

# **Economic Development Department**

## **Strategic Plan**

**2012/13 – 2016/17**



**7 March 2012**

## FOREWORD BY THE MINISTER

Jobs – decent work opportunities for South Africans – are the most important way to address the challenges of poverty, inequality and high levels of unemployment. This vision is at the heart of the New Growth Path (NGP) adopted by Cabinet in October 2010.

The NGP sets a key goal: five million new jobs by 2020. It identifies a number of sectors where – and opportunities (including African economic integration) through which – employment can be increased on the scale required.

Over the past year, we have taken a number of focussed actions as government to implement this vision.

The Economic Development Department has played an important role: to secure a significant increase in the level of available industrial funding by the IDC (to R102 billion over five years); to support the conclusion of four key social accords (on skills development, basic education, local procurement and the green economy); to bring greater coherence to small business financing (combining the efforts of Khula, samaf and the IDC small business loan-book); to promote a greater focus on employment and domestic industrial capacity by the competition authorities; and to help advance the implementation of key jobs drivers such as infrastructure development.

This Strategic Plan provides a framework for the young department to consolidate its strengths, focus its efforts on the areas identified as national priorities and work closely with other public entities (national, provincial and local) in a partnership to drive better delivery and implementation.

The Strategic Plan is a dynamic framework, adjusting to the new requirements of government. Thus, it incorporates fresh challenges, such as providing support and coordination capacity to the Presidential Infrastructure Coordinating Commission (the PICC).

Over the next ten years, the state will drive and lead a major programme of investment in roads, rail, water, sanitation, power-stations, transmission-lines and communication infrastructure. This is intended to also spur local industrialisation through the manufacture of components, rolling-stock and equipment on the back of the infrastructure programme.

EDD has a contribution to make to this infrastructure and industrialisation programme as a key means of ensuring that the jobs goals of the New Growth Path are realised.

This Strategic Plan is a roadmap for EDD and provides a guide for the future work of the Department.

**Mr Ebrahim Patel**  
Minister



## OVERVIEW BY THE DIRECTOR-GENERAL

In the two and a half years since the Economic Development Department (EDD) was established, a great deal of work has been done to build the capacity of the department to ensure that it carries out its mandate efficiently and effectively. EDD has grown rapidly, expanding into new office space on the dti campus and appointing staff. Our hosts the dti have been generous with their time and resources in assisting us to find our feet, and today we have largely set up our own systems and function independently.

We count among our achievements the adoption of the New Growth Path (NGP) by Cabinet and the signing by Minister's Patel, Davies and Gordhan of the Delivery Agreement on Outcome 4, which focuses on decent employment and inclusive growth. The implementation of these frameworks remains a major priority for EDD, and during 2011 we have already made significant progress.

The electoral mandate, the NGP and Outcome 4 provide a clear mandate and action plan for EDD. We will be carrying out surveys of the employment impact of organs of state, a useful exercise in itself as it forces these entities to reflect on ways of increasing employment creation and equity. We will develop policies for the Economic Cluster on youth employment, gender, micro enterprises and assess the alignment of the BEE Codes with the NGP. We contribute to the quarterly reports on the implementation of Outcome 4.

EDD will develop plans and review the economic plans of all spheres of government, with a particular emphasis on spatial planning, including assessing the alignment of Provincial Growth and Development Strategies and Integrated Development Plans with the NGP.

We will continue to exercise policy and governance oversight over the Economic Regulatory Bodies and Development Finance Institutions in the medium term. In particular we will focus on the implementation of the merged entity that incorporates Khula Enterprise Finance, the South African Micro-Finance Apex Fund (samaf) and the small business activities of the Industrial Development Corporation. Cabinet approved the merger in principle and it is expected to take effect on 1 April 2012.

EDD will continue to add value to the work of the Presidential Infrastructure Coordinating Commission (PICC) as it embarks on a major journey to develop and refurbish the national infrastructure with a view to unlocking employment and development opportunities.

Having signed four major social accords on skills development, basic education, local procurement and the green economy with social partners, the focus on the medium term will be on their implementation, as well as the development of further accords.

The outlook for EDD is good. Our corporate governance systems and processes are in place and we hope to maintain our good audit record in line with these efforts. We have to date assembled a vibrant and diverse team committed to working together to fulfil EDD's challenging mandate, inspired by constitutional values and humanitarian goals.

**Mr Mohamed Saleem Mowzer**  
**Director-General (Acting)**

## OFFICIAL SIGN-OFF

It is hereby certified that this Strategic Plan:

Was developed by the management of the Economic Development Department under the guidance of Minister Ebrahim Patel;

Takes into account all the relevant policies, legislation and other mandates for which the Economic Development Department is responsible; and

Accurately reflects the strategic outcome oriented goals and objectives which the Economic Development Department will endeavour to achieve over the period 2012/13 to 2016/17.

**ZK Momeka**  
Chief Financial Officer

Signature: 

**Louis du Plooy**  
Chief Director: Office of the DG

Signature: 

**Mohamed Saleem Mowzer**  
Accounting Officer (Acting)

Signature: 

Approved by:

**Ebrahim Patel**  
Executive Authority

Signature: 



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# PART A: STRATEGIC OVERVIEW

## 1 Vision

Decent work through meaningful economic transformation and inclusive growth

## 2 Mission

The Economic Development Department (EDD) aims to—

- co-ordinate the contributions of government departments, state entities and civil society on economic development;
- contribute to efforts that ensure alignment between the economic policies and plans of the state and its agencies and government's political and economic objectives and mandate; and
- promote government's goals of advancing economic development with decent work opportunities.

## 3 Values

The Economic Development Department promotes constitutional values, with special reference to the chapters on human rights, cooperative governance and public administration, including these key basic values and principles governing public administration (section 195(1)). EDD upholds the following values:

- Promotion of decent work for all citizens (opportunity to work and quality of employment);
- Social partnership and dialogue;
- Equity and development; and
- Sustainability (environmental, social and economic).



## 4 Legislative and other mandates

### 4.1 Legislative mandates

The Department is responsible for the following entities:

- three regulatory bodies:
  - the Competition Commission;
  - the Competition Tribunal; and
  - the International Trade Administration Commission (ITAC); and
- three development finance institutions:
  - the Industrial Development Corporation (IDC);
  - Khula Enterprise Finance Limited (Khula); and
  - the South African Micro-finance Apex Fund (samaf)).

In line with these responsibilities the Department administers the following legislation:

- The Industrial Development Corporation Act, 1940 ( Act 22 of 1940);
- The Competition Act, 1998 (Act 89 of 1998); and
- The International Trade Administration Act, 2002 (Act 71 of 2002), save for item 2 of Schedule 2 of this Act read with section 4(2) of the Board on Tariffs and Trade Act 107 of 1986, which is administered by the Minister of Trade and Industry.

### 4.2 Policy mandates

EDD is responsible for developing economic policy with a broad, cross-cutting focus so that macro- and micro-economic policy reinforce each other and are both aligned to the electoral mandate. The Department is also responsible for economic development planning and works collegially with other departments to ensure coordination around a programme that places decent work at the centre of government's economic policies.

At its January 2010 Lekgotla, Cabinet adopted a new outcomes-based approach to monitoring and evaluation of government's performance. The Minister of Economic Development, together with the Ministers of Finance and Trade and Industry, led the development of Outcome 4: Decent Employment through Inclusive Growth. A Delivery Agreement was developed for the outcome, which was discussed at the July 2010 Cabinet Lekgotla. The Delivery Agreement for Outcome 4 was signed by the relevant Ministers on 20 October 2010. The implementation of the Delivery Agreement is an important focus for the Department.

On 25 October 2010 Cabinet adopted the New Growth Path (NGP), a strategy promoting decent work and inclusive growth. The NGP identifies key sectors in the economy with high jobs potential that will be supported by government. It further identifies key policy interventions to create an environment conducive to economic growth and job creation. Finally, it advocates a process of social dialogue with



key stakeholders in society. The implementation of the NGP is a central focus of EDD work in the medium-term.

### NEW GROWTH PATH

The New Growth Path (NGP) is more than a list of sectors that have been identified. The following sets out a brief summary of the programme.

These organising principles include:

- improving the labour absorption capacity of the economy, both in the absolute number of jobs created as well as in the labour intensity of economic growth, ie the number of jobs per 1% of GDP growth or per R1 billion of investment
- rebuilding the productive capacity of South Africa, among other through a stronger focus on key real economy sectors and improving their performance
- integrating green consideration in economic growth, by decreasing the carbon emission of economic activities as well as actively identifying new opportunities in the green economy
- focusing on the opportunities on the African continent for South Africa, and supporting logistics and industrial opportunities elsewhere on the continent that can strengthen South Africa's own employment and economic development
- improving the coherence and linkages between different sectors (for example between infrastructure components and local manufacturing capacity) as well as between public institutions (e.g. the IDC and Eskom) to ensure that the jobs and development opportunities are maximised
- promoting social partnerships between business, labour and government as critical instruments to drive the jobs goals

In addition to these key organising principles, there are number of areas that are identified for particular focus and these include:

- lowering the cost of capital for industrial enterprises and manufacturing activities
- improving skills development across the economy, including through the work of the DFI's
- strengthening competitiveness in the economy and tackling inherent problems of monopolies and price-fixing
- supporting the growth of smaller businesses as well as cooperatives as a means of drawing more South Africans into entrepreneurial activities and improving job creation
- focusing trade policy on the opportunities in fast growing economies, including through rebalancing trade with stronger exports of manufactures goods
- strengthening rural development through the location of industrial activity as well as supportive infrastructure that can unlock opportunities for rurally based citizens
- addressing the key development goals of women empowerment, BB-BEE, youth employment and local economic development
- improving the performance of development finance institutions, including the cost of their services, turnaround times for sign off on key projects and the level of capital that they can mobilise for the identified activities set out in the New Growth Path.

The NGP sets an ambitious jobs target of 5 million new jobs by 2020 and directs that economic policy should actively pursue jobs goals. The IDC has been identified as a key institution in the achievement of this goal.

The NGP has a number of key organising principles that would need to be referred to in the strategic plans of agencies, as well as integrated in the work of the agencies.

### 4.3 Relevant court rulings

N/A



#### **4.4 Planned policy initiatives**

As part of the implementation of the NGP, the Department will develop strategies and implementation plans in cooperation with the relevant government departments and agencies:

- Develop sector strategies in ways that support employment and equity, then implement these effectively and review regularly;
- Promote effective and expeditious implementation of the Infrastructure Plan;
- Implement, regularly review and improve a youth employment strategy;
- Implement strategy on the NGP and gender;
- Adopt strategies on micro enterprises, livelihoods and social economy; and
- Amend Competition Act to align with the NGP.

#### **4.5 Constitutional mandates**

Provisions in the Bill of Rights relating to equality (section 9); human dignity (section 10); freedom of trade, occupation and profession (section 22); labour relations (section 23); and chapter 3 of the Constitution dealing with intergovernmental relations inform the Department's work.

#### **4.6 Executive mandate**

The Economic Development Department (EDD) was formally established on 7 July 2009, following President Zuma's announcement of a new structure for national government. The President stated on 10 May 2009 that "Cabinet... has been reorganised to achieve better alignment between the structure, our electoral mandate... and the developmental challenges that need to receive immediate attention from government".

In line with this, the President announced that "[a] new department of Economic Development has been established to focus on economic policy making".

In his State of the Nation address on 3 June 2009, the President stated: "The creation of decent work will be at the centre of our economic policies and will influence our investment attraction and job-creation initiatives. In line with our undertakings, we have to forge ahead to promote a more inclusive economy."

During the Presidency Vote on 24 June 2009, the President stated: "The Economic Development portfolio will have a strong domestic focus and will address, amongst others, matters of macro and micro-economic development planning."

The new Department is, therefore, part of a new configuration of government that centres on the four inter-connected areas of policy-development, planning, effective implementation and continuous monitoring and evaluation.



The Department is responsible for developing economic policy with a broad, cross-cutting focus so that macro and micro-economic policy reinforce each other and are both aligned to the electoral mandate. The Department will also be responsible for economic development planning and will work collegially with other departments to ensure coordination around a programme that places decent work at the centre of government's economic policies in order to secure better employment outcomes.

President Zuma in his State of the Nation Address on 10 February 2011 emphasised that government's main priority was decent work through meaningful economic transformation and inclusive growth, which are at the heart of EDD's economic development mandate.

#### 4.7 Political mandate

The political mandate from the electorate includes the following:

- **To make the creation of decent work opportunities and sustainable livelihoods, the primary focus of government economic policies.** Government will make maximum use of all the means at the disposal to achieve this, including the programmes of development finance institutions and regulatory bodies, through government procurement and public incentive rules, in industrial, trade, competition, labour market and other policies.
- **To ensure that macro-economic policy is informed by the priorities in the electoral mandate and actively promotes creation of decent employment, economic growth, broad-based industrialisation, reduced income inequality and other developmental imperatives.** Economic policy will include measures to decisively address obstacles that limit the pace of employment creation and poverty eradication, and government will intervene in favour of more sustainable and inclusive growth for all South Africans.
- **To ensure that state-led industrial policy leads to the transformation of the economy.** Adequate resources will be provided to strengthen the state-led industrial policy programme, which directs public and private investment to support decent work outcomes, including employment creation and broad economic transformation. The programme will target labour-intensive production sectors and encourage activities that have high employment effects. It will include systematic support for co-operatives by way of a dedicated support institution and small business development; supporting investment in productive sectors; and working together with countries in southern Africa to invest in the regional economy.
- **To implement special sector programmes embracing industrial, trade and other measures backed by adequate resources.** This will include the strengthening of the manufacturing, mining and other vulnerable sectors, and tide them through the period of the global economic crisis, saving and growing jobs in the clothing and textile sector, strengthening the automobile and components sector, expanding the food industry and other sectors.
- **To ensure that a comprehensive package of measures is introduced to promote beneficiation programmes,** to ensure that the natural wealth of the country is shared, and developed locally, and to accelerate the creation of decent work opportunities in manufacturing and services.



- **To engage the private financial sector in order to facilitate its transformation and diversification** including the development of the co-operative financial institutions as well as ensuring that the sector contributes to investment and developmental priorities of the country.
- **To develop programmes to promote the important role of mining and agriculture in employment, meeting basic needs and community development**, and commit to continued transformation of these sectors to achieve national goals. Furthermore, government will ensure meaningful benefits for communities who gave up their land for mining activities.
- **To support tourism and other services** in order to expand work opportunities.
- **To develop and invest in a programme to create large numbers of 'green jobs'**, namely employment in industries and facilities that are designed to mitigate the effects of climate change.
- **To ensure that the mandates of development finance institutions are clear and truly developmental** and that their programmes contribute to decent work outcomes, achievement of the country's developmental needs and sustainable livelihoods.
- **To lead a massive public investment programme for growth and employment creation.** In the period ahead, government will accelerate and expand its investment in public infrastructure. This will include expanding and improving the rail networks, public transport, and port operations, dams, housing construction, information and communications technology and energy generation capacity as well as education and health infrastructure, and in the process create additional decent work opportunities whilst meeting the basic needs of the society.
- **To step up a massive programme on expanded public works linked to infrastructure and meeting social needs** with home-based care, crèches, school cleaning and renovation, community gardens, removal of alien vegetation, tree planting and school feeding.
- **To address quality of employment issues**, government will introduce laws to regulate contract work, subcontracting and out-sourcing, address the problem of labour broking and prohibit certain abusive practices. Provisions will be introduced to facilitate unionisation of workers and conclusion of sectoral collective agreements to cover vulnerable workers in these different legal relationships and ensure the right to permanent employment for affected workers. Procurement policies and public incentives will include requirements to promote decent work.
- **To create an environment for more labour-intensive production methods as well as procurement policies** that support local jobs and building public-private partnerships.
- **To vigorously implement broad-based economic empowerment and affirmative action policies** and adjust them to ensure that they benefit broader sections of the South African people, especially workers, youth, women and people with disabilities. Policies will, in addition, actively promote skills development and equity at the workplace.
- **To launch a much larger national youth service programme** focusing on access to funding and employment creation, this will be linked to skills development opportunities and build decent work opportunities for young people.



## 4.8 Framework Agreement

On 19 February 2009, government and social partners in NEDLAC agreed on a *Framework for SA's Response to the International Crisis*. The framework outlines bold, immediate and urgent interventions to ensure that the South African economy and society are buffered against the full impact of the international economic crisis. These include:

- maintaining high levels of public investment in infrastructure to support private and public job preservation and creation;
- deploying macroeconomic policies in combination and aggressively, where required, to address the economic crisis;
- utilising industrial and trade policies to rebuild local industrial capacity and avoid the erosion of the country's manufacturing base;
- utilising a combination of measures on public employment, private sector initiatives, including training, to avoid massive job losses; and
- scaling up social interventions to address the jobs challenge and ensure social protection.

## 4.9 Accords

Government and its social partners, Organised Labour, Business and the Community constituency, signed four accords in 2011, as an outcome of social dialogue on the New Growth Path. These Accords contain wide-ranging commitments by social partners in a bid to implement the New Growth Path and as a platform for creating five million new jobs by 2020.

### 4.9.1 Basic Education Accord

This Accord was signed on 13 July 2011. It highlights the need to improve the quality of our basic education with the social partners committed to working towards improving teaching and actively supporting the campaign to adopt poorly-performing schools.

### 4.9.2 National Skills Accord

This Accord, also signed on 13 July 2011, contains eight commitments by the social partners on skills development and training. By emphasising the strengthening and expansion of skills in the economy through a range of partnerships, it seeks to contribute to achieving the target of creating 5 million new jobs by 2020.



### **4.9.3 Local Procurement Accord**

Government, Organised Labour, Business and the Community Constituency signed the Local Procurement Accord on 31 October 2011. The Accord commits the social partners to work together to increase the levels of goods and services bought from local producers. The Accord sets an aspirational target of 75% local procurement and identifies a number of immediate steps that social partners will take to contribute towards achieving the goal of increasing jobs and deepening industrialisation.

### **4.9.4 Green Economy Accord**

On 17 November 2011, the social partners signed the Green Economy Accord. This Accord commits signatories to a partnership to build and grow the green economy. It notes that up to 300 000 jobs are possible within a decade if South Africa actively invested in the green economy. The Accord is one of the most comprehensive social partnerships on the green economy anywhere in the world.

## **5 Situational analysis**

The Economic Development Department was established on 7 July 2009 in terms of the Public Service Act, 1994 (Proclamation 103 of 1994), following the creation by President Zuma of a new portfolio of Economic Development on 10 May 2009 and the appointment of Mr Ebrahim Patel as Minister and Ms Gwen Mahlangu-Nkabinde as Deputy Minister. The Department secured short-term and medium-term budgets and developed a Strategic Plan and an organogram, among other activities in the first nine months of its existence.

The Department was involved in a range of activities, while the core focus was the development of the New Growth Path and Outcome 4 on decent employment and inclusive growth. The Cabinet Lekgotla in January 2010 had adopted 12 outcomes to give effect to the electoral mandate for the 2009-2014 term. The challenges of poverty, inequality and unemployment informed the development of the New Growth Path strategic framework and the Outcome 4 Delivery Agreement. While the NGP has been adopted as a framework for economic policy, the challenging current global environment and the tight fiscal situation remain obstacles to its implementation.

### **5.1 Performance environment**

For most of the last decade, South Africa enjoyed relatively strong economic growth. As a result, despite the volatility of the 1990s, overall economic expansion between 1994 and 2008 approached 4%, more or less the same as other upper-middle income countries. Despite improved growth, the economy remains one of the most inequitable in the world. Deep inequalities were associated with extraordinarily high levels of joblessness.

Inequalities and joblessness are also associated with the legacy of apartheid geography. The position was worst for young people, largely because too few jobs were created to absorb the large numbers of new entrants to the labour market. Amongst the employed, many workers had poorly paid, insecure and dead-end jobs. The economy has not created sufficient employment opportunities for many of our people over



the past three decades. This is the primary challenge that the Economic Development Department was established to address.

The NGP set a target of 5 million new jobs by 2020, which requires that employment climb an estimated 3.4% per year, on average, between 2011 and 2020. In implementing the NGP, the Department and the Economic Cluster of Departments will introduce targeted measures to support employment-creating activities; refine and implement the crosscutting package of macro and micro economic policies to ensure equitable, competitive and dynamic growth; strategies to support African regional development and South-South relations; and promote social dialogue and partnerships to ensure realistic and cost-effective measures and support implementation. The infrastructure built programme of the PICC will not only establish physical assets but will facilitate a higher level of industrialisation of the country by crowding in private sector investment on the back of infrastructure spending. It will further facilitate skills development, boost sustainable job creation and ultimately generate positive tax returns to the state.

## **5.2 Organisational environment**

The Department has been placed on a sound governance footing with the establishment of its corporate services and finance components. The following governance structures have also been put in place: the Internal Audit function, Audit Committee Bid Adjudication Committee, Supply Chain Management capacity and Human Resource related Committees. The Department has, in its first operation as a separate vote, received an unqualified audit and will continue to implement systems towards enhanced service delivery.

The Department of Trade and Industry (the dti) continues to assist with accommodation on the campus, facilities management and information technology solutions.

The Department has 142 funded posts for the 2012/13 and 2013/14 financial years. The current staff complement is over 100, and the Department continues to recruit new staff. There are challenges facing the Department including accommodation on the dti campus, the pace of recruitment and consequently the Department's capacity to implement projects and programmes. In addition, the mandate and work focus of the Department continues to evolve as government implements progressively larger parts of its electoral mandate and in the light of the roll-out of New Growth Path programmes. For example, the Department is spending much more of its time and resources on infrastructure coordination than was envisaged in 2011.

In view of the aforementioned, capacitating the Department for service delivery will still remain a key focus area, particularly in the areas of economic sectors, oversight of entities, planning and reporting support as well as policy development.

## **5.3 Description of the strategic planning process**

The strategic planning process in the Department entailed two elements.



First, the Minister and Director-General effected a number of changes in the focus of the Department in the light of successful conclusion of four major Accords which require follow-up (see section 4.9) and the establishment of the Presidential Infrastructure Coordinating Commission (PICC), for which structure EDD provides technical and secretarial support.

Second, a departmental strategic planning session was held in November 2011, at which the overall objectives of the Department were assessed; a review was done on the Department's strengths, weaknesses, opportunities and threats; the medium-term budget envelope, Human Resource and Equity Plan and recruitment goals were tabled and considered. Each Branch of the Department presented their programmes' strategic objectives, medium- and short-term plans and key projects. They outlined capacity constraints including budget and personnel.

This strategic plan has been updated in line with these plans and deliberations.

## 6 Strategic outcome oriented goals of the institution

<b>Strategic Outcome-Oriented Goal</b>	Promote decent work through meaningful economic transformation and inclusive growth
<b>Goal statement</b>	Provide participatory, coherent and coordinated economic policy, planning and dialogue for the benefit of all South Africans

### Outcome indicators

The indicators for outcomes reflect Outcome 4: Decent employment through inclusive growth. Success in these areas requires both that all government agencies systematically implement the New Growth Path and the global economy continues to grow. EDD contributes by monitoring progress in supporting competitiveness, employment creation and equity in the public and private sectors and by assisting in defining more effective economic strategies to achieve those ends.

The indicators include:

- Number of jobs created / reducing unemployment;
- GDP growth;
- Employment ratio or absorption rate;
- Distribution of earned income; and
- Households in poverty.



## PART B: STRATEGIC OBJECTIVES

### 7 Programme 1- Administration

**Programme purpose:** Coordinate and render an effective, efficient, strategic support and administrative service to the minister, deputy minister, director-general, the department and its agencies.



#### 7.1 Strategic objectives

<b>Strategic Objective 1</b>	Provide strategic support and administrative service to the Ministry
<b>Objective statement</b>	This sub-programme will provide efficient and effective support to the Minister in executive obligations and engagements with Cabinet, Parliament, government ministries and departments, provincial departments of economic development and provincial and municipal executives and legislatures, government entities and SOEs, international economic agencies, foreign economic representatives, stakeholders including social partners, communities, the media and the public.
<b>Baseline</b>	Staff in place and performing their functions.

<b>Strategic Objective 2</b>	Provide strategic support and administrative service to the Director-General
<b>Objective statement</b>	This sub-programme will provide strategic advice and support on legislation, policies, policy alignment and co-ordination; ensure compliance regarding planning and reporting requirements; support the Department's participation in the cluster system; provide support to the Ministry and departmental branches on operational and administrative matters; ensure effective document flow; and provide sound internal audit and risk management services.
<b>Baseline</b>	Support service being rendered. Staff in place.

<b>Strategic Objective 3</b>	Provide operational and administrative support to EDD
<b>Objective statement</b>	This sub-programme will provide efficient and effective legal services; human resource management; information technology services; financial management and related services; communication and events management services
<b>Baseline</b>	Capacity in place and support rendered. Some IT and facilities management provided by the dti.

## 7.2 Resource considerations

### Budgetary trends

No major increase in budget for Programme 1 is anticipated. Standard increases have been applied to the 2011/12 allocation.

<b>Programme 1</b>	<b>2012/13</b>	<b>2013/14</b>	<b>2014/15</b>
<b>Budget MTEF (R '000)</b>	60,065	63,342	67,247

### Personnel trends

The intention is to hire up to 62 staff in Programme 1 by 2012/13, which will remain constant over the MTEF. As at 31 January 2012 there were 43 permanent, 19 contract in Programme 1 (total 63).

<b>Programme 1</b>	<b>2012/13</b>	<b>2013/14</b>	<b>2014/15</b>
<b>Projected personnel numbers</b>	62*	62*	62*

\*Maximum targeted numbers

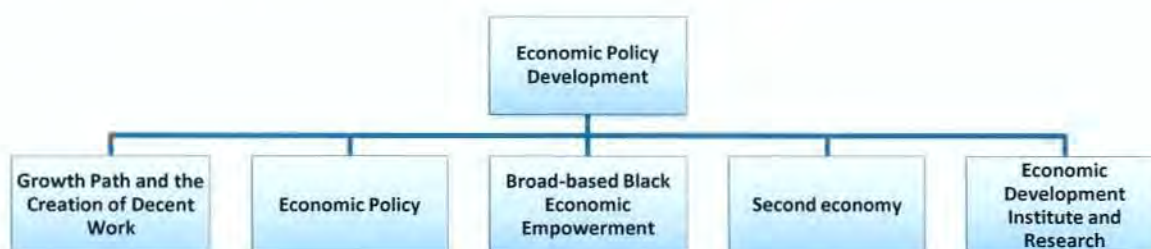


## 8 Programme 2 - Economic Policy Development

**Programme purpose:** Strengthen the economic development policy capacity of government; review, develop and propose the alignment of economic policies; and develop policies aimed at broadening participation in the economy and creating decent work opportunities.

The programme consists of the following sub-programmes:

1. Growth Path and Creation of Decent Work
2. Economic Policy
3. Broad-Based Black Economic Empowerment
4. Second Economy
5. Economic Development Institute and Research



### 8.1 Strategic objectives

<b>Strategic Objective 1</b>	Coordinate and monitor the implementation of the New Growth Path
<b>Objective statement</b>	This sub-programme will coordinate and monitor the implementation of the New Growth Path, including assessing the impact of the state on employment and equity.
<b>Baseline</b>	<p>As at December 2011:</p> <ul style="list-style-type: none"> <li>• Number of policy and analytical papers on economic policy challenges: 10 (annual target of 10)</li> <li>• Number of policy platforms on economic challenges: 10 (annual target of 10)</li> </ul>

<b>Strategic Objective 2</b>	Develop and implement inclusive growth strategies
<b>Objective statement</b>	This sub-programme will ensure that BEE Codes are used to foster employment and broad equity; and develop strong policies to support more inclusive growth especially through effective sector strategies, measures for micro-enterprise/livelihoods/social economy development, and strategies to improve employment for youth and women.
<b>Baseline</b>	<p>As at December 2011:</p> <ul style="list-style-type: none"> <li>• Number of policy and analytical papers on economic policy challenges: 10 (annual target of 10)</li> <li>• Number of policy platforms on economic challenges: 10 (annual target of 10)</li> </ul> <p>Initial research and consultation has been undertaken on: a multi-pronged strategy to reduce youth unemployment; a strategy to integrate second economy activities into the mainstream economy; and a cooperatives strategy.</p>

<b>Strategic Objective 3</b>	Policy Advice and Support to Cluster
<b>Objective statement</b>	This sub-programme will provide policy advice and drafting assistance as required and support to the Cluster and Outcome 4 Secretariats.
<b>Baseline</b>	Advice provided and support rendered. Department leads Coordinating DGs of Outcome 4.

<b>Strategic Objective 4</b>	Ensure Regular Engagement on Policy Issues
<b>Objective statement</b>	This sub-programme will ensure that the Economic Development Conference is held annually and that the establishment of an Economic Development Institute is explored.
<b>Baseline</b>	The inaugural Economic Development Conference was held in 2011. Preparatory work towards the establishment of an Economic Development Institute is being done. The Economic Advisory Panel has met as a committee and has been drawn into a range of EDD activities such as the Conference. Informal consultations have also been held with individual panellists.

## 8.2 Resource considerations

### Budgetary trends

No major increase in budget for Programme 2 is anticipated. Standard increases have been applied to the 2011/12 allocation.

<b>Programme 2</b>	<b>2012/13</b>	<b>2013/14</b>	<b>2014/15</b>
<b>Budget MTEF (R '000)</b>	29,056	30,657	32,554



### Personnel trends

The intention is to hire at least 26 staff in Programme 2 by 2012/13, which will remain constant over the MTEF. As at 31 January 2012 there were 5 permanent and 4 contract staff members in Programme 2 (total 9).

Programme 2		2012/13	2013/14	2014/15
<b>Projected</b>	<b>personnel</b>	26*	26*	26*
<b>numbers</b>				

\*Minimum targets set

## 9 Programme 3 - Economic Planning and Coordination

**Programme purpose:** Promote economic planning and coordination through developing economic planning proposals; provide oversight and policy coordination of identified development finance institutions and economic regulatory bodies; and contribute to the development of the green economy.

This programme consists of the following sub-programmes:

1. Spatial, Sector and National Economic Planning
2. Investment for Economic Development
3. Competitiveness and Trade for Decent Work
4. Economic Development, Financing and Procurement Processes
5. Green Economy



### 9.1 Strategic objectives

<b>Strategic Objective 1</b>	Develop Sector, Spatial and National Economic Plans
<b>Objective statement</b>	This sub-programme will contribute towards coordination in the development plans of the state thereby contributing to the creation of decent jobs and other government objectives.
<b>Baseline</b>	As at December 2011: <ul style="list-style-type: none"> <li>• Number of engagements with provincial and/or local government: 18 (annual target of 10)</li> <li>• Number of sector plans produced or reviewed: 5 (annual target of 5)</li> <li>• Number of spatial plans produced or reviewed: 9 (annual target of 10)</li> </ul>



<b>Strategic Objective 2</b>	Promote Investment for Economic Development
<b>Objective statement</b>	This sub-programme will provide oversight over the development finance institutions to ensure their increased impact in the creation of jobs and economic growth; collaborate with stakeholders and other government departments to support the development and growth of the small business sector; and channel and direct public investment and, where feasible and appropriate, private investment, into economic development to support decent work outcomes.
<b>Baseline</b>	As at December 2011: <ul style="list-style-type: none"> <li>• Number of strategic engagements with development finance institutions and/or economic regulatory bodies: 17 (annual target of 6)</li> </ul>

<b>Strategic Objective 3</b>	Promote Competitiveness and Trade for Decent Work
<b>Objective statement</b>	This sub-programme will provide oversight of and policy and strategic direction to Competition Commission, the Competition Tribunal and the International Trade Administration Commission of South Africa (ITAC); and conduct research and analysis and develop proposals to promote economic growth through international engagement.
<b>Baseline</b>	As at December 2011: <ul style="list-style-type: none"> <li>• Oversight meetings with entities on their first and second quarter performance reporting were completed: 2 (annual target of 6)</li> </ul>

<b>Strategic Objective 4</b>	<b>Leverage Financing and Procurement Processes</b>
<b>Objective statement</b>	This sub-programme will undertake research and analysis on government's developmental programmes and processes to ensure alignment with the NGP and will identify opportunities for improving local procurement and production.
<b>Baseline</b>	As at December 2011: <ul style="list-style-type: none"> <li>• Value of special financing facilitated for small businesses, targeted growth sectors and companies in distress: R3,1bn (annual target of R2bn)</li> <li>• Number of interventions promoting economic development through leveraging state expenditure and procurement: 6 (annual target of 10)</li> </ul>

<b>Strategic Objective 5</b>	Grow the Green Economy
<b>Objective statement</b>	This sub-programme will identify, develop and support projects, incentives and other measures to promote industries that create jobs and have lower carbon emissions in energy, agriculture, manufacturing and service sectors, especially tourism.
<b>Baseline</b>	Joint project with the ILO on greening the construction sector. Co-hosted the Green Economy Summit. Green Economy chapter in the NGP. Workshops with constituencies held. Led steering committee to accelerate solar water heater take-up. Launched voluntary fund for solar water heaters. Participated in COP 17.

## 9.2 Resource considerations

### Budgetary trends

For the most part, no major increase in budget for Programme 3 is anticipated. Standard increases have been applied to the 2011/12 allocation. A special allocation has been made: an allocation of R15,9 million over the medium-term period to the IDC to establish a Spatial Economic Development and Youth Employment Strategy Fund.

<b>Programme 3</b>	<b>2012/13</b>	<b>2013/14</b>	<b>2014/15</b>
<b>Budget MTEF (R '000)</b>	565,462	598,209	519,287
<b>Transfers (R '000)</b>	523,457	553,915	472,251
<b>Excluding transfers (R '000)</b>	42,005	44,294	47,036

### Personnel trends

The intention is to hire 38 staff in Programme 3 by 2012/13, which will remain constant over the MTEF . As at 31 January 2012 there were 8 permanent and 10 contract staff members in Programme 3 (total 18).

<b>Programme 3</b>	<b>2012/13</b>	<b>2013/14</b>	<b>2014/15</b>
<b>Project personnel numbers</b>	38	38	38



## 10 Programme 4 - Economic Development and Dialogue

**Programme purpose:** Promote social dialogue; implement strategic frameworks; build capacity among social partners; and promote productivity, entrepreneurship and innovation in the workplace.

The programme consists of the following sub-programmes:

1. National Social Dialogue and Strategic Frameworks
2. Sector and Workplace Social Dialogue
3. Capacity Building for Economic Development
4. Productivity, Entrepreneurship and Innovation



### 10.1 Strategic objectives

<b>Strategic Objective 1</b>	To Lead National Social Dialogue and Implement Strategic Frameworks
<b>Objective statement</b>	This sub-programme will coordinate government's policy inputs and contribution to social dialogue on economic development matters; consult with the relevant departments; and coordinate the implementation of the Framework Agreement.
<b>Baseline</b>	As at December 2011: <ul style="list-style-type: none"> <li>• Social dialogue and capacity building engagements held 20 (annual target of 10); Framework Agreement implemented since February 2009</li> </ul>

<b>Strategic Objective 2</b>	Engage in Sector and Workplace Social Dialogue
<b>Objective statement</b>	This sub-programme will develop partnership agreements in key sectors and workplaces through the process of social dialogue.
<b>Baseline</b>	As at December 2011: <p>Number of economic development agreements (sectoral, workplace and national) facilitated with social partners: 5 (annual target of 10) these included the four Accords (see Section 4.9) and a Memorandum of Understanding with Productivity SA. Further engagements around the Training Layoff Scheme and Distress Funding in KZN, EC, NC and Limpopo Provinces and with the furniture sector in the Western Cape are being</p>

	concluded.
<b>Strategic Objective 3</b>	Support Capacity Building for Economic Development
<b>Objective statement</b>	This sub-programme will promote the research output and knowledge by the social partners through the establishment and administration of a Social Partner Fund or equivalent mechanism; create and coordinate knowledge networks; and convene and host an annual conference.
<b>Baseline</b>	Initial work on capacity building of social partners has been done. The Economic Advisory Panel has met as a committee and has been drawn into a range of EDD activities such as the Conference. It is also a resource continually available to the Ministry. Informal knowledge networks have been created. Inaugural Economic Development Conference held.
<b>Strategic Objective 4</b>	Foster Productivity, Entrepreneurship and Innovation
<b>Objective statement</b>	To develop a policy framework for the increasing productivity, enhancing innovation and entrepreneurship.
<b>Baseline</b>	Initial consultative sessions and a workshop with social partners, including the ILO, organised Labour, Business and the Community Constituency, were completed by the end of the 3 <sup>rd</sup> quarter 2011/12.

## 10.2 Resource considerations

### Budgetary trends

No major increase in budget for Programme 1 is anticipated. Standard increases have been applied to the 2011/12 allocation.

<b>Programme 4</b>	<b>2012/13</b>	<b>2013/14</b>	<b>2014/15</b>
<b>Budget MTEF (R '000)</b>	18,149	19,137	20,324

### Personnel trends

The intention is to hire at least 14 staff in Programme 4 by 2012/13, which will remain constant over the MTEF . As at 31 January 2012 there were 4 permanent and 6 contract staff members in Programme 4 (total 10).

<b>Programme 4</b>	<b>2012/13</b>	<b>2013/14</b>	<b>2014/15</b>
<b>Projected personnel numbers</b>	16*	16*	16*

\*Minimum targets set



## 11 Risk Management

### 11.1 Internal risks

#### 1. Recruitment and retention

In order for EDD to carry out its mandate, it must be able to recruit and retain professional staff who are appropriately skilled and experienced. The expansion and evolution of EDD's mandate to cover implementation of the New Growth Path, the four Social Accords and the work of the PICC has resulted in a review of the staff profile and skills required in the Department. To ensure the appropriate staff skills and complement, recruitment and selection processes will be improved and greater reliance placed on headhunting for key senior positions if ordinary recruitment procedures do not yield a suitable candidate.

Whilst EDD initially recruited staff based on the need to build policy and analytical capacity, recent developments have placed greater need on staff with skills in implementation of programmes. As a result, the planned recruitment targets were reviewed in order to avoid an inappropriate skills mix, particularly among permanent staff. Accordingly, this risk has been mitigated and the Department can now speed up recruitment of appropriately-skilled staff.

#### 2. Organisational structure and governance documents

The Human Resources Plan as well as the Human Resource Management delegations are in place.

#### 3. Internal controls

The public service is a highly regulated environment and practices and procedures have been put in place to reduce the risk of maladministration and corruption and to expose them where they occur. Where internal controls are inadequate it is possible that corruption and maladministration will go unnoticed or will only be identified some time afterwards. A rigorous system of internal controls and an effective internal audit unit should reduce this risk. A Director: Internal Audit was appointed in November 2010 and has produced a series of reports for the Director-General.

#### 4. Accommodation

Although a way forward has been identified, shortage of accommodation remains a risk to EDD's continued expansion. A full block on the dti campus has been set aside for EDD's use and this will be phased in as entities relocate from the campus. The Ministry has drawn the attention of the department and the dti on the need to speed up availability of accommodation facilities.

## 11.2 External risks

### 1. Coordination across government

Much of EDD's work involves coordination with other government departments, including provincial departments of economic development, municipalities, in particular metros, public entities and state-owned enterprises. Coordination across government is often challenging, and the associated risk is that projects and programmes will fail to have the necessary impact. Coordination relates both to policy and implementation. The risk is best mitigated through functioning intergovernmental structures, including the President's Coordinating Council, MinMecs and municipal intergovernmental structures.

### 2. Engagement with social partners

The NGP cannot be implemented by government alone. The active participation of all social partners is essential to the NGP's success. Business, labour and civil society all have a critical role to play. If there is serious discord among social partners, the targets in the NGP will not be fully realised. Social pacts between the social partners must be negotiated. The risk may be mitigated by functioning Nedlac structures and other negotiating structures of the social partners.

### 3. Research and Monitoring & Evaluation

Economics is a very data-rich field and accurate statistics are required to inform the critical decisions government must make. The capacity to perform quantitative analysis will require enhanced skills to develop short, action-oriented outputs. Similarly it will be necessary to monitor and evaluate progress towards the jobs targets based on accurate information. If there are challenges in collecting or analysing the data there is a risk that government will take ill-advised decisions based on faulty data. The risk may be mitigated by building capacity internally and in-sourcing capacity where required to ensure sound data collection and analysis.



## PART C: LINKS TO OTHER PLANS

### 12 Links to long-term infrastructure and other capital plans

#### Presidential Infrastructure Coordinating Commission (PICC)

Acceleration of infrastructure development has been identified as critical to the goals of the New Growth Path, which calls for economic development, growth and employment. Infrastructure development together with addressing the challenges of the poorest provinces and rural development will ensure higher levels of industrialisation and job creation in the economy.

Following the establishment of the Presidential Infrastructure Coordinating Commission (PICC) during the second half of 2011, the Minister of Economic Development was mandated by the President and the PICC to chair the Policy Secretariat of the PICC and to assemble a technical team to develop an Infrastructure Plan and to coordinate the operational elements for its implementation. This required adjustments to the EDD structure, which has subsequently been regularised in the Organisational Structure.

EDD will continue to provide support the PICC, ranging from convening of meetings with all stakeholders, developing networks in the public sector and within State owned enterprises and identifying suitable project managers and other technical personnel to recruit for the various projects that will be implemented by the PICC. It will provide substantial inputs into the Infrastructure Plans, including on skills, supplier development, funding strategies and social dialogue.

### 13 Conditional Grants

Not applicable.

### 14 Public Entities

The Department is responsible for the following entities (with effect from 1 April 2010 unless otherwise stated):

- three regulatory bodies:
  - the Competition Commission;
  - the Competition Tribunal; and
  - the International Trade Administration Commission (ITAC)) (with effect from 23 July 2010); and
- three development finance institutions:
  - the Industrial Development Corporation (IDC);
  - Khula Enterprise Finance Limited (Khula); and
  - the South African Micro-finance Apex Fund (Samaf)).

Transfers from EDD (R '000)	2012/13	2013/14	2014/15
<b>Khula</b>	75,908	80,083	84,888
<b>SAMAF</b>	93,072	98,191	104,082
<b>Competition Commission</b>	157,211	173,225	183,207
<b>Competition Tribunal</b>	15,600	16,458	17,446
<b>ITAC</b>	73,666	77,958	82,628
<b>IDC</b>	108,000	108,000	-
<b>Total</b>	<b>523,457</b>	<b>553,915</b>	<b>472,251</b>

#### 14.1 Competition Commission

The Competition Commission is mandated by the Competition Act 89 of 1998 to prosecute anti-competitive conduct, including horizontal restrictive practices such as cartels and bid-rigging, vertical restrictive practices such as exclusive agreements and resale price maintenance, and abuse of dominance, including excessive pricing, exclusionary conduct and price discrimination. The Commission also investigates mergers to prevent market concentration by making recommendations on large mergers to the Tribunal, approving intermediate mergers and acquiring notification of small mergers. It advocates for pro-competitive legislation, policy and behaviour.

The Commission's programmes perform the following:

- *Mergers and Acquisitions* reviews, investigates and analyses mergers to ensure that a transaction does not prevent or lessen competition to the detriment of consumers and the public interest;
- *Enforcement and Exemptions* investigates complaints of restrictive horizontal and vertical practices, abuse of dominant positions, and reviews exemption applications;
- *Legal Services* prosecutes anti-competitive behaviour and litigates cases before the Competition Tribunal and other courts;
- *Policy and Research* assists with economic analysis in complex cases, conducts market studies on the existence and implications of possible anticompetitive behaviour, and develops economic briefs and reports.

#### 14.2 Competition Tribunal

The Competition Tribunal was established on 1 September 1999 in terms of the Competition Act 89 of 1998. The Tribunal is an adjudicative body and hears referrals from the Competition Commission (mergers and prohibited practices), consumers, firms and trade unions (mergers, interim relief, complaint referrals). It hears cases of mergers and prohibited practices (cartels, anti-competitive practices, abuse of dominance).

The Tribunal has set itself four strategic outcomes, which are:



- To promote and maintain competition within South Africa by holding hearings and adjudicating matters;
- To educate and create awareness of competition matters to stakeholders;
- To enhance the expertise of Tribunal members and staff; and
- To improve the Tribunal's service to customers.

The Tribunal consists of 10 panel members – appointed by the President of South Africa – 3 of these being full-time and 7 being part-time. The members are supported by a secretariat staff of 14 with 5 of these being case managers who deal with specific cases.

### **14.3 International Trade Administration Commission (ITAC)**

ITAC was established in terms of the International Trade Administration Act 71 of 2002. ITAC's mandate is to establish an efficient and effective system for the administration of international trade. It advises the Minister on policy, regulations and investigations on import tariffs, trade remedies (anti-dumping duties, countervailing duties and safeguards), and import and export control measures. It administers industry rebates and drawbacks and permits including MIDP, TCIDP duty credits/drawbacks and verifications, and import and export permits. Finally it conducts inspections in respect of certain functions.

The NGP places employment creation at the centre of economic policy, identifying a number of job drivers of which, given its trade instruments, the following are of relevance to ITAC: manufacturing, infrastructure development; the green economy; agriculture and agro processing; minerals beneficiation; and the regional economy. Alignment of the work of ITAC to the NGP and its high-impact industrial policy, through its revised core business policies, are a key priority. ITAC's tariff recommendations will be carefully designed to promote domestic manufacture, job retention and creation, and international competitiveness, and will be made conditional on a commitment by beneficiaries on performance measured against government's set policy objectives.

### **14.4 Industrial Development Corporation (IDC)**

The IDC is a state-owned development finance institution, established in 1940 by an Act of Parliament (Industrial Development Corporation Act, 1940 (Act No. 22 of 1940)). The IDC was established to spearhead the development of domestic industrial capacity, especially in light of the shortages of manufactured goods experienced as a result of the disruption of trade between Europe and South Africa during the Second World War. Over the 70 years of the IDC's existence, the Corporation's role and focus have changed over time.

The IDC, as a publicly-owned development finance institution, is a key lever available to government in promoting sustainable economic development. The IDC, as a major financier of industrial development, has a critical role to play in implementing a broad-based industrialisation strategy. Based on its extensive investments and involvement in various sectors, the IDC has detailed knowledge of the real economy,



capacity to assist in promoting appropriate sector development strategies, and considerable research and technical ability, which are invaluable in promoting government's economic development agenda.

To more effectively support the NGP and its manufacturing driver, IPAP2, the IDC is restructuring its operations to increase its focus on the priority sectors and stopping activities in sectors not aligned to these policies. IDC's operational units consist of:

- Green Industries;
- Agro-Industries;
- Metal, Transport and Machinery Products;
- Chemicals and Allied Industries;
- Forestry and Wood Products;
- Textiles and Clothing;
- Mining and Minerals Beneficiation;
- Tourism;
- Media and Motion Pictures;
- Information and Communication Technologies;
- Healthcare;
- Venture Capital; and
- Strategic High Impact Projects and Logistics.

#### **14.5 Small Business Entity**

The contribution of the small and micro enterprise sector to job creation and poverty alleviation has been well documented. However, the inadequate support previously given in the provision of access to finance to small and micro enterprises has necessitated the institutional realignment of the relevant organisations and the injection of additional capital so as to simulate and further support this sector.

The vision has been to create an entity that will increase the availability of affordable finance to small, medium and micro businesses by working through existing financial intermediaries and commercial financial institutions; but also by lending directly to small businesses. The new entity will be established in April 2012 and combines the operations of Khula Enterprise Finance, the South African Micro Finance Apex Fund (samaf) and the small business operations of the IDC. The entity will be a subsidiary of the IDC.

The merged small business finance entity will be significantly better resourced and better equipped to respond to the finance needs of small businesses and micro enterprises across the country. The agency is projected to have at least four times the financial resources than the combined allocation to Khula and samaf and by working with other organisations across the country will over time increase its coverage so that it has significantly better reach.

The merger will result in cost efficiencies because of the co-location of offices in provinces; a reduction of the number of executives required and the synergies with the IDC in a number of operational areas.



## **15 Public-private partnerships**

The dti campus is run through a PPP agreement with the dti, Rainprop and EDC. EDD is participating through the dti, to whom EDD pays monthly office rental. The PPP includes office furniture acquisition, security services, maintenance services, cleaning services, and food aid services. EDD is to occupy the entire Block E in the campus. As part of relocating to Block E, EDD has occupied part of the ground floor of Block E.

## **16 Proposed acquisitions of financial assets or capital transfers and plans**

There are no plans to acquire financial assets.

## **17 Multi-year projections of income and projected receipts from the sales of assets**

No multi-year projections of or proceeds from sale of assets during the 2012 MTEF. EDD does not acquire **immovable assets**, and equally so, does not generate such income.

On **movable assets**, EDD is currently on its second financial year as a separate vote. There are no plans to dispose any acquired movable assets which will lead to such income to be generated.

## **18 Service Delivery Improvement Plan**

The Service Delivery Improvement Plan is contained in Part D.

## **19 Proposed information technology acquisition or expansion in relation to an information technology plan**

EDD is accommodated within the dti and depends entirely on their IT infrastructure. The EDD developed a website and maintains the content. In anticipation of office space for EDD the following projects are planned for implementation over the medium term:

- Development of the Information Technology Operating Systems Plan (ITOS);
- IT Infrastructure for the new building; and
- Establishment of the IT Committee.

## PART D: SERVICE DELIVERY IMPROVEMENT PLAN

EDD SDIP 2012/13–2016/17

KEY SERVICE AND OUTPUTS	CLIENTS/SERVICE BENEFICIARIES	CURRENT STANDARD		DESIRED STANDARD	
Economic policies and reports	Economic Cluster Cabinet Wider public	Quantity and time	Reports and policies produced but some not on time	Quantity and time	Reports and policies produced according to the APP and on time
		Quality	Reports and policies on the whole well received by key clients	Quality	Reports and policies well received by key clients
		Consultation	Consultation takes place in the Cluster and at Ministerial level	Consultation	Consultation takes place in the Cluster and at Ministerial level. Public consulted where appropriate.

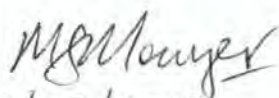
KEY SERVICE AND OUTPUTS	CLIENTS/SERVICE BENEFICIARIES	CURRENT STANDARD		DESIRED STANDARD	
Economic plans	National departments Provincial governments Municipalities Social partners Wider public	Quantity and time	Targets (quantity and time) not met on plans	Quantity and time	APP targets met or exceeded
		Quality	Reports generally of good quality	Quality	All plans of exceptional quality
		Consultation	Time constraints may limit consultation	Consultation	Innovative techniques to ensure full consultation




KEY SERVICE AND OUTPUTS	CLIENTS/SERVICE BENEFICIARIES	CURRENT STANDARD		DESIRED STANDARD	
<b>Social Accords</b>	Government stakeholders Business Labour Community constituency Wider public	<b>Quantity and time</b>	Sufficient quantity and good timing	<b>Quantity and time</b>	Well paced to ensure capacity for effective implementation
		<b>Quality</b>	All accords are of very good quality	<b>Quality</b>	All accords are of very good quality
		<b>Consultation</b>	Extensive consultation conducted, with social partners satisfied with the final product	<b>Consultation</b>	All social partners satisfied with the final product

## CONCLUSION

The Economic Development Department Service Delivery Improvement Plan (SDIP) was prepared in line with the Batho Pele Handbook, a Service Delivery Improvement Guide and Directives issued by the Department of Public Service and Administration and the APP of the EDD. It is hoped that the SDIP will assist to guide the work of the EDD. It will also serve as a framework that will inform stakeholders regarding the EDD's service delivery standards.

Signed:   
Date: 07/03/2012 .....

Mr Mohamed Saleem Mowzer:  
Director-General (Acting)

Signed:   
Date: 7/3/2012 .....

Mr Ebrahim Patel:  
Minister