500**	**-**	**-**	**500**	**500**	**-**		**500**

ANNEXURE 1D

STATEMENT OF TRANSFERS/SUBSIDIES TO PUBLIC CORPORATIONS AND PRIVATE ENTERPRISES

NAME OF PUBLIC CORPORATION/PRIVATE ENTERPRISE	TRANSFER ALLOCATION				EXPENDITURE				2020/21
	Adjusted Appro-priation Act	Roll Overs	Adjustments	Total Available	Actual Transfer	% of Available funds Transferred	Capital	Current	Final Appropriation
	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000	R'000
Private Enterprises									
Transfers									
Northern Cape Cricket NPC	2,500	-	(1,500)	1,000	1,000	100.0%	-	-	1,000
Namakwa 4x4 Exploration	150	-	-	150	150	100.0%	-	-	850
Ivan Trading and Enterprise	-	-	-	-	-	-	-	-	176
Karoo Travel Dimensions	-	-	-	-	-	-	-	-	200
Karoo Tuis Catering	-	-	-	-	-	-	-	-	146
Kimberley Diamond and Jewellery Academy	1,808	-	(1,808)	-	-	-	-	-	24
Mlab Southern Africa	1,000	-	-	1,000	1,000	100.0%	-	-	1,040
NC Marketing Agency	-	-	-	-	-	-	-	-	200
Pino Tau Outdoor Media	-	-	-	-	-	-	-	-	277
Sigma International	500	-	-	500	500	100.0%	-	-	300
Ukurvuka Padstal en Vetplante Kwe	-	-	-	-	-	-	-	-	200
Wydex Events Promotions	-	-	-	-	-	-	-	-	200
Kimberley Diamond and Jewellery Incubator	3,000	-	-	3,000	3,000	100.0%	-	-	1,500
Leruo's Guest House	-	-	-	-	-	-	-	-	100
Teemaneg Running Club	87	-	-	87	87	100.0%	-	-	78
Undulata Country Lodge	-	-	-	-	-	-	-	-	100
Mob Entertainment	-	-	230	230	230	100.0%	-	-	-
Sol Plaatjie Local Football Association	176	-	634	810	810	100.0%	-	-	-
Blue Diamond Lodge	90	-	-	90	90	100.0%	-	-	-
DCVW Solutions (PTY) LTD	100	-	-	100	100	100.0%	-	-	-

Heavenly dine General Trading CC	69	-	-	69	69	100.0%	-	-	-
Ibhotwe Guesthouse	98	-	-	98	98	100.0%	-	-	-
Maikemisetso			-						
Transport and projects	28	-	-	28	28	100.0%	-	-	-
Meriting Guesthouse	97	-	-	97	97	100.0%	-	-	-
Ous Meisies Lodge (PTY)	97	-	-	97	97	100.0%	-	-	-
Steinkorf Investment (PTY) LTD	100	-	-	100	100	100.0%	-	-	-
SMME Grant – Tavern	240	-	(151)	89	-	-	-	-	-
EGDF–SMME Development	27,225	-	(27,255)	-	-	-	-	-	-
Clothing and Textile Cluster	2,000	-	(2,000)	-	-	-	-	-	-
Metal Industrial Cluster	2,500	-	(2,500)	-	-	-	-	-	-
Booker T Enterprise	200	-	-	200	200	100.0%	-	-	-
Oupa at Oupas Tavern	160	-	-	160	160	100.0%	-	-	-
Sub total	**42,225**	**-**	**(34,320)**	**7,905**	**7,816**	**98.9%**	**-**	**-**	**6,691**
TOTAL	**42,225**	**-**	**(34,320)**	**7,905**	**7,816**	**98.9%**	**-**	**-**	**6,691**

ANNEXURE 1G

STATEMENT OF TRANSFERS TO HOUSEHOLDS

HOUSEHOLDS	TRANSFER ALLOCATION				EXPENDITURE		2020/21
	Adjusted Appro-priation Act	Roll Overs	Adjust-ments	Total Available	Actual Transfer	% of Available funds Transferred	Final Appropriation
	R'000	R'000	R'000	R'000	R'000	%	R'000
Transfers							
D A Martin	-	-	-	-	-		569
GEPF	591	-	-	591	591	100.0%	1,064
H Williams	-	-	-	-	-		192
K R Koopman	-	-	-	-	-		23
S E Bethanie	-	-	-	-	-		1
KODA	-	-	-	-	-		60
O Legae	-	-	98	98	98	100.0%	-
P Wildermans	8	-	-	8	8	100.0%	-
O Molusi	24	-	-	24	24	100.0%	-
K V Marumo	-	-	31	31	31	100.0%	-
NC Provincial Government	-	-	11	11	11	100.0%	-
TOTAL	**623**	**-**	**140**	**763**	**763**		**1,909**

Leave gratuity due to retirement and resignation of employees and a settlement agreement.

ANNEXURE 3B

STATEMENT OF CONTINGENT LI ABILITIES AS AT 31 MARCH 2021

Nature of Liability	Opening Balance 1 April 2021	Liabilities incurred during the year	Liabilities paid/cancelled/reduced during the year	Liabilities recoverable (Provide details hereunder)	Closing Balance 31 March 2022
	R'000	R'000	R'000	R'000	R'000
Claims against the department					
Northern cape fleet management	53	-	-	-	53
Pemberley Investment Limited	15	-	-	-	15
GXOTHA SN & OTHERS (Departmental Officials)	500	-	-		500
Subtotal	**568**	**-**	**-**	**-**	**568**
TOTAL	**568**	**-**	**-**	**-**	**568**

ANNEXURE 4

CLAIMS RECOVERABLE

Government Entity	Confirmed balance outstanding		Unconfirmed balance outstanding		Total		Cash in transit at year end 2021/22	
	31/03/2022	31/03/2021	31/03/2022	31/03/2021	31/03/2022	31/03/2021	Receipt date up to six (6) working days after year end	Amount
	R'000	R'000	R'000	R'000	R'000	R'000		R'000
Department								
Free State: Office of the Premier	5	-	-	-	5	-		-
	5	-	-	-	5	-	-	-
TOTAL	**5**	**-**	**-**	**-**	**5**	**-**	**-**	**-**

ANNEXURE 5

INTER-GOVERNMENT PAYABLES

GOVERNMENT ENTITY	Confirmed balance outstanding		Unconfirmed balance outstanding		TOTAL		Cash in transit at year end 2021/22 *	
	31/03/2022	31/03/2022	31/03/2022	31/03/2022	31/03/2022	31/03/2022	Payment date up to six (6) working days before year end	Amount
	R'000	R'000	R'000	R'000	R'000	R'000		R'000
DEPARTMENTS								
Current								
Northern cape fleet Management	199	134	-	-	199	134		
Northern cape provincial Treasury	38	73	-	-	38	73		
GEPF	-	579	-	-	-	579		
Department of justice	-	19	-	-	-	19		
Sub total	237	805	-	-	237	805		-
TOTAL	**237**	**805**	**-**	**-**	**237**	**805**		**-**

ANNEXURE 8A

INTER-ENTITY ADVANCES PAID (note 8)

ENTITY	Confirmed balance outstanding		Unconfirmed balance outstanding		TOTAL	
	31/03/2022	31/03/2021	31/03/2022	31/03/2021	31/03/2022	31/03/2021
	R'000	R'000	R'000	R'000	R'000	R'000
OTHER INSTITUTIONS						
Anlar Belleging (refundable rental deposit)	75	75	-	-	75	75
Sol Plaatje (refundable					56	
deposit electricity)	56	56	-	-	56	56
Upington Building (refundable rental deposit)	20	20	-	-	20	20
Subtotal	151	151	-	-	151	151
TOTAL	**151**	**151**	**-**	**-**	**151**	**151**

ANNEXURE 11

COVID 19 RESPONSE EXPENDITURE

Per quarter and in total

Expenditure per economic classification	**2021/22**					**2020/21**
	Q1	**Q2**	**Q3**	**Q4**	**Total**	**Total**
	R'000	**R'000**	**R'000**	**R'000**	**R'000**	**R'000**
Compensation of employees						
Goods and services	**-**	**43**	**-**	**30**	**73**	**1,066**
List all applicable SCOA level 4 items						
Cons Hous Sup: Wash /Clean	-	43	-	-	-	656
Cons supp: Medical Supplies	-	-	-	-	30	410
TOTAL COVID 19 RESPONSE EXPENDITURE	**-**	**43**	**-**	**30**	**73**	**1,066**

The expenditure incurred was relating to the procurement of PPE materials during the pandemic of Covid-19.

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