

the dti

ANNUAL PERFORMANCE PLAN

2017-2020



the dti

Department:
Trade and Industry
REPUBLIC OF SOUTH AFRICA



the dti

Annual Performance Plan
2017-2020

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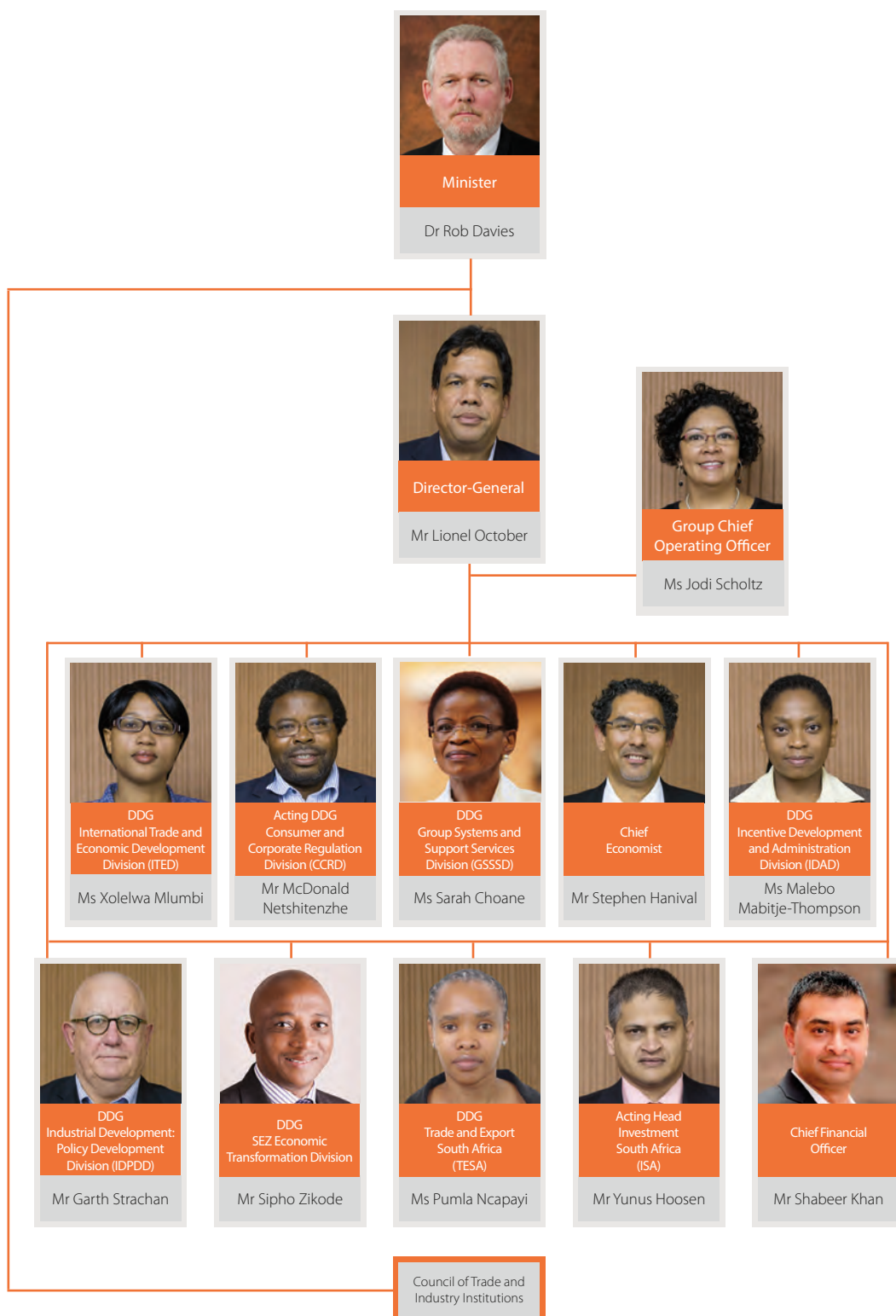
1. Abbreviations and acronyms

Term	Definition
AGOA	African Growth and Opportunity Act, 2000
APP	Annual Performance Plan
B-BBEE	Broad-based black economic empowerment
BCI	Business Confidence Index
BOP	Balance of Payments
BPS	Business Process Services
BRICS	Brazil, Russia, India, China, South Africa
CCI	Consumer Confidence Index
CCRD	Consumer and Corporate Regulation Division
CFTA	Continental Free Trade Area
CGICTPF	Corporate Governance of ICT Policy Framework
CIPC	Companies and Intellectual Property Commission, a public entity reporting to the dti
CMDB	Configuration Management Database
COTII	Council of Trade and Industry Institutions
CSDP	Competitive Supplier Development Programme
CSIR	Council for Scientific and Industrial Research
CT	Companies Tribunal, a public entity reporting to the dti
CTFL	Clothing, textiles, leather and footwear
DG	Director-General
dsbd	Department of Small Business Development
EAC	East African Community
ECIC	Export Credit Insurance Corporation SOC Ltd, a public entity reporting to the dti
EMDE	Emerging Market and Developing Economies
EMIA	Export, Marketing and Investment Assistance
EPA	Economic Partnership Agreement
ESEIDC	Economic Sectors, Employment and Infrastructure Development Cluster
EU	European Union
Ex-TBVC	Transkei, Bophuthatswana, Venda & Ciskei
FDI	Foreign Direct Investment
FER	Foreign Economic Representative
FRSC	Financial Reporting Standards Council
FTA	Free Trade Agreement
GDP	Gross Domestic Product
GEPP	Global Exporter Passport Programme

Term	Definition
GFCF	Gross Fixed Capital Formation
GLP	Good Laboratory Practice
GVA	Gross Value Added
IMF	International Monetary Fund
INES	Integrated National Export Strategy
IP	Intellectual Property
IPAP	Industrial Policy Action Plan
IPRs	Intellectual Property Rights
ISA	Investment South Africa
ITC	Information and Communications Technology
MTEF	Medium Term Expenditure Framework
MTSF	Medium-Term Strategic Framework
NAFTA	North American Free Trade Agreement
NCA	National Credit Act of 2005, as amended
NCC	National Consumer Commission, a public entity reporting to the dti
NCR	National Credit Regulator, a public entity reporting to the dti
NCT	National Consumer Tribunal, a public entity reporting to the dti
NDP	National Development Plan
NEAC	National Export Advisory Council
NEDP	National Exporter Development Programme
NEF	National Empowerment Fund, a public entity reporting to the dti
NEPAD	New Partnership for Africa's Development
NGB	National Gambling Board, a public entity reporting to the dti
NIPF	National Industrial Policy Framework
NIPP	National Industrial Participation Programme
NLA	National Liquor Authority
NLC	National Lotteries Commission, a public entity reporting to the dti
NMISA	National Metrology Institute of South Africa, a public entity reporting to the dti
NRCS	National Regulator for Compulsory Specifications, a public entity reporting to the dti
ODG	Office of the Director-General
OPEC	Organization of the Petroleum Exporting Countries
PMI	Purchasing Manager's Index
PPP	Public-Private Partnership
PTA	Preferential Trade Agreement

Term	Definition
RETS	Resources Equipment and Technology Services
RIA	Regulatory Impact Assessment
RMC	Risk Management Committee
SABS	South African Bureau of Standards, SOC Ltd, a public entity reporting to the dti
SACU	Southern African Customs Union
SADC	Southern African Development Community
SANAS	South African National Accreditation System, a public entity reporting to the dti
SARB	South African Reserve Bank
SDI	Spatial Development Initiative
SDIP	Service Delivery Improvement Plan
SEIAS	Socio-Economic Impact Assessment System
SEZ	Special Economic Zone
SMMEs	Small, Medium and Micro-Sized Enterprises
SMS	Senior Management Services
SPIEF	St Petersburg International Economic Forum
SSA	Sub-Saharan Africa
T-FTA	Tripartite Free Trade Agreement
the dti	The Department of Trade and Industry
TISA	Trade Investment South Africa
UNCTAD	United Nations Conference on Trade & Development
US	United States
WEO	World Economic Outlook
WIR	World Investment Report

2. Organisational structure



3. Foreword by the Minister

As we enter the tenth year since the onset of the Global Financial Crisis, global economic growth continues to disappoint. While global growth averaged approximately 4% in the three years prior to the Financial Crisis, global growth has slowed to an average of just 2% per year in the last five years.

This halving of global growth has impacted many commodity-exporting countries such as Brazil, Russia, Australia and South Africa. South Africa has been particularly severely impacted as this coincided with the emergence of two key domestic challenges, namely electricity supply instability and extended work stoppages in the Mining and Metals sectors.

In the course of the 2016/17 Financial Year, Government made significant headway in implementing the 9-Point Plan to Ignite Growth and Create Jobs which was designed to mitigate the impact of the weak global economic environment and South Africa's domestic economic challenges.

I am pleased to be able to report that **the dti** has played a significant role in progressing implementation of the 9-Point Plan. In particular, **the dti** leads three elements and has co-ordinated Government's Implementation of Higher-Impact Industrial Policy Action Plan, co-ordinated the formation of partnerships with the private-sector to Advance Beneficiation, and Crowded-in Private-sector Investment through the establishment of Invest SA as a Division within the department which will function as an investment One-Stop-Shop.

In the coming year, Invest SA will focus on establishing a presence in three Provinces while providing the full spectrum of investment facilitation services and reducing the turnaround time for regulatory decisions.

The department also contributes to other 9-Point Plan elements such as Revitalising the Agriculture and Agro-processing value-chain, Growing the Oceans Economy, Unlocking the



Potential of SMMEs, Co-ops, Township and Rural Enterprises, and Moderating Workplace Conflict.

Government's collective efforts have assisted South Africa to avoid an economic recession in 2016, convinced the international rating agencies not to downgrade South Africa in December 2016, and positioned South Africa for a strengthening economic recovery in 2017.

The optimism for domestic economic growth is based on the progress made in stabilising South Africa's electricity supply, the significant reduction in the number of days lost to labour stoppages, and the improving outlook for mineral commodity prices. In addition, the severe drought experienced in 2016 appears to have been broken and business confidence is edging upwards in the Manufacturing sector.

2%

AVERAGE GLOBAL GROWTH PER YEAR
IN THE PAST FIVE YEARS

54

THE NUMBER OF AFRICAN COUNTRIES THAT WILL
BENEFIT FROM THE CONTINENTAL FREE-TRADE AREA

R1bn

THE AMOUNT EARMARKED FOR THE
AGRO-PROCESSING VALUE CHAIN

South Africa, now more than ever, must evaluate all policy, strategy and programme interventions with an unapologetic commitment to our national interest – **DR ROB DAVIES, MP**

These positive developments are counter-balanced by recent global developments that have introduced additional uncertainty in the United States, the United Kingdom, China and India.

While it is too early to predict how these developments will impact South Africa, it is becoming increasingly clear that US economic policy will become more protectionist, the UK's decision to leave the European Union will lead to significant uncertainty and economic upheaval in its domestic economy, China continues to make the difficult transition from export-led growth, and growth in India may slow as the effect of the ban on large-denomination currency develops.

These developments mean that South Africa – now more than ever – must evaluate all policy, strategy and programme interventions with an unapologetic commitment to our 'national interest'. This implies a strengthening of our interventions to support domestic industry, Black Industrialists, SMMEs and associated enterprises across the various value-chains.

For example, the Steel and Poultry subsectors are both facing import surges, which have led to job and industrial capacity losses. Given the strategic importance of these sectors in a host of Manufacturing and Agricultural value-chains, it is essential that Government act decisively to preserve the jobs and contribution to economic growth of these sectors. In order to mitigate the impact of disruptive and sometimes unfair trade practices, **the dti** will deploy the full array of policy tools available to it including the use of local procurement regulations, investment incentives, B-BBEE Codes and Charters, as well as trade policy measures.

South Africa's exposure to slowing export markets in the United States, China and Europe has been mitigated by domestic firms' strong exports to the African continent, due in large part to the improved market access and business relations secured through the Southern African Development Community and Tri-partite Free Trade Area agreements. In the coming year, we will seek to agree the legal framework for the Continental-Free Trade Area bringing together

54 African countries economic, trade and development opportunities and challenges.

To ensure that domestic firms are able to convert market access into actual exports and investment in Africa, **the dti** established Trade Invest Africa to lead our efforts to facilitate exports and investment to Africa across all sectors including Services, while also developing source markets for South Africa's import demand. Work is underway to ensure that Trade Invest Africa is a fully-fledged Division of **the dti**.

South Africa will continue to play a role in the World Trade Organisation and BRICS to ensure that developing country issues receive adequate attention and to consolidate the progress made in setting up BRICS structures such as the Development Bank.

South Africa's stubbornly high unemployment rate and worsening levels of inequality, requires us to prioritise the development of stronger interventions to support job-rich economic growth. These interventions will include additional support to labour-intensive sectors such as Agro-processing, Auto components, and Clothing and Textiles, with funding of approximately R1bn earmarked for the Agro-processing value-chain. In addition, our Special Economic Zones will be used to encourage foreign and domestic investment to assist Government to achieve our economic policy objectives. The next iteration of the Industrial Policy Action Plan will provide further details on our drive to re-industrialise South Africa.

The Black Industrialists programme is an integral part of the Industrial Policy Action Plan and is designed to accelerate transformation in the Manufacturing and related sectors. The programme provides a comprehensive package of financial and non-financial support to black entrepreneurs who meet set criteria including the need for the entrepreneur to provide a portion of 'matching' funding himself/herself.

In the coming year, the department will also assess a broader array of interventions to crowd-in public and private-sector investment in townships so as to create more jobs in areas of deep unemployment. This includes the current

programme to revitalise local industrial parks, which will be sustained in the coming year. In addition, **the dti** will assess the policy and programme options to introduce facilities in townships where IT-related services, repairs and training could be provided.

These interventions represent an ambitious programme of work for **the dti** and are designed to address South Africa's triple challenges of poverty, inequality and unemployment.

The Annual Performance Plan (APP) 2017-2020, which was prepared through consultation with management, is hereby submitted in accordance with the National Treasury Framework on Strategic and Annual Performance Plans.



Dr Rob Davies, MP

Minister of Trade and Industry

4. Overview by the Director-General

The Annual Performance Plan 2017-2020 which was prepared through consultation with management is hereby submitted in accordance with the National Treasury Framework on Strategic and Annual Performance Plans.



Mr Lionel October

Director-General



5. Official sign-off

It is hereby certified that this Annual Performance Plan:

- Was developed by the management of the Department of Trade and Industry (**the dti**) under the guidance of Minister Dr Rob Davies (MP);
- Was prepared in line with the current strategic plan of **the dti**; and
- Accurately reflects the performance targets which the **the dti** will endeavour to achieve given the resources made available in the budget for 2017-2019.



Mr Shabeer Khan
Chief Financial Officer

A handwritten signature in black ink, appearing to read 'S. Khan'.



Ms Jodi Scholtz
Group Chief Operating Officer

A handwritten signature in black ink, appearing to read 'J. Scholtz'.

Approved by



Mr Lionel October
Accounting Officer

A handwritten signature in black ink, appearing to read 'L. October'.



Minister Dr Rob Davies, MP
Executive authority

A handwritten signature in black ink, appearing to read 'R. Davies'.

Part A

Strategic overview



Vision

A dynamic industrial, globally competitive South African economy, characterised by inclusive growth and development, decent employment and equity, built on the full potential of all citizens.

Mission

the dti's mission is to:

- Promote structural transformation, towards a dynamic industrial and globally competitive economy;
- Provide a predictable, competitive, equitable and socially responsible environment, conducive to investment, trade and enterprise development;
- Broaden participation in the economy to strengthen economic development; and
- Continually improve the skills and capabilities of **the dti** to effectively deliver on its mandate and respond to the needs of South Africa's economic citizens.

Values

the dti's values are:

- Operational excellence – service delivery standards, international best practice, Batho Pele Principles, continuous improvement and ethical conduct
- Intellectual excellence – continuous shared learning, innovation, relevant knowledge and skills improvement and knowledge management
- Quality relationships – improved and continuous communication, honesty, respect, integrity, transparency, professionalism, ownership, leadership and teamwork

Strategic outcome-oriented goals

- Facilitate the transformation of the economy to promote industrial development, investment, competitiveness and employment creation;
- Build mutually beneficial regional and global relations to advance South Africa's trade, industrial policy and economic development objectives;
- Facilitate broad-based economic participation through targeted interventions to achieve more inclusive growth;
- Create a fair regulatory environment that enables investment, trade and enterprise development in an equitable and socially responsible manner; and
- Promote a professional, ethical, dynamic, competitive and customer-focused working environment that ensures effective and efficient service delivery.

Strategic objectives

- Grow the manufacturing sector to promote industrial development, job creation, investment and exports
- Improved conditions for consumers, artists and opening up of markets for new patents players
- Strengthened capacity to deliver on **the dti** mandate.

Alignment to the National Development Plan and Medium-term Strategic Framework

The NDP is being implemented through 5-year implementation plans which have been consolidated into the 14 Outcomes of the MTSF 2014-19.

The work of **the dti** is primarily reflected in Outcome 4: Decent employment through inclusive economic growth and Outcome 11: Create a better South Africa and contribute to a better and safer Africa and World.

The APP has been crafted so as to align with the MTSF and is designed to ensure that **the dti** meets its Outcome objectives by 2019. The APP activities listed herein consequently represent the cumulating progress towards achieving the MTSF objectives.

6. Updated situational analysis

6.1 Economic context

World GDP growth outlook

Global economic growth is estimated to have slowed to just 2% in 2016, the slowest rate of growth since the onset of the Global Financial Crisis. However, according to the International Monetary Fund's (IMF) World Economic Outlook (WEO) published in January 2017, global growth is forecast to accelerate to 3.4% in 2017 and 3.6% in 2018.

These projections do carry significant downside risks including:

- a possible shift toward inward-looking policy platforms and protectionism associated with the incoming administration in the United States (US);
- a sharper than expected tightening in global financial conditions that could interact with balance sheet weaknesses in parts of the euro area and in some emerging market economies;
- increased geopolitical tensions; and
- a more severe slowdown in China.

While the risks are viewed as being to the downside, there are some potential tail winds. These include the possible acceleration of global activity if policy stimulus turns out to be larger than currently projected in the US and/or China; and a firming of oil prices following the agreement among the Organisation of the Petroleum Exporting Countries (OPEC) members and several other major producers to limit supply.

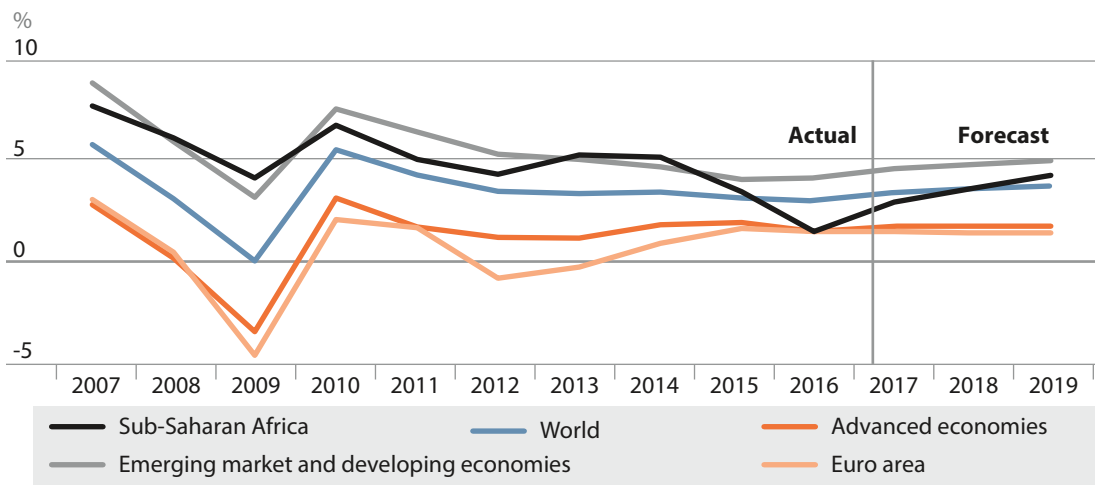
Among advanced economies and in the US, economic activity rebounded strongly after a weak first half of 2016, and the economy is approaching full employment. Despite this rebound, economic growth in advanced economies is estimated to decelerate from 2.1 per cent in 2015 to 1.6 per cent in 2016. It is projected to increase by 0.3 percentage points to 1.9 per cent in 2017 and by a 0.1 percentage point to 2.0 per cent in 2018.

The picture for emerging market and developing economies (EMDEs) remains diverse with commodity-producing countries experiencing domestic and external head winds. Supported by continued policy stimulus, the growth rate in China was stronger than expected. India on the other hand is expected to shrink due to cash shortages and payment disruptions. However, economic activity was weaker than expected in some countries, such as Argentina, Russia and Brazil that are currently in recession. It is expected that EMDEs will account for over 70 per cent of global growth, and growth is expected to reach 4.5% in 2017 and 4.8% in 2018.

Economic growth in Sub-Saharan Africa (SSA) is estimated to have slowed to 1.6 per cent in 2016 due to weak commodity, including oil, prices. Nigeria is currently in recession whilst Angola is registering zero growth due to the low oil price. Most countries in SSA are expected to see a gradual lift-off, driven by the infrastructure programmes in the continent, as outlined in the African Union Agenda 2063 commitments. Consequently, SSA is projected to grow by 2.8% in 2017 and by 3.7% in 2018.

In the euro area, output remains well below potential, according to the January 2017 WEO update. It is projected to grow by a very modest 1.6% in 2017 and 2018.

Global GDP growth rates (selected regions)



Source: IMF (data); *the dti* (graph)

Domestic economic context: South Africa’s economic growth outlook

The South African economy is struggling to return to its pre global financial crisis growth levels. The economy has been affected by weaker global demand compounded by domestic challenges - declining infrastructure investment, rising unemployment and skills that are inadequate for the modern economy. The end of the ‘commodity super-cycle’ is one of the major factors that has negatively affected the

domestic economy. South Africa is not alone in this terrain; other commodity exporting countries such as Brazil and Russia have also been hit hard by low commodity prices leading them into recession. The global steel glut added to the challenges that the world economy has faced recently. The steel industry has been particularly hard hit by oversupply and massive installed capacity in China which has led to a number of countries deploying a range of measures to protect steel production capacity.

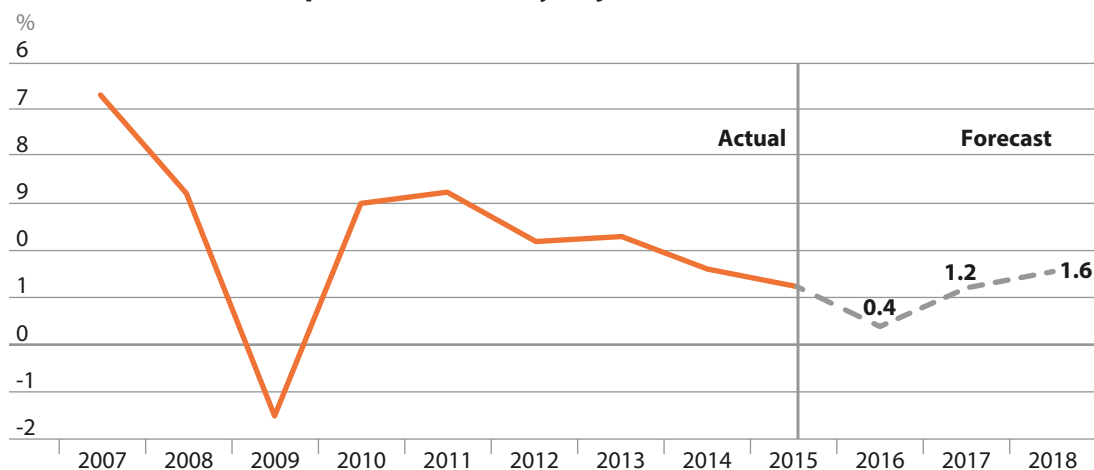
On the domestic front, the productive sectors – Mining, Manufacturing and Agriculture – have not been growing fast enough to create the large numbers of jobs required to reduce the unemployment rate.

Domestic growth has been on a steady decline since 2013, with estimated growth of just 0.4% in 2016 but improving to 1.4% in 2017. The projected output growth rates are informed by weak domestic economic conditions as well as subdued global growth. The average growth rate recorded since 2014 as well as the projections for the next two years are well below the 5% target articulated in the National Development Plan.

The prolonged drought conditions which prevailed from 2014 to the third quarter of 2016 began to taper off in the fourth quarter of 2016 as rainfall brought new hope to the South African economy. However, the impact of the rainfall will take a few months before it can break the El Nino spell that threatened the production of crops and sustenance of livestock. The shrinking output, as a result of the declining agricultural sector over the last seven quarters ending in the third quarter of 2016, is likely to be reversed from the fourth quarter of 2016.

The services sector comprising of trade, catering and accommodation; Transport, storage and communication; Finance, real estate and business services; General government services and Personal services subsectors have over the period grown by 2.4% on average, thus anchoring growth in the South African economy.

GDP (constant 2010 prices, seasonally adjusted and annualised)



Source: IMF (data); *the dti* (graph)

Gross value added by the productive sectors

The three productive sectors (agriculture, manufacturing and mining) have consistently maintained the same contribution to Gross Value Added (GVA) beginning from the third quarter of 2015 until the third quarter 2016, with agriculture making up approximately 2 per cent of GVA, mining 8 per cent and manufacturing 14 per cent.

Over this period, the agricultural sector grew by 0.6 per cent on average. The worst contraction in

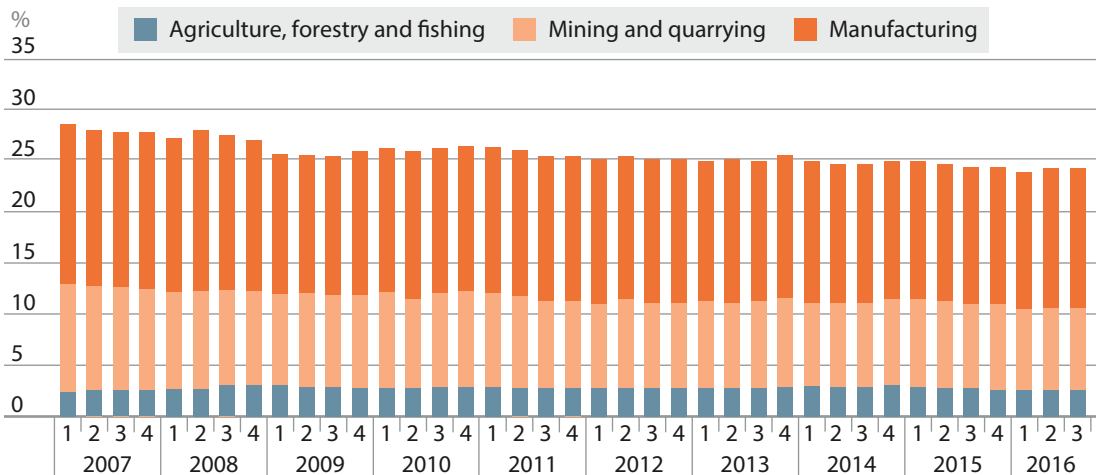
the agricultural sector was recorded during the second quarter of 2015, at a negative (-) 20.4 per cent. Notwithstanding, the negative growth in the subsequent five quarters – as a result of the severe drought – the sector has begun to stabilise and its contraction had slowed to (-) 0.3 per cent in the third quarter of 2016.

The mining sector’s share of GVA has declined from 11 per cent in 2010 to 8 per cent in 2015. This emanates from the falling international commodity prices and lower demand as the global economic growth faltered at the end of the commodity super-cycle. The bulk of the mining output is destined for the export market which is highly unpredictable and is subject to external market and non-market influences.

The manufacturing sector has the largest share to total output out of the three productive sectors, accounting for approximately 14 per cent of total GVA in the third quarter of 2016. The manufacturing sector’s performance has been heavily influenced by the poor performance of the mining sector, due to the strong linkages that exist between the two sectors.

The lower commodity prices and slow growth among major trading partners has limited South Africa’s export growth as economic activity slowed in China and remained fragile in SA’s traditional export market of Europe.

Gross value added by productive sectors (constant 2010 prices seasonally adjusted)



Source: IMF (data); *the dti* (graph)

In an effort to address the crisis in the steel industry, government established a task team to develop a comprehensive government response to save the industry. It will be critical to implement the proposals made by the task team. The steel industry remains a strategic domestic production sector, accounting for about 190 000 jobs. It also has strong forward linkages with other sectors such as autos, construction, metal fabrication, engineering and mining sectors which will obviously benefit from its turn around.

Business and consumer confidence

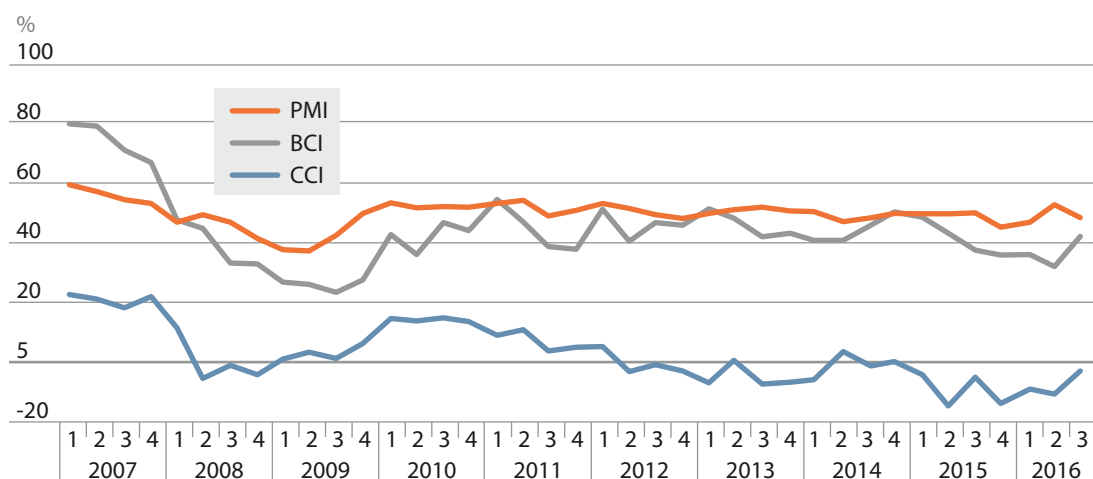
After falling for six consecutive quarters, the RMB/BER Business Confidence Index (BCI) rose by 10 points to 42 in the third quarter of 2016 but was still below the 50 index points threshold. Some factors specific to the survey period which boosted sentiment were the stronger currency; a lower petrol price; lower inflation

which may result in the likelihood of interest rate reductions; as well as the successful conclusion of the local government elections; and improved business conditions such as rising business activity and profitability.

In the third quarter of 2016 the Purchasing Managers' Index (PMI) came in below the 50-point mark, indicating a slow growth in manufacturing performance. Four out of the five main PMI subcomponents increased in the third quarter. Business activity and suppliers' performance indices came in above 50 points. The new sales orders index continued to point to subdued demand. In contrast, the inventories index ticked higher and edged up the level of the new sales orders index.

Boosting business confidence is critical for economic growth and investment attraction. In this regard, **the dti** established Invest SA, a One-Stop-Shop to fast track, unblock and reduce red-tape for investors. Invest SA is supported by an Inter-Ministerial Committee chaired by the President.

Purchasing Manager's Index, Business Confidence Index and Consumer Confidence Index

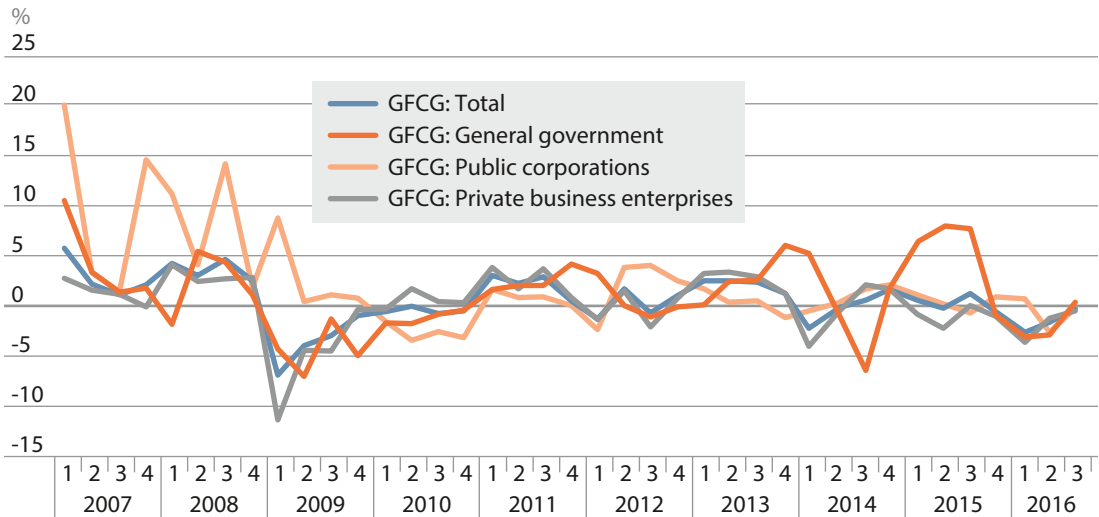


Source: BER (data); **the dti** (graph)

Gross fixed capital formation

The growth rates of total gross fixed capital formation (GFCF) and its three major categories (General government; Public corporations; and Private business enterprises), were in the negative territory in the second quarter of 2016. However, in the third quarter of 2016, even though still in the negative region, the growth rates improved mildly from (-)1.7 per cent (q/q) in the second quarter to (-)0.3 per cent in the third quarter; Public corporations improved from (-)2.7 per cent to (-)0.3 per cent; and Private business enterprises recovered from (-)1.1 per cent to (-)0.4 per cent in the same period. Only GFCF by General government strengthened significantly, from (-)2.9 per cent in the second quarter of 2016 to 0.4 per cent in the third quarter, as Government's public infrastructure investment drive continued.

GFCF by organisation (q/q growth rate) constant 2010 prices



Source: SARB (data); *the dti* (graph)

Foreign Direct Investment inflows to South Africa

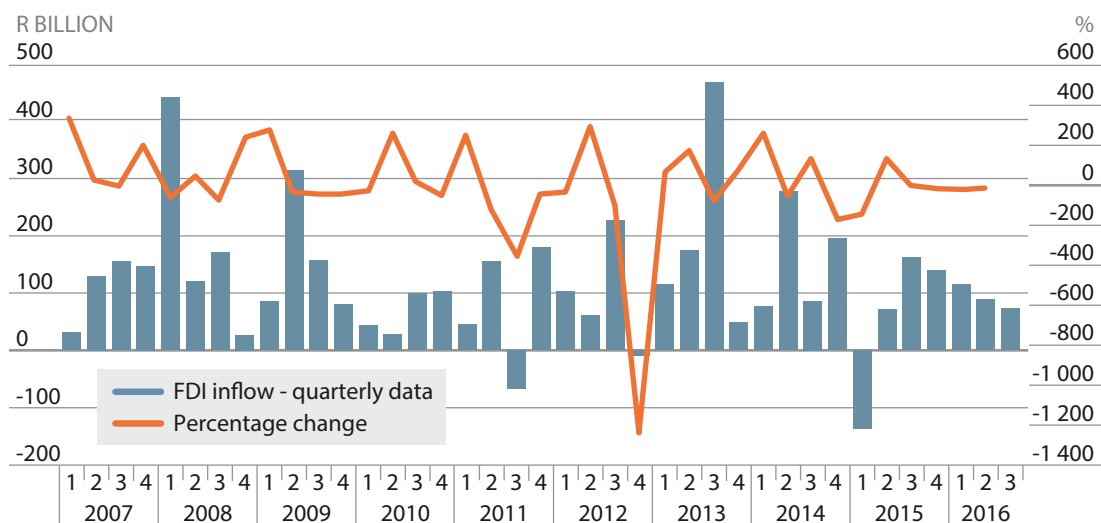
In 2015, FDI flows to Africa receded by US\$54 billion, a decline of 7 per cent from the previous year. Low commodity prices have depressed FDI inflows to Africa, although inflows to Africa are expected to increase moderately in 2016 due to structural reforms and improving commodity prices (UNCTAD: World Investment Report, 2016).

South Africa's foreign direct investment liabilities (FDI inflows) remained positive in the third quarter of 2016. Foreign investors acquired direct investment assets to the value of R7.0 billion in the third quarter of 2016, having injected R8.6 billion of investment in the second quarter. Nonetheless, the inflow of capital was predominantly in the form of loans extended by foreign parent companies to their South African subsidiaries, thereby confirming a new global trend towards the financialisation of FDI after the GFC of 2008. A few of the non-financial FDI projects attracted to South Africa in 2016 included the following:

- Monsanto South Africa, an agricultural product company, and a subsidiary of US-based Monsanto, has invested R15 million to expand its breeding centre in the Petit area of Benoni. (Source: Engineering News, September 2016).
- 3M South Africa, a diversified technology firm and subsidiary of US-based 3M, plans to invest approximately R120m (US\$7.11 million) in its existing facility in the Pomona area of Kempton Park, South Africa. The expansion will create 75 new jobs and will manufacture films for the local automotive market. (Source: FT FDI Markets, January 2017).
- South Korea-based Korea Electric Power, an electricity company, plans to build and operate an approximately R30 billion (US\$2.14 billion) coal-fired power plant as part of a consortium in Limpopo, South Africa. The construction of the 630 megawatt facility will launch in April 2017, with commercial operations scheduled to launch in August 2021. It will supply power to Eskom Holdings. (Source: FT FDI Markets, January 2017).
- Cipla's SA biotech subsidiary will invest R1.3 billion into a new factory in KwaZulu-Natal to produce biosimilars. Construction is scheduled to start in early 2017, with full operations expected to commence in the third quarter of 2018. At full capacity, the facility is expected to create up to 300 jobs (up to 180 high skilled jobs and 120 indirect jobs), primarily in the engineering and biological science fields. (Source: *the dti*, October 2016).

South African enterprises continued to acquire foreign direct investment assets in the third quarter of 2016, but at a reduced pace. The value of foreign assets acquired by domestic entities amounted to R6.5 billion in the second quarter of 2016 and R1.4 billion in the third quarter. The acquisition of foreign assets by South African companies is beneficial to the country's balance of payment (BOP) account in the long run as streams of income flow back to the country.

FDI inflows to South Africa



Source: SARB (data); *the dti* (graph)

Employment

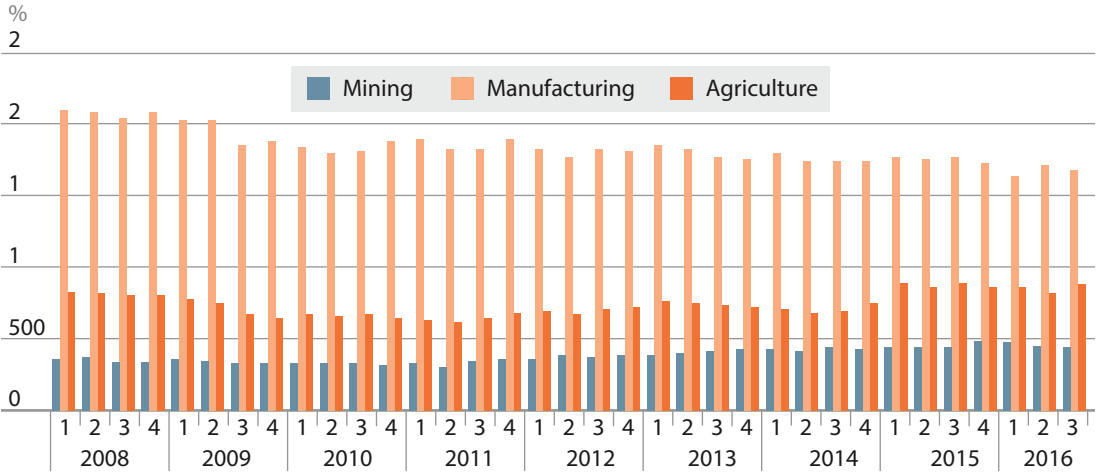
The South African economy registered job losses in the first and second quarters of 2016. However, employment growth returned in quarter 3 of 2016 with almost 300,000 net new jobs created.

Manufacturing employment decreased by 28,000 jobs or (-) 1.7 per cent between the third quarter of 2016 and the second quarter of 2016.

Agricultural employment increased by 56,000 jobs in the third quarter of 2016 compared to the second quarter, employment in agriculture increased by 56 000 jobs (q/q), but declined by 16 000 (y/y). The drought that caused widespread damage to crops and livestock herds resulting in South Africa being the net importer of corn for the first time since 2008, led to the decrease in employment (y/y) as farmers scaled down on farm workers.

The mining sector lost 9 000 and 8 000 jobs (q/q) and (y/y), respectively in the third quarter of 2016. External pressures such as plummeting commodity prices and weak global demand impacted severely on the sector.

Sector employment: QLFS



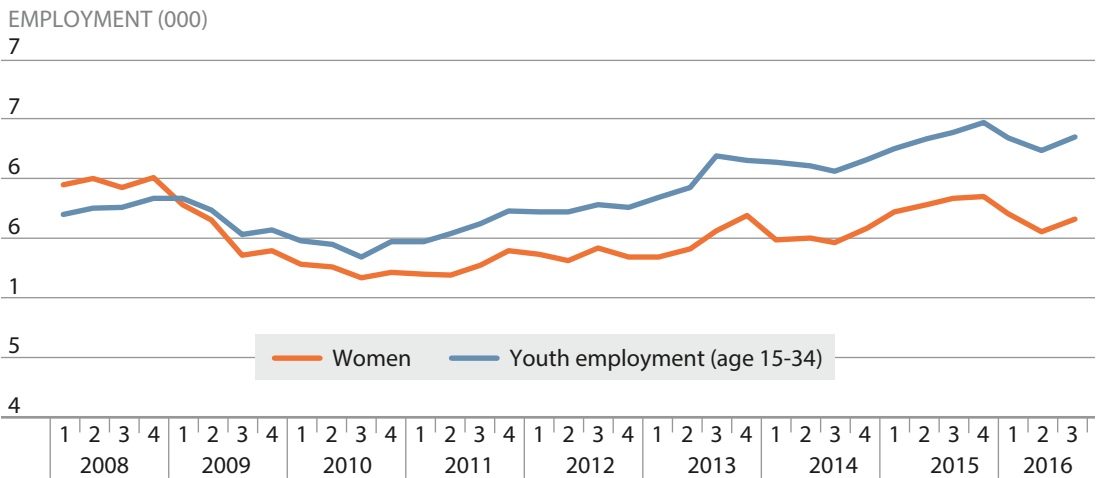
Source: Stats SA (data); *the dti* (graph)

Women and youth employment

From the first quarter of 2008 to the third quarter of 2016, women employment gradually increased from 6.2 million to 6.8 million. In the third quarter of 2016, women employment grew by 1.8 per cent (q/q) however declined by 0.6 per cent (y/y).

Youth employment expanded by 1.7 per cent, to 6.2 million from 6 million jobs, however it decreased by 3 per cent (y/y) The lowest figure registered in youth employment was 5.7 million in third quarter of 2010, and thereafter gradually increased to 6.2 million in third quarter of 2016.

Women and Youth: QLFS



Source: Stats SA (data); *the dti* (graph)

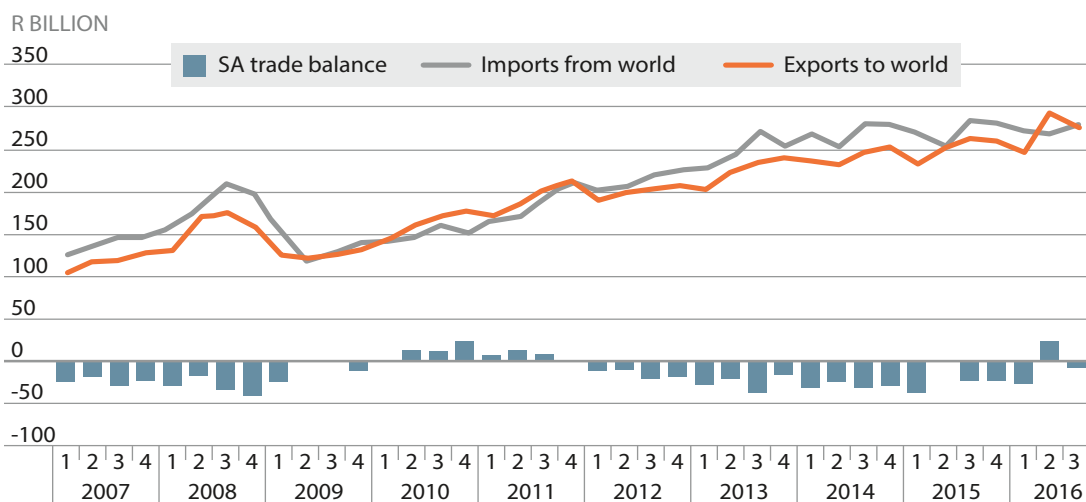
South Africa's trade with the world

South Africa's total exports to the world softened by almost 6 per cent (R18 billion) from R293 billion in the second quarter of 2016 to R275 billion in the third quarter of 2016. This was mainly due to weak demand for commodities from the manufacturing and mining & quarrying sectors. However, on a year-on-year (y/y) basis, South Africa experienced export growth of almost 5 per cent, an additional export value of R12 billion from R263 billion in the second quarter of 2015 to R275 billion in the third quarter of 2016.

South Africa's imports from the world grew by almost 4 per cent to reach R281 billion in the third quarter of 2016. The growth in imports was bolstered by high demand for manufactured goods. Manufacturing subsectors that registered the highest import growth rates were as follows: Food, beverages and tobacco (13.9 per cent); Textile, clothing and leather goods (12 per cent); Petroleum products, chemicals, rubber and plastics (6.8 per cent); Metals, metal products, machinery and equipment (0.6 per cent).

The trade balance reverted back to negative territory at R6.1 billion in the third quarter of 2016, from a R22 billion surplus in the previous quarter.

South Africa's trade with the world



Source: Quantec (data); *the dti* (graph)

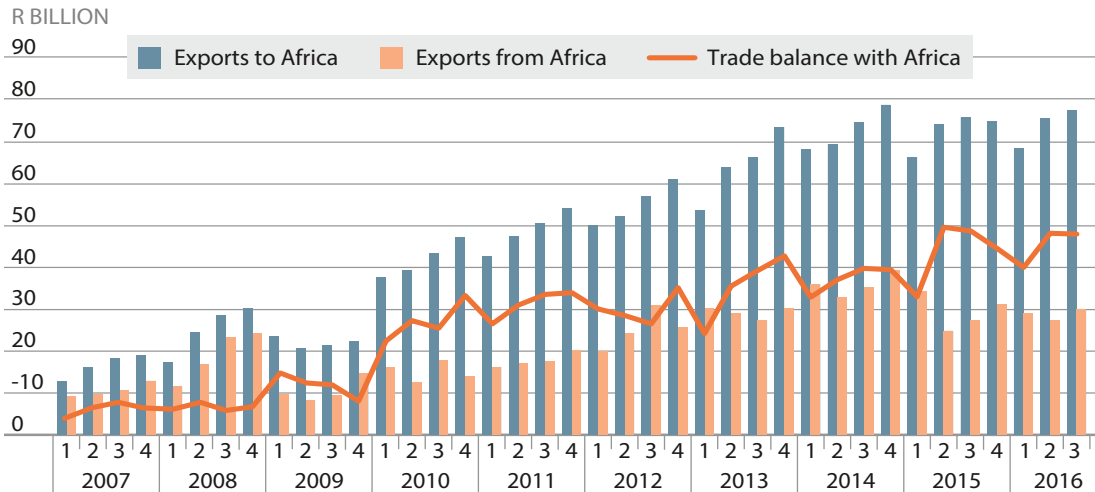
South Africa's trade with Africa

Never before has South Africa put so much emphasis on the importance of exports to the African continent as has been the case in recent years.

Exports to Africa have been growing for the past two consecutive quarters of 2016, increasing by R2 billion (3 per cent) from R75 billion in the second quarter of 2016 to R77 billion in the third quarter of 2016. Approximately 83 per cent of South Africa's total exports were manufactured goods and 11 per cent mining related commodities. SADC is South Africa's biggest export market in Africa accounting for 87 per cent of South Africa's manufactured exports to Africa.

Imports from Africa have also increased by almost 11 per cent reaching approximately R30 billion in the third quarter of 2016, from R27 billion in the third quarter of 2015. The trade surplus with Africa narrowed by R580 million in the third quarter of 2016 to R47.5 billion from R48.1 billion in the second quarter of 2016. This was largely driven by a fall in exports of manufactured commodities to Africa by 1.7 per cent. The South Africa's trade surplus with Africa is mainly ascribed to SADC, demanding almost 80 per cent of the exported goods to Africa.

South Africa's trade with Africa



Source: Quantec (data); *the dti* (graph)

Despite the domestic and global economic challenges outlined in this section, government is committed to stimulate and grow the SA economy. The NDP and MTSF provide the strategic frameworks within which *the dti* operates while the APP identifies the critical actions and projects to be undertaken by the department to contribute to meeting the objectives of the MTSF.

6.2 Performance delivery environment

the dti works to support a diversified and growing manufacturing sector; in so doing it seeks to raise the competitiveness, grow exports, retain and grow jobs and build the economic linkages between the manufacturing sector and other production and services sectors of the economy.

The work is framed by the Industrial Policy Action Plan (IPAP) which is produced and published for the Economic Sectors, Employment and Infrastructure Development Cluster (ESEIDC). Work in support of the manufacturing sector supports the broader work falling under Outcome 4 of the national government.

The IPAP is framed by the National Industrial Policy Framework (NIPF) and it is aligned to the broad vision and long term goals set out in the National Development Plan (NDP). The IPAP is aligned to the Medium Term Expenditure Framework (MTEF) and the Medium Term Strategic Framework (MTSF) of government. The IPAP is intended to deepen industrial policy and tools with particular emphasis on oceans economy and renewable energy.

The department will seek to achieve a higher impact industrial policy. This effort will seek to build on the policy platforms and achievements of the recent period in sectors such as automotives and clothing, textiles, leather and footwear (CTFL) and business process services (BPS).

the dti seeks to build on the significant advances with respect to the implementation of procurement localisation to raise aggregate domestic demand and support the domestic manufacturing sector through instruments such as Designations for local procurement, the Competitive Supplier Development Programme (CSDP) and the National Industrial Participation Programme (NIPP).

the dti aims to contribute to increasing South Africa's exporter base and promoting trade, by developing a sustainable long term competitive market positioning and international profile for the country. In this regard a compact and more nuanced Integrated National Export Strategy (INES). INES was launched in March 2016, which covers a basket of interventions at the macro and micro levels of export development and promotion. The reviewed INES focuses on four pillars which include;- the enabling environment and global competitiveness, increasing the demand for South African goods and

services through market diversification, broadening the exporter base through the National Exporter Development Programme (NEDP) and strengthening strategic export promotion mechanisms through enhancing South Africa's value-proposition. Further to this, the INES has been anchored on the mandate of promoting exports of value added goods and services, within the IPAP priority sectors.

The implementation of the INES has been undertaken in tandem with the strategic actions of IPAP, thereby aligning export development and promotion activities and incentives with IPAP strategic sectors, as competitive measures to enhance industrial productive capabilities which translates to international competitiveness for exporters. **the dti** intends developing concerted export development and promotion support packages for companies housed within the Special Economic Zones and Industrial Parks. Hence, the strategy strives to achieve export promoting industrialization supported by export-oriented FDI on the one hand and conversely, import substitution through the localisation programme in order to support economic growth on the other.

A recent review of regional target markets necessitates that South Africa also leverage its unique value propositions in order to retain or improve current trade in the identified target markets such as Asia, Africa and the Middle East where distinct capabilities in technology and skills transfer, high technology solutions, agro-processing and supply capabilities have been proven. Additionally, South Africa's value position is unique in that its proximity to African and Middle Eastern markets is uncontested and that it is the only African country with a sustained and effective membership to BRICS as well as the leveraging of trade agreements to which it is a signatory. These elements of a value proposition continue to be teased out in order to maintain South Africa's lead position as a supplier of choice in several emerging high growth markets while increasing its share of high-value exports and locally manufactured products in markets where it is currently less than optimal. In support of this approach, the department is currently conducting a study towards the elaboration of a services export strategy that is aimed at assisting South African firms to integrate into regional and global supply chains of multi-national firms, by actively promoting subcontracting in power, infrastructure programmes and the built environment.

Additionally, the work of the Export Finance Working Group has highlighted the need to improve access to finance available for exporters. Exporters require restructured and additional financial instruments (with clear evaluation criteria) that support increases in export volumes, product diversification and market diversification.

In response to the need for additional financial and insurance support for exporters, **the dti** has tasked the Export Credit Insurance Corporation of South Africa (Pty) Ltd (ECIC) to pursue new approaches and develop innovative offerings in line with an Exim Bank, which will more effectively support investors and exporters. This necessitates a review of the ECIC's enabling legislation which was initiated in 2016 and which will continue in 2017.

Through appropriate insurance and funding products, the ECIC could directly assist South African companies to offer more competitive solutions. Practically this will not only create an environment that assists our companies to secure strategic projects and land additional value-added orders, but also facilitate integration into global value chains and unlock economies of scale in light of South Africa's proximity to regional markets. Furthermore, enhanced ECIC offerings could position South African enterprises to more effectively pursue joint projects and leverage strategic partnerships, including within BRICS.

The changing global and local economic outlook has compelled the review its export promotional strategies in alignment to the prevailing economic conditions which include sluggish growth, a weakening rand, constrained human and financial resources as well as other external factors including drought, infectious diseases and terrorist attacks that will adversely impact South Africa's ability to export. Subsequently the services sector will receive greater prominence through the launch of the services export strategy that is aimed at assisting South African firms to integrate into global supply chains of multi-national firms, by actively promoting subcontracting in power, infrastructure programmes and the built environment. Additionally, the department will continue to support the export of manufactured products in the IPAP sectors as well as other sectors that showcase South Africa's value proposition in traditional markets (North American Free Trade Agreement (NAFTA) and Europe) which include

unique natural ingredients; an unparalleled organic sector, component manufacturing and Resources Equipment and Technology Services (RETS) in Latin America.

The world economy has experienced much dislocation since the onset of the global financial crisis in 2008 and the continuing wave of economic instability owing to the contraction in key markets including China. Output levels in many advanced economies still remain low, while unemployment levels have surged. In previous global downturns, the African Continent has usually been severely affected, however not this time around. According to the World Bank 2015 Report, 7 of the 10 fastest growing economies in the world hail from the African continent. Sub-Saharan Africa's growth averaged an impressive 3.9 per cent in 2015 compared to the world average of 2.5%. According to the IMF, despite the slowdown of Africa's biggest economies, the GDP in the region is expected to pick up to an average of 4.4 per cent and 4.8 per cent in 2016 and 2017 respectively. This increase will be driven by domestic demand, supported by continuing infrastructure investment, private consumption fuelled by lower oil prices. External demand is also expected to support growth, because of stronger prospects in high-income economies.

3.9%

**SUB-SAHARAN AFRICA'S GROWTH IN 2015. THE
WORLD AVERAGE FOR THAT YEAR WAS 2.5%**

A recent review of South Africa's regional target markets necessitates that South Africa also leverages its unique value propositions in order to retain or improve current trade in the identified target markets such as Asia, Africa and the Middle East where distinct capabilities in technology and skills transfer, high technology solutions, agro-processing and supply capabilities have been proven. Additionally, South Africa's value position is unique in that its proximity to African and Middle Eastern markets is uncontested and that it is the only African country with a sustained and effective membership to BRICS as well as the leveraging of trade agreements to which it is a signatory. These value proposition elements will be continually teased out in order to maintain South Africa's lead position as a supplier of choice in several emerging high growth markets while increasing its share of export high-value and locally manufactured products in markets where it is currently less than optimal.

To optimise on the former, **the dti** in collaboration with various stakeholders in the export value chain will develop and implement a concerted country-product matrix for its target markets. Additionally, greater emphasis will be placed on supporting large, leading and dynamic entities whilst maintaining support to emerging exporters, small, medium and micro- sized enterprises (SMMEs) and black industrialists at National Pavilions, Trade Missions and Investment and Trade Initiatives.

As part of the INES, **the dti** continues to develop a pool of export ready companies under the National Exporter Development Programme (NEDP), which includes the Global Exporter Passport Programme (GEPP). The GEPP is aimed at developing South Africa's export culture through export awareness and outreach programmes, as well as mobilising established enterprises to become exporters. Similar to previous proposals for Export Villages, special focus will be given to companies located within Special Economic Zones and Industrial Parks for capacity building utilizing a revised GEPP, incorporating an Export Readiness Assessment. International experience has proven that clustering of the export development activities around the SEZ's and Industrial Parks can benefit companies to be ready for export markets. In rolling out the GEPP, **the dti** will partner with the SEZ's and Industrial Parks in providing training to companies located in each of the facilities.

In creating an export culture, **the dti** aims to expand its awareness and engagement campaign around the benefits of an export oriented economy. The campaign will be intensified in direct export workshops as well as the utilisation of new forms of media to increase its reach to South African enterprises including the development of a website that will showcase Proudly South African products and provide for the registration of Non-Tariff Barriers. In addition, a colloquium on enhancing exports will be considered for the 2017/18 financial year.

In support of the department's strategic goals, certain high-level and strategic initiatives for Government will be leveraged in addition to the export promotion and development activities identified.

These strategic engagements include amongst others those related to the BRICS Summit, BRICS Business Council, engagement with the New Development Bank and African Regional Centre for BRICS and the St. Petersburg International Economic Forum (SPIEF), where the department will contribute to profiling South African industries, participating in work programmes and launching projects which advance the country's economic objectives, as well as coordinate the participation of the South African private sector.

The department also manages and administers **the dti**'s foreign office network of 25 foreign economic representatives and 47 locally recruited Marketing Officers covering a footprint of 48 countries. This global footprint also supports the delivery of the Department's key Export and Investment interventions. The department will implement a strategy to adjust the focus of the Foreign Economic Representatives (FERs) towards maximising the budget through covering the areas from a regional perspective. In order to address the current outlook on the global economy, the strategy will also cater for integrated business plans in the regions where **the dti** has a footprint in particular in Africa. Given that the sanctions were lifted against Iran, an FER was transferred and will be supported by a Marketing Officer. Opportunities were identified in Algeria and South Sudan and to that end new offices are being opened to serve these markets.

The department has prioritised the African market as a strategic growth frontier for South African goods and services. The African market is very important for South African producers, particularly for those producing value added products. Almost 29% of South Africa's merchandise exports in 2015 were sold in other African countries. South African entities are also involved across the continent as investors and providers of services. The department has prioritised the pursuance of all opportunities for mutually beneficial trade and investment with other countries on the continent. The department needs to also prepare to move into other new places in regional value chains, particularly as other countries industrialise and seek to enter the space currently occupied by South African products. The department will roll-out the establishment of a new division in **the dti** called Trade Invest Africa. Trade Invest Africa will look at ways in which investment led trade can move South Africa into new supplier arrangements as South Africa cooperates with other countries to promote developmental integration. Trade Invest Africa will also roll out the voluntary Code of Good Business Practice for South African companies operating elsewhere on the continent, to assist in positioning South Africa as a real partner in development.

The implementation of the Broad-Based Black Economic Empowerment Act, 2003 (Act No. 53 of 2003) (B-BBEE Act) including the trumping clause is one of the key priorities of the department in promoting empowerment and equity in the economy. The department is also working on strengthening measures for Broad-Based Black Economic Empowerment, especially in confronting fronting. The relevant B-BBEE regulations will be put in place in the short term to address amongst others these fronting and trumping concerns. The Acting B-BBEE Commissioner was appointed by the Minister effective 1 August 2015 and is responsible for establishment and operationalisation of the B-BBEE Commission within the medium term period.

The department has developed the Black Industrialist Policy as a key part of Government's broad industrialization initiatives to expand the industrial base and inject new entrepreneurial dynamism into the economy. Industrialisation calls for bolder policy interventions on the part of the state to expand the industrial base of the country and grow the economy, as highlighted in the latest iteration of the Industrial Policy Action Plan (IPAP). It is for this reason that the Black Industrialists Programme will focus initially on financial and market access support to approved black industrialists in collaboration with the private sector.

The department is expanding economic opportunities focussed on under-developed and marginalised regions through the revitalisation of the Industrial Parks and Clusters programmes. The objective of the Industrial Parks Programme is to revitalise state-owned industrial parks across the country in order to promote industrialisation and increase their contribution to job creation and the country's

29%
**THE PERCENTAGE OF SOUTH AFRICA'S
 MERCHANDISE EXPORTS THAT WERE SOLD IN
 OTHER AFRICAN COUNTRIES IN 2015**

economic growth. The Industrial Parks Implementation Strategy will be finalised in the 2017/18 financial year. The Cluster Development Programme will be refined and further implemented by providing grants to qualifying companies.

The department also contributes towards transformation of the economy through the planning, development, and management of Special Economic Zones within the legal framework of the Special Economic Zones Act, 2014 (Act no 14 of 2014). The main goal of the Special Economic Zones Programme is to attract both foreign and domestic direct investments in the designated zones and regions; and thereby contribute to building strategic and targeted industrial capabilities to promote industrial development, investment, competitiveness and employment creation. Investments in the Special Economic Zones infrastructure, in turn, should result in increased value added exports from the different regions, as well as creation of the much needed decent jobs. At least one new Special Economic Zone will be designated in the next financial year, 2017/18.

During the 2017/18 financial year the department will finalise six bills in the areas of Liquor, Gambling, Companies and Credit law and regulations in Copyright and Performers Protection.

The department continues to deliver on its mandate and will provide strategic and operational support to the department to ensure effective and efficient management of resources and the management of public entities so as they fulfil their set objectives.

6.3 Organisational environment

Since the beginning of the 2016/17 financial year to date, **the dti** was confronted with a number of challenges as a direct result of the cuts made to the compensation budget. Following the declaration of a number of vacancies as unfunded, the vacancy rate decreased to 4.4% as at 31 December 2016 from 8.9% as at the end of 31 March 2016.

A total of 95 employees were recruited during this period; i.e. 10 new appointments, 67 interns and 18 contract appointments. A moratorium was placed on the filling of posts, with the exception of a few posts in priority areas.

The above constraints have brought about new challenges and risks for the organisation, including capacity constraints in areas with high staff turnover, employment relations challenges relating to additional work and reduced staff morale due to limited opportunities to name a few.

In order to address these challenges, the focus will be on optimising **the dti's** organisational structure to ensure efficient service delivery with minimal resources.

To ensure that the Human Resource Plan is implemented effectively, various initiatives to guarantee the availability of sufficient human resource capacity will be embarked upon. These include:

The redeployment of existing resources to Presidential and Ministerial priority areas such as the B-BBEE Commission, Black Industrialists, Trade Invest Africa, Invest SA, Special Economic Zones (SEZ) and Industrial parks.

The development and implementation of consistent leadership development programmes was identified as priority to ensure consistent behaviour amongst leadership within the Department. The implementation of Leadership Coaching for senior managers within the department was planned as well as providing mentoring (by senior managers to junior female staff).

The design and development of training programmes for the up-skilling of technical expertise internally was prioritised to ensure that the required skills are developed and enhanced.

The cumulative turnover rate of 6.8% remains a target for the duration of this APP. The recorded cumulative turnover rate of 2.5% as at 31 December 2016 and annualised at 5.1% compare favourably with labour trends. The converse of the turnover rate is the retention rate which is at 97.5% as at 31 December 2016. This percentage will decrease during the course of the reporting period. Succession and retention plans will continue to be developed and implemented across the Department.

Various interventions such as the Internship Development Programme will continue. The internship programme remains **the dti's** youth development flagship initiative. During the 2016/17 intake **the**

dti recruited and placed 67 interns to provide opportunities to practical experience in the workplace and enhance their productivity potential. The 2016/17 intern intake has seen approximately 14,000 applications being received, indicating a keen interest in **the dti** as an employer of choice.

The bursary and scholarship programmes are other key interventions that aim to enhance the management and operational capabilities in **the dti**. Due to financial constraints, assistance in terms of bursaries for the 2016/17 financial period will be limited to serving officials of **the dti** to complete their part-time studies.

The design and development of training and development programmes intends to improve technical skills. These include amongst others the various international donor funded opportunities being offered and the Economic Diplomacy Programme

the dti will continue with the implementation of the Management development programmes, which include the Accelerated Development Programme, the Advanced Management Development Programme, the Emerging Management Development Programme, Executive Development Programme, as well as the Project Khaedu Programme as part of the department of Public Service and Administration's Directive on Compulsory Capacity Development and mandatory training days.

A representative workforce remains a priority on the transformation agenda of the Department. Targets such as women in senior management and the employment of people with disabilities are the focal areas. Improvements continue to be made with respect to the appointment of women in senior management positions and their representation stood at 49% as at 31 December 2016. The key challenge going forward will be that the limited vacancies will inhibit progress towards greater representivity, especially in terms of national targets such as 50% women in SMS. Should vacancies in priority areas become available, targeted recruitment in terms of these focus groups may pose an opportunity to improve achieving the department's equity objectives. Various initiatives are in progress to develop the pipeline of middle managers towards their readiness for senior positions that may become available, i.e. women development and mentorship programmes.

The department continues to do well with regard to promoting the appointment of People with Disabilities. The representation was 3.3% as on 31 December 2016. A focal area is to have a fair distribution across all salary levels.

the dti supports a healthy working relationship with organised labour with a view to promote good relations with employees. In terms of grievances, the department noted an increase in the number of grievances that were handled. The department was handling 76 grievances from 1 April 2016 to 31 December 2016 of which 52 are new cases and 24 brought forward from the previous period. The majority of cases revolve around Job Evaluations in terms of Resolution 1 of 2012 and recruitment as well as various other matters. Also emerging is an increase in grievance matters relating to additional work. This is a direct consequence of the hold on the filling of positions due to the reduction of the compensation budget.

6.4 Legislative and other mandates

the dti's work is governed by a broad legislative framework, as outlined on the following pages:

Name of Act	Purpose
Abolition of the Fuel Research Institute and Coal Act, 1983 (Act No. 30 of 1983)	Repeal the Fuel Research Institute and Coal Act, 1963, and provide for the vesting of the assets and liabilities, and the transfer of the employees of the Fuel Research Institute in and to the Council for Scientific and Industrial Research (CSIR).
Accreditation for Conformity Assessment, Calibration and Good Laboratory Practice Act, 2006 (Act No. 19 of 2006)	Provide for an internationally recognised and effective accreditation and monitoring system for the Republic of South Africa by establishing the South African National Accreditation System (SANAS) as a juristic person; to recognise SANAS as the only accreditation body in the Republic of South Africa for the accreditation of conformity assessment and calibration as well as the monitoring of good laboratory practice (GLP).
Alienation of Land Act, 1981 (Act No. 68 of 1981)	Regulate the alienation of land in certain circumstances and to provide for matters connected therewith.
Broad-Based Black Economic Empowerment Act, 2003 (Act No. 53 of 2003)	Establish a legislative framework for the promotion of black economic empowerment (BEE); empower the Minister to issue codes of good practice and publish transformation charters; establish the B-BBEE Advisory Council; and provide for matters connected therewith.
Companies Act, 2008 (Act No. 71 of 2008)	Provide a new legislative framework for the incorporation, registration and management of companies; establish a Companies and Intellectual Property Commission (CIPC) and CT; and provide for matters connected therewith.
Consumer Protection Act, 2008 (Act No. 68 of 2008)	Promote a fair, accessible and sustainable marketplace for consumer products and services, and for that purpose to establish national norms and standards relating to consumer protection; provide for improved standards of consumer information; prohibit certain unfair marketing and business practices; promote responsible consumer behaviour; promote a consistent legislative and enforcement framework relating to consumer transactions and agreements; establish the National Consumer Commission (NCC); and repeal certain laws.
Convention on Agency in the International Sale of Goods Act, 1986 (Act No. 4 of 1986)	Provide for the application in the Republic of South Africa of the Convention on Agency in the International Sale of Goods adopted by the United Nations International Institute for the Unification of Private Law.
Copyright Act, 1978 (Act No. 98 of 1978)	Regulate copyright in respect of, among other things, artistic works, dramatic works, computer programs, and musical and literary works.
Counterfeit Goods Act, 1997 (Act No. 37 of 1997)	Strengthen prohibitions on trade in counterfeit goods; confer powers on inspectors and the police to enter and search premises, with and without a warrant; and confer powers on customs and excise to seize and detain suspected counterfeit goods.
Designs Act, 1993 (Act No. 195 of 1993)	Consolidate the law relating to designs; provide for the registration of designs; and delineate the rights pertaining thereto.
Export Credit and Foreign Investments Insurance Act, 1957 (Act No. 78 of 1957)	Establish the Export Credit Insurance Corporation and promote trade with countries outside the Republic of South Africa by providing for the insurance, on behalf of the Government of the Republic of South Africa, of contracts in connection with export transactions, investments and loans or similar facilities connected with such transactions.

Name of Act	Purpose
Expropriation (Establishment of Undertakings) Act, 1951 (Act No. 39 of 1951)	Provide for the expropriation of land and the taking of the right to use land temporarily for or in connection with the objects or undertakings of national importance.
Housing Development Schemes for Retired Persons Act, 1988 (Act No. 65 of 1988)	Regulate the alienation of certain interests in housing development schemes for retired persons, and provide for matters connected therewith.
Intellectual Property Laws Rationalisation Act, 1996 (Act No. 107 of 1996)	Provide for the integration of intellectual property rights subsisting in the former homelands (Transkei, Bophuthatswana, Venda and Ciskei) into the national system; extend South African intellectual property rights legislation throughout the Republic of South Africa; and repeal certain intellectual property laws.
International Convention for Safe Containers Act, 1985 (Act No. 11 of 1985)	Provide for the application in the Republic of South Africa of the International Convention for Safe Containers so as to maintain a high level of safety of human life in the handling, stockpiling and transporting of containers.
Legal Metrology Act, 2014 (Act No. 9 of 2014)	Provide for the administration and maintenance of legal metrology technical regulations in order to promote fair trade and protect public health and safety and the environment; and provide for matters connected therewith.
Liquor Act, 2003 (Act No. 59 of 2003)	Establish national norms and standards to maintain economic unity within the liquor industry; provide for essential national standards and minimum standards required for the rendering of services; provide for measures to promote cooperative governance in the area of liquor regulation; and provide for matters connected therewith.
Lotteries Act, 1997 (Act No. 57 of 1997)	Establish a National Lotteries Commission (NLC), and regulate and prohibit lotteries and sports pools.
Manufacturing Development Act, 1993 (Act No. 187 of 1993)	Establish the Manufacturing Development Board; provide for the establishment of programmes for manufacturing development; and provide for matters incidental thereto.
Measurement Units and Measurement Standards Act, 2006 (Act No. 18 of 2006)	Provide for the use of the measurement units of the International System of Units; provide for the designation, keeping and maintenance of national measurement units and standards; provide for the establishment and functions of the National Metrology Institute of South Africa (NMISA); and provide for the repeal of certain laws.
Merchandise Marks Act, 1941 (Act No. 17 of 1941)	Make provision concerning the marking of merchandise and of coverings in or with which merchandise is sold, and the use of certain words and emblems in connection with business.
National Building Regulations and Building Standards Act, 1977 (Act No. 103 of 1977)	Provide for the promotion of uniformity in the law relating to the erection of buildings in the areas of jurisdiction of local authorities and for the prescribing of building standards.

Name of Act	Purpose
National Credit Act, 2005 (Act No. 34 of 2005)	Establish the National Credit Regulator and National Consumer Tribunal and promote a fair and non-discriminatory marketplace for access to consumer credit, and for that purpose provide for the general regulation of consumer credit and improved standards of consumer information.
National Empowerment Fund Act, 1998 (Act No. 105 of 1998)	Establish a trust for the promotion and facilitation of ownership of income-generating assets by historically disadvantaged persons; set out the objects of the trust; provide for the powers, appointment and mode of operation of the trustees; provide for the establishment of other investment entities for the attainment of the objects; provide for the powers of the Minister to give implementation directives; provide for the sale of shares in state-owned commercial enterprises at a discount to the trust or by the trust to the beneficiaries; provide for the control of the financial affairs of the trust; provide for the establishment of an investment holding company by the trust; provide for the promulgation of regulations; provide for the dissolution of the trust; and provide for other incidental matters.
National Gambling Act, 2004 (Act No. 7 of 2004)	Provide for the coordination of concurrent national and provincial legislative competence over matters relating to casinos, racing, gambling and wagering; provide for the continued regulation of those matters, and for that purpose establish certain uniform norms and standards applicable to national and provincial regulation and the licensing of certain gambling activities; provide for the creation of additional uniform norms and standards applicable throughout the Republic of South Africa; retain the National Gambling Board; establish the National Gambling Policy Council; repeal the National Gambling Act, 1996; and provide for matters incidental thereto.
National Regulator for Compulsory Specifications Act, 2008 (Act No. 5 of 2008)	Provide for the administration and maintenance of compulsory specifications in the interest of public safety, health and environmental protection; and provide for the establishment of the National Regulator for Compulsory Specifications (NRCS).
National Supplies Procurement Act, 1974 (Act No. 89 of 1974)	Empower the responsible Minister to manufacture, produce, acquire, hire or import goods; acquire, hire or supply services; exercise control over goods and services, and the manufacture, production, processing and treating of goods; and provide for the establishment and administration of a National Supplies Procurement Fund.
Non-Proliferation of Weapons of Mass Destruction Act, 1993 (Act No. 87 of 1993)	Provide for control over weapons of mass destruction and establish a council to control and manage matters relating to the proliferation of such weapons in the Republic of South Africa; determine its objectives and functions; and prescribe the manner in which it is to be managed and controlled.
Patents Act, 1978 (Act No. 57 of 1978)	Provide for the registration and granting of letters, patents for inventions, and for the rights of a patentee.
Performers' Protection Act, 1967 (Act No. 11 of 1967)	Provide for the protection of the rights of performers of literary and artistic works.

Name of Act	Purpose
Property Time-Sharing Control Act, 1983 (Act No. 75 of 1983)	Regulate the alienation of time-sharing interests pursuant to property time-sharing schemes.
Protection of Businesses Act, 1978 (Act No. 99 of 1978)	Restrict the enforcement in the Republic of South Africa of certain foreign judgments, orders, directions, arbitration awards and letters of request; and prohibit the furnishing of information relating to businesses in compliance with foreign orders, directions or letters of request.
Protection of Investment Act, 2015 (Act No. 22 of 2015) [Assented to by the President on 15 December 2015 but has not yet commenced]	Provide for the protection of investors and their investments; achieve a balance of rights and obligations that apply to all investors; and provide for matters connected therewith.
Rationalisation of Corporate Laws Act, 1996 (Act No. 45 of 1996)	Provide that certain corporate laws shall apply throughout the Republic of South Africa; repeal certain corporate laws; and provide for the retrospective incorporation of certain putative close corporations.
Registration of Copyright in Cinematograph Films Act, 1977 (Act No. 62 of 1977)	Provide for the registration of copyright in cinematograph films and for matters connected therewith.
Share Blocks Control Act, 1980 (Act No. 59 of 1980)	Control the operation of share block schemes – any scheme in terms of which a share, in any manner whatsoever, confers a right to or an interest in the use of immovable property.
Space Affairs Act, 1993 (Act No. 84 of 1993)	Provide for the establishment of a council to manage and control certain space affairs in the Republic of South Africa; determine its objects and functions; and prescribe the manner in which it is to be managed and controlled.
Special Economic Zones Act, 2014 (Act No. 16 of 2014) [Enacted on 19 May 2014, but has not yet commenced]	Provide for the designation, development and management of special economic zones; establish an advisory board and a fund; regulate the issuing, suspension, withdrawal and transfer of permits; and provide for matters connected therewith.
Standards Act, 2008 (Act No. 8 of 2008)	Provide for the development, promotion and maintenance of standardisation and quality in connection with commodities and the rendering of related conformity assessment services, and for that purpose provide for the continued existence of the South African Bureau of Standards (SABS) as the peak national institution; provide for the repeal of the Standards Act, 1993; and provide for transitional arrangements.
Sugar Act, 1978 (Act No. 9 of 1978)	Consolidate and amend the laws relating to the sugar industry; and provide for matters incidental thereto.
Temporary Removal of Restrictions on Economic Activities Act, 1986 (Act No. 87 of 1986)	Empower the president to suspend temporarily laws or conditions, limitations or obligations thereunder if their application unduly impedes economic development or competition.

Name of Act	Purpose
Trade Marks Act, 1993 (Act No. 194 of 1993)	Consolidate the law relating to trademarks; and provide for the registration of trademarks, the certification of trademarks and collective trademarks, and for the protection of rights relating thereto.
Unauthorised Use of Emblems Act, 1961 (Act No. 37 of 1961)	Provide for the continued operation of certain laws relating to the use of certain emblems and representations; and extend the scope of such laws.

7. Future policy development

Cabinet approved the Intellectual Property (IP) Consultative Framework. The IP Consultative Framework aims to facilitate what will be continuous engagement with governmental partners and society at large towards the formulation of South Africa's IP policy. The key objective is to strengthen the consultative process in the formulation of South Africa's IP policy to ensure that the IP policy is broadly representative of government and the perspectives of affected stakeholders in the broader society.

Using the IP Consultative Framework as the basis, the department intends to conclude the formulation of the IP policy by 2017 that will ensure a coordinated and balanced approach to IP that provides effective protection of IP rights and responds to South Africa's unique innovation and development dynamics. South Africa's IP Policy must engender the ethos of the Constitution and complement the country's industrial policy and broader socio-economic development objectives. The IP Policy will be developed through a phased approach with some issues to be covered in the first phase on the basis of existing research, analysis and expertise. Further work will be undertaken thereafter to put in place the framework to pursue the in-built agenda over the next 3-5 years that covers other aspects of IP not covered in the first phase.

The department will continue under the National Exporter Development Programme, which is an integral part of the INES, to develop a pool of export ready companies, enhancing the exporter base through the Global Exporter Passport Programme (GEPP). The GEPP would be rolled out across the country through export stakeholders with the aim to give impetus to the increase in the export of value-added products, realise employment gains and induce economic growth.

The department will review the institutional arrangement as related to Export Councils with the aim to establish more effective and functional export institutions. The review should provide future direction on the structure and sustainability of export institutions that will contribute to increase exports of priority product groups into strategic markets.

In implementing the INES, the department will launch the services aimed at assisting South African firms to integrate into global supply chains of multi-national firms, by actively promoting subcontracting in power, infrastructure programmes and the built environment.

To ensure co-ordination and alignment throughout the export value chain, work towards the operationalisation of the National Export Advisory Council (NEAC) is underway. NEAC is tasked with enhancing coordination issues across government in the implementation of the INES in order to improve the issue of competitiveness and removal of unnecessary barriers faced by exporters.

During the 2017/18 financial year the department will finalise Bills in the areas of Liquor, Gambling, Companies, Credit law, Copyright and Performers Protection. From the 2018/19 financial year going forward the focus will be on implementation including development of regulations. Moving forward the department, together with its agencies will concentrate on education and awareness on policies and legislation. Review, monitoring and evaluation that will assist future development of policies

and legislation will be embarked upon. This will allow the department an opportunity to identify shortcomings in implementation. Hence the department will consider developing and or amending some of the policies and legislation depending on the recommendations of the studies that would have been conducted from the 2020/21 financial year.

8. Recent court rulings

Gidani (Pty) Ltd v Minister of Trade and Industry: Issue in dispute

On 7 August 2015, the Minister of Trade Industry concluded and awarded a licence to operate the National Lottery to Ithuba (Pty) Ltd. Gidani sought to challenge the decision of the Minister of Trade and Industry to conclude and award the third national lottery licence to Ithuba (Pty) Ltd and launched an application in the High Court to review and set aside this decision. This was the second challenge brought by Gidani relating to the award of the third national lottery licence.

On 13 May 2016, Gauteng High Court (Pretoria) dismissed with costs Gidani's application to review and set aside the Minister's decision to award the licence to Ithuba.

On 16 September 2016 the High Court in Pretoria refused, with costs, the application by Gidani (Pty) Ltd for leave to appeal against the judgment of His Lordship Mr Justice Mothle, which was handed down on 13 May 2016.

Gidani's failed application for leave to appeal comes in a long line of challenges against the decision of the Minister of Trade Industry to award the third national lottery licence to the current operator, Ithuba (Pty) Ltd.

The litigation has spanned almost two years and in several of the applications instituted by Gidani, the court has awarded costs against Gidani.

9. Financial plan (expenditure estimates)

Summary by programme and economic classification	2013/14	2014/15	2015/16	2016/17	2017/18	2018/19	2019/20
Rand thousand	Audited outcome	Audited outcome	Audited outcome	Adjusted appropriation	Medium-term estimates		
Programme							
1. Administration	686,918	699,945	727,561	777,089	731,820	768,683	804,248
2. International Trade and Economic Development	121,018	124,108	113,560	118,719	119,818	126,874	131,276
3. Special Economic Zones and Economic Transformation	231,221	235,120	92,524	121,892	119,410	120,146	122,341
4. Industrial Development	1,591,182	1,775,154	1,953,616	1,727,027	1,819,277	1,775,839	1,869,228
5. Consumer and Corporate Regulation	256,698	281,122	287,420	294,336	298,629	320,861	329,167
6. Incentive Development and Administration	5,101,863	5,176,717	5,795,785	6,891,709	5,746,519	6,416,027	5,348,760
7. Trade and Investment South Africa	306,648	329,638	462,911	410,922	388,463	385,466	457,296
8. Investment South Africa	32,370	37,959	38,282	47,823	50,859	51,961	53,686
Total	8,327,918	8,659,763	9,471,659	10,389,517	9,274,795	9,965,857	9,116,002
Economic classification							
Current payments	1,392,490	1,442,611	1,485,652	1,582,199	1,511,692	1,560,522	1,659,793
Compensation of employees	734,013	815,309	874,175	930,311	902,415	927,845	998,578
Goods and services	658,477	627,302	611,477	651,888	609,277	632,677	661,215
Transfers and subsidies	6,916,670	7,192,503	7,936,488	8,774,015	7,735,099	8,377,472	7,420,418
Payments for capital assets	17,594	19,933	37,433	33,303	28,004	27,863	35,791
Payments for financial assets	1,164	4,716	12,086	-	-	-	-
Total	8,327,918	8,659,763	9,471,659	10,389,517	9,274,795	9,965,857	9,116,002

Expenditure analysis

The department works to promote industrialisation and transformation, and respond to unemployment, poverty and inequality. The strategic direction of this work is derived from the National Development Plan, and is underpinned by outcome 4 (decent employment through inclusive growth), outcome 7 (comprehensive rural development and land reform) and outcome 11 (create a better South Africa and contribute to a better Africa and a better world) of government's 2014-2019 medium-term strategic framework. Through the implementation of its higher-impact industrial policy action plan, the department will focus over the medium term on providing industrial financing, strengthening export capabilities, and developing industrial infrastructure.

The department's baseline allocations for compensation of employees, goods and services, and payment of capital assets have been reduced by R48.7 million over the medium term following Cabinet's decision to lower the national aggregate expenditure ceiling. Of this amount, R10 million in 2017/18, R10.5 million in 2018/19 and R11.1 million in 2019/20 are to be cut from spending on compensation of employees. To accommodate these cuts, the department plans to reduce headcount over the MTEF period and optimise the organisational structure to ensure efficient service delivery with fewer resources.

Providing industrial financing

The department's incentive programmes to stimulate and facilitate the development of sustainable, competitive enterprises are allocated R12.7 billion over the medium term, or 45 per cent of the department's total budget, in the Incentive Development and Administration programme. However, expenditure in the programme is set to decrease by 8.1 per cent in the medium term due to the economic competitiveness and support package being under review. Spending on incentives will increase manufacturing competitiveness, broaden the participation of black industrialists in the mainstream economy, and support the services industry in increasing investment from qualifying private-sector partners.

The department's largest incentive programme is for manufacturing. The incentive provides manufacturing companies with financial support to upgrade facilities, processes and products, and upskill workers. The programme has a budget of R9.6 billion over the medium term, including an additional R1.3 billion in 2018/19 to contribute to leveraging the estimated private-sector investment of R45 billion for sector-specific instruments in agro-processing, metals fabrication and generic manufacturing support. An estimated 200 000 jobs have been created and sustained since the start of the programme. The department expects to provide the financial support to 1 450 companies over the medium term that will assist in creating additional jobs.

The implementation of the Broad-Based Black Economic Empowerment Amendment Act (2013) is one of the department's key considerations in promoting empowerment and equity in the economy. The department will work to strengthen measures for broad-based black economic empowerment (BEE), such as establishing a BEE Commission over the medium term to monitor compliance with the Act. An amount of R60 million over the medium term has been allocated to this in the Special Economic Zones and Economic Transformation programme.

Strengthening export capabilities

The department plans over the medium term to develop and implement products for target markets, in collaboration with stakeholders such as export councils, trade and investment provincial agencies, and other national and provincial government departments in the export value chain. It aims to provide financial assistance to 3 290 companies in the medium term to strengthen their export capabilities, including facilitating their participation at national pavilions, trade missions, and trade and investment initiatives. In providing this assistance, the department plans to balance supporting large, leading and dynamic companies with maintaining support provided to emerging exporters, small, medium and micro enterprises (SMMEs), and black industrialists. Spending on financial assistance is projected to be R680.7 million over the medium term in the Incentive Development and Administration programme.

Developing industrial infrastructure

The department's spending on infrastructure aims to promote industrialisation across the country. Spending on industrial infrastructure projects over the medium term is estimated at R4.2 billion, funded through the Infrastructure Investment Support sub-programme in the Incentive Development and Administration programme.

The funding should allow for the revitalisation of government-owned industrial parks, investment in critical infrastructure projects, and the development of infrastructure in special economic zones.

The department will contribute towards the spatial transformation of the economy through planning, developing and managing special economic zones within the legal framework of the Special Economic Zones Act (2014). The special economic zones programme attracts foreign and domestic direct investment in designated zones and regions to build strategic industrial capabilities that promote industrial development, investment, competitiveness and employment creation. At least one new zone will be designated in 2017/18 and the zones collectively are expected to increase value-added exports throughout the country over the medium term.

To attract foreign and direct investment, the department plans to provide a one-stop shop and aftercare support for investors over the medium term to facilitate doing business in South Africa. These

activities are funded in the Investment South Africa programme, which is allocated R156.5 million over the medium term.

The critical infrastructure programme aims to contribute to attracting an estimated R45 billion in investment over the medium term by supporting the development of critical infrastructure such as power substations, cogeneration power plants, bulk infrastructure, and technical testing facilities for aerospace and defence. By lowering the cost of doing business, the programme aims to stimulate investment growth in line with the national industrial policy framework and industrial policy action plan. Over the medium term, 32 strategic infrastructure projects are expected to be approved for bulk infrastructure for industrial parks and R643.5 million has been allocated towards the critical infrastructure programme for this.

The department will continue to expand economic opportunities in underdeveloped and marginalised regions. The revitalisation of state-owned industrial parks across the country is an important part of this approach, and is expected to promote industrialisation and increase the parks' contributions to job creation and economic growth.

Parks will be revitalised in all provinces, but with a focus on marginalised regions in Eastern Cape, North West and Mpumalanga. As per the industrial policy action plan, the department will focus on key prioritised areas such as plastics, chemicals, cosmetics and pharmaceuticals, agro-processing, green and energy-savings industries, and boatbuilding. These activities are funded by an allocation of R80 million over the medium term in the cluster development programme in the Incentive Development and Administration programme.

Part B

Programmes and subprogrammes



10. Strategic objectives

the dti has three key strategic objectives to achieve the goals of the department. Programmes 2, 3, 4, 6, 7 and 8 contribute in various ways to deepen industrialisation through increased growth in the manufacturing sector and are measured by the strategic objective “grow the manufacturing sector to promote industrial development, job creation, investment and exports”. Programmes 1 and 5 have specific strategic objectives “strengthened capacity to deliver on **the dti** mandate” and “improved conditions for consumers, artists and opening up of markets for new patents players”.

Strategic objective	Objective statement
1. Grow the Manufacturing sector to promote industrial development, job creation, investment and exports.	Develop policies, strategies and programmes focussed on manufacturing and other value-adding sectors to enable competitiveness, job creation and sustained growth.
2. Improved conditions for consumers, artists and opening up of markets for new Patents players	Provide for harmonisation of IP laws, access to medicine and education, distribution of royalties and redress for artists
3. Strengthened capacity to deliver on the dti mandate	Effective implementation and review of the Human Resource Plans to ensure that the department has requisite skill and capacity to fulfil its legislative mandate with a vacancy rate of 5%.

11. Programmes and subprogrammes

11.1 Programme 1: Administration

a) **Purpose:** Provide strategic leadership, management and support services to the department, and conduct research on industrial development, growth and equity.

b) **Description of subprogrammes:**

- (i) *The Ministry* provides leadership and policy direction to **the dti**.
- (ii) *The Office of the Director-General* provides overall management of **the dti**'s resources.
- (iii) *Corporate Services* provides customer-centric and integrated resource solutions in HR management, ICT, legal services, and facilities management.
- (iv) *Office Accommodation* is an allocation for accommodation services to **the dti**'s regional offices, and ensures continued maintenance services.
- (v) *Financial Management* provides support to **the dti**, with respect to financial resource allocation and the management thereof, to aid the fulfilment of the department's goals and objectives.
- (vi) *Marketing, Communications and Stakeholder Engagement* facilitates greater awareness of the department's role, and increases the uptake of its products and services through improvement of the customer touch points and ensuring strong customer relationship management; and creates consumer awareness and educational campaigns to ensure a meaningful understanding of the department's offerings; and
- (vii) *Media and Public Relations* ensures the department's image is visible by improving media relations management and public relations activities.

Strategic objective: Strengthened capacity to deliver on the cti mandate	5-year target	Actual performance				Estimated performance	Medium-term targets			Link to government outcome	
		2013/14		2014/15			2016/17	2017/18	2018/19		2019/20
		8.2%	8%	7%	4.4%		5%	5%	5%		
Percentage (%) vacancy rate	5%									An efficient, effective and development-oriented public service	

Performance Indicator/ Measure	Actual performance			Estimated performance			Medium-term targets			Link to government outcome
	2013/14	2014/15	2015/16	2016/17	2017/18	2018/19	2019/20			
3.1 Percentage (%) of staff turnover (unexpected)	6.8%	5.2%	7%	0.7%	6.8%	6.8%	6.8%	6.8%	An efficient, effective and development-oriented public service	
3.2. Percentage (%) of people with disability employed	2.7%	2.8%	3%	3.3%	3.5%	3.6%	3.7%			
3.3 Percentage (%) of women employed in senior management positions	44%	47%	49%	50%	50%	50%	50%			
3.4 Eligible creditors' payments processed within legal timeframes	Payments to all eligible creditors made within 30 days	All eligible creditors payments made within 30 days	All eligible creditors payments made within 30 days (99.1% of 5 460 payments were processed within 15 days and remainder within 30 days.)	All eligible creditors payments made within 30 days	All eligible creditors' payments made within 30 days	All eligible creditors' payments made within 30 days	All eligible creditors' payments made within 30 days	All eligible creditors' payments made within 30 days	An efficient, effective and development-oriented public service	
3.5 Number of outreach engagements and exhibitions	76	65 outreach engagements	89	10	65 outreach engagements	65 outreach engagements	65 outreach engagements	65 outreach engagements		
	77	43 exhibitions	54	24	49 exhibitions	49 exhibitions	49 exhibitions	49 Exhibitions		

Estimated performance is based on verified Quarter Two Report

Quarterly milestones for 2017/18

Performance Indicator/ Measure	Reporting Period	Annual Targets for 2017/18	Quarterly Milestones			
			1st	2nd	3rd	4th
3.1 Percentage (%) of staff turnover (unexpected)	Quarterly	6.8%	1.7%	1.7% (3.4% year to date)	1.7% (5.1% year to date)	1.7% (6.8% annualized)
3.2 Percentage (%) of people with disability employed		3.5%	3.2%	3.3%	3.4%	3.5%
3.3 Percentage (%) of Women employed in senior management positions		50%	48%	48.5%	49%	50%
3.4 Eligible creditors' payments processed within legal time-frames		All eligible creditors' payments made within 30 days	All eligible creditors' payments made within 30 days	All eligible creditors' payments made within 30 days	All eligible creditors' payments made within 30 days	All eligible creditors' payments made within 30 days
3.5 Number of outreach engagements and exhibitions		65 outreach engagements	20	20	20	5
		49 exhibitions	12	17	14	6

Reconciling performance targets with the Budget and MTEF

Programme 1: Administration	2013/14	2014/15	2015/16	2016/17	2017/18	2018/19	2019/20
Rand thousand	Audited outcome	Audited outcome	Audited outcome	Adjusted appropriation	Medium-term estimates		
Economic classification							
Current payments	676 359	674 531	697 450	758 712	715 906	752 397	787 071
Transfers and subsidies	3 864	6 876	2 572	787	539	536	575
Payments for capital assets	6 169	14 962	27 539	17 590	15 375	15 750	16 602
Payments for financial assets	526	3 576	-	-	-	-	-
Total	686 918	699 945	727 561	777 089	731 820	768 683	804 248

11.2 Programme 2: International Trade and Economic Development

- a) **Purpose:** Build an equitable global trading system that facilitates development by strengthening trade and investment links with key economies and fostering African development, including regional and continental integration and development cooperation in line with the NEPAD.
- b) **Description of subprogrammes:**
- (i) *International Trade Development* facilitates bilateral and multilateral trade relations and agreements.
 - (ii) *African Economic Development* facilitates bilateral and multilateral African trade relations aimed at deepening regional integration.

Strategic Objective	5-year target	Performance Indicator/ Measure	Actual performance			Estimated performance	Medium-term targets			Link to government outcome
			2013/14	2014/15	2015/16		2016/17	2017/18	2018/19	
Grow the manufacturing sector to promote industrial development, job creation, investment and exports	Trade negotiations concluded: EPA with the EU, SACU India PTA, SADC-EAC-COMESA FTA (T-FTA)	1.1 Number of status reports on regional economic integration	Status reports produced on progress	Status report prepared outlining areas concluded in the T-FTA negotiations aimed at enhancing preferential market access as well as forming the basis for the decision to launch the T-FTA with a built-in agenda on outstanding issues	Status reports prepared on progress towards conclusion of trade negotiations	SADC-EU EPA Progress report prepared. Agreement comes into effect on 10 October 2016	2 status reports produced on progress for T-FTA and CFTA negotiations	2 status reports produced on progress for T-FTA and CFTA negotiations	2 status reports produced on progress for T-FTA and CFTA negotiations	Create a better South Africa and a better world
			-	RSA/SACU Tariff offer for the EAC approved and exchanged	-	SACU There was no progress on agreed work programme.	2 reports on implementation of SADC-EU EPA	2 reports on implementation of SADC-EU EPA	2 reports on implementation of SADC-EU EPA	
			-	-	-	Status report submitted on BRICS and G20 engagements	4 status reports produced on engagements in Global Fora	4 status reports produced on engagements in Global Fora	4 status reports produced on engagements in Global Fora	
Africa regional development programme implemented	Bilateral engagements with Rest of World	1.2 Number of reports on implementation of SADC-EU Economic Partnership Agreement (EPA)	-	-	-	SADC FTA Progress report on implementation of the SADC Trade Protocol developed	2 reports on implementation of SADC-EU EPA	2 reports on implementation of SADC-EU EPA	2 reports on implementation of SADC-EU EPA	Create a better South Africa and a better world
			-	-	-	-	4 status reports produced on engagements in Global Fora	4 status reports produced on engagements in Global Fora	4 status reports produced on engagements in Global Fora	
			-	-	-	-	-	-	-	
Estimated performance is based on verified Quarter Two Report										

Quarterly milestones for 2017/18

Performance Indicator/ Measure	Reporting Period	Annual Targets for 2017/18	Quarterly Milestones			
			1st	2nd	3rd	4th
1.1 Number of status reports on regional economic integration	Biannually	2 status reports produced on progress towards conclusion of T-FTA and CFTA trade negotiations	Nil	1 status report produced on progress towards conclusion of trade negotiations (CFTA)	Nil	1 status report produced on progress towards conclusion of trade negotiations (T-FTA)
1.2 Number of reports on Implementation of SADC-EU Economic Partnership Agreement (EPA)	Biannually	2 status reports on implementation of the EPA	Nil	Status report on implementation of SADC-EU EPA	Nil	Status report on the implementation of SADC-EU EPA
1.3 Number of status reports on Global fora (e.g. BRICS, G20, AGOA, UK Brexit)	Quarterly	4 status reports	1 status report produced on engagements in Global Fora	1 status report produced on engagements in Global Fora	1 status report produced on engagements in Global Fora	1 status report produced on engagements in Global Fora

Reconciling performance targets with the Budget and MTEF

Programme 3: International Trade and Economic Development	2013/14	2014/15	2015/16	2016/17	2017/18	2018/19	2019/20
Rand thousand	Audited outcome	Audited outcome	Audited outcome	Adjusted appropriation	Medium-term estimates		
Economic classification							
Current payments	88,700	81,674	86,084	93,628	93,963	99,400	102,148
Transfers and subsidies	31,719	41,720	26,843	24,422	25,233	26,696	28,190
Payments for capital assets	599	714	633	669	622	778	938
Total	121,018	124,108	113,560	118,719	119,818	126,874	131,276

11.3 Programme 3: Special Economic Zones and Economic Transformation

a) **Purpose:** Drive economic transformation and increase participation in industrialisation

b) **Description of subprogrammes:**

- (i) **Enterprise Competitiveness** fosters and stimulates industrialisation and structural change through the development and deployment of technologies and skills development programmes.
- (ii) **Equity and Empowerment** promotes B-BBEE and the real growth of the economy through the Black Industrialists (BI) programme.
- (iii) **Spatial Industrial Economic Development** promotes the regional economy towards a more spatially balanced economy through the development of policies, strategies and programmes; and SEZs, clusters and Incubators, among other things.

Strategic Objective	5-year target	Performance Indicator/Measure	Actual performance			Estimated performance	Medium-term targets			Link to government outcome
			2013/14	2014/15	2015/16		2017/18	2018/19	2019/20	
Grow the manufacturing sector to promote industrial development, job creation, investment and exports	Enabled increased investment through Special Economic Zones and Industrial Parks	1.4 Number of SEZs submitted to Minister for designation	1	1	1	2	3	3	Decent employment through inclusive growth	
		1.5 Number of implementation reports on the Industrial Parks submitted to Minister	-	0	4 Reports submitted to Minister and to Parliament: i.) Report for revitalisation of Seshego industrial park; ii) 2 reports were requested by Select Committee and Portfolio Committee; and iii.) Bi-Annual consolidated report on the Revitalisation Programme	2	2	2		
Implemented B-BBEE Amendment Act and Code of Good Practice for B-BBEE		1.6 Number of reports on implementation of the B-BBEE Amendment Act and Regulations submitted to the Minister	Submission of the business case for approval by DPSA and NT and report produced on the phased-in operationalization of the B-BBEE Commission	Draft Business Case developed	Reported to Minister on the implementation of B-BBEE Amendment Act Regulations following reports: i.) Briefing Memo on progress on B-BBEE implementation; advocacy and stakeholder report; ii.) status report on technical task team on the broad-based ownership schemes; iii.) submission on alignment of implementation of sector charters; and iv.) weekly feedback meetings to BEE Commission and establishment task team	2	2	1 report produced on the Review of B-BBEE Amendment Act and Regulations	Decent employment through inclusive growth	
		1.7 Number of new BIs supported in key sectors	-	-	New indicator	70 new BIs supported in IPAP sectors	75 new BIs supported in IPAP sectors	100 new BIs supported in IPAP sectors		
Estimated performance is based on verified Quarter Two Report										

Quarterly milestones for 2017/18

Performance Indicator/ Measure	Reporting Period	Annual Targets for 2017/18	Quarterly Milestones			
			1st	2nd	3rd	4th
1.4 Number of SEZs submitted to Minister for designation	Quarterly	2	Nil	Nil	Submission to Minister on 1 SEZ	Submission to Minister on 1 SEZ
1.5 Number of implementation reports on the Industrial Parks submitted to Minister	Bi-Annual	2	Nil	1	Nil	1
1.6 Number of reports on implementation of the B-BBEE Amendment Act and Regulations submitted to the Minister	Bi-Annual	2	Nil	1	Nil	1
1.7 Number of new Bls supported in key sectors	Quarterly	70 new Bls supported in IPAP sectors	20 new Bls supported in IPAP sectors	20 new Bls supported in IPAP sectors	15 new Bls supported in IPAP sectors	15 new Bls supported in IPAP sectors

Reconciling performance targets with the Budget and MTEF

Programme 3: Special Economic Zones and Economic Transformation	2013/14	2014/15	2015/16	2016/17	2017/18	2018/19	2019/20
Rand thousand	Audited outcome	Audited outcome	Audited outcome	Adjusted appropriation	Medium-term estimates		
Economic classification							
Current payments	54,693	51,608	65,544	106,639	86,125	86,848	88,437
Transfers and subsidies	176,027	183,221	11,303	11,478	32,187	32,807	33,440
Payments for capital assets	501	291	3,740	3,775	1,098	491	464
Payments for financial assets	-	-	11,937	-	-	-	-
Total	231,221	235,120	92,524	121,892	119,410	120,146	122,341

11.4 Programme 4: Industrial Development

- a) **Purpose:** Design and implement policies, strategies and programmes to strengthen the ability of manufacturing and other sectors of the economy, to address issues of transformation and inequality; create decent jobs and increase value addition and competitiveness in domestic and export markets.¹
- b) **Description of subprogrammes:**
- (i) **Industrial Competitiveness** develops policies, strategies and programmes to strengthen the ability of manufacturing and other value-adding sectors to create decent jobs and increase value-addition and competitiveness in domestic and export markets.
 - (ii) **Customised Sector Programmes** develops and implements high-impact sector strategies focused on manufacturing and other value-adding sectors to create decent jobs and increase value-addition and competitiveness in domestic and export markets, as set out in the annual three-year rolling IPAP.

1 Purpose has been amended and ENE will be updated accordingly.

Strategic Objective	5-year target	Performance Indicator/ Measure	Actual performance			Estimated performance	Medium-term targets			Link to government outcome	
			2013/14	2014/15	2015/16		2016/17	2017/18	2018/19		2019/20
Grow the manufacturing sector to promote industrial development, job creation, investment and exports	Annual rolling IPAP, aimed at facilitating a process of structural change involving upgrading and diversification to achieve sustained growth and job creation	1.8 New iteration of IPAP submitted for tabling in Cabinet annually	IPAP 2013/14-2015/16 was successfully approved by Cabinet in March 2013 and successfully launched on 4 April 2013	IPAP 2015/16 endorsed by the Economic Cluster and awaiting Cabinet approval	Annual Rolling IPAP 2016/17 finalised and submitted to Minister for approval and tabling in Cabinet	IPAP tabled in Cabinet in April 2016 and launched on 9 May 2016.	Annual Rolling IPAP 2018/19 submitted to Minister for tabling in Cabinet by March 2018	Annual Rolling IPAP 2019/20 submitted to Minister for tabling in Cabinet by March 2019	Annual Rolling IPAP 2020/21 submitted to Minister for tabling in Cabinet by March 2020	Decent employment through inclusive growth	
			4 implementation reports tabled at IPAP Review Meeting in June 2013, September 2013, November 2013 and February 2014. Additionally, IPAP Annual Report prepared and approved by DG and Minister	4 implementation reports tabled at IPAP Review Meetings in July, October and November 2014 and in January 2015. Annual Report for 2013/14 was tabled in Parliament in September 2014	3 implementation reports on IPAP tabled at Minister's Review Meetings on 17 July, 17 September and 1 December 2015	1 implementation report on IPAP tabled at Minister's Review Meetings on 22 August 2017	4 implementation reports prepared for the Minister's Review Meetings per year	4 implementation reports prepared for the Minister's Review Meetings per year	4 implementation reports prepared for the Minister's Review Meetings per year		4 implementation reports prepared for the Minister's Review Meetings per year
Instruments rolled out to facilitate strategic use of public procurement to enhance local productive capabilities	1.10 Number of designation requests prepared for Minister per year	5 designation reports completed and submitted	1) 6 sector/ product templates were submitted to NT for designation and awaiting publication: Transformers; Power line hardware and structures; Building and construction materials; Two-way railroads; Mining and construction vehicles; and Steel conveyance pipes. Note: The Instruction Note for Power Pylons is being amended to include Power line hardware and structures. 2) Published Instruction Notes: Working Vessels (boats) in August 2014, a R1.4 billion tender for the procurement of tug boats by Transnet was awarded to Southern African Shipyards. Residential Electricity Meters 3) Amended Instruction Notes that were published: Rail rolling stock; Solar water heaters			2 designation requests submitted to Minister for approval, i.e. solar photovoltaic system components and rail-signalling system and components	2 designation requests prepared for Minister	2 designation requests prepared for Minister per year	2 designation requests prepared for Minister per year	2 designation requests prepared for Minister per year	

Estimated performance is based on verified Quarter Two Report

Quarterly milestones for 2017/18

Performance Indicator/ Measure	Reporting Period	Annual Targets for 2017/18	Quarterly Milestones			
			1st	2nd	3rd	4th
1.8 New iteration of IPAP submitted to Minister for tabling in Cabinet annually	Annually	Annual Rolling IPAP 2018/19 submitted to Minister for tabling in Cabinet March 2018	Launch the Annual Rolling IPAP 2017/18	Nil	Nil	Annual Rolling IPAP 2018/19 submitted to Minister for tabling in Cabinet by March 2018
1.9 Number of implementation reports on IPAP tabled at Minister's Review Meetings per year	Quarterly	Four	1	1	1	1
1.10 Number of designation requests prepared for Minister per year	Bi-Annual	Two	Nil	1	Nil	1

Reconciling performance targets with the Budget and MTEF

Programme 4: Industrial Development	2013/14	2014/15	2015/16	2016/17	2017/18	2018/19	2019/20
Rand thousand	Audited outcome	Audited outcome	Audited outcome	Adjusted appropriation	Medium-term estimates		
Economic classification							
Current payments	99,241	103,915	118,126	115,215	122,135	125,027	125,365
Transfers and subsidies	1,491,531	1,670,555	1,834,994	1,610,428	1,696,323	1,649,944	1,742,947
Payments for capital assets	410	684	349	1,384	819	868	916
Payments for financial assets	-	-	147	-	-	-	-
Total	1,591,182	1,775,154	1,953,616	1,727,027	1,819,277	1,775,839	1,869,228

11.5 Programme 5: Consumer and Corporate Regulation

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

b) **Description of subprogrammes:**

- (i) **Policy and Legislative Development** develops policies, laws and regulatory frameworks.
- (ii) **Enforcement and Compliance** conducts trend analyses, impact assessments and market surveys, and monitors the effectiveness of regulation.
- (iii) **Regulatory Services** executes oversight of and transfers funds to the following regulatory agencies: the National Consumer Tribunal, the National Credit Regulator, the National Gambling Board, the National Consumer Commission, the Companies and Intellectual Property Commission and the Companies Tribunal. The department exercises oversight of, but does not transfer funds to: the National Lotteries Commission, which regulates the lotteries sector and facilitates the distribution of lottery funds to worthy organisations that serve the public interest; and the Takeover Regulation Panel and the Financial Reporting Standards Council, which are responsible for regulating applicable transactions and issuing standards.

Strategic Objective	5-year target	Performance Indicator/Measure	Actual performance			Estimated performance		Medium-term targets			Link to government outcome
			2013/14	2014/15	2015/16	2016/17	2017/18	2018/19	2019/20		
Improved conditions for consumers, artists and opening up of markets for new patents players	Policies, Bills and Regulations to enforce fair business practices drafted	2.1 Number of Socio-Economic Impact Assessment System (SEIAS) reports (previously RIA reports) developed for Minister's approval	Liquor: RIA was finalised to incorporate the new policy. Gambling: A draft RIA report was produced	2014/15 One RIA report on IP developed for Minister's approval. Two RIA reports on liquor and gambling policies developed for approval	RIA report on Companies Amendment Bill not developed. 7 IP Bills (Trade Marks Act, Designs Act, Merchandise Act, Unauthorised Use of Emblems Act, Counterfeit Goods Act, and Patents Act) not developed. One RIA report (post) on National Credit Act exemptions developed for Minister's approval	1st draft SEIAS Report which is preliminary work (research and consultations) on the amendments to the Companies Amendment Act were done while waiting for the Bill to be revised. Copyright/ Performers Protection achieved in the 1st quarter due to the Cabinet programme	Four SEIAS reports on Companies, Gambling, Liquor and Credit Amendment Acts developed for Minister's approval	6 SEIAS reports on Companies, Gambling, Liquor, Credit, Copyright and Performers Protection Regulations developed for Minister's approval	1 SEIAS report on education and awareness on policies and legislation developed for Minister's approval	Decent employment through inclusive growth	
			Four Bills developed for approval: NCA Amendment Bill to be assented by President; Lotteries Amendment Bill assented; Licensing of Business Bill done and referred back for consultation and establishment of Task Team by Minister; Liquor Amendment Bill developed, but not yet approved	Four Bills on Licensing of Businesses, Liquor Amendment, Gambling Amendment and Copyright Amendment developed, but not approved by Minister. Companies Amendment Bill not developed	Draft Bill on Companies Amendment Act still under development. 7 IP Bills not developed.	Revised the Memorandum on the Objects of the Copyright and Performers Protection Bill Commenced with the drafting of the Companies Amendment Bill	6 Bills on Companies, Gambling, Liquor, Credit, Copyright and Performers Protection Amendment Acts developed for Minister's approval	1 Bill on National Consumer Protection Amendment Act (in relation to the effectiveness of the ombudsman and motor schemes) developed for Minister's approval	1 Bill on National Lotteries Amendment Act (in relation to the licensing of bookmakers) developed for Minister's approval		24 education and awareness workshops on policies and legislation conducted and report produced for Ministers approval
		2.2 Number of Bills developed for Minister's approval	-	-	-	New indicator	24 education and awareness workshops on policies and legislation conducted and report produced for Ministers approval	24 education and awareness workshops on policies and legislation conducted and report produced for Ministers approval	24 education and awareness workshops on policies and legislation conducted and report produced for Ministers approval		
		2.3 Number of education and awareness workshops on policies and legislation conducted and report produced for Ministers approval	-	-	-	-	24 education and awareness workshops on policies and legislation conducted and report produced for Ministers approval	24 education and awareness workshops on policies and legislation conducted and report produced for Ministers approval	24 education and awareness workshops on policies and legislation conducted and report produced for Ministers approval		
Estimated performance is based on verified Quarter Two Report											

Quarterly milestones for 2017/18

Performance Indicator/ Measure	Reporting Period	Annual Targets for 2017/18	Quarterly Milestones			
			1st	2nd	3rd	4th
2.1 Number of Socio-Economic Impact Assessment System (SEIAS) reports (previously RIA reports) developed for Minister's approval	Quarterly	Four SEIAS reports on Companies, Gambling, Liquor and Credit Amendment Acts developed for Minister's approval	Nil	4 (First Draft) SEIAS reports on Companies, Gambling, Liquor and Credit Amendment Acts developed	4 (Second Draft) SEIAS reports on Companies, Gambling, Liquor and Credit Amendment Acts developed	4 Final SEIAS reports on Companies, Gambling, Liquor and Credit Amendment Acts developed for Minister's approval
2.2 Number of Bills developed for Minister's approval		6 Bills on Companies, Gambling, Liquor, Credit, Copyright and Performers Protections Amendment Acts developed for Minister's approval	Nil	6 (First Draft) Bills on Companies, Gambling, Liquor, Credit, Copyright and Performers Protections Amendment Acts developed for approval	6 (Second Draft) Bills on Companies, Gambling, Liquor, Credit, Copyright and Performers Protections Amendment Acts developed for approval	6 Final Bills on Companies, Gambling, Liquor, Credit, Copyright and Performers Protections Amendment Acts developed for Minister's approval
2.3 Number of education and awareness workshops on policies and legislation conducted and report produced for Ministers approval		24 education and awareness workshops on policies and legislation conducted and report produced for Ministers approval	6	6	6	6

Reconciling performance targets with the Budget and MTEF

Programme 5: Consumer and Corporate Regulation	2013/14	2014/15	2015/16	2016/17	2017/18	2018/19	2019/20
Rand thousand	Audited outcome	Audited outcome	Audited outcome	Adjusted appropriation	Medium-term estimates		
Economic classification							
Current payments	68,692	70,300	68,236	71,691	71,878	80,759	75,621
Transfers and subsidies	186,763	210,532	219,105	222,501	226,751	240,102	253,546
Payments for capital assets	639	290	78	144	-	-	-
Payments for financial assets	604	-	1	-	-	-	-
Total	256,698	281,122	287,420	294,336	298,629	320,861	329,167

11.6 Programme 6: Incentive Development and Administration

- a) **Purpose:** Stimulate and facilitate the development of sustainable, competitive enterprises through the efficient provision of effective and accessible incentive measures that support national priorities.
- b) **Description of subprogrammes:**
- (i) ***Broadening Participation Incentives*** provides incentive programmes that promote broader participation in the mainstream economy by businesses owned by individuals from historically disadvantaged communities and marginalised regions.
 - (ii) ***Manufacturing Incentives*** provides incentives to promote additional investment in the manufacturing sector. The manufacturing investment cluster comprises the following programmes and schemes: the MCEP, the Capital Projects Feasibility Programme (CPFP), the AIS, the EMIA, the Sector-Specific Assistance Scheme (SSAS) and the Section 12I Tax Incentive scheme.
 - (iii) ***Services Investment Incentives*** provides incentive programmes that promote increased investment and job creation in the services sector. The programmes include the BPS programme, and the Film and Television Production Incentive Support Programme for South African and foreign productions.
 - (iv) ***Infrastructure Investment Support*** provides infrastructure support that enables investment and industrial development, thereby increasing the export value-added commodities and creating employment opportunities.
 - (v) ***Product and Systems Development*** reviews, monitors and develops incentive programmes to support the IPAP, and develops sector strategies to address market failures.
 - (vi) ***Strategic Partnership and Customer Care*** facilitates access to targeted enterprises by reviewing the success of incentive schemes and improving such schemes.

Strategic objective	5-year target		Actual performance				Estimated performance			Medium-term targets			Link to government outcome
			2013/14	2014/15	2015/16	2016/17	2017/18	2018/19	2019/20	2017/18	2018/19	2019/20	
Grow the manufacturing sector to promote industrial development, job creation, investment and exports	Private Sector Investment leveraged across all incentives	Private Sector Investment leveraged	Private Sector Investment leveraged	Private Sector Investment leveraged	Private Sector Investment leveraged	Private Sector Investment leveraged	Private Sector Investment leveraged	Private Sector Investment leveraged	Private Sector Investment leveraged	Private Sector Investment leveraged	Private Sector Investment leveraged	Private Sector Investment leveraged	Decent employment through inclusive growth
	Jobs supported	Jobs supported	Jobs supported	Jobs supported	Jobs supported	Jobs supported	Jobs supported	Jobs supported	Jobs supported	Jobs supported	Jobs supported	Jobs supported	
Estimated performance is based on verified Quarter Two Report													

Performance Indicator/ Measure	Actual performance			Estimated performance		Medium-term targets			Link to government outcome
	2013/14	2014/15	2015/16	2016/17	2017/18	2018/19	2019/20		
1.11 Value (Rand) of projected investments to be leveraged from projects/enterprises approved	-	-	R48.8bn	R12.5bn	R15bn	R15bn	R20 bn*	An efficient, effective and development-oriented public service	
1.12 Projected number of new jobs supported from enterprises approved	-	-	24 119	3300	3 000	*7 500	*9 500		
1.13 Projected number of jobs to be retained from approved enterprises	-	-	57 901	*19 083	*3 000	*16 000	*22 000*		
1.14 Number of enterprises/projects approved for financial support across all incentives	-	-	-	New Indicator	800	1 200	1 500		
*The 121 programme will be coming to an end in 2017/18.									
*Potential two new incentives to be launched which are intended to be labour intensive and the ramping up of BIs.									
Estimated performance is based on verified Quarter Two Report									

Quarterly milestones for 2017/18

Performance Indicator/ Measure	Reporting Period	Annual Targets for 2017/18	Quarterly Milestones			
			1st	2nd	3rd	4th
1.11 Value (Rand) of projected investments to be leveraged from projects/enterprises approved	Quarterly	R15bn	R2bn	R4bn	R3bn	R6bn
1.12 Projected number of new jobs supported from enterprises approved		3 000	600	1 200	1 000	200
1.13 Projected number of jobs to be retained from approved enterprises		3 000	600	1 200	1 000	200
1.14 Number of enterprises/projects approved for financial support across all incentives		800	150	200	200	250

Reconciling performance targets with the Budget and MTEF

Programme 6: Incentive Development and Administration	2013/14	2014/15	2015/16	2016/17	2017/18	2018/19	2019/20
Rand thousand	Audited outcome	Audited outcome	Audited outcome	Adjusted appropriation	Medium-term estimates		
Economic classification							
Current payments	150,833	206,875	151,232	151,569	165,411	172,338	174,689
Transfers and subsidies	4,943,541	4,969,072	5,641,276	6,732,830	5,573,508	6,236,358	5,159,994
Payments for capital assets	7,457	770	3,277	7,310	7,600	7,331	14,077
Payments for financial assets	32	-	-	-	-	-	-
Total	5,101,863	5,176,717	5,795,785	6,891,709	5,746,519	6,416,027	5,348,760

11.7 Programme 7: Trade and Investment South Africa

- a) **Purpose:** Increase export capacity and support direct investment flows through an effectively managed network of foreign trade offices and strategies for targeted markets.
- b) **Description of subprogrammes:**
- (i) **Investment Promotion and Facilitation** facilitates the increase in the quality and quantity of foreign and domestic direct investment by providing investment, recruitment, problem-solving and information services.
 - (ii) **Export Promotion and Marketing** promotes exports of South African value-added goods and services to increase market share in targeted high-growth markets and sustain market share in traditional markets.
 - (iii) **Trade and Investment South Africa Executive Management Unit** promotes trade and investment, and administers and provides corporate services to the department's foreign office network of foreign economic representatives in various countries to enable South African businesses to access global markets.
 - (iv) **Export Development and Support** manages the NEDP, which is designed to contribute to positioning South Africa as a reliable trade partner, and improve and expand the country's exporter base.

Strategic objective	5-year target	Actual performance				Estimated performance	Medium-term targets			Link to government outcome
		2013/14	2014/15	2015/16	2016/17		2017/18	2018/19	2019/20	
Grow the manufacturing sector to promote industrial development, job creation, investment and exports	Increased manufactured exports under EMIA	Export sales facilitated	Export sales facilitated	Export sales facilitated	Export sales facilitated	Export sales facilitated	Export sales facilitated	Export sales facilitated	Export sales facilitated	Create a better South Africa and a better world
Estimated performance is based on verified Quarter Two Report										

Performance Indicator/ Measure	Actual performance		Estimated performance		Medium-term targets			Link to government outcome
	2013/14	2014/15	2015/16	2016/17	2017/18	2018/19	2019/20	
1.15 Number of companies assisted under EMIA in supporting value added exports	-	-	-	New indicator	784	823	864	Create a better South Africa and a better world
Estimated performance is based on verified Quarter Two Report								

Quarterly milestones for 2017/18

Performance Indicator/ Measure	Reporting Period	Annual Targets for 2017/18			
		1st	2nd	3rd	4th
1.15 Number of companies assisted under EMIA in supporting value added exports	Quarterly	784	228	197	173

Reconciling performance targets with the Budget and MTEF

Programme 7: Trade and Investment South Africa	2013/14		2014/15		2015/16		2016/17		2017/18		2018/19		2019/20	
	Audited outcome		Audited outcome		Audited outcome		Adjusted appropriation		Medium-term estimates		Medium-term estimates		Medium-term estimates	
Economic classification														
Current payments	221,918	216,028	260,865	237,303	205,815	192,225	253,233							
Transfers and subsidies	83,205	110,519	200,251	171,566	180,555	191,026	201,723							
Payments for capital assets	1,523	1,951	1,794	2,053	2,093	2,215	2,340							
Payments for financial assets	2	1,140	1	-	-	-	-							
Total	306,648	329,638	462,911	410,922	388,463	385,466	457,296							

11.8 Programme 8: Investment South Africa

- a) **Purpose:** Support foreign direct investment flows and domestic investment by providing a one-stop shop for investment promotion, investor facilitation and aftercare support for investors.
- b) **Description of subprogrammes:**
- (i) ***Investment Promotion*** facilitates an increase in the quality and quantity of foreign direct investment, and domestic and outward investment by providing investment attraction, targeted lead generation and recruitment support.
 - (ii) ***Investment and Interdepartmental Clearing House*** promotes and facilitates investment and provides support services to the investment and interdepartmental clearing house. This sub-programme also provides a specialist advisory service and fast tracks, unblocks and reduces red tape for investors.
 - (iii) ***Investment Support & Aftercare*** provides specialist advisory services through research, information marketing, after care and policy advocacy to facilitate new investment, and retain and expand existing investment.

Strategic objective	5-year target	Actual performance			Estimated performance	Medium-term targets			Link to government outcome
		2013/14	2014/15	2015/16		2016/17	2017/18	2018/19	
Grow the manufacturing sector to promote industrial development, job creation, investment and exports	Investment facilitation in targeted sectors	Investment projects facilitated in pipeline	Investment projects facilitated in pipeline	Investment projects facilitated in pipeline	Investment projects facilitated in pipeline	Investment projects facilitated in pipeline	Investment projects facilitated in pipeline	Investment projects facilitated in pipeline	Create a better South Africa and a better world

Performance Indicator/ Measure	Actual performance			Estimated performance			Medium-term targets			Link to government outcome
	2013/14	2014/15	2015/16	2016/17	2017/18	2018/19	2019/20			
1.16 Value (Rand) of investment projects facilitated in pipeline	R60.5bn	R2.779bn	R92.812bn	R38.6bn	R45bn	R50bn	R50bn	R50bn	Create a better South Africa and a better world	
Estimated performance is based on verified Quarter Two Report										

Quarterly milestones for 2017/18

Performance Indicator/ Measure	Reporting Period	Annual Targets for 2017/18			
		1st	2nd	3rd	4th
1.16 Value (Rand) of investment projects facilitated in pipeline	Quarterly	R10bn	R11bn	R13bn	R11bn

Reconciling performance targets with the Budget and MTEF

Programme 8: Investment South Africa	2013/14	2014/15	2015/16	2016/17	2017/18	2018/19	2019/20
	Audited outcome	Audited outcome	Audited outcome	Adjusted appropriation	Medium-term estimates		
Economic classification							
Current payments	32,054	37,680	38,115	47,445	50,462	51,531	53,232
Transfers and subsidies	20	8	144	-	-	-	-
Payments for capital assets	296	271	23	378	397	430	454
Total	32,370	37,959	38,282	47,823	50,859	51,961	53,686

Part C

Links to other plans



12. Asset Management Plan

As part of the PPP agreement, the concessionaire will for the duration of the contract period own and maintain assets such as the land, buildings and the majority of furniture items. Departmental assets excluded from this agreement include departmental vehicles, computer equipment and certain furniture items. Departmental assets are managed in accordance with the policies issued by the NT and an asset register is maintained on the LOGIS system. The department complied with the minimum requirements of the Asset Management Reforms as issued by NT. An accession register separate to LOGIS is used to record and monitor all library material.

13. Information Technology Plan

The department has developed a five-year Information and Communications Technology (ICT) strategic plan, which will be revised annually to ensure alignment with the department's strategy. The focus for the implementation in this period is described below:

13.1 ICT objectives

The departmental ICT plan is informed by the following objectives:

- To provide agile ICT solutions that address business priorities
- Provide ICT enablement capabilities for improved information management
- Ensure information security, high availability, reliability and performance
- Build a skilled, dynamic and cohesive ICT delivery team
- To ensure compliance to the ICT Governance Framework

13.2 ICT objectives

In line with the departmental values, the ICT plan for the medium term will provide the following benefits:

- a) Quality Relationships**
 - Enhanced Accessibility of systems and improved service quality
 - Enhanced communication and collaboration within the department and external clients
- b) Intellectual Excellence**
 - Skilled and competent employees
 - Improved information management

- c) **Operational Excellence**
- Modernisation of **the dti** ICT services
 - Improved ICT service delivery
 - Optimisation of Business Processes
 - Enhanced control environment

13.3 Key ICT Projects / Solutions

To realise the aforementioned benefits, the department will roll-out the following key projects:

- a) **ICT Agile Solutions for Business Enablement**
- Implementation of a rejuvenated and modernised Website for **the dti**
 - Replacement of Contact Centre Infrastructure and Customer Relationship Management System
 - Consolidation of Helpdesk for GSSSD functions
 - Migration of National Liquor Authority (NLA) system and others to optimised platform/s
- b) **Improved Information Management**
- Enterprise Application Architecture Integration
 - Implementation of Information Governance
- c) **Information Security, ICT Service Continuity and Governance**
- Reliable Disk-Based Backup Solution
 - 24 x7 x 365 monitoring through Security Operations Centre
 - Upgrade to the latest MS Office software & upgrade to Windows OS v10x
 - Implementation of a Cyber Security Policy
- d) **Skilled, dynamic & cohesive delivery team**
- Implementation of optimised/re-organised ICT Structure

14. Risk management

the dti continues its commitment to the management of risks and maintaining effective, efficient and transparent systems of financial, risk management and internal controls. Best practice standards and methodology, are tailored and applied to address every risk that **the dti** may be exposed to, ensuring that risks are managed and/or mitigated to an acceptable level. **the dti** will continue to ensure that risk is not only seen as a threat but also as an opportunity to enhance its commitment to continuous improvement. The department also ensures that efficient and effective controls are in place, followed by continuous monitoring, reviewing and evaluation of mechanisms aimed at mitigating the identified strategic and operational risks.

Strategic risks that would impede the achievement of **the dti**'s strategic objectives and imperatives are contained in the strategic risk register, which is maintained and actioned by ExBo. Strategic risks impacting on **the dti** include, but are not limited to:

- Inability to change the economic narrative in the public and private sectors to support industrialisation
- Possible fraud and corruption risk due to the nature of the department's operations
- Insufficient preparation for the 4th Industrial Revolution
- Reputational risk due to inadequate communications to the public, of the Department's achievements and success stories
- Inability to penetrate foreign markets.

These risks are being adequately managed through, but not limited to, the following mitigating actions:

- early warning system-economic intelligence reporting;
- the prioritisation of the African continent as major source of demand (more foreign representatives, more trade missions going to Africa);
- energy efficiency programmes (clean audits) and research studies for alternate energy sources as well as participation in the electricity war room;
- skills development programmes for the country; and
- establishment of an interdepartmental task team to maximise opportunities presented by the 4th Industrial Revolution.

A strategic risk register is maintained and actioned by ExBo. Risks therein are those that would impede the achievement of **the dti's** strategic objectives and imperatives. Divisions within the department compile risk registers aligned to divisional operational plans. Divisions update the risk registers every quarter, with emerging risks and risks from the changing economic and internal environments and the Office of the Chief Risk Officer reviews the status of action plans quarterly. The updated risk registers together with the progress of action plans are discussed at the quarterly Risk Management Committee (RMC). The RMC is chaired by the Group Chief Operating Officer and attended by all COOs, the CFO, CRO, CIO, and CD's: Legal, Internal Audit as well as an external member of the Audit Committee.

There is also a strong focus on ethics and fraud awareness. **the dti** is committed to zero-tolerance for fraud and corruption. The fraud prevention policy, strategy and plan, assists in driving different initiatives to ensure that employees of **the dti** are encouraged to report any suspicious activities.

To further assist and enhance the ethical culture in the Department, there is a dedicated Ethics Officer, who champions the ethics mandate in the department. All employees are required to obtain approval to perform any remunerative work outside the public service and disclose all business interests. The Ethics Committee, assisted by the Ethics Officer, assesses all applications for Remunerative Work Outside the Public Service. The Committee members scrutinise all applications to ensure there are no conflicts of interest before approval can be granted by the Director-General.

15. Service Delivery Improvement Plan




The approved 2015-18 SDIP is currently in place and **the dti** will report on the implementation thereof. The document is being improved in-line with the discussion with DPSA.

16. Entities reporting to the Minister

Each entity has been established in terms of specific legislation. As such no evaluation of entities is planned and only the current entities under the administration of **the dti** have been captured in the table. In addition, the department's legislative programme including any changes to entities will be determined by the consultation process to amend legislation.

Name of public entity	Enabling legislation	Financial relationship	Mandate and purpose
<p>Companies and Intellectual Property Commission (CIPC)</p> <p>Companies and Intellectual Property Commission a member of the dti group</p>	Companies Act, 2008 (Act No. 71 of 2008), as amended	Self-funded	<p>The CIPC was established by the Companies Act, 2008 (Act No. 71 of 2008) as a juristic person to function as an organ of state within the public administration, but as an institution outside the public service. The main functions of the commission are the:</p> <ul style="list-style-type: none"> • Registration of companies, cooperatives and intellectual property (IP) rights (trademarks, patents, designs and copyright), and the maintenance thereof; • Disclosure of information on its business registers; • Promotion of education and awareness of company and IP law; • Promotion of compliance with relevant legislation; • Efficient and effective enforcement of relevant legislation; • Monitoring compliance with and contraventions of financial reporting standards, and making recommendations thereto to Financial Reporting Standards Council (FRSC); • Licensing of business rescue practitioners; and • Report, research and advise the Minister on matters of national policy relating to company and IP law.
<p>Export Credit Insurance Corporation (ECIC)</p>	Export Credit and Foreign Investments Insurance Act, 1957 (Act No. 78 of 1957)	Transfer payment	<p>The ECIC is established by the Export Credit and Foreign Investment Re-Insurance Amendment Act, 1957 (Act No. 78 of 1957) as amended. It promotes trade with countries outside South Africa by providing for the insurance, on behalf of the Government of the Republic, of contracts in connection with export transactions, investments and loans or similar facilities connected with such transaction, and provides for matters connected therewith.</p>
<p>National Consumer Commission (NCC)</p> <p>NATIONAL CONSUMER COMMISSION a member of the dti group</p>	Consumer Protection Act, 2008 (Act No.68 of 2008)	Transfer payment	<p>The NCC is charged with the responsibility to enforce and carry out the functions assigned to it in terms of the Act, which aims to: promote a fair, accessible and sustainable marketplace for consumer products and services, and for that purpose; establish national norms and standards relating to consumer protection; provide for improved standards of consumer information; prohibit certain unfair marketing and business practices; promote responsible consumer behaviour; and promote a consistent legislation and enforcement framework relating to consumer transactions.</p>
<p>National Consumer Tribunal (NCT)</p> <p>national consumer tribunal</p>	National Credit Act, 2005 (Act No. 34 of 2005), as amended	Transfer payment	<p>The NCT adjudicates any application that may be made to it, and makes any order provided for in respect of such an application; or allegations of prohibited conduct by determining whether prohibited conduct has occurred and, if so, by imposing a remedy. It grants orders for costs, and can exercise any other power conferred on it by law. It also reviews decisions made by the National Credit Regulator (NCR), the NCC, and single-member panels of the tribunal. Decisions made by a three-member panel of the tribunal may in turn be taken on appeal or review to the High Court.</p>

Name of public entity	Enabling legislation	Financial relationship	Mandate and purpose
<p>Companies Tribunal (CT)</p> 	<p>Companies Act, 2008 (Act No. 71 of 2008), as amended</p>	<p>Transfer payment</p>	<p>The CT adjudicates in relation to any application that may be made to it in terms of the Act, and makes any order provided for in the Act in respect of such an application. It also assists in the resolution of disputes as contemplated in Part C of Chapter 7 of the Act; and performs any other function assigned to it by or in terms of the Act, or any law mentioned in Schedule 4.</p>
<p>National Credit Regulator (NCR)</p> 	<p>National Credit Act, 2005 (Act No. 34 of 2005), as amended</p>	<p>Transfer payment</p>	<p>The NCR promotes a fair and non-discriminatory marketplace for access of consumer credit; provides for the general regulation of consumer credit and improved standards of consumer information; promotes black economic empowerment and ownership within the consumer credit industry; promotes responsible credit granting and use; provides for debt reorganisation in cases of overindebtedness; regulates credit information; and provides for the registration of credit providers, credit bureaus and debt-counselling services.</p>
<p>National Empowerment Fund (NEF)</p> 	<p>National Empowerment Fund Act, 1995 (Act No. 105 of 1995)</p>	<p>Self-funded</p>	<p>The NEF's focus is to promote and facilitate black economic equality and transformation. The NEF provides finance and financial solutions to black business across a range of sectors, and structures accessible retail savings products for black people based on state-owned equity investments. Its mandate and mission is to be Government's funding agency in facilitating the implementation of B-BBEE in terms of the BEE Codes of Good Practice.</p>
<p>National Gambling Board (NGB)</p> 	<p>National Gambling Act, 2004 (Act No. 7 of 2004)</p>	<p>Transfer payment</p>	<p>The NGB was established to monitor and investigate when necessary the issuing of national licences by provincial licensing authorities. It establishes and maintains national registers regarding various gambling activities.</p>
<p>National Lotteries Commission (NLC)</p> 	<p>National Lotteries Act, 1997 (Act No. 57 of 1997)</p>	<p>Self-funded</p>	<p>The NLC monitors and enforces the implementation of the national lottery. It manages the National Lottery Distribution Trust Fund, which distributes proceeds from its share of the lottery sales to worthy causes.</p>
<p>National Metrology Institute of South Africa (NMISA)</p> 	<p>Measurement Units and Measurement Standards Act, 2006 (Act No. 18 of 2006)</p>	<p>Transfer payment</p>	<p>NMISA is responsible for realising, maintaining and disseminating the International System of Units. It maintains and develops primary scientific standards of physical quantities for South Africa, and compares those standards with other national standards to ensure global measurement equivalence.</p>

Name of public entity	Enabling legislation	Financial relationship	Mandate and purpose
National Regulator for Compulsory Specifications (NRCS) 	National Regulator for Compulsory Specifications Act, 2008 (Act No. 5 of 2008)	Transfer payment	The NRCS is responsible for the administration and maintenance of compulsory specifications, and the implementation of regulatory and compliance systems for compulsory specifications.
South African Bureau of Standards (SABS) 	Standards Act, 2008 (Act No. 8 of 2008)	Transfer payment	The SABS aims to develop, promote and maintain South African national standards; promote quality in connection with commodities, products and services; and render conformity-assessment services and matters connected therewith.
South African National Accreditation System (SANAS) 	Accreditation for Conformity Assessment, Calibration and Good Laboratory Practice Act, 2006 (Act No. 19 of 2006).	Transfer payment	The aim of SANAS is to accredit or monitor, for GLP-compliance purposes, organisations that fall within its scope of activity; promote accreditation as a means of facilitating international trade and enhancing South Africa's economic performance and transformation; promote the competence and equivalence of accredited bodies; and promote the competence and equivalence of GLP-compliant facilities.

17. Public-private partnership

As part of the Public-Private Partnership (PPP) agreement, the concessionaire will, for the duration of the contract period, own and maintain assets such as the land, buildings and the majority of the furniture. Departmental assets excluded from this agreement include departmental vehicles, computer equipment and certain furniture items.

the dti is planning to attain additional office space by acquiring Block G within **the dti** Campus which is privately owned. **the dti** intends to incorporate Block G into the PPP agreement and consultation with National Treasury is underway. Due to the fact that this process is highly negotiated the timeframes and terms of the deal cannot be pegged down however it is anticipated the entire transaction will be completed in the 2017/18 but in any event not later than the 2018/19 financial year.

Name of PPP	Purpose	Outputs	Current value of agreement (R thousand)	Date agreement expires
the dti campus PPP	Fully serviced office accommodation for the dti	Design, finance, build, operate and transfer of the dti campus	870 000 (NPV at financial close)	August 2028

Annexures

Annexure A: Changes to the Strategic Plan

APP 2016-2019

- The department has proposed an amendment to the budget programme structure through the MTEF 2017 process for Programme 7 which was Trade Export South Africa, now referred to as Trade Investment South Africa (TISA). The purpose of the programmes and the sub-programmes are covered under paragraph 12 supra.
- Further changes to paragraph 8.4 Description of the Strategic Planning Process, which reflects **the dti** contribution to the National Development Plan supporting the following outcomes amongst others: Outcome 4: Decent employment through inclusive growth, Outcome 11: Create a better South Africa and a better world and Outcome 12: An efficient, effective and development-oriented public service.
- the dsbd will support Outcome 7: Vibrant, equitable, sustainable rural communities contributing towards food security for all.
- In order to ensure that the department contributes towards the achievement of certain outputs that support the Medium Term Strategic Framework (MTSF) 2015-2019, the changes made in the reviewed MTSF will be incorporated pending finalisation

APP 2017-2020

- The department has proposed an amendment to the budget programme structure through the MTEF 2017 process for Programme 7 which was Trade Export South Africa, now referred to as Trade Investment South Africa (TISA). The purpose of the programmes and the sub-programmes are covered under paragraph 12 supra.
- Further changes to paragraph 8.4 Description of the Strategic Planning Process, which reflects **the dti** contribution to the National Development Plan supporting the following outcomes amongst others: Outcome 4: Decent employment through inclusive growth, Outcome 11: Create a better South Africa and a better world and Outcome 12: An efficient, effective and development-oriented public service.
- the dsbd will support Outcome 7: Vibrant, equitable, sustainable rural communities contributing towards food security for all.
- The Africa Export Council will now be referred to as Trade Invest Africa.
- In order to ensure that the department contributes towards the achievement of certain outputs that support the Medium Term Strategic Framework (MTSF) 2015-2019, the changes made in the reviewed MTSF will be incorporated pending finalisation.
- **the dti** will support the following MTSF interventions as detailed in the relevant outcome documents.

the dti's Strategic Outcomes-Orientated Goals	MTSF Interventions	Linkages to government outcomes
Facilitate transformation of the economy to promote industrial development, investment, competitiveness and employment creation	<ul style="list-style-type: none"> All IPAP interventions implemented Develop MBAP and incorporate into IPAP Increase use of local metals in South African manufacturing Increase localisation target to 75% 	Outcome 4: Decent employment through inclusive growth
Build mutually beneficial regional and global relations to advance South Africa's trade, industrial policy and economic development objectives	<ul style="list-style-type: none"> FDI investment pipeline R50 billion Economic diplomacy and pavilions Seven investments and five trade promotion projects Tripartite-Free Trade Agreement (T-FTA) South Africa's position on T-FTA and Continental -FTA 	Outcome 11: Create a better South Africa and a better world

Annexure B: Strategic objectives and technical indicator descriptions

Strategic objective	Strengthened capacity to deliver on the dti mandate
Objective Statement	Effective implementation and review of the Human Resource Plans to ensure that the department has requisite skill and capacity to fulfil its legislative mandate with a vacancy rate of 5%.
Baseline	Vacancy rate: 6.9%
Linkage to Strategic Goal	Create a professional, competitive and customer-focused working environment that ensures effective and efficient service delivery

Indicator title	Percentage (%) vacancy rate
Short definition	Vacancy rate of the department
Purpose/importance	Tracks progress made in filling vacancies. A decrease in this number can be indicative of either the abolishment of vacancies or the actual filling of them with external candidates (outside appointments). An increase could be the result of higher turnover or an increase in establishment.
Source/collection of data	PERSAL reports. [the dti establishment (which should reconcile with the post establishment on PERSAL); versus the actual number of incumbents as per PERSAL report (i.e. those that are being paid and holding permanent positions (compared to contract / additional appointments)]
Method of calculation	% of vacant posts for which budget estimate exists expressed as a fraction of the total approved positions (excluding positions additional to the establishment, temporary / interns). $(\text{Total establishment} - \text{Filled positions}) \div \text{Total establishment} \times 100\%$. Type: this is an as-is statistic i.e. a snapshot of filled posts compared against total establishment.
Calculation Type	Cumulative
Data limitations	None
Type of indicator	Output
Reporting cycle	Annual
Desired performance	Target met or exceeded
Indicator responsibility	Programme 1: Administration

Strategic objective	Grow the Manufacturing sector to promote industrial development, job creation, investment and exports
Objective Statement	Develop policies, strategies and programmes focussed on manufacturing and other value-adding sectors to enable competitiveness, job creation and sustained growth
Baseline	Sixth iteration of IPAP
Linkage to Strategic Goal	Facilitate transformation of the economy to promote industrial development, investment, competitiveness and employment creation

The performance indicators for the above strategic objective are no longer to be read in line with the strategic plan for Programme 2, 3, 4 and 6. These will have specific programme performance indicators and the objective will be measured at the end of five years.

The performance indicators for the below strategic objective is no longer to be read in line with the strategic plan for Programme 5. These will have specific programme performance indicators and the objective will be measured at the end of five years.

Strategic objective	Improved conditions for consumers, artists and opening up of markets for new Patents players
Objective Statement	To provide for harmonisation of IP laws, access to medicine and education, distribution of royalties and redress for artists
Baseline	Policies, Bills and Regulations to enforce fair business practices approved
Linkage to Strategic Goal	Create an enabling environment which is conducive to both consumers and business and remove the unnecessary regulatory burden which negatively impacts on the economy

Annexure C: List of references

No.	Source
1	Bureau of Economic Research (2016). Business and Consumer Confidence: October, November & December editions. University of Stellenbosch.
2	Department of Trade and Industry (2016). Third Quarter Report. Pretoria.
3	FT FDI Markets, (January 2017). http://www.fdimarket.com . accessed on 20 January 2017
4	Engineering News (September 2016).
5	International Monetary Fund (2017). World Economic Outlook January Update. Washington, D.C.
6	Statistics South Africa (2016). Gross Domestic Product: Quarter Three. Pretoria.
7	Statistics South Africa (2016). Quarterly Labour Force Survey: Quarter Three. Pretoria.
8	South African Reserve Bank (2016). Quarterly Reserve Bulletin No 281. Pretoria.
9	South African Reserve Bank (2017). Monetary Policy Committee January Press Statement. Pretoria (www.resbank.co.za/Lists/News%20and%20Publications/Attachments/7644/Statement%20of%20the%20Monetary%20Policy%20Committee%20-%2024%20January%202017.pdf)
10	United Nations Conference on Trade and Development (2016). World Investment Report. Geneva.

Annexure D: Technical indicator descriptions

Programme 1: Administration

	Indicator title	Percentage (%) of staff turnover (unexpected)
1	Short definition	Staff turnover for the department
	Purpose/importance	Track staff turnover indicative of the rate that employees leave the Department.
	Source/collection of data	PERSAL - from the actual service terminations (salary payments terminated) upon receipt of the relevant supporting documentation to terminate service (e.g. retirement, resignation, transfer, death etc. depending on the type)
	Method of calculation	Total number of Service terminations (Permanent) over a period of time ÷ (average headcount for the same period under review) x 100. Projected turnover: Total number of terminations ÷ (number of months data accumulated) x 12) ÷ total average headcount x 100
	Calculation type	Cumulative
	Data limitations	Quarterly adjustments in line with outstanding information.
	Type of indicator	Output
	Reporting cycle	Quarterly
	Desired performance	Target met and/or exceeded
Indicator responsibility	Chief Directorate: Human Resources & Learning Centre Director: Talent and Performance Management	

	Indicator title	Percentage (%) of people with disability employed
2	Short definition	Percentage (%) of People With Disability of the department
	Purpose/importance	Tracks progress made in employment of people with disabilities, indicative of progress made in actively recruiting staff with disabilities and retaining them. A decrease in this number is indicative of either terminations or more positions filled with people without disabilities
	Source/collection of data	PERSAL - As per disclosures of staff in accordance with disability classification protocol or as per recruitment documentation
	Method of calculation	Method - (Total number of people with disabilities) ÷ total headcount x 100%. This is an as-is statistic - at a given point in time. Depending on the amount of staff disclosing their status at appointment or acquired disabilities through the course of their appointment
	Calculation type	Cumulative
	Data limitations	Non-disclosure of disability status will result in under-reporting. This is a voluntary process and therefore inherent in the data gathering process
	Type of indicator	Output
	Reporting cycle	Quarterly
	Desired performance	Target met
Indicator responsibility	Chief Directorate: Human Resources & Learning Centre (HR&LC)	

	Indicator title	Percentage (%) of Women employed in senior management positions
3	Short definition	Percentage (%) of Women employed in senior management positions in the department
	Purpose/importance	Tracks progress made in filling vacancies with women in senior positions or the process of retaining them. A decrease in this number is indicative of either female terminations or more positions filled with male appointments
	Source/collection of data	PERSAL - from the actual recruitment documentation - race, gender, etc. is acquired and populated into the PERSAL system during the process of appointment. For staff long in service, the SP files should have the information provided in it
	Method of calculation	Method- (Total number of people with women appointed at SMS level) ÷ total filled positions (permanent establishment) at SMS level x 100%. Type; This is an as-is statistic - at a given point in time
	Calculation type	Cumulative
	Data limitations	None
	Type of indicator	Output
	Reporting cycle	Quarterly
	Desired performance	Target met
Indicator responsibility	Chief Directorate: Human Resources & Learning Centre (HR&LC)	

	Indicator title	Eligible creditors' payments processed within legal timeframes
4	Short definition	Payment of eligible creditors within 30 days of receipt of invoices as required by PFMA
	Purpose/importance	To ensure compliance with legislative requirements and substantially of smaller business by ensuring timeous payments
	Source/collection of data	The indicator is informed by the number of creditor payments received via the CFO Helpdesk of the dti, for subsequent processing and payment, and is based on the procurement of goods and services from external service providers. Physical records of creditor payment and information from BAS and LOGIS
	Method of calculation	Simple count
	Calculation type	Cumulative
	Data limitations	The indicator and target are dependent of the receipt at the CFO Helpdesk of creditor invoices, implying that any delays prior to this is outside the control of the business unit and the Department. If invoices received by the CFO helpdesk are not eligible for payment this will have to be sent back until such time it meets all requirement to be paid.
	Type of indicator	Output
	Reporting cycle	Quarterly
	Desired performance	Payment of all eligible creditors within 30 days
Indicator responsibility	Chief Directorate: Financial Accounting	

	Indicator title	Number of outreach engagements and exhibitions
5	Short definition	Outreach engagements are events that involve public or stakeholder engagement on the dti's programmes and services. Exhibitions are interactive public display platforms for showcasing and interacting with targeted groups on the dti's programmes and services.
	Purpose/importance	Tracks the number of outreach engagements and exhibitions
	Source/collection of data	Quarterly Reports
	Method of calculation	Simple count
	Calculation type	Cumulative
	Data limitations	None
	Type of indicator	Output
	Reporting cycle	Quarterly
	Desired performance	Target met or higher
	Indicator responsibility	Chief Directorate: Marketing, Communication and Stakeholder Engagement.

Programme 2: International Trade and Economic Development

	Indicator title	Number of status reports on regional economic integration
6	Short definition	Report on regional economic integration achieved through the following negotiations TFTA and CFTA
	Purpose/importance	To enhance preferential market access opportunities for South African companies
	Source/collection of data	RSA negotiating position reports, legal agreements and approved reports
	Method of calculation	Simple count
	Calculation type	Cumulative
	Data limitations	None
	Type of indicator	Output
	Reporting cycle	Six monthly
	Desired performance	Target met
	Indicator responsibility	Chief Directorate: African Multilateral Economic Relations and Chief Directorate: Trade Negotiations

	Indicator title	Number of reports on Implementation of SADC-EU Economic Partnership Agreement (EPA)
7	Short definition	Report on implementation of SADC-EU Economic Partnership Agreement
	Purpose/importance	To enhance preferential market access opportunities for South African companies to EU market
	Source/collection of data	Approved reports
	Method of calculation	Simple count
	Calculation type	Cumulative
	Data limitations	None
	Type of indicator	Output
	Reporting cycle	Six monthly
	Desired performance	Target met
	Indicator responsibility	Chief Directorate: Trade Negotiations

	Indicator title	Number of status reports on Global fora (e.g. BRICS, G20, AGOA, UK Brexit)
8	Short definition	Report on bilateral engagements at Global Fora
	Purpose/importance	To leverage South Africa's engagements at Global Fora in order to advance South Africa's and Africa's position
	Source/collection of data	Approved reports
	Method of calculation	Simple count
	Calculation type	Cumulative
	Data limitations	None
	Type of indicator	Output
	Reporting cycle	Quarterly
	Desired performance	Target met or higher
	Indicator responsibility	Chief Directorate: Trade Negotiations, and Chief Directorate Bilateral Trade Relations (Rest of World)

Programme 3: Special Economic Zones and Economic Transformation

	Indicator title	Number of SEZs submitted to Minister for designation
9	Short definition	Designation of Special Economic Zones is to attract investment, create jobs and promote value added exports. A submission on the proposed SEZs will be prepared for Minister's approval to designate
	Purpose/importance	Facilitating creation of an industrial complex with strategic economic advantage for targeted investment and industries in manufacturing sector and tradable services. This will also focus on developing infrastructure to support development of targeted industrial activities and attracting foreign and domestic direct investment
	Source/collection of data	Submissions to Minister
	Method of calculation	Simple Count
	Calculation type	Non-Cumulative
	Data limitations	None
	Type of indicator	Output
	Reporting cycle	Quarterly from Q3 onwards
	Desired performance	Target Met or higher
	Indicator responsibility	CD: Special Economic Zones

	Indicator title	Number of implementation reports on the Industrial Parks submitted to Minister
10	Short definition	Tracks the number of implementation reports on the Industrial Parks identified for revitalisation
	Purpose/importance	The revitalisation of industrial parks is intended to create and expand economic opportunities in both developed and under-developed regions. The implementation reports will assist in reporting on the progress made in this regard
	Source/collection of data	Reports on implementation of the Industrial Parks submitted to Minister
	Method of calculation	Simple Count
	Calculation type	Non-Cumulative
	Data limitations	None
	Type of indicator	Output
	Reporting cycle	Bi-annual
	Desired performance	Target Met or higher
Indicator responsibility	CD: Regional Industrial Clusters and Economic Infrastructure	

	Indicator title	Number of reports on the implementation of the B-BBEE Amendment Act and Regulations submitted to the Minister
11	Short definition	To keep leadership abreast and provide strategic guidance on the implementation of the B-BBEE legislation and regulations
	Purpose/importance	To promote economic transformation and investment programmes that lead to broad-based and meaningful participation of black people in the economy through the B-BBEE programmes
	Source/collection of data	Bi-Annual performance reports on the implementation of the B-BBEE Amendment Act and Regulations submitted to Minister
	Method of calculation	Simple Count
	Calculation type	Non-Cumulative
	Data limitations	None
	Type of indicator	Output
	Reporting cycle	Bi-Annual
	Desired performance	Target Met or higher
Indicator responsibility	CD: BEE	

	Indicator title	Number of new BIs supported in key sectors
12	Short definition	Implement BI programmes through financial and non-financial support in IPAP sectors
	Purpose/importance	Promotion of broader industrialisation base in the RSA economy to include black people in the mainstream of the productive sectors of the economy
	Source/collection of data	Quarterly performance reports of the Black Industrialists programme. Adjudication minutes and approval letters
	Method of calculation	Simple Count
	Calculation type	Non-Cumulative
	Data limitations	None
	Type of indicator	Output
	Reporting cycle	Quarterly
	Desired performance	Target Met or higher
Indicator responsibility	CD: Black Industrialist	

Programme 4: Industrial Development

	Indicator title	New iteration of IPAP submitted to Minister for tabling in Cabinet annually
13	Short definition	The publication of an annual IPAP takes place within the framework of continuous improvements and up-scaling of concrete industrial development interventions, as set out in the National Industrial Policy Framework (NIPF) and is tabled in Cabinet annually
	Purpose/importance	Successive iterations of IPAP seek to scale up key interventions over a rolling three-year period, with a 10-year outlook on desired economic outcomes
	Source/collection of data	Record of the Cabinet memorandum submitted to the Minister requesting Cabinet to approve the IPAP document
	Method of calculation	Simple count
	Calculation type	Non-cumulative
	Data limitations	Reliance on third parties to provide accurate information
	Type of indicator	Output
	Reporting cycle	Annually
	Desired performance	Target met
	Indicator responsibility	Chief Directorate: Industrial Policy

	Indicator title	Number of implementation reports on IPAP tabled at Minister's Review meetings per year
14	Short definition	Implementation reports tabled quarterly at IPAP Review Meetings to monitor and report on progress made on IPAP key action plans and milestones
	Purpose/importance	Tracks the implementation of IPAP and provides corrective action where necessary
	Source/collection of data	Reports based on sector monitoring submitted and/or presented at the meeting
	Method of calculation	Simple count
	Calculation type	Cumulative
	Data limitations	None
	Type of indicator	Output
	Reporting cycle	Quarterly
	Desired performance	Target met
	Indicator responsibility	Chief Directorate: Industrial Policy

	Indicator title	Number of designation requests prepared for Minister per year
15	Short definition	The number of designation requests prepared for Minister per year for recommendation to NT to designate sectors.
	Purpose/importance	Tracks the number of number of designation requests submitted to the Minister per year
	Source/collection of data	Designation requests
	Method of calculation	Simple count
	Calculation type	Cumulative
	Data limitations	Accuracy of reports based on information supplied by the third party
	Type of indicator	Output
	Reporting cycle	Quarterly
	Desired performance	Target met or higher
	Indicator responsibility	Chief Directorate: Industrial Procurement

Programme 5: Consumer and Corporate Regulation

	Indicator title	Number of Socio-Economic Impact Assessment System (SEIAS) reports (previously RIA reports) developed for Minister's approval
16	Short definition	Socio economic impact assessment conducted on all policies and legislation developed by the Consumer and Corporate Regulation Division
	Purpose/importance	To assess the socio-economic impact of regulation and improve the impact of regulation on consumers and businesses
	Source/collection of data	SEIAS report submitted to Minister for approval
	Method of calculation	Simple count
	Calculation type	Cumulative
	Data limitations	None
	Type of indicator	Output
	Reporting cycle	Quarterly
	Desired performance	Target met
	Indicator responsibility	M & E and SEIAS Chief Directorate within CCRD

	Indicator title	Number of Bills developed for Minister's approval
17	Short definition	Development of Companies Amendment, Gambling Amendment, Liquor Amendment
	Purpose/importance	Draft amendment and review of legislation(s) to close identified gaps in the law and produce Bill
	Source/collection of data	Developed Bills submitted to Minister for approval
	Method of calculation	Simple count
	Calculation type	Cumulative
	Data limitations	Consultative process is anticipated to take longer
	Type of indicator	Output
	Reporting cycle	Quarterly
	Desired performance	Target met or higher
	Indicator responsibility	Chief Directorate: Policy and Legislation and Legislative Drafting

	Indicator title	Number of education and awareness workshops on policies and legislation conducted and report produced for Ministers approval
18	Short definition	Workshops for policy and legislation within the CCRD convened and reports produced
	Purpose/importance	Education and awareness on policies and legislation within the CCRD
	Source/collection of data	Reports on workshops on policy and legislation submitted to Minister for approval
	Method of calculation	Simple count
	Calculation type	Cumulative
	Data limitations	Poor attendance in workshops
	Type of indicator	Output
	Reporting cycle	Quarterly
	Desired performance	Target met or higher
	Indicator responsibility	Chief Directorate: Policy and legislation

Programme 6: Incentive Development and Administration

	Indicator title	Value (Rand) of projected investments to be leveraged from projects/enterprises approved
19	Short definition	The total value of projected investments to be created through approved projects/enterprises (AIS, CIP, FILM, BPS, 12I and ADEP)
	Purpose/importance	Tracks the value of projected investments from projects approved
	Source/collection of data	Signed Adjudication Committee Minutes and approval letters
	Method of calculation	Simple count
	Calculation type	Cumulative
	Data limitations	Accuracy of information could be compromised due to manual capturing of data
	Type of indicator	Output
	Reporting cycle	Quarterly
	Desired performance	Target met or higher
	Indicator responsibility	Incentive Programme Managers

	Indicator title	Projected number of new jobs supported from enterprises approved
20	Short definition	The number of new jobs projected from approved projects/enterprises (AIS, 12I, CIP, BPS, BIS & ADEP)
	Purpose/importance	Tracks the number of new jobs projected from approved projects.
	Source/collection of data	Signed Adjudication Committee Minutes and approval letters
	Method of calculation	Simple count
	Calculation type	Cumulative
	Data limitations	Accuracy of information could be compromised due to manual capturing of data
	Type of indicator	Output
	Reporting cycle	Quarterly
	Desired performance	Target met or higher
	Indicator responsibility	Incentive Programme Managers

	Indicator title	Projected number of jobs to be retained from approved enterprises
21	Short definition	The projected number of jobs retained/sustained (base year jobs) through approved enterprises/projects. (AIS, 12I, BIS & ADEP)
	Purpose/importance	Tracks the projected number of jobs retained/sustained (base year jobs) from approved enterprises/projects
	Source/collection of data	Signed Adjudication Committee Minutes and approval letters
	Method of calculation	Simple count
	Calculation type	Cumulative
	Data limitations	Accuracy of information due to the fact that an application may have been approved by the Adjudication Committee but not yet captured as such on the appropriate IT system
	Type of indicator	Output
	Reporting cycle	Quarterly
	Desired performance	Target met or higher
	Indicator responsibility	Incentive Managers

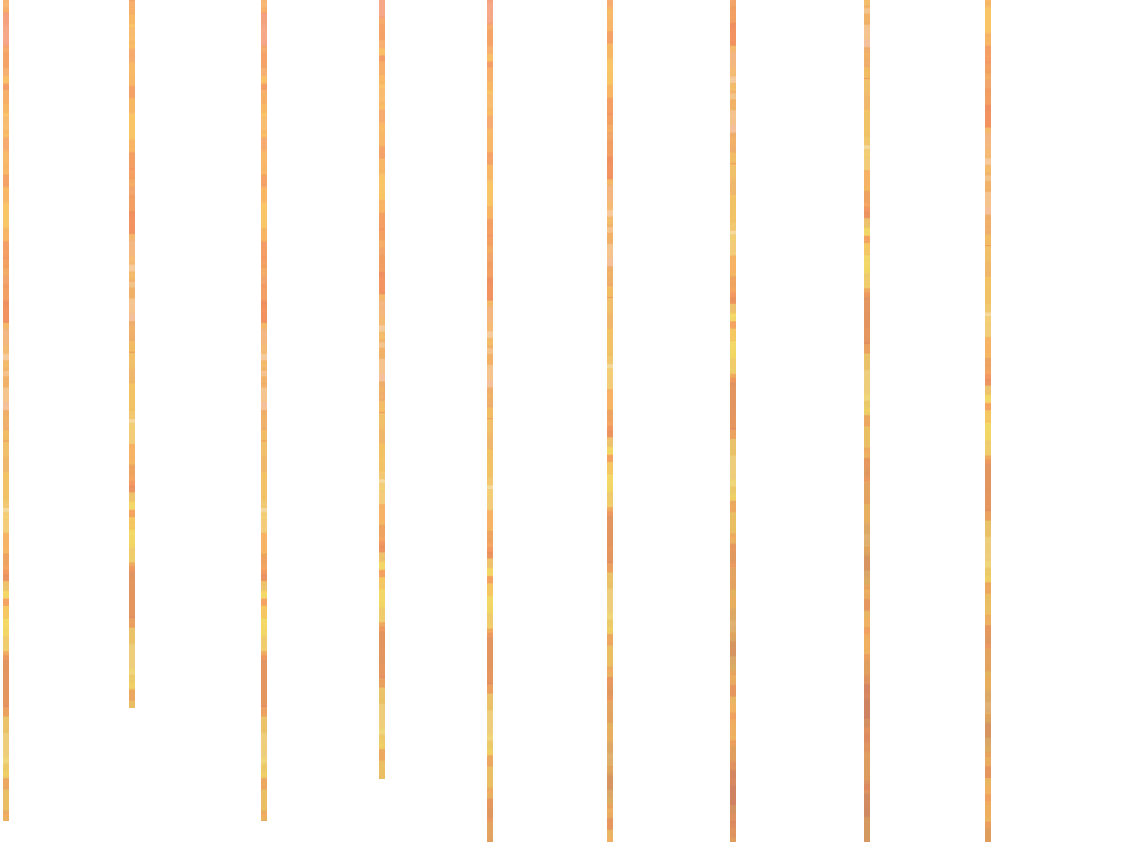
	Indicator title	Number of enterprises/projects approved for financial support across all incentives
22	Short definition	The total number of enterprises/projects approved for financial support across all incentives (AIS, 12I, CIP, BPS, BIS, THRIP, SPII, FILM, SEZ, EMIA (CPFP/SSAS), SPP & ADEP)
	Purpose/importance	Tracks the number of enterprises/projects approved annually
	Source/collection of data	Signed Adjudication Committee Minutes and approval letters
	Method of calculation	Simple count
	Calculation type	Cumulative
	Data limitations	Accuracy of information could be compromised due to manual capturing of data
	Type of indicator	Output
	Reporting cycle	Quarterly
	Desired performance	Target met or higher
	Indicator responsibility	Incentive Programme Managers

Programme 7: Trade and Investment South Africa

	Indicator title	Number of companies assisted under EMIA in supporting value added exports
23	Short definition	South African exports originating from manufactured/ beneficiated goods and services as identified in the sectors articulated in the Industrial Policy Action Plan and the National Development Plan
	Purpose/importance	Tracks the number of companies assisted through EMIA (TISA) group Scheme to gain market access through their exports
	Source/collection of data	Application forms of approved companies, minutes of adjudication Committee and approval letters to companies
	Method of calculation	Simple count of companies assisted that will be informed by the budget allocation to TISA. If there is an increase in the budget allocation, the number of companies supported will be more than the base target of the previous year. Conversely, if there is a decrease in the budget allocation, the number of companies supported will be less than the base target of the previous year
	Calculation type	Cumulative
	Data limitations	Accuracy of information supplied by the third party
	Type of indicator	Output
	Reporting cycle	Quarterly
	Desired performance	Target met or Higher
	Indicator responsibility	Chief Directorate: Export Promotion and Marketing

Programme 8: Investment South Africa

	Indicator title	Value (Rand) of investment projects facilitated in pipeline
24	Short definition	It is the value indicated by investors of the projects being facilitated by Investment South Africa over a financial year. Each prospective investment has an indicated investment value in rans which collectively equates to the overall investment pipeline value
	Purpose/importance	Shows the value of projects facilitated by Investment South Africa over a financial year
	Source/collection of data	Web-based projects registry or manual entry
	Method of calculation	Base on the rand/ \$ exchange rate at date of entry on the web-based or manual registry
	Calculation type	Cumulative
	Data limitations	Accuracy of information supplied by the third party (investor/s)
	Type of indicator	Output
	Reporting cycle	Quarterly
	Desired performance	Target met or Higher
	Indicator responsibility	Chief Directorate: Investment Promotion and Facilitation



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