

ANNUAL PERFORMANCE PLAN

2020/21

Submission date: 9 March 2020

Wesgro

cape town & western cape
tourism, trade & investment



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Executive Authority Statement

This Annual Performance Plan derives directly from the 5-year Strategic Plan for the period 2020/21 to 2024/25. The 5-year Strategic Plan was developed through a rigorous process of introspection and an examination of the contextual environment at global, regional and local levels. The priorities and targets developed for each Unit in the Agency for the 2020/21 financial year align to the 5-year Strategic Plan. Working in collaboration with the Department of Economic Development and Tourism and the City of Cape Town, the Agency's impact is realised through expansion of the economy, facilitation of jobs and brand awareness, which are achieved through the outcomes of investment, trade, tourism and film promotion.

While the 5-year Strategic Plan states the Agency's impact and outcomes, the Annual Performance Plan outlines the outputs that will be delivered for the financial year under review. The Annual Performance Plan sets out an ambitious set of targets for the financial year. Each identified target is calculated against the extraordinary achievements of previous years and is aligned to the Agency's objectives and mandate, and to Government's priorities.

Although the world economic growth is slow and investments into South Africa are constrained, we present ambitious targets as a sign of our commitment to achieve economic growth for our region.

As the Board, we are proud to have provided direction on the development and implementation of the delivery targets, and whole-heartedly endorse this Annual Performance Plan. It is indeed a plan that will contribute significantly to the expansion of the economy and the facilitation of jobs within the Province.

I am confident that the Board, Management and Staff of Wesgro will work tirelessly to ensure effective implementation of the Agency's priorities and that they will go the extra mile in doing so every day. This is what makes Wesgro a unique organisation.



Prof. Brian Figaji

Chairperson of the Wesgro Board

Accounting Officer Statement

This Annual Performance Plan brings me to the beginning of my second 5-year period at the helm of Wesgro.

Looking forward always brings the opportunity to look back and to reflect on the challenges and successes of previous years. And as we enter into a new 5-year cycle, I will reflect not only on the last year, but on the last five. One word comes to mind as I think of the past five years and that is “unprecedented”.

Over the past five years we have seen an unprecedented rise in trade and economic uncertainty from the north, west and east. 2016 brought both the election of Donald Trump as President of the United States and a vote by the citizens of the United Kingdom to leave the European Union. The years that followed were marked by trade wars and trade talks, shifting allegiances and the undoing of established institutions, from the WTO to the EU to NAFTA.

Closer to home we saw the unprecedented groundswell of people taking back their country from the brink of state capture. We saw the election of Cyril Ramaphosa as President of South Africa and renewed optimism in the economy. Nevertheless, investor confidence remains a challenge. Finally, right at our doorstep, we were intricately involved in weathering the effects of a historic drought in the Western Cape.

All of these situations have presented unprecedented challenges and unexpected opportunities. More than anything else, I believe that the drought fundamentally changed the way that we operate as an agency. Being at the centre of a collaborative effort to change the narrative around the drought, brought a new way of thinking. Since then we have driven collaboration in almost every major project that we have been involved in. Our projects bring together stakeholders from business and government, and from different spheres and departments of government, to focus on common goals. We had already seen the success of this model with the Cape Town Air Access project, which is housed in Wesgro and is now in its 5th year of implementation.

The Agency’s achievements over the 2018/19 financial year show how committed we are to growing the Western Cape:

- R2,22bn in committed investments into the Province, with 752 jobs created from committed investments.
- R4,95bn estimated rand value of trade agreements signed, with 921 jobs facilitated and R381m in committed Outward Foreign Direct Investment.
- 105 publications completed, and 173 customised information requests addressed.
- R157,4m in advertising value equivalent (AVE) generated.
- R1,15bn total estimated economic impact of tourism initiatives supported.
- R2,38bn worth of investment committed in the film and media sector, creating a total of 2 265 full-time equivalent jobs.
- The Air Access Project brought 17 new direct international flights to Cape Town and 22 route expansions, including United’s direct flight from New York and the return of Virgin Atlantic’s London flight.

Building upon these successes, we look to the future. We have shifted our focus in some areas and have identified other areas where we will double down on our efforts. This Annual Performance Plan takes guidance from the 5-year Strategic Plan for the period 2020/21 to 2024/25. Our focus closely aligns to the Provincial Strategic Plan’s Vision Inspired Priority (VIP) 2: Economy and Jobs. To this end, Wesgro has aligned its 5-year strategy to the creation of an enabling environment that fosters economic growth and job creation.

The vision of the Agency is to help the Western Cape to become one of the world's leading regional economies. We are shifting our focus towards playing a more significant role in economic diplomacy and the economic diplomacy value chain as part of a "whole of province" approach to driving investment, trade, tourism and film. We will be working tirelessly to enhance the Western Cape brand globally, and we will play a stronger role in thought leadership on issues that may affect investment, trade, tourism and film.

The plan is ambitious given the current local economic landscape, but it is achievable given the backing of our funding stakeholders, particularly the Western Cape Government led by the Premier of the Western Cape, Alan Winde and the Western Cape Minister of Finance and Economic Opportunities, David Maynier; and the Mayor of the City of Cape Town, Dan Plato, and Alderman James Vos, Mayoral Committee Member for Economic Opportunities and Assets Management. We are grateful for the support and guidance of our vastly experienced and committed Board of Directors, led by the Chairperson, Professor Brian Figaji, and Deputy Chairperson, Michael Spicer.

I wish to thank the diverse and talented team at Wesgro who work so hard every day to build a more competitive Cape economy. If we continue to exceed these targets, we will successfully position the Western Cape as the engine room of growth, and make this one of the world's leading regional economies.

We look forward to delivering on our key objectives in the 2020/21 financial year.

A handwritten signature in black ink, appearing to read 'Timothy Harris', with a stylized flourish underneath.

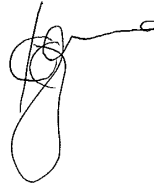
Timothy Harris

Chief Executive Officer

Official Sign-Off

It is hereby certified that the Annual Performance Plan for 2020/21:

- was developed by the Management of Wesgro under the guidance of the Board of Directors and Minister David Maynier, MEC of Finance and Economic Opportunities; and
- accurately reflects the impacts, outcomes and outputs which Wesgro will endeavour to achieve during the 2020/21 financial year, subject to the resources being made available.



Kholeka Zama

Signature: _____

Chief Financial Officer



Timothy Harris

Signature: _____

Chief Executive Officer

Approved by:



Prof. Brian Figaji

Signature: _____

Chairperson of the Wesgro Board



Minister David Maynier

Signature: _____

Executive Authority

Overlooking the ocean, Cape Town



Early morning film shoot in the beautiful City of Cape Town



1. Part A: Our mandate

1.1 Vision

To help the Western Cape become one of the world's leading regional economies.

1.2 Mission

The Agency's purpose is to help facilitate the growth of the economy of the Western Cape on a sustainable basis and in so doing create employment opportunities for a broad range of skilled, semi-skilled and un-skilled workers.

The mission of the Agency is:

- To facilitate the attraction and retention of direct investment in the Western Cape.
- To facilitate the growth of exports.
- To position and market the Province as a competitive and sustainable tourism and film destination globally.
- To facilitate the link between business and government decision-makers.
- To provide service excellence in all our business support functions.

1.3 Values

Wesgro's Management and Staff will strive to uphold the following values in all its business activities:

- Professionalism and commitment to excellence
- Efficient and outcomes-driven
- Accountability
- Innovation
- Enabling
- Passionate
- Courage
- Integrity and trust

1.4 Constitutional, legislative and other mandates

1.4.1 Constitutional mandate

Constitution of the Republic of South Africa, 1996

Schedule 4 of the Constitution of the Republic of South Africa lists functional areas of concurrent national and provincial legislative competencies. Those areas which are relevant for Economic Development and Tourism are:

- Consumer Protection
- Industrial Promotion
- Tourism
- Trade

Schedule 4B of the Constitution identifies Local Tourism as a local government matter of concurrent National and Provincial legislative competence, to the extent set out in sections 155(6)(a) and (7) of the Constitution.

1.4.2 Legislative mandates

While Wesgro is governed by a number of Acts, this section provides an overview of the Acts that significantly impact the work of the Agency.

Western Cape Investment and Trade Promotion Agency Amendment Act, 2013 (Act 6 of 2013)

To provide for the establishment, appointment, powers and functions of the Western Cape Tourism, Trade and Investment Promotion Agency in order to promote and support the economic growth and development of the Province, and to provide for matters incidental thereto. [Long title amended by sec 14 of Act 6 of 2013 wef 28 August 2013.]

Wesgro is a Schedule 3C Public Entity. Its legislative mandate, as provided for in the Objects of the Western Cape Investment and Trade Promotion Agency Amendment Act, 2013 (Act 6 of 2013), include:

- (f) “to furnish tourism, trade and investment marketing assistance and expert and specialised advice, information and guidance to any business, company or association of persons who so request it from the Agency or would assist the Agency in achieving its objects;
- (h) to act as a tourism, trade and investment promotion agent on behalf of the Province and to facilitate co-ordinated destination marketing activities for the Western Cape;
- (l) to develop, implement and promote a provincial tourism, trade and marketing strategy and implement any project that realises growth in the economy of the Western Cape;
- (n) to exercise such other powers which, in the opinion of the Minister are necessary for the achievement of its objects and which the Minister, in consultation with the Board, may confer upon the Agency by notice in the Provincial Gazette;
- (o) to promote the Province as a tourism destination;
- (p) to promote leisure and business tourism and events; and
- (q) to promote the alignment of provincial marketing activities in all tourism sectors in the Province in collaboration with private and public entities.”

Broad-Based Black Economic Empowerment Act, 2003 (Act 53 of 2003), as amended by the B-BBEE Amendment Act, 2013 (Act 45 of 2013)

The B-BBEE Act establishes a legislative framework for the promotion of black economic empowerment; empowers the Minister to issue codes of good practice, and to publish transformation charters; establishes the Black Economic Empowerment Advisory Council; and provides for matters connected therewith. The B-BBEE Amendment Act introduced a number of changes, of which the following are deemed to be the most significant:

- The establishment of a B-BBEE Commission that provides an oversight and advocacy role.
- The definition of “fronting practices” and the criminalisation of such practices.
- All organs of state to report on compliance with B-BBEE regulations in their annual reports.

The amendments to the B-BBEE Codes of Good Practice came into effect on 1 May 2015.

The Special Economic Zones Act, 2014 (Act 16 of 2014)

The purpose of the Act is to provide for the designation, promotion, development, operation and management of Special Economic Zones (SEZ), which includes the establishment of a business enterprise (either provincial or municipal) to manage each SEZ. The Act provides for the establishment and functioning of the national Special Economic Zones Advisory Board and the establishment of the Special Economic Zones Fund. The Act seeks to regulate the process of applying for and issuing of Special Economic Zones operator permits and to provide for functions of the Special Economic Zones operator.

Tourism Act, 2014 (Act 3 of 2014)

This Act makes provision for the development and promotion of sustainable tourism for the social, economic and environmental benefit of South African citizens. Its objectives include the promotion of responsible tourism practices; the effective marketing of South Africa both domestically and internationally through South African Tourism (SAT); the promotion of quality tourism products and services; the promotion of economic growth and development of the sector; and the establishment of concrete intergovernmental relations to develop and manage tourism. It specifically makes provision for further training and registration of tourist guides, a code of conduct and ethics for tourist guides, procedures to lodging complaints and disciplinary measures.

1.4.3 Policy mandates

1.4.3.1 National policy framework

State of the Nation Address (SONA)

In the State of the Nation Address (SONA), on 13 February 2020, the President focused on the following areas for delivery:

1. Education
2. Health
3. Energy
4. Transport
5. Water
6. Police
7. Infrastructure
8. Youth and Women empowerment
9. Investment and jobs
10. Land reform
11. Local and Provincial Government

Medium Term Strategic Framework

The Medium Term Strategic Framework (MTSF) is the Government's Strategic Plan for the 2020-2024 electoral term. The MTSF sets out the actions that Government will take, and the targets to be achieved. It also provides a framework for the other plans of National, Provincial and Local Government.

National Development Plan (NDP)

The National Development Plan (NDP) represents a vision for the South Africa of 2030. It aims to enable faster economic growth, higher investment and greater labour absorption. The NDP contains detailed plans and interventions across all sectors of the economy to enable the achievement of this vision.

Industrial Policy Action Plan (IPAP)

The Industrial Policy Action Plan (IPAP) is firmly entrenched in Government's overall policy and plans to address the key challenges of economic and industrial growth and race-based poverty, inequality and unemployment. IPAP 2018 is a product of the Economic Sectors, Employment and Infrastructure Development (ESEID) cluster. The responsibility for its implementation lies with Government as a whole, and a wide range of entities, including State Owned Companies. IPAP 2018 focusses on the following ten key themes that inform the work of the dti and serve as a roadmap for the wider industrial effort:

1. Grow the economy.
2. Strengthen efforts to raise aggregate domestic demand – mainly through localisation of public procurement and intensified efforts to persuade the private sector to support localisation and local supplier development.
3. Step up South Africa's export effort.
4. Create and reinforce policy certainty and programme alignment.
5. Strengthen ongoing efforts to build a less concentrated, more competitive economic and manufacturing environment in which barriers to entry for new entrants are lowered.
6. Build a stronger system of industrial finance and incentives to support and secure higher levels of private sector investment in the productive sectors of the economy and grow exports.
7. Press ahead with technology-intensive, value-adding beneficiation projects which fully leverage SA's comparative resource endowment advantage into a global competitive advantage.
8. Optimise technology transfer and diffusion and, working closely with the Department of Science and Technology, further ramp up the effort to commercialise "home-grown" R&D in key sectors.
9. Support the further strengthening of energy-efficient production and carbon mitigation efforts and measures in a manner that allows for sustainable adaptation by all the energy-intensive sectors of the economy.
10. Understand, grasp and prepare for the foreseeable effects of the Digital Industrial Revolution and emergent disruptive technologies, collaboratively adapting SA's production and services sectors to meet the challenges, including those related to employment displacement.

National Tourism Sector Strategy (NTSS)

The National Tourism Sector Strategy (NTSS) aims to inspire and accelerate the responsible growth of the tourism industry. It has the following three core themes, with specific focus areas which has a national, provincial and local perspective:

- THEME 1: Tourism growth and the economy
- THEME 2: An enhanced visitor experience
- THEME 3: Sustainability and good governance

1.4.3.2 Provincial policy framework

State of the Province Address (SOPA)

During the State of the Province Address (SOPA), delivered on 20 February 2020, the Premier outlined the Western Cape Government's main focus areas as being:

- Safety
- Economy
- Energy and Resilience
- Ease of doing business
- Health
- Education
- Transport
- Human Settlements
- Culture change and innovation

OneCape2040

OneCape2040 envisages a transition towards a more inclusive and resilient economic future for the Western Cape region. It sets a common direction to guide planning, action and accountability. It serves as a reference point and guide for all stakeholders in order to:

- promote fresh thinking and critical engagement on the future;
- provide a common agenda for private, public and civil society collaboration;
- help align government action and investment decisions;
- facilitate the necessary changes we need to make to adapt to our (rapidly) changing local and global context; and
- address our development, sustainability, inclusion and competitiveness imperatives.

Provincial Strategic Plan (PSP)

Aimed at creating an enabling environment that facilitates opportunities, and encourages responsible citizenship, the Western Cape Government has developed five Vision Inspired Priorities (VIPs). These are:

- VIP 1 – Safe and cohesive communities
- VIP 2 – Economy and jobs
- VIP 3 – Empowering people
- VIP 4 – Mobility, spatial transformation and human settlements
- VIP 5 – Innovation and culture

The Department of Economic Development and Tourism (DEDAT), through its programmes and activities, contributes to the achievement of VIP 2: Economy and Jobs, with the apex priority of growing exports.

The identified PSP priorities are:

- Investment
- Infrastructure
- Exports
- Skills
- Resource resilience

Wesgro contributes to the achievement of VIP2: Economy and Jobs, and has developed its 5-year strategy and the achievement thereof to the creation of an enabling environment that fosters economic growth and job creation.

Western Cape Green Economy Strategic Framework

The aim of the Framework is to position the Western Cape as the lowest carbon province in South Africa and the leading green economic hub of the African continent.

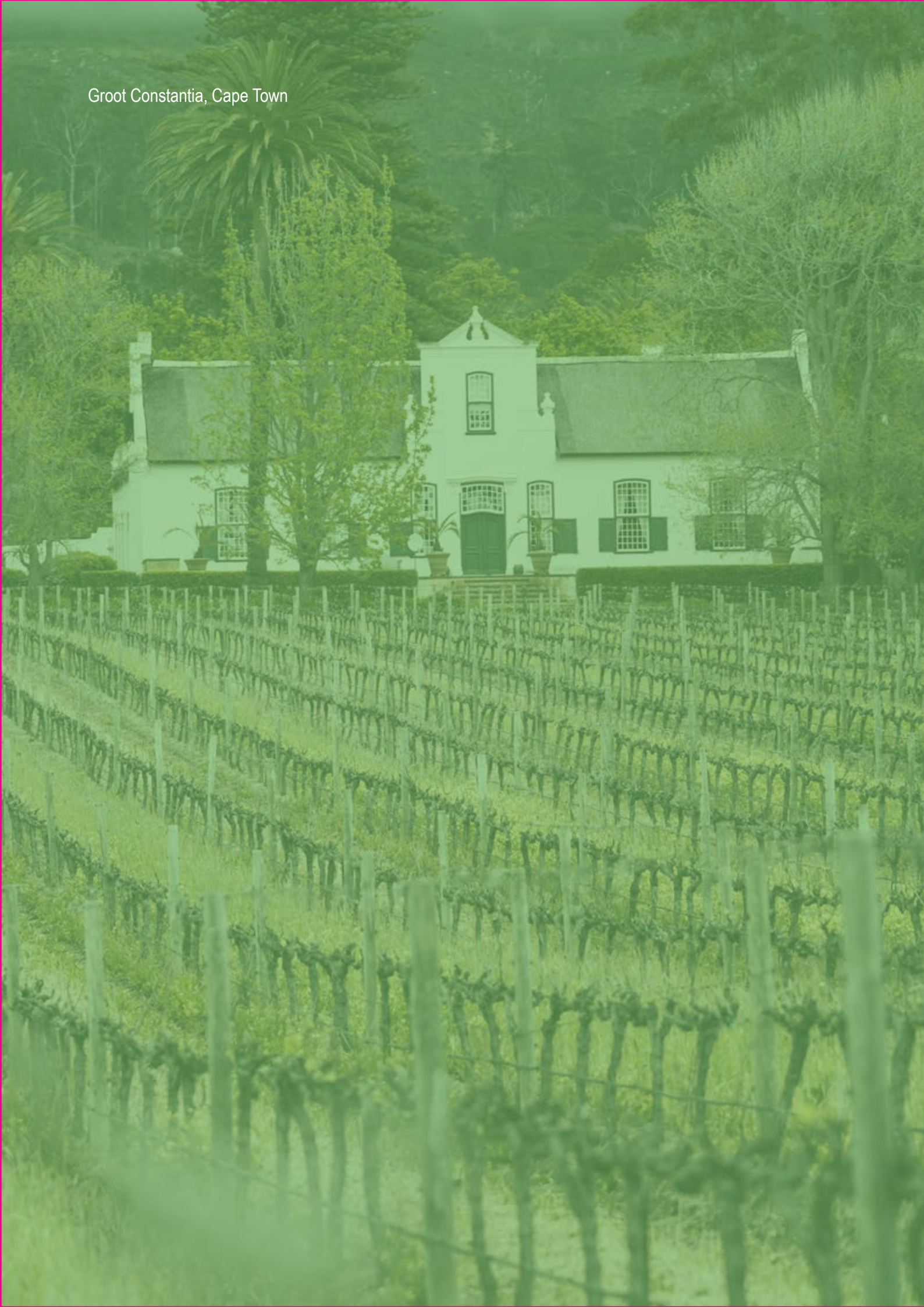
The Western Cape Infrastructure Framework

The Western Cape Infrastructure Framework aligns the planning, delivery and management of infrastructure provided by all stakeholders (National Government, Provincial Government, Local Government, parastatals and the private sector).

International Relations Strategy

The International Relations Strategy aims to harness the activities of the Provincial Government for maximum impact of our economic diplomacy efforts.

Groot Constantia, Cape Town





2. Part B: Our strategic focus

2.1 Updated situational analysis

Economic environment

South Africa's mediocre economic performance continues to be a major hurdle to job creation and long-term poverty alleviation. After rebounding from a revised 3,2% in the second quarter of 2019, activity in the South African economy slipped in the third quarter to reach a negative 0.6%. Mining, manufacturing and transport were the biggest impediments to growth. Key sectors that contributed to the economic decline were mining, manufacturing and agriculture. Lower production was recorded for field crops such as maize, wheat, sunflower seeds, tobacco and soya beans. The construction industry failed to recover, registering its 5th consecutive quarter of negative growth. Furthermore, decreases were reported for activities related to residential and non-residential buildings, and construction works. It is crucial that Government accelerates infrastructure projects as a way to help grow the economy.

Notwithstanding the improved performance seen in the economy in Q2 2019, the SARB's Monetary Policy Committee (MPC) remains circumspect in outlook. The forecast for 2020 has been revised downward to 1,2%. Inflation is expected to remain below 5% for 2020 and 2021, and as a result the repo rate was decreased by 0,25% in January 2020. While noting that risks to the growth forecast are balanced in the near term, the MPC remains concerned about longer-term risks, further cautioning that investment prospects will continue to be limited in the absence of structural reforms, while the escalation of trade tensions could have a further negative impact.

For the Western Cape, the latest estimates by Quantec and the Bureau of Economic Research (BER), published by Provincial Treasury in the Provincial Economic Review and Outlook 2019, stated that the provincial economy expanded by a mere 0.2% in 2018. Underpinning this slowdown was the drought-related decline in the output of agriculture, forestry and fishing, which in turn had an effect on agri-processing. It is expected that this will impact regional investment in the medium term.

A key constraint to unleashing sustained growth on the South African economy is the large number of struggling State-Owned Enterprises (SOEs). These institutions have been badly managed, rocked by corruption scandals and used for the self-enrichment of a few as opposed to working towards creating an enabling environment for private sector enterprises. These include Eskom, Transnet, Prasa, Denel, SABC and SAA. Government's inability to turn these SOEs around continues to damage the reputation of the country and hamper private sector investment and export-led growth.

Inflationary Developments

South Africa's headline inflation averaged 4.7% in 2018, marginally higher than the midpoint of the Central Bank's target band of 3% to 6%. Year-to-date headline inflation has fluctuated between 4.0% and 4.5%.

International developments have been a major contributor to the country's improved inflation outlook in recent quarters, with falling international oil prices and a less depreciated exchange rate. Over the last 12 months, Brent crude prices have fallen from a peak of around \$84 per barrel (bbl.) amid fears of a repeat of rising supply and faltering demand. Brent crude oil was trading at \$58.24 bbl. on 10 October 2019. The Organisation of the Petroleum Exporting Countries (OPEC) cut its forecast for global oil demand for the remainder of this year to 0.98 million barrels per day (b/d); some 40,000 b/d lower than its September 2019 estimate. The intergovernmental organisation of 14 nations cited weaker-than-expected data in the Asia Pacific region and the Americas. It expects world oil demand to grow by 1.08 million b/d in 2020.

External Position

During the first 11 months of 2019, South Africa exported US\$83,1 billion worth of goods. Assuming an annualised \$90,6 billion for 2019, South Africa is on track for a -4% retreat in the value of its exported products from 2018 to 2019. Steel products in particular saw a sharp decline in 2019, contributing to further industry stress. This impacted on the Western Cape, with the announcement that Arcelor Mittal would mothball its plant in Saldanha and effectively cease operations. Since steel products made up the 6th largest export product from the Province in 2018, it is clear that this development will have an ongoing negative impact on the regional economy.

Although there was noted improvement in the services, income and current transfer account shortfall, this was more than offset by the deterioration in the trade balance, the net effect of which was a further widening of the current account deficit in the second quarter. On balance, the current account widened from R144 billion in the first quarter of 2019 to R204 billion in the second quarter. As a percentage of GDP, the deficit on the current account widened from 2.9% to 4.0% over the same period.

From a regional perspective, the Western Cape recorded an annual average export growth rate of 11.14% over the period 2010 to 2018. In parallel, imports grew at an annual average rate of 8.71% over the said period. From a nominal perspective, the value of exports from the Western Cape totalled R129,324 billion in 2018, an increase of 3.94% from 2017. Associated import costs incurred by the Western Cape totalled R219,339 billion in 2018, some 19.49% higher than that recorded in 2017.

The Western Cape's trade balance remained firmly in deficit at a shortfall of R90,015 billion in 2018, a significant 52.22% wider than the shortfall of R59,136 billion recorded in 2017, underpinned by a notable (19.49%) increase in import costs incurred in 2018. A large share of the Western Cape's import bill are costs associated with petroleum (both crude and refined petroleum oil) imports, with these accounting for a significant 50.41% of total import costs in 2018. This compares to an average deficit of R80,1 billion recorded over the last ten years, with imports outstripping exports. However, excluding oil imports, the Western Cape recorded a trade surplus of R20,6 billion in 2018.

From a product perspective, the Western Cape's top export products in 2018 was petroleum oils and oils obtained from bituminous minerals, at a value of R14,380 billion. This was equivalent to 11.1% of the Province's total exports in 2018. Citrus fruit, fresh or dried exports followed in second place at a value of R12,797 billion (9.9%), with wine exports in third position at a value of R9,165 billion (7.1%).

Trade source and destination markets

In terms of key trade partners, Africa continues to be the most important export market for the Western Cape, with the continent being the destination for 36.2% of the Province's exports in 2018. In turn, 29.9% of the said exports were destined for Europe, while 17.9% and 9.8% were destined for Asia and the USA. The Western Cape exported R129,3 billion worth of goods in 2018.

Within the African continent, South African Customs Union (SACU) members received 18.4% of total exports in 2018, which is equal to 50.9% of the exports to Africa.

Namibia remains the Province's largest export market, with some R11,3 billion worth of goods, equivalent to 8.7% of total exports, exported to the neighbouring country in 2018. The United Kingdom (UK) followed at R9,7 billion (7.47%), with the United States of America (USA) in third position at a value of R9,1 billion (7.05%).

The Western Cape's top 10 export markets, 2018

In terms of import sources, Saudi Arabia remains the Province's top source market, accounting for R37,9 billion (equivalent to 17.3% of total imports) in 2018. China followed at R29,9 billion (13.6%), with Nigeria in third position at an associated cost of R20,4 billion (9.31%).



Exchange Rate Developments

The local currency has come under significant pressure year-to-date, with both global and domestic factors weighing heavily on the currency. From the apparent lack of movement on key growth-enhancing policy reforms, to the significant and increasing burden of the power utility, the outlook for the rand continues to deteriorate. The possibility of an impending sovereign credit rating by Moody's Investors Services places further downward pressure, as does the country's deteriorating fiscal position. Ongoing global trade uncertainty is a further factor, especially the China-US trade war, which along with rising risk aversion, continues to weigh heavily on emerging market currencies. The rand was trading at R14.79/\$ in February 2020.

Foreign Direct Investment (FDI)

Between January 2018 and December 2019, 8,748 FDI projects were recorded globally. These projects represented a total capital investment of \$422 billion. During the period, over 1,2m jobs were created through FDI. The USA was the dominant source market for global FDI in 2019, accounting for 20.37% of all projects, followed by Germany (9.14%) and the UK (8.02%). The USA and China were the largest source markets in terms of global capex in 2019, investing 15.77% and 9.38% of total capex.

From a regional perspective, 20 FDI projects were brought into the Western Cape over the period January 2019 to December 2019. These projects represented a total capital investment of USD281.7m, which is an average investment of USD14.1m per project. During this period 1 021 jobs were created. Twelve of these investment projects originated from Western Europe (60.0% projects and 38.0% capex), followed by North America (20.0% projects and 22.3% capex). A fifth of all investment projects into the Western Cape in 2019 were from the UK (20.0% projects and 7.0% of capex). The top three markets (including the UK, Ireland and the USA) collectively commanded more than 50.0% of all investment projects into the Province over the said period. Dublin and London clinched first and second place as top source cities for FDI projects into the Western Cape in 2019. Shenzhen was the dominant city in terms of capex into the Western Cape in 2019, at an investment value of USD94.0m.

In terms of outward FDI by the Western Cape, between January 2019 and December 2019, 35 outward FDI projects were recorded. These projects represented a total capital investment of USD386 million, which equates to an average investment of USD11.0 million per project. During the period, 2 323 jobs were created. As seen in previous years, Africa was the largest destination for Western Cape outward FDI (OFDI) in 2019, accounting for 13 projects (equivalent to 37.1% of all outward FDI projects and 55.3% of capex in 2019) followed by Latin

America and the Caribbean in terms of projects (28.6%) and Western Europe in terms of capex (22.9%). The Province's largest destination markets in terms of projects were Brazil and the UK, which accounted for 40% of all projects in 2019. The software and IT services continued to dominate outward FDI, accounting for 40.0% of all projects in 2019, followed by business services (31.0%) and food and beverages (18.6%).

Uncertainty caused by the Coronavirus

At the time of writing, the Coronavirus hit China and holds significant risk for all areas of the economy and in particular the tourism industry. It does pose a threat to global growth and trade between the USA and China. South Africa receives relatively small numbers of Chinese visitors, however, many people will choose not to travel in order to reduce their chances of exposure. The virus is having a major impact on life in China, which in turn will impact the demand for raw materials and it may affect South African exports in the short term. Since the risk associated with the virus is still relatively unknown, it is hard to predict the medium- to long-term impact of the illness.

Update on Brexit

Another key consideration is that of Brexit and what this means for South Africa and for the Western Cape, given the Province's strong historical trade ties with the UK. The UK is the second largest export destination for Western Cape goods, the number one tourism source market, and the number one source of FDI.

The UK officially left the EU on 31 January 2020, subject to a transition period until the end of December 2020. During the transition period, the UK will remain part of the EU Customs Union and Single Market. During this time, the EU and UK need to negotiate a new trade agreement between themselves. Depending on the results of the negotiations, Brexit will have various implications for South African exporters to the UK. The Western Cape economy is intricately linked to that of the UK, as the UK is the number one source of FDI and tourism and the second largest export market for Western Cape exports after Namibia. Exports are one of the areas where Brexit has already had the most tangible effects and is therefore an area that Wesgro has focussed on.

South Africa currently enjoys preferential trade with the UK under the Southern African Development Community-European Union Economic Partnership Agreement (SADC-EU EPA). When the UK leaves the European Union (EU), they will no longer be a party to the trade agreements that the EU has with third party countries like South Africa. The UK has therefore negotiated an agreement with South Africa, Botswana, Lesotho, eSwatini, Namibia and Mozambique, which largely replicates the terms of the SADC-EU EPA. These are all the countries that are party to the SADC-EU EPA, and are referred to as the Southern African Customs Union and Mozambique (SACUM) countries.

The new trade agreement is called the SACUM-UK EPA and it will take effect once the UK has left the EU. The new agreement with the UK replicates the terms of trade between the UK and South Africa currently in place under the EU-SADC EPA. Under the SADC-EU EPA, South African goods to the EU (and currently the UK) are almost entirely duty free. For certain goods there are tariff-rate-quotas, which allow for a certain volume of goods to be exported duty free (after which an import tariff is charged).

The USA and China Trade Wars

Trade wars do not produce winners. Both China and the USA are such big global markets, with a trade war between the two impacting global trade in general and having a harrowing effect on emerging markets such as South Africa. While there has been some easing in trade tensions with a phase one agreement signed, harder choices remain ahead and it is difficult to predict the outcomes. South African exports to China mostly consists of raw materials destined for further beneficiation. A slowdown in Chinese trade will mean a decrease in the demand for the materials of production and therefore a decline in demand for products from South Africa. Slower trade growth, protectionism and technology pose challenges to an export-led growth strategy. With South Africa being a very small open economy, economic events across the world will adversely affect South Africa.

Tourism performance 2018

International tourist arrivals to the Western Cape reached a significant 1 729 088 in 2018, increasing by 0.2% year-on-year (from 2017). This is the highest number of arrivals in six years. Total foreign direct spend (excl. capital expenditure) by tourists in the Province reached R16,3 billion, registering a 29.6% decrease in spend when compared to 2017. From a national perspective, the Western Cape accounted for 16,5% of all South African tourist arrivals, 19.8% of tourists' spend, and 19.7% of bed nights recorded in 2018. However, the tourism industry has been under significant pressure in 2018 as a result of the drought, rand appreciation (early in 2018), listeriosis, crime and security fears, and land dispossession without compensation talks. Domestic tourism is equally under pressure due to reduced disposable incomes.

The Western Cape's share in South Africa's tourist visits during 2018

Tourists visiting South Africa	Western Cape Share (%)
Africa	3.6%
Middle East	40.1%
South America	55.6%
North America	50.1%
Asia	42.6%
Australasia	45.2%
Europe	55.4%

Source: SA Tourism, 2019

Western Cape tourism statistics 2015 – 2018

Western Cape Performance	2015	2016	2017	2018	17/18 % Change
International					
Total number of tourist arrivals	1,3 million	1,6 million	1,7 million	1.7 million	0.2%
% Share of South Africa's arrivals	14.9%	15.6%	16.8%	16.2%	-
Total foreign direct spend (excl. capital expenditure)	R14,9 billion	R18,1 billion	R23,1 billion	R16,3 billion	-29.6%
% Share of South Africa's spend	21.8%	23.9%	28.6%	19.8%	-
Total number of bed nights spent by tourists	15,6 million	16,7 million	23,3 million	23,3 million	
% Share of South Africa's bed nights	19.2%	18.9%	19.3%	19.7%	
Length of stay	12.2 nights	11.1 nights	14.1 nights	12.9 nights	-8.5%
Domestic					
Total domestic trips	1,829,000	2,139,000	1,587,000	1,288,000	-18.8%
Total direct domestic spend	R2,0 billion	R2,5 billion	R1,6 billion	Data not available as yet	-
Total annual domestic bed nights	8,316,000	10,393,000	533,000		
Length of stay	4.8 nights	4.9 nights	3.4 nights		

Western Cape Tourism Statistics 2015 – 2018

Top 10 source markets to the Western Cape, 2016-2018

Ranking	Markets	2016	2017	2018	17/18 % Change
1	United Kingdom	270 167	259 188	250,429	-3.4%
2	Germany	204 015	210 699	213,054	1.1%
3	United States	189 867	192 465	192,629	0.1%
4	Namibia	114 723	120 477	105 817	-12.2%
5	France	92 439	98 978	102 007	3.1%
6	Netherlands	96 797	86,527	79 045	-8.6%
7	China (incl. Hong Kong)	60 096	36 710	57 868	57.6%
8	Australia	47 891	54 791	53 843	-1.7%
9	Brazil	22 135	42 281	45 446	7.5%
10	Italy	37 433	34 045	38 662	13.6%

Source: SA Tourism, 2019

Provincial Tourism Performance

Of the nine provinces, the Western Cape ranked:

- TOP in the average length of stay: 12.9 nights
- 2nd Highest in total foreign direct spend: R16,3 billion
- 2nd Highest in total bed nights: 23,3 million
- 3rd Highest in tourist arrivals: 1,7 million

PROVINCIAL TOURISM PERFORMANCE, 2018				
Province	International Tourist Arrivals (millions)	Total Foreign Direct Spend (billions)	Bed nights (millions)	Length of stay (nights)
Gauteng	3.8	R28.2	40.3	10.5
Western Cape	1.7	R16.3	23.3	12.9
Limpopo	2.2	R5.5	7.9	4.0
Mpumalanga	1.6	R10.7	15.4	10.0
Free State	1.3	R9.0	12.8	10.8
KwaZulu-Natal	0.8	R5.7	8.1	9.5
North West	0.7	R3.1	4.5	6.9
Eastern Cape	0.4	R3.5	5.0	9.9
Northern Cape	0.1	R0.8	0.2	7.1

Source: SA Tourism, 2019

Attractiveness of Western Cape's top tourism icons and activities:

- 12 out of the top 20 attractions and landmarks visited in South Africa were based in the Western Cape.
- 13 out of the top 25 natural scenery and game attractions visited in South Africa were based in the Western Cape.
- The V&A Waterfront ranked as the top mall in the top 20 malls and urban attractions visited in South Africa.
- Robben Island ranked as the top landmark in the top 10 culture and heritage attractions visited in South Africa.

- Camp's Bay and Clifton ranked as the top two beaches in the top 10 beachfront attractions visited in South Africa, followed by Mossel Bay in 10th position.

Source: SATourism, 2019

2.2 Organisational environment

2.2.1 External Environmental Analysis

Political risks

South Africa held its national elections in May 2019. The new administration has a period of five years to address some of the largest challenges facing the South African economy, including policy uncertainty, incoherent economic policy and historical growth restricting policies (such as the current visa regulations and unabridged birth certificate requirements).

At the same time there has been a massive shift in public opinion on the negative impact of corruption, with increased outrage at the way the Government purse has been robbed. It is anticipated that this national discourse will help to align public sector spending into the areas where development is most required. Spending correctly will be a big boost for local businesses, increase international confidence (and investment) and help to attract more tourists as the country is able to demonstrate a positive growth story. The Western Cape has demonstrated exemplary performance in recent municipal audits, which helps to create confidence and stimulate private sector investment. The dire unemployment position can only be turned around with significant private sector investment.

Ongoing socio-economic issues also remain of concern, including labour reform and property/land ownership issues. There is a significant need for greater transparency and policy certainty if South Africa is to successfully regain business confidence and investors' interest.

Economic risks

Macroeconomic risks

One of the greatest challenges posed by the prevailing macroeconomic conditions has been the downturn in both consumer and investor confidence. Wesgro has been impacted by this too, particularly in terms of investment promotion. Notwithstanding the country's fragile economic outlook, recent political developments are positive for the country. This is largely dependent on President Cyril Ramaphosa building and maintaining investor and consumer confidence at a national level. The Western Cape will benefit from both investment and trade, as it remains a well-run province with above average economic growth and below average unemployment.

Negative perceptions around South Africa as an investment destination have also affected investment promotion activities. However, recent political developments could assist in changing these perceptions for the better.

Global growth has continued to soften in 2019. Subdued investment in Emerging Market and Developing Economies (EMDEs) is dampening potential growth prospects. Risks to the outlook remain firmly on the downside, including the possibility of escalating trade tensions. Another concern is rising debt, which may make it difficult for EMDEs to respond to adverse developments and to finance growth-enhancing investments. Reforms to boost private investment and productivity growth are needed, particularly in low-income countries which face more significant challenges today than they did in the early 2000s.

Risks in international trade

The World Trade Organisation (WTO) continues to be inundated with international transaction disputes and many countries are raising the red flag on questionable barriers to trade imposed by partner countries. Unresolved trade disputes can adversely affect international trade as traditional partners seek markets for products elsewhere.

Notwithstanding the success achieved under various trade pacts and agreements, non-tariff and tariff barriers to South African exports remain a challenge. The Western Cape's agricultural exports face major non-tariff barriers such as highly technical phytosanitary requirements, import bans on products considered to be diseased (such as citrus blackspot), and antidumping regulations. The African Growth and Opportunity Act (AGOA), which provides duty free access to about 6 500 tariff lines to the USA for select eligible countries and products, has had a significant impact on promoting sub-Saharan Africa and US bilateral trade.

What lies ahead for trade relations between the USA and Africa if AGOA ends post 2025? While there has been no formal indication from the USA that the programme will not be renewed, the consensus view is that it will not be renewed post 2025. Key reasons for this include a rapidly changing global trade environment which is increasingly affecting the USA-Africa trade relationship and secondly, the fact that AGOA was not intended to be permanent, with the programme designed as a stepping stone to a more mature trade relationship between the USA and Africa.

Determining a new and appropriate strategy for trade and investment relations between South Africa (and Africa) and the USA post-2025 remains a key consideration. The China and US trade war also poses risks for South Africa and Western Cape trade. Should the trade war lead to the weakening of global growth, this would pose significant challenges for South Africa's own growth prospects.

Social risks

Some of the largest challenges facing South Africans include: inadequate housing, large-scale unemployment (especially among the youth), water and sanitation access, current energy crises, deteriorating public transport (trains especially) and safety. These are serious risks and may result in increased pressure on the limited resources available to government.

Technological risks

The fourth industrial revolution is impacting on economic growth and investment for the future. Companies that are able to work with and harvest value from big data will be the winners in the new race for replicable products in a highly customised environment.

A significant technological risk to South Africa is the price of Internet access. This is of particular interest to foreign investors who have the perception that South Africa, and by association the Western Cape, has below average performance in terms of technology.

Despite great improvements in technology and broadband in South Africa and significant improvements in nearly all areas in innovation in recent years, the business destination still faces significant perception risk in this area.

Legal risks

In terms of the rule of law, as noted by the Heritage Foundation in its Annual Index of Economic Freedom, "South Africa continues to benefit from strong institutions and a robust and independent legal framework, but pervasive corruption increasingly hampers the functioning of government, and enforcement of anticorruption statutes remain inadequate."

Environmental risks

The greatest environmental risk at present is the scarcity of water, which is greatly affecting farmers across South Africa and the Western Cape in particular. The last rainy season was a good one and has brought much relief to the Province. Cape Town dams have reached a significant milestone in their battle against the drought, as recent downpours in the area carried the figures above the 80% mark. This is the first time in over two years that all dams servicing the drought-stricken Mother City have reached this combined landmark.

2.2.2 Internal Environmental Analysis

SWOT Analysis

An analysis of Wesgro's key strengths, weaknesses, opportunities and threats was conducted to assist the Agency in developing its priorities for the next five years.

STRENGTHS	WEAKNESSES
<ul style="list-style-type: none">• Over 35 years' proven track record and an established global brand in economic diplomacy• Sector and market specialists in the investment, trade, film, leisure and business tourism teams• Established and strong investment pipeline• Strong capability in creating market access through effective trade missions• Excellent track record in promoting outward investment into the rest of Africa• Responsive research and thought leadership capability• Strong relationships with Local, Provincial, National and Global Partners• Highly responsive to stakeholder needs• Primary bridge between business and government within the context of our mandate• Collaborative approach to realising opportunity and reputation management• Solid governance and financial controls	<ul style="list-style-type: none">• Contact management is weak• The Agency is financially under-resourced to deliver optimally on its mandate• Onerous compliance requirements and reporting• Low salaries in relation to other Agencies and the private sector
OPPORTUNITIES	THREATS
<ul style="list-style-type: none">• Establish a better destination and economic brand hierarchy for global marketing efforts• Shifting global economic trends presenting new opportunities for innovation, investment, trade, tourism and film• Sectors geared for growth in the future are strongest in the Western Cape• Inter- and intra-Agency collaboration to drive the nation's growth agenda• Enhancement of thought leadership capability• Strengthening relationships with stakeholders and the private sector• Increase revenue generation sources	<ul style="list-style-type: none">• Lack of collaboration between role-players and duplication in effort• Negative perceptions of SA that affect confidence in the destination• The impact of climate change on the economy• Increasing pressure on economic infrastructure• Exchange rate fluctuations• Safety and security issues (perceived and real)• High level of youth unemployment• Skills development not in line with changing industry needs

The Wesgro Board

Wesgro is a Schedule 3C public entity as stipulated in the PFMA and is managed by a Board of Directors appointed by the Executive Authority. The table below provides a list of the Board members:

Wesgro Board Members	
Name	Title
Prof. Brian Figaji	Chairperson
Mr. Michael Spicer	Deputy Chairperson
Mr. Ian Bartes	Director/Chairperson of the Audit, IT and Risk Committee
Ms. Andrea Böhmert	Director
Mr. David Green	Director
Mr. Paul Bannister	Director
Mr John Copelyn	Director
Ms Ruwaida Eksteen	Director
Ms Judith February	Director
Ald. Marius Koen	Director
Ald. (Dr.) Helena von Schlicht	Director
Mr. John van Rooyen	Director
Mr. Solly Fourie	Ex-Officio Member of the Board representing the Provincial Government of the Western Cape
Mr. Lance Greyling	Ex-Officio Member of the Board representing the City of Cape Town/Chairperson of the Human Resource and Remuneration Committee
Mr. Tim Harris	Chief Executive Officer

Wesgro's Organogram



2.3 Wesgro's Strategic Outcomes

Strategic Outcomes																																						
Strategic Outcome	To grow the Western Cape Economy through investment, trade, tourism and film promotion.																																					
Outcome Statements	<p>It is envisaged that the Agency will achieve the following deliverables for the period 2020/21 to 2024/25:</p> <ul style="list-style-type: none"> To recruit and facilitate between R10,11bn and R14,71bn committed investments into the Province, resulting in between 3 705 and 7 691 jobs. To recruit and facilitate between R15,34bn and R21,94bn trade agreements, resulting in between 2 840 and 3 716 jobs, and R1,36bn and R3,09bn Outward Foreign Direct Investment (OFDI). To market Cape Town and the Western Cape and support tourism destination marketing initiatives with an estimated economic value of R2,65bn and R4,24bn. To recruit and facilitate between R10,13bn and R17,82bn film and media productions brought into the Province, resulting in between 15 246 FTE jobs and 18 472 FTE jobs. To build a strong regional economic brand with an estimated rand value of R398,1m AVE. <p>Over the next five-years, the Agency will generate between R39,61bn and R61,82bn, resulting in the facilitation of between 21 791 and 29 879 jobs, as follows:</p> <table> <tr> <th rowspan="2">Programme</th><th colspan="2">Estimated economic impact (R)</th><th colspan="2">Jobs</th></tr> <tr> <th>Lower band</th><th>Upper band</th><th>Lower band</th><th>Upper band</th></tr> <tr> <td>Investment promotion</td><td>10 116 558 285</td><td>14 710 022 588</td><td>3 705</td><td>7 691</td></tr> <tr> <td>Trade promotion (including OFDI)</td><td>16 707 850 394</td><td>25 040 781 957</td><td>2 840</td><td>3 716</td></tr> <tr> <td>Destination Marketing</td><td>2 654 567 905</td><td>4 247 308 648</td><td>-</td><td>-</td></tr> <tr> <td>Film and media promotion</td><td>10 131 489 646</td><td>17 823 207 056</td><td>15 246</td><td>18 472</td></tr> <tr> <td>Total</td><td>39 610 466 231</td><td>61 821 320 250</td><td>21 791</td><td>29 879</td></tr> </table> <p>*The 5-Year Achievement targets are cumulative and take into consideration the current context of the South African economy and the international trade climate.</p>				Programme	Estimated economic impact (R)		Jobs		Lower band	Upper band	Lower band	Upper band	Investment promotion	10 116 558 285	14 710 022 588	3 705	7 691	Trade promotion (including OFDI)	16 707 850 394	25 040 781 957	2 840	3 716	Destination Marketing	2 654 567 905	4 247 308 648	-	-	Film and media promotion	10 131 489 646	17 823 207 056	15 246	18 472	Total	39 610 466 231	61 821 320 250	21 791	29 879
Programme	Estimated economic impact (R)		Jobs																																			
	Lower band	Upper band	Lower band	Upper band																																		
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Trade promotion (including OFDI)	16 707 850 394	25 040 781 957	2 840	3 716																																		
Destination Marketing	2 654 567 905	4 247 308 648	-	-																																		
Film and media promotion	10 131 489 646	17 823 207 056	15 246	18 472																																		
Total	39 610 466 231	61 821 320 250	21 791	29 879																																		
Baseline	<p>A total of R8,61 billion was committed from the 2015/16 to the 2018/19 financial years, resulting in 3 143 jobs. The Agency secured 173 trade agreements, with an export value of over R16 billion, resulting in 2 381 jobs. A total of over R1 billion in Outward Foreign Direct Investment was committed. The Agency supported 80 tourism marketing activities, with an estimated economic value of over R2 billion. The Agency signed a total of 19 film promotion declarations with a rand value over R5 billion, resulting in 7 984 FTE jobs.</p>																																					
Links	Wesgro plays a pivotal role in investment and trade promotion, and marketing Cape Town and the Western Cape as a tourism and film destination.																																					

2.4 Overview of 2020/21 budget and MTEF estimates

Budget overview

HIGH LEVEL BUDGET						
DESCRIPTION	BUDGET	ADJUSTMENT		OUTER MTEF YEARS		
	2019/20	BUDGET 2019/20		2021/22	2022/23	2023/24
	R'000	R'000	R'000	R'000	R'000	R'000
STAFF REMUNERATION	42 823	42 823	50 981	50 831	59 794	63 441
DEPARTMENTAL EXPENSES (A+B)	75 467	77 528	126 579	135 631	128 014	124 661
Overheads (A)	33 110	33 110	51 985	53 439	43 869	43 321
Programmes (B)	42 357	44 418	74 594	82 192	84 145	81 340
Capital Expenditure	1003	1003	2 028	2139	2257	2257
TOTAL EXPENSES	119 293	121 354	179 588	188 601	190 065	190 360
Staff Complement	87	87	104	104	104	104

High level budget: Trade and Investment Promotion

HIGH LEVEL BUDGET						
DESCRIPTION	BUDGET	ADJUSTMENT		OUTER MTEF YEARS		
	2019/20	BUDGET 2019/20		2021/22	2022/23	2023/24
	R'000	R'000	R'000	R'000	R'000	R'000
STAFF REMUNERATION	22 376	22 376	29 091	28 946	35 851	38 181
DEPARTMENTAL EXPENSES (A+B)	20 168	22 229	35 453	43 618	45 759	43 428
Overheads (A)	8 156	8 156	10 661	13 225	14 446	15 168
Programmes (B)	12 012	14 073	24 792	30 393	31 313	28 260
Capital Expenditure	1 003	1 003	2 028	2139	2257	2 257
TOTAL EXPENSES	43 547	45 608	66 572	74 703	83 867	83 867
Staff Complement	73	73	85	85	85	85

High Level Budget for Tourism Destination Marketing

HIGH LEVEL BUDGET						
DESCRIPTION	BUDGET	ADJUSTMENT		OUTER MTEF YEARS		
	2019/20	BUDGET 2019/20		2021/22	2022/23	2023/24
	R'000	R'000	R'000	R'000	R'000	R'000
STAFF REMUNERATION	15 627	15 627	19 084	18 925	20 820	21 965
DEPARTMENTAL EXPENSES (A+B)	3 399	3 399	3 942	3 614	2 046	948
Overheads (A)	3 399	3 399	3 942	3 614	2 046	948
Programmes (B)						
Capital Expenditure	0	0		0	0	0
TOTAL EXPENSES	19 026	19 026	23 026	22 539	22 866	22 913
Staff Complement	14	14	19	19	19	19

High Level Budget for Other Projects

HIGH LEVEL BUDGET						
DESCRIPTION	BUDGET	ADJUSTMENT		OUTER MTEF YEARS		
	2019/20	BUDGET 2019/20		2021/22	2022/23	2023/24
	R'000	R'000	R'000	R'000	R'000	R'000
STAFF REMUNERATION	4 820	4 820	2 806	2 960	3 123	3 295
DEPARTMENTAL EXPENSES (A+B)	35 405	35 405	57 398	47 324	38 337	38 413
Trade and Investment	21 555	21 555	37 382	36 600	27 377	27 205
DMO	13 850	13 850	20 016	10 724	10 960	11 208
Capital Expenditure	0	0	0	0	0	
TOTAL EXPENSES	40 225	40 225	60 204	50 284	41 460	41 708
Staff Complement	14	10	14	14	14	14

Summary of payments and estimates

"Programme R'000"		Outcome			Estimated outcome	Medium-term estimate		
		Audited	Audited	Audited				
		2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23
1,	Administration	5 555	4 155	3 990	4 379	5 065	5 288	4 497
2,	Corporate Services	14 480	10 989	11 826	13 402	18 561	21 018	22 325
3,	Investment	4 582	4 329	5 601	6 115	8 661	12 566	18 049
4,	Trade	6 934	9 709	8 027	8 810	21 036	22 096	27 035
5,	Wesgro Research	3 342	3 506	3 394	4 055	4 497	4 856	3 989
6,	Marketing and Communication	5 141	4 873	5 823	6 036	8 752	8 879	7 972
7,	DMO: Integrated Marketing	17 919	31 567	17 781	19 026	52 586	53 654	54 530
	Total payments and estimates	57 953	69 128	56 442	61 823	119 158	128 357	138 397

Summary of provincial payments and estimates by economic classification

"Economic classification R'000"		Outcome			Estimated outcome	Medium-term estimate		
		Audited	Audited	Audited				
		2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23
	Expenses							
	Current expense	57 953	69 128	56 442	61 823	119 158	127 078	137 148
	Compensation of employees	25 527	32 325	34 914	38 002	48 175	47 773	56 671
	Salary & Wages	23 162	29 393	33 153	33 792	41 762	41 311	48 192
	Basic salary	21 898	27 553	31 338	32 054	39 861	39 633	45 939
	Performance rewards	1 264	1 839	1 815	1 738	1 901	1 678	2 253
	Service based							
	Periodic Payments							
	Other non-pensionable allowances		1					
	Social Contributions (employer contributions only)	2 365	2 932	1 761	4 210	6 413	6 462	8 479
	Pension	1 749	2 379	1 265	3 564	5 492	5 527	7 130
	Medical	340	432	374	515	761	773	1 185
	Home owners allowance							
	UIF	98	112	122	131	160	162	164
	Bargaining council							
	Unions							
	Provisions for staff costs							
	Salary related expenses	178	9					
	Use of goods and services	26 033	36 532	20 137	22 818	69 254	78 026	79 228
	Advertising	1 564	8 042	1 764	2 062	13 019	14 448	14 819
	Advertising of posts	139	65	59	171	292	278	311
	Gifts and Promotional items	227		200	200	150	152	47
	Advertising (marketing)	1 198	7 977	1 505	1 691	12 577	14 018	14 461
	Audit Fees	1 817	1 434	1 947	2 069	3 074	3 526	2 566
	Internal	744	351	1 024	1 034	916	966	765
	Forensic							
	External	1 073	1 083	923	1 035	2 158	2 560	1 801
	Bank charges	146	79	85	134	161	161	161
	Board Costs	402	545	443	440	562	498	
	Board - Remuneration	396	545	443	440	562	498	
	Board - Air Tickets							
	Board - Accommodation							
	Board - Subsistence	6						
	Bursaries (employees)							

"Economic classification R'000"		Outcome			Estimated outcome	Medium-term estimate		
		Audited	Audited	Audited				
		2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23
	Catering services	105	125	87	263	310	414	518
	Communication	958	1 061	728	1 165	1 242	1 651	1 487
	Telephone	780	1 047	720	1 157	1 109	1 310	1 046
	Cellphones	169	4	7	7	132	340	440
	Postage & Courier	9	10	1	1	1	1	1
	Satellite signals							
	Other							
	Computer services	372	1 439	742	463	891	1 063	844
	SITA services							
	External service providers	372	1 439	742	463	891	1 063	844
	Consultants, contractors and special services	8 254	10 479	3 969	4 146	30 087	34 701	37 906
	Consultants	6 565	6 830	1 972	2 113	7 374	9 225	11 047
	Contractors and special services	1 689	3 649	1 997	2 033	22 713	25 476	26 859
	Services rendered							
	General Expenses	832	759	1 218	562	1 043	1 331	875
	Design Development							
	Logistics							
	Conference Expenditure	799	2 750	400	612	10 528	12 119	13 143
	Donations paid							
	Photographic services	58		60	44	15	50	50
	Venues and facilities		140	319	815	11 127	11 676	12 791
	Agency Administrative and Support Staff						300	
	Event Promoters							
	Youth Status Report							
	Transport: Consultants and Contractors							
	Other special services							
	Entertainment	146						
	Equipment less than Capitalisation threshold	4	6	6	10	10	25	25
	Inventory	1 777	2 590	2 144	2 484	3 813	4 079	3 021
	Consumables							
	Food and food supplies							
	Fuel, oil and gas	69	24	56	53	107	161	90
	Parts and other maintenance material	40						
	Stationery and printing	213	81	154	121	204	125	125
	Subscriptions	1 455	2 485	1 934	2 310	3 502	3 793	2 806
	Restoration and fittings							
	Other							
	Legal fees	144	196	127	98	104	54	54
	Losses / (Profits)	(49)	(2 379)	1	2	2	2	2
	Losses due to Fraud							
	On Sale of Assets	(64)	(25)					
	Forex	15		1	2	2	2	2
	Loss on stolen fixed asset							
	Other		(2 354)					
	Maintenance and repairs	300	246	66	78	739	231	235
	Buildings	256	203	44	56	614	106	110
	Infrastructure Assets							

"Economic classification R'000"		Outcome			Estimated outcome	Medium-term estimate		
		Audited	Audited	Audited				
		2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23
	Equipment	44	43	22	22	125	125	125
	Other							
	Operating leases	4 665	4 902	3 361	4 386	6 231	6 760	7 678
	Rent-buildings	3 602	4 895	2 758	3 899	5 679	6 050	7 012
	Rent-equipment	1 063	7	603	487	552	710	666
	Other							
	Owned/ leasehold and property exp. (Establishment Costs)		33					
	Transport - Motor Fleet		33					
	Transport - Private Vehicles							
	Safeguard and Security							
	Printing and publication	462	1	190	184	287	260	210
	Professional bodies and membership fees							
	Travel and Subsistence	3 083	7 104	4 043	4 356	7 944	9 560	9 124
	Air Travel - Air Tickets (Domestic)	191	391	337	296	591	651	720
	Air Travel - Air Tickets (International)	2 139	1 558	2 585	2 386	4 223	5 234	5 353
	Accommodation - Domestic	65	165	486	607	463	557	636
	Accommodation - International	607	1 310	531	922	2 336	2 754	2 045
	transport: Governmeny Garage							
	Motor Finance: Claim above 500 km							
	Entertainment	2						
	Other	79	3 680	104	145	331	364	370
	Training and staff development	555	481	434	478	778	593	578
	Utilities							
	Water and electricity							
	Item 1							
	Item 2							
	Venues and facilities							
	Item 1							
	Item 2							
	Other							
	Depreciation and amortisation	6 393	1 003	1 391	1 003	2 028	1 279	1 249
	Land							
	Dwellings							
	Non- Residential Buildings							
	Investment Property							
	Leasehold Improvements	5 280		490	400	823	423	420
	Mineral & Similar Non - Regenerative Resources							
	Capital Work in Progress							
	Heritage Assets							
	Biological Assets							
	Computer equipment	232	126	152	176	600	376	344
	Furniture and Office equipment	338	223	310	157	305	205	185
	Other Machinery and equipment	107	562	124	75	96	96	96
	Crockery and Cutlery							
	Transport Assets	278	48	157	79	79	79	79
	Computer Software	158	44	158	116	125	100	125
	Valuables (e.g. works of art)							
	Mastheads and Publishing titles							

"Economic classification R'000"		Outcome			Estimated outcome	Medium-term estimate		
		Audited	Audited	Audited				
		2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23
	Patents, Licences, Copyrights, Brand names & Trademarks							
	Recipes, Formulae, Prototypes, Designs & Models							
	Service and Operating Rights							
	Other Intangibles							
	Unearned reserves (social security funds only)							
	Interest, dividends and rent on land							
	Interest							
	Dividends							
	Rent on land							
	Transfers and subsidies							
	Provincial government							
	Municipalities							
	Rates and taxes							
	RSC levies							
	Other							
	Departmental agencies and accounts							
	Universities and technikons							
	Foreign governments							
	International organisations							
	Public and private corporations							
	Non life insurance							
	Other							
	Non-profit institutions							
	Households							
	Social benefits (social security funds only)							
	Other households							
	Total expenses	57 953	69 128	56 442	61 823	119 158	128 357	138 397

2.5 Relating expenditure trends to strategic goals

With the ever decreasing fiscus, Management has embarked on a process of robust consultation with the Western Cape Government and the City of Cape Town to secure additional funding, to ensure that it is able to deliver on its mandate and embark on new initiatives to bring about impactful change. The Agency has been successful in its endeavours to secure additional funding and is committed to implementing its revised strategy to create an enabling environment for economic growth and increased job facilitation.

West Coast Nature Reserve, near Langebaan, Western Cape





3. Part C: Measuring our performance

3.1 Programme 1: Corporate Services

Purpose

The purpose of the Programme is to provide efficient, cost effective, transparent and responsive corporate services to the Agency and ensure that principles of good corporate governance are implemented.

3.1.1 Programme structure

Sub-programme 1.1: Financial management

Effective financial management is aimed at ensuring the upholding of the legislative requirements of the Agency. It also ensures that the necessary resources to efficiently run core operations are provided.

Sub-programme 1.2: IT and administrative services

As a provincial public entity, the Agency has to comply with the Public Finance Management Act 1 of 1999 and the Public Service Act. The IT sub-programme focusses on maintaining sound IT and administrative systems and infrastructure. Effective systems and processes are a necessary component to maintain credibility, ensure accountability, improve operating efficiencies and generate institutional memory.

Sub-programme 1.3: Human Resource Management

The Human Resources sub-programme ensures that the Agency becomes the employer of choice and maintains an excellent, talented and skilled workforce. A priority is to attract, recruit and retain staff by creating a culture and climate conducive to sustaining a motivated workforce. The sub-programme also ensures that all legislative compliance with regard to human resource management is adhered to.

Sub-programme 1.4: Governance and Compliance

The Governance and Compliance sub-programme is responsible for the implementation of an integrated approach, which takes into account results-based implementation and direct alignment to Wesgro strategic direction, monitoring and evaluation, corporate governance, board compliance and the requisite support to the CEO.

Situational analysis

As a legislatively enacted Agency, Wesgro is bound to adhere to the principles derived from Chapter 10 and 13 of the Constitution of the Republic of South Africa, 1996. Wesgro is bound to follow the principles of these Acts in ensuring that modernisation of systems of management within the public sector is achieved, and transparency and accountability are maintained and visible. The Agency is compelled to ensure that the principles of high standards of ethics is promoted and maintained, resources are efficiently utilised, and transparency and accountability are present within the Agency at all times.

3.1.2 Strategic outcome

Strategic outcome	
Strategic outcome	Enhance good governance practices through compliance with prescribed financial and non-financial regulations and guidelines.
Outcome statement	An unqualified Audit report with no material findings.
Baseline	The Agency achieved a clean audit for the 2018/19 financial year.
Justification	The concept of value for money is an integral part of the strategic and operational activities. Corporate Services identifies and implements interventions to achieve value for money that will improve service delivery, eliminate wasteful allocation of resources, enhance public confidence and ensure compliance.
Links	This objective is linked to the Public Finance Management Act (PFMA), National Treasury Regulations, Provincial Treasury Instructions, King IV in terms of good governance and integrated service delivery through partnerships and spatial alignment.

3.1.3 Outcomes, outputs, performance indicators and targets 2020/21

No.	Outcome	Outputs	Output Indicators	Annual Targets						
				Audited /Actual Performance		Estimated Performance 2019/20	MTEF Period			
				2016/17	2017/18	2018/19	2020/21	2021/22	2022/23	
1.1	Unqualified Audit report with no material findings	Financial, SCM, IT, HR and M&E outputs	Positive financial viability rating	-	-	-	4	4	5	
			Percentage achievement of annual budgeted operational expenditure	-	-	-	98%	98%	98%	
			Achieve maximum Broad-Based Black Economic Empowerment (B-BBEE) spend	-	-	-	70%	70%	75%	
			Percentage B-BBEE spend on black owned suppliers				60%	62%	65%	
			Percentage payment deviation from awarded contracts	-	-	-	10%	10%	10%	
			Submission of the annual Procurement Plan				1	1	1	
			Number of reports evidencing the maintenance of the Agency's ICT environment	-	-	-	4	4	4	
			Percentage of employee satisfaction	-	-	-	80%	85%	90%	
			Percentage of annual total salary cost spent on training of staff and internship opportunities	-	-	-	1%	1,5%	2%	
			Percentage of people from the employment equity target groups employed in compliance with the entity's approved EE plan	-	-	-	79%	80%	80%	
			Number of M and E performance reports submitted	5	5	5	8	8	8	

Indicators, Annual and Quarterly Targets 2020/21 (Output indicators)

No.	Output Indicators	Annual Target	Q1	Q2	Q3	Q4
1.1	Positive financial viability rating	4	-	-	-	4
1.2	Percentage achievement of annual budgeted operational expenditure	98%	-	-	-	98%
1.3	Achieve maximum B-BBEE spend	70%	-	-	-	70%
1.4	Percentage B-BBEE spend on black owned suppliers	60%	-	-	-	60%
1.5	Percentage payment deviation from awarded contracts	10%	-	-	-	10%
1.6	Submission of the annual Procurement Plan	1	1	-	-	-
1.7	Number of reports evidencing the maintenance of the Agency's ICT environment	4	1	1	1	1
1.8	Percentage of employee satisfaction	80%	-	-	-	80%
1.9	Percentage of annual total salary cost spent on training of staff and internship opportunities	1%	-	-	-	1%
1.10	Percentage of people from the employment equity target groups employed in compliance with the entity's approved EE plan	79%	-	-	-	79%
1.11	Number of M and E performance reports submitted	8	1	3	2	2

3.1.4 Explanation of planned performance over the medium term period

The Unit undertakes a range of outputs to ensure that good governance practices are implemented and that it is able to meet the required legislative deadlines. Management ensures that the required internal controls and mitigations are in place to ensure that it meets its fiduciary obligations and achieves a clean external audit opinion.

3.1.5 Reconciling performance targets with the budget and MTEF

Summary of payments and estimates: Programme 2: Corporate Services

"Programme R'000"		Outcome			Estimated outcome	Medium-term estimate		
		Audited	Audited	Audited				
		2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23
1,	Corporate Services	14 480	10 989	11 826	13 402	18 561	21 018	22 325
	Total payments and estimates	14 480	10 989	11 826	13 402	18 561	21 018	22 325

Summary of provincial payments and estimates by economic classification: Programme 2: Corporate Services

"Economic classification R'000"		Outcome			Estimated outcome	Medium-term estimate		
		Audited	Audited	Audited				
		2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23
	Expenses							
	Current expense	14 480	11 645	11 826	13 402	18 561	19 739	21 076
	Compensation of employees	2 398	4 038	3 436	4 094	5 449	5 235	5 622
	Salary & Wages	2 072	3 503	3 277	3 592	4 630	4 527	4 775
	Basic salary	1 893	3 292	3 068	3 434	4 396	4 322	4 559
	Performance rewards	179	211	209	158	234	205	216
	Service based							
	Periodic Payments							
	Other non-pensionable allowances							
	Social Contributions (employer contributions only)	326	535	159	502	819	708	847
	Pension	180	428	90	420	711	600	739
	Medical	46	84	56	66	85	85	85
	Home owners allowance							
	UIF	11	14	13	16	23	23	23
	Bargaining council							
	Unions							
	Provisions for staff costs							
	Salary related expenses	89	9					
	Use of goods and services	6 199	6 604	7 411	8 305	11 084	13 225	14 205
	Advertising	167	40	59	71	171	144	171
	Advertising of posts	107	40	59	71	171	144	171
	Gifts and Promotional items							
	Advertising (marketing)	60						
	Audit Fees	928	1 310	1 427	1 035	1 988	2 376	2 566
	Internal	352	351	624	338	478	466	765
	Forensic							
	External	576	959	803	697	1 510	1 910	1 801
	Bank charges	95	28	85	134	161	161	161

"Economic classification R'000"		Outcome			Estimated outcome	Medium-term estimate		
		Audited	Audited	Audited				
		2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23
	Board Costs	6	135					
	Board - Remuneration		135					
	Board - Air Tickets							
	Board - Accommodation							
	Board - Subsistence	6						
	Bursaries (employees)							
	Catering services	78	25	30	188	240	340	440
	Communication	560	731	728	678	912	1 321	1 487
	Telephone	393	725	720	670	779	980	1 046
	Cellphones	166	3	7	7	132	340	440
	Postage & Courier	1	3	1	1	1	1	1
	Satellite signals							
	Other							
	Computer services	1 328	1 055	742	463	614	1 000	844
	SITA services							
	External service providers		1 055	742	463	614	1 000	844
	Consultants, contractors and special services	814	1 219	1 835	2 348	1 326	1 960	1 758
	Consultants	643	1 077	917	1 786	283	629	883
	Contractors and special services	171	142	918	562	1 043	1 331	875
	Services rendered							
	General Expenses	171	142	918	562	1 043	1 331	875
	Design Development							
	Logistics							
	Conference Expenditure							
	Donations paid							
	Photographic services							
	Venues and facilities							
	Agency Administrative and Support Staff							
	Event Promoters							
	Youth Status Report							
	Transport: Consultants and Contractors							
	Other special services							
	Entertainment							
	Equipment less than Capitalisation threshold	4	6	6	10	10	25	25
	Inventory	208	605	336	252	398	373	302
	Consumables							
	Food and food supplies							
	Fuel, oil and gas	47		56	53	107	161	90
	Parts and other maintenance material							
	Stationery and printing	75	41	154	121	204	125	125
	Subscriptions	86	564	126	78	87	87	87
	Restoration and fittings							
	Other							
	Legal fees	86	98	127	98	104	54	54
	Losses / (Profits)	(50)	(2 380)	1	2	2	2	2
	Losses due to Fraud							
	On Sale of Assets	(65)	(26)					
	Forex	15		1	2	2	2	2

"Economic classification R'000"		Outcome			Estimated outcome	Medium-term estimate		
		Audited	Audited	Audited				
		2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23
	Loss on stolen fixed asset							
	Other		(2 354)					
	Maintenance and repairs	106	132	66	78	229	231	235
	Buildings	74	102	44	56	104	106	110
	Infrastructure Assets							
	Equipment	32	30	22	22	125	125	125
	Other							
	Operating leases	1 503	3 199	1 553	2 508	4 193	4 690	5 632
	Rent-buildings	991	3 192	950	2 021	3 708	3 980	4 966
	Rent-equipment	512	7	603	487	485	710	666
	Other							
	Owned/ leasehold and property exp. (Establishment Costs)		32					
	Transport - Motor Fleet		32					
	Transport - Private Vehicles							
	Safeguard and Security							
	Printing and publication							
	Professional bodies and membership fees							
	Travel and Subsistence	19	20	33	29	28	28	28
	Air Travel - Air Tickets (Domestic)	12	13	26	19	25	25	25
	Air Travel - Air Tickets (International)		3					
	Accommodation - Domestic		2	5	5	1	1	1
	Accommodation - International							
	transport: Governmeny Garage							
	Motor Finance: Claim above 500 km							
	Entertainment							
	Other	7	2	2	5	2	2	2
	Training and staff development	347	349	383	411	708	520	500
	Utilities							
	Water and electricity							
	Item 1							
	Item 2							
	Venues and facilities							
	Item 1							
	Item 2							
	Other							
	Depreciation and amortisation	5 883	1 003	979	1 003	2 028	1 279	1 249
	Land							
	Dwellings							
	Non- Residential Buildings							
	Investment Property							
	Leasehold Improvements	5 280		490	400	823	423	420
	Mineral & Similar Non - Regenerative Resources							
	Capital Work in Progress							
	Heritage Assets							
	Biological Assets							
	Computer equipment	126	126	76	176	600	376	344
	Furniture and Office equipment	219	223	219	157	305	205	185
	Other Machinery and equipment	48	562	75	75	96	96	96
	Crockery and Cutlery							
	Transport Assets	167	48	56	79	79	79	79
	Computer Software	43	44	63	116	125	100	125

"Economic classification R'000"		Outcome			Estimated outcome	Medium-term estimate		
		Audited	Audited	Audited				
		2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23
	Valuables (e.g. works of art)							
	Mastheads and Publishing titles							
	Patents, Licences, Copyrights, Brand names & Trademarks							
	Recipes, Formulae, Prototypes, Designs & Models							
	Service and Operating Rights							
	Other Intangibles							
	Unearned reserves (social security funds only)							
	Interest, dividends and rent on land							
	Interest							
	Dividends							
	Rent on land							
	Transfers and subsidies							
	Provincial government							
	Municipalities							
	Rates and taxes							
	RSC levies							
	Other							
	Departmental agencies and accounts							
	Universities and technikons							
	Foreign governments							
	International organisations							
	Public and private corporations							
	Non life insurance							
	Other							
	Non-profit institutions							
	Households							
	Social benefits (social security funds only)							
	Other households							
	Total expenses	14 480	10 989	11 826	13 402	18 561	21 018	22 325

3.1.6 Performance and expenditure trends

Budget allocations for the previous financial year enabled the Unit to perform at a high level against its targets, details of which are available in the Annual Report. All indications are that the Unit will again perform at a high level against its targets for the financial year.

Measures that are in place include regular staff feedback meetings, and regular reporting on performance against targets to relevant stakeholders. In addition, strategic objectives are also directly linked to the performance agreements with staff.

3.1.7 Key risks

Project objective:		Inherent risk		Project risk mitigation	Residual Risk Rating	
		Impact	Likelihood		Impact	Likelihood
				<ul style="list-style-type: none">Ongoing lobbying of Dti and other fundersMaking use of partnerships with other entities for fundingAn event framework is in place, detailing criteria to receive fundingSustainability and growth are key elements taken into consideration before funding is provided for an eventContinued use of cost assessment to determine whether the expenditure incurred is used most effectivelyDeveloping different approaches for export delivery	3	2
Insufficient funding to fulfil Wesgro's mandate		4	3			
Insufficient staff retention and knowledge retention capacity within Wesgro		4	3	<ul style="list-style-type: none">Filling of existing vacancies within budget constraintsStaff retention policyHR Benchmarking process for remunerationPerformance management process includes defined career path	3	2
Decline in the SA currency		3	2	<ul style="list-style-type: none">Partner with, and increase collaboration with other Agencies for subscriptionsTravel card to contain travel expenses	3	2
Insufficient air routes into Cape Town		4	2	<ul style="list-style-type: none">Air-access project committee in place to address new air routes	3	2
Failure to effectively market the destination internationally and domestically		4	2	<ul style="list-style-type: none">Further lobbying to increase funding from stakeholdersCollaboration with City of Cape Town and other DMOsLimiting or ending duplication	3	2
Failure to service the entire Province		3	3	<ul style="list-style-type: none">District outreaches included in the operational plan	3	2
Custodianship of data		3	3	<ul style="list-style-type: none">Creating value in response to client needs	2	1
Need to maintain brand awareness		3	3	<ul style="list-style-type: none">Daily media engagement meetingsEnhanced marketing approach	2	1
Lack of resources to meet in mandate (Trade)		1	2	<ul style="list-style-type: none">Strategy formulation and planning inventionsContracting consultants to provide advice	2	1

3.2 Programme 2: Investment Promotion

Purpose

The purpose of the Programme is to attract and facilitate foreign and domestic direct investment into the Western Cape and the City of Cape Town.

3.2.1 Programme structure

Wesgro attracts direct investment to the Western Cape from international, national and local sources by providing the following services:

Investment recruitment

Wesgro proactively markets the Province and priority sectors in order to attract investment. The Agency's investment promotion activities include:

- Investor research
- Investor targeting
- Hosting inward business delegations
- Undertaking outward investment promotion missions
- Business facilitation services

The Unit offers a range of strategic services designed to enhance the experience of both foreign and domestic businesses and investors, including:

- Guidance regarding governmental incentives and grants
- Site location
- Facilitation of access to finance ('best-effort' basis)
- Professional referral service
- Policy advocacy, leveraging the support of the InvestSA One Stop Shop Western Cape
- Strategic matchmaking
- Sector-specific research via the Wesgro IQ Unit
- Intergovernmental linkages

Business Growth Services Unit

Through the aftercare programme, Wesgro aims to use the current pool of Agency investor clients and current investors in the Western Cape who have not yet used the Agency's services as a source of increased investment. The commitment to business retention and expansion also implies a dedication to current investors in the ambit of facilitation and advocacy, with support from the InvestSA One Stop Shop.

Advocacy

The aim of policy advocacy is to identify constraints to investment and alert decision-makers to the negative effects that these policies have on the business environment. The lobbying initiatives are driven to enhance the attractiveness of the Western Cape as an investment location.

Special projects

The aim of the special projects programme is to manage the following key projects on behalf of our stakeholders:

Agribusiness Investment Unit (AIU)

The Investment Promotion Unit manages the AIU as a project on behalf of the Western Cape Department of Agriculture. The Unit is responsible for landing new direct investments into the Western Cape agribusiness sector, and retaining existing investments and supporting their expansions.

One Stop Shop (OSS) – Investor Centre

Given its legislative mandate to execute on provincial trade and investment promotion activities, the implementing agent of the One Stop Shop programme, InvestSA, has appointed Wesgro as the official managing partner of the Centre located in the Western Cape Province.

District Unit

Wesgro occupies a unique space between the private and government sectors. The insight that comes with this position makes the Agency better equipped to facilitate collaboration between these two sectors. The District Unit promotes the Western Cape Districts as business destinations in order to create employment and stimulate economic growth.

Situational analysis

The team works to attract and facilitate foreign and domestic direct investment into the Western Cape and the City of the Cape Town. This includes:

- Positioning Wesgro as the “first port of call” for investors – providing essential knowledge, access and expertise.
- Proactively recruiting investors by assigning sector-specific “relationship managers” and carefully managing customer relationships before, during, and after an investment.
- Leveraging relationships with the Sector Development Agencies.
- Taking part in outward and inward investment missions to promote the region.
- Facilitating and securing investment into the region and providing business retention and expansion services (aftercare) to existing investors.

Sectors

In line with the Industrial Policy Action Plan (IPAP), Wesgro’s investment promotion activities is focussed in the following sectors:

- Agri-processing
- Oil and Gas
- Manufacturing
- Green economy (renewable energy, cleantech, water resilience)
- Hotel and real estate development (tourism)
- Technology
- Healthcare (pharmaceuticals and medical devices)
- Financial services

Markets

A detailed methodology was applied and the following markets were selected:

- United Kingdom
- United States of America
- China
- Hong Kong
- France
- The Netherlands
- Germany
- United Arab Emirates
- Singapore
- India
- South Korea
- Saudi Arabia
- Canada
- Thailand
- Malaysia

3.2.2 Strategic outcomes

Strategic outcomes	
Strategic outcomes	Facilitate investment and jobs into the Western Cape.
Outcome statements	To recruit and facilitate between R10,11 billion and R14,71 billion committed investments into the Province, resulting in between 3 705 and 7 691 jobs.
Baseline	A total of R2,22 billion investments was committed, resulting in 752 jobs during the 2018/19 financial year.
Justification	The facilitation of investment projects into the Western Cape is a core function of Wesgro and it is imperative that the Agency remain consistent and a leader in investment generation.
Links	The objective is aligned to VIP 2: Economy and Jobs, the National Development Plan and Vision 2030 in relation to economic growth and industry development.

3.2.3 Outcomes, Outputs, Performance Indicators and Targets 2020/21

No	Outcome	Outputs	Output Indicators	Annual Targets				
				Audited /Actual Performance		Estimated Performance	MTEF Period	
				2016/17	2017/18	2018/19	2019/20	2020/21
2.1	Rand value of committed investments into the Province	Investment projects realised	Number of investment projects realised	12	12	15	17	14-18
2.2	No. of jobs facilitated from committed investments into the Province						15-20	15-20

Indicators, Annual and Quarterly Targets 2020/21 (Output indicators)

No.	Output Indicators	Annual Target	Q1	Q2	Q3	Q4
2.1.1	Number of investment projects realised	14-18	3-4	4-6	3-3	4-4

3.2.4 Explanation of planned performance

The Investment Promotion Unit undertakes a range of outputs to ensure that it meets outcomes in terms of investment attraction and job creation. These include promoting the Western Cape internationally through undertaking outward missions, hosting inbound business delegations and having meetings with investors in the pipeline.

Furthermore, it maintains a robust pipeline of investment projects that are weighted in accordance with the probability of the investment commercialising within a certain timeframe.

3.2.5 Programme resource considerations

Summary of payments and estimates: Programme 2: Investment Promotion

"Programme R'000"		Outcome			Estimated outcome	Medium-term estimate		
		Audited	Audited	Audited				
		2016/17	2017/18	2018/19		2020/21	2021/22	2022/23
1,	Investment	4 582	4 329	5 601	6 115	8 661	12 566	18 049
	Total payments and estimates	4 582	4 329	5 601	6 115	8 661	12 566	18 049

Summary of provincial payments and estimates by economic classification: Programme 2: Investment Promotion

"Economic classification R'000"		Outcome			Estimated outcome	Medium-term estimate		
		Audited	Audited	Audited				
		2016/17	2017/18	2018/19		2020/21	2021/22	2022/23
	Expenses							
	Current expense	4 582	4 328	5 601	6 115	8 661	12 566	18 049
	Compensation of employees	3 750	3 113	4 177	3 798	6 650	5 884	9 942
	Salary & Wages	3 274	2 678	3 786	3 271	5 755	4 946	8 664
	Basic salary	3 078	2 475	3 601	3 106	5 505	4 682	8 186
	Performance rewards	196	203	185	165	250	264	478
	Service based							
	Periodic Payments							
	Other non-pensionable allowances							
	Social Contributions (employer contributions only)	476	435	391	527	895	938	1 278
	Pension	385	352	316	438	783	826	866
	Medical	79	72	60	72	96	96	396
	Home owners allowance							
	UIF	12	11	15	17	16	16	16
	Bargaining council							
	Unions							
	Provisions for staff costs							
	Salary related expenses							
	Use of goods and services	832	1 215	1 424	2 317	2 011	6 682	8 107
	Advertising	53	102		190		520	840
	Advertising of posts	6						
	Gifts and Promotional items							
	Advertising (marketing)	47	102		190		520	840
	Audit Fees							
	Internal							
	Forensic							

"Economic classification R'000"		Outcome			Estimated outcome	Medium-term estimate		
		Audited	Audited	Audited				
		2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23
	External							
	Bank charges							
	Board Costs							
	Board - Remuneration							
	Board - Air Tickets							
	Board - Accommodation							
	Board - Subsistence							
	Bursaries (employees)							
	Catering services							
	Communication	3						
	Telephone							
	Cellphones							
	Postage & Courier	3						
	Satellite signals							
	Other							
	Computer services							
	SITA services							
	External service providers							
	Consultants, contractors and special services	136	159	383	412	796	2 995	4 585
	Consultants	10		383		196	1 029	2 280
	Contractors and special services	126	159		412	600	1 966	2 305
	Services rendered							
	General Expenses							
	Design Development							
	Logistics							
	Conference Expenditure	126	159		202	275	1 426	1 970
	Donations paid							
	Photographic services							
	Venues and facilities				210	325	240	335
	Agency Administrative and Support Staff						300	
	Event Promoters							
	Youth Status Report							
	Transport: Consultants and Contractors							
	Other special services							
	Entertainment							
	Equipment less than Capitalisation threshold							
	Inventory	3						
	Consumables							
	Food and food supplies							
	Fuel, oil and gas							
	Parts and other maintenance material							
	Stationery and printing	3						
	Subscriptions							
	Restoration and fittings							
	Other							
	Legal fees							
	Losses / (Profits)							
	Losses due to Fraud							
	On Sale of Assets							
	Forex							
	Loss on stolen fixed asset							
	Other							

"Economic classification R'000"		Outcome			Estimated outcome	Medium-term estimate		
		Audited	Audited	Audited				
		2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23
	Maintenance and repairs							
	Buildings							
	Infrastructure Assets							
	Equipment							
	Other							
	Operating leases							
	Rent-buildings							
	Rent-equipment							
	Other							
	Owned/ leasehold and property exp. (Establishment Costs)							
	Transport - Motor Fleet							
	Transport - Private Vehicles							
	Safeguard and Security							
	Printing and publication							
	Professional bodies and membership fees							
	Travel and Subsistence	637	954	1 041	1 715	1 215	3 167	2 682
	Air Travel - Air Tickets (Domestic)	65	38	101	117	30	101	150
	Air Travel - Air Tickets (International)	287	388	645	924	563	1 792	1 829
	Accommodation - Domestic	23	85	132	251	30	251	315
	Accommodation - International	116	309	118	390	592	990	360
	transport: Governmeny Garage							
	Motor Finance: Claim above 500 km							
	Entertainment							
	Other	146	134	45	33		33	28
	Training and staff development							
	Utilities							
	Water and electricity							
	Item 1							
	Item 2							
	Venues and facilities							
	Item 1							
	Item 2							
	Other							
	Depreciation and amortisation							
	Land							
	Dwellings							
	Non- Residential Buildings							
	Investment Property							
	Other Structures (Infrastructure Assets)							
	Mineral & Similar Non - Regenerative Resources							
	Capital Work in Progress							
	Heritage Assets							
	Biological Assets							
	Computer equipment							
	Furniture and Office equipment							
	Other Machinery and equipment							
	Crockery and Cutlery							
	Transport Assets							
	Computer Software							
	Valuables (e.g. works of art)							

"Economic classification R'000"		Outcome			Estimated outcome	Medium-term estimate		
		Audited	Audited	Audited				
		2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23
	Mastheads and Publishing titles							
	Patents, Licences, Copyrights, Brand names & Trademarks							
	Recipes, Formulae, Prototypes, Designs & Models							
	Service and Operating Rights							
	Other Intangibles							
	Unearned reserves (social security funds only)							
	Interest, dividends and rent on land							
	Interest							
	Dividends							
	Rent on land							
	Transfers and subsidies							
	Provincial government							
	Municipalities							
	Rates and taxes							
	RSC levies							
	Other							
	Departmental agencies and accounts							
	Universities and technikons							
	Foreign governments							
	International organisations							
	Public and private corporations							
	Non life insurance							
	Other							
	Non-profit institutions							
	Households							
	Social benefits (social security funds only)							
	Other households							
	Total expenses	4 582	4 329	5 601	6 115	8 661	12 566	18 049

3.2.6 Performance and expenditure trends

The current economic climate and budget restrictions have placed tremendous pressure on the Unit to achieve its targets. The Unit remains committed to achieving the targets set out in the plan. A number of mitigation strategies have been put in place to ensure that it is able to deliver on its targets. Further to this, a number of new initiatives have been implemented to ensure that the Unit contributes to the Agency's objective of creating a stimulating environment for increased economic growth and job creation.

3.2.7 Key risks

Project objective:		To promote and facilitate global exports of goods and services from qualified companies in the Western Cape.			
Project risk statementw		To facilitate and support operations and the expansion of Western Cape companies into the rest of Africa.			
		Inherent risk		Residual Risk Rating	
		Impact	Likelihood	Impact	Likelihood
Insufficient funding to fulfil Wesgro's mandate		4	3	3	2
Insufficient staff retention and knowledge retention capacity within Wesgro		4	3	3	2
Decline in the SA currency		3	2	3	2
Insufficient air routes into Cape Town		4	2	3	2
Failure to effectively market the destination internationally and domestically		4	2	3	2
Failure to service the entire Province		3	3	3	2
Custodianship of data		3	3	2	1
Need to maintain brand awareness		3	3	2	1
Lack of resources to meet in mandate (Trade)		1	2	2	1

3.3 Programme 3: Trade Promotion

Purpose

The purpose of this Programme is to promote and facilitate exports of goods and services from qualified companies in the Western Cape and to facilitate and support operations and expansion of qualified Western Cape companies into the rest of Africa through investment.

3.3.1 Programme structure

The Programme is divided into two sub-programmes, namely:

Sub-programme 3.1

Trade Promotion, focussing on companies that have export experience and capacity to supply a demand for goods or services in global markets.

Sub-programme 3.2

African Expansion (Outward Foreign Direct Investment – OFDI), focussing on Western Cape companies that have export or outward investment experience and have the capacity to expand their operations into the rest of the African market.

The following services are offered:

Business facilitation

The Agency's facilitation activities include:

- Business agreements and operating business agreement facilitation
- Accessing finance
- Investor and company matching
- Market research and information
- Forging strategic collaboration and partnerships

Promotion

Wesgro offers several promotional services including:

- Buying and selling missions
- Advocacy and specialised advisory services
- Access to strategic networks
- Marketing of value-added goods and services

The Unit also focusses on the following key areas:

Halal Export Promotion

The Unit will advance the provincial halal strategy, aimed at increasing the Province's share of the global halal market. This will be achieved by providing an immediate impact of WC halal exports by gathering marketing intelligence, leading trade delegations and providing assistance through in-house export programmes.

Africa Halal Week

The Western Cape Government has committed to growing the Western Cape's halal global market share to at least 2%. Under Wesgro's mandate the intention is to promote halal to international markets in order to position the Western Cape to Muslim consumers and businesses as a place to visit and a place to do business.

Wine Promotion

The Wine Promotion project seeks to boost agri-processing and other related sectors by, promoting wine exports to growth markets (Angola and China). The objective of this project is to align the public sector-funded export promotion agency (Wesgro) with the private-sector-funded SA Wine promotion specialist entity (WOSA) to increase the awareness and visibility of South African wines.

Situational analysis

Multilateral and national policy actions are vital to place global growth on a stronger footing. The pressing needs include reducing trade and technology tensions, and expeditiously resolving uncertainty around trade agreements (including between the UK and the EU and the free trade area encompassing Canada, Mexico, and the USA).

Specifically, countries should not use tariffs to target bilateral trade balances or as a substitute for dialogue to pressure others for reforms. With subdued final demand and muted inflation, accommodative monetary policy is appropriate in advanced economies, and in emerging markets and developing economies where expectations are anchored.

Over the last decade, South African investment abroad has increased significantly, with much of this investment directed towards other African countries. The two main reasons for outward investment into Africa are the availability of newer consumers and access to cheaper labour. South Africa also has a strong policy framework that supports foreign direct investment outflows into the rest of Africa. The Department of Trade and Industry's (dti) National Investment Promotion and Facilitation Strategy emphasises the importance of increasing the quality and quantity of foreign direct investment into the rest of Africa. The Trade Unit's OFDI strategy has already set out to develop phase three for outward investment into the rest of Africa.

Sectors

The following sectors have been identified with regard to trade promotion:

- Agriculture, agri-processing, agribusiness, furniture
- Manufacturing and value-added products
- Green industries
- Cosmetics, natural ingredients, organic products
- Services (ICT, BPO, construction)
- Wholesale and retail
- Clothing, textiles, leather, footwear
- Boatbuilding and auxiliary services
- Aerospace
- Infrastructure development (OFDI in Africa)

Markets

The following markets have been identified with regard to trade promotion:

- Africa: Angola, Botswana, Namibia, Mozambique, Zambia, Nigeria, Ghana, Senegal, Cameroon, Ghana, Ivory Coast, Kenya, Tanzania, Ethiopia
- Asia: China, India, Malaysia, Japan, Singapore, Thailand, Vietnam, Indonesia, South Korea
- Australasia: Australia, New Zealand
- Middle East: UAE, Saudi Arabia, Qatar
- Americas: USA, Canada, Brazil, Chile
- Europe: United Kingdom, Germany, Belgium, Sweden, Austria, France, Russia, Poland, Czech Republic

3.3.2 Strategic outcomes

Strategic outcome	
Strategic outcome	To promote and facilitate global exports of goods and services from qualified companies in the Western Cape.
Outcome statements	To recruit and facilitate between R15,34 billion and R21,94 billion trade agreements, resulting in between 2 840 and 3 716 jobs, and R1,36 billion and R3,09 billion Outward Foreign Direct Investment (OFDI).
Baseline	A total value of R4,95 billion trade agreements was committed, resulting in 921 jobs. A total value of R381 million foreign direct investment was committed.
Justification	By promoting and facilitating exports, the economy of the Western Cape will grow and continuous job creation will be sustained. In addition, exposure to markets will increase demand for brands.
Links	The objective is linked to VIP 2: Economy and jobs, the National Development Plan and Vision 2030 in relation to economic growth and industry development.

3.3.3 Outcomes, Outputs, Performance Indicators and Targets 2020/21

Sub-programme 3.1: Trade Promotion

No	Outcome	Outputs	Output Indicators	Annual Targets					
				Audited /Actual Performance		Estimated Performance 2019/20	MTEF Period		
				2016/17	2017/18		2018/19	2020/21	2021/22
3.1.1	Estimated Rand value trade agreements signed	Trade agreements signed	Number of trade agreements signed	41	53		79	45-65	50-70
3.1.2	Number of jobs facilitated from trade agreements signed								

Sub-programme 3.2: African Expansion (OFDI)

No	Outcome	Outputs	Output Indicators	Annual Targets					
				Audited /Actual Performance		Estimated Performance 2019/20	MTEF Period		
				2016/17	2017/18		2018/19	2020/21	2021/22
3.2.1	Rand value of committed outward foreign direct investment (OFDI) declarations signed	Outward foreign direct investments (OFDI) signed	Number of outward foreign direct investment declarations (OFDI) signed	3	6		9	7	8
									9

Indicators, Annual and Quarterly Targets 2020/21 (Output indicators)

No.	Output Indicators		Annual Target	Q1	Q2	Q3	Q4
3.1.1.1	Number of trade agreements signed		45-65	8-14	13-18	10-15	14-18
3.2.1.1	Number of outward foreign direct investment (OFDI) declarations signed		7	-	2	3	2

3.3.4 Explanation of planned performance over the medium term period

The Unit undertakes between 40-45 international trade missions a year. This creates opportunities for Western Cape companies to market their products in international markets and meet buyers, distributors, and importers. When an export deal is signed, the companies sign a Declaration Form with the Unit which measures the potential for export to a particular market over a five year period. Once these values in the declaration form are tallied, then the Unit is able to report on the rand value of exports facilitated, the rand value of OFDI created and the number of jobs maintained and created. This information is sourced from the companies themselves.

3.3.5 Reconciling performance targets with budget and the MTEF

Summary of payments and estimates: Programme 3: Trade Promotion

"Programme R'000"		Outcome			Estimated outcome	Medium-term estimate		
		Audited	Audited	Audited				
		2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23
1,	International Trade Promotion	6 934	9 709	8 027	8 810	21 036	22 096	27 035
	Total payments and estimates	6 934	9 709	8 027	8 810	21 036	22 096	27 035

Summary of provincial payments and estimates by economic classification:

Programme 3: Trade Promotion

"Economic classification R'000"		Outcome			Estimated outcome	Medium-term estimate		
		Audited	Audited	Audited				
		2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23
	Expenses							
	Current expense	6 934	9 710	8 027	8 810	21 036	22 096	27 035
	Compensation of employees	4 817	5 516	5 440	6 585	7 742	8 161	10 203
	Salary & Wages	4 507	5 119	5 122	5 948	6 931	7 312	9 014
	Basic salary	4 226	4 723	4 834	5 629	6 648	7 014	8 400
	Performance rewards	281	396	288	319	283	298	614
	Service based							
	Periodic Payments							
	Other non-pensionable allowances							
	Social Contributions (employer contributions only)	310	397	318	637	811	849	1 189
	Pension	270	345	254	558	692	730	1 070
	Medical	25	36	48	59	96	96	96
	Home owners allowance							
	UIF	15	16	16	20	23	23	23
	Bargaining council							
	Unions							
	Provisions for staff costs							
	Salary related expenses							
	Use of goods and services	2 117	4 194	2 587	2 225	13 294	13 935	16 832
	Advertising	234	232	50		386	400	700
	Advertising of posts							
	Gifts and Promotional items							
	Advertising (marketing)	234	232	50		386	400	700
	Audit Fees							
	Internal							
	Forensic							
	External							

"Economic classification R'000"	Outcome			Estimated outcome	Medium-term estimate		
	Audited	Audited	Audited				
	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23
Bank charges							
Board Costs							
Board - Remuneration							
Board - Air Tickets							
Board - Accommodation							
Board - Subsistence							
Bursaries (employees)							
Catering services	1						
Communication	4	7					
Telephone							
Cellphones							
Postage & Courier	4	7					
Satellite signals							
Other							
Computer services							
SITA services							
External service providers							
Consultants, contractors and special services	338	1 450	240	480	9 824	10 886	13 465
Consultants	123	681	180	200	1 643	1 740	2 520
Contractors and special services	215	769	60	280	8 181	9 146	10 945
Services rendered							
General Expenses							
Design Development							
Logistics							
Conference Expenditure	215	769	40	90	5 181	5 600	5 950
Donations paid							
Photographic services							
Venues and facilities			20	190	3 000	3 546	4 995
Agency Administrative and Support Staff							
Event Promoters							
Youth Status Report							
Transport: Consultants and Contractors							
Other special services							
Entertainment							
Equipment less than Capitalisation threshold							
Inventory	44						
Consumables							
Food and food supplies							
Fuel, oil and gas	1						
Parts and other maintenance material							
Stationery and printing	43						
Subscriptions							
Restoration and fittings							
Other							
Legal fees							
Losses / (Profits)							
Losses due to Fraud							
On Sale of Assets							
Forex							
Loss on stolen fixed asset							
Other							
Maintenance and repairs							

"Economic classification R'000"		Outcome			Estimated outcome	Medium-term estimate		
		Audited	Audited	Audited				
		2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23
	Buildings							
	Infrastructure Assets							
	Equipment							
	Other							
	Operating leases							
	Rent-buildings							
	Rent-equipment							
	Other							
	Owned/ leasehold and property exp. (Establishment Costs)		1					
	Transport - Motor Fleet		1					
	Transport - Private Vehicles							
	Safeguard and Security							
	Printing and publication							
	Professional bodies and membership fees							
	Travel and Subsistence	1 496	2 504	2 297	1 745	3 084	2 649	2 667
	Air Travel - Air Tickets (Domestic)	29	72	115	27	20	27	27
	Air Travel - Air Tickets (International)	1 064	692	1 424	856	1 733	1 432	1 434
	Accommodation - Domestic	24	78	340	346	371	246	270
	Accommodation - International	296	885	373	416	860	844	816
	transport: Governmeny Garage							
	Motor Finance: Claim above 500 km							
	Entertainment							
	Other	83	777	45	100	100	100	120
	Training and staff development							
	Utilities							
	Water and electricity							
	Item 1							
	Item 2							
	Venues and facilities							
	Item 1							
	Item 2							
	Other							
	Depreciation and amortisation							
	Land							
	Dwellings							
	Non- Residential Buildings							
	Investment Property							
	Other Structures (Infrastructure Assets)							
	Mineral & Similar Non - Regenerative Resources							
	Capital Work in Progress							
	Heritage Assets							
	Biological Assets							
	Computer equipment							
	Furniture and Office equipment							
	Other Machinery and equipment							
	Crockery and Cutlery							
	Transport Assets							
	Computer Software							
	Valuables (e.g. works of art)							
	Mastheads and Publishing titles							

"Economic classification R'000"		Outcome			Estimated outcome	Medium-term estimate		
		Audited	Audited	Audited				
		2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23
	Patents, Licences, Copyrights, Brand names & Trademarks							
	Recipes, Formulae, Prototypes, Designs & Models							
	Service and Operating Rights							
	Other Intangibles							
	Unearned reserves (social security funds only)							
	Interest, dividends and rent on land							
	Interest							
	Dividends							
	Rent on land							
	Transfers and subsidies							
	Provincial government							
	Municipalities							
	Rates and taxes							
	RSC levies							
	Other							
	Departmental agencies and accounts							
	Universities and technikons							
	Foreign governments							
	International organisations							
	Public and private corporations							
	Non life insurance							
	Other							
	Non-profit institutions							
	Households							
	Social benefits (social security funds only)							
	Other households							
	Total expenses	6 934	9 709	8 027	8 810	21 036	22 096	27 035

3.3.6 Performance and expenditure trends

The Agency is aligned to the strategies of National and Provincial Government and the City of Cape Town, in order to achieve increased economic growth and jobs. The Agency will contribute to the export driven growth approach. Additional funds have been allocated to the Trade Promotion programme to ensure that it is able to deliver on its mandate and implement the initiatives aimed at an increase in exports.

3.3.7 Key risks

Project objective:		To promote and facilitate global exports of goods and services from qualified companies in the Western Cape.	
Project risk statement		To facilitate and support operations and the expansion of Western Cape companies into the rest of Africa.	
Project risk statement	Inherent risk		Residual Risk Rating
	Impact	Likelihood	
Insufficient funding to fulfil Wesgro's mandate	4	3	2
Insufficient staff retention and knowledge retention capacity within Wesgro	4	3	2
Decline in the SA currency	3	2	2
Insufficient air routes into Cape Town	4	2	2
Failure to effectively market the destination internationally and domestically	4	2	2
Failure to service the entire Province	3	3	2
Custodianship of data	3	3	1
Need to maintain brand awareness	3	3	1
Lack of resources to meet in mandate (Trade)	1	2	1

3.4 Programme 4: Wesgro Research

Purpose

The purpose of the Programme is to provide investment, trade, tourism and film research and to provide evidence-based research in order to augment the Agency's strategic direction and promotional activities.

3.4.1 Programme structure

The Wesgro Research Unit is the custodian of intelligence related to the Agency's core business. The Unit provides relevant, evidence-based and strategic information to the Agency. It also provides a supportive programme to ensure that market and sector knowledge is presented to potential exporters and prospective investors and that tourism research is provided on the Western Cape's tourism sector.

The Unit executes two main functions:

- Informing the strategy of the Agency.
- Augmenting the promotional activities of the Agency through evidence-based research.

Driving the strategy of the Agency

The Unit analyses global trends to inform the Agency's strategy. This is done through the provision of strategic intelligence to assist the Agency in making informed business decisions with regard to its activities. Opportunities significant to the Agency are identified and disseminated during internal workshops with the relevant Wesgro Units.

The Wesgro Research Unit aims to provide an enabling environment for the development of the strategy of the Agency by providing the necessary research to meet the goals and support the vision of the Agency. The research the Annual Performance Plans of the Agency as strategic publications, are created to provide a sound base for the identification of key sectors and markets for investment, trade, tourism and film promotional activities.

Enhancing the promotion activities of Wesgro

The Unit supports the Agency's trade, investment, tourism and film promoting activities by providing intelligence on key sectors and foreign markets, focussing on these areas as well as the underlying objective of promoting Cape Town and the Western Cape as a business destination.

The research prepared for the purpose of enhancing the promotion activities of Wesgro is revised on a quarterly basis to ensure that the Unit remains responsive to the changing needs of the Agency. It is also important that the research products of the Unit are positively received by Wesgro clients and that they benefit from the research products provided. To this end, a survey is conducted to determine the effectiveness of the research.

3.4.2 Strategic outcome

Strategic outcome	
Strategic Outcome	Develop relevant tourism, trade and investment publications and provide customised research to support the core functions of the Agency.
Outcome statement	Develop content for publications relevant to the sectors and markets of Wesgro, the Province and the City, and produce customised research, aimed at strengthening the Agency's position as a thought leader.
Baseline	105 publications were produced and 173 customised information requests were addressed during the 2018/19 financial year.
Justification	Publications inform and guide the Agency, exporters and investors.
Links	The objective is linked to the Agency's 5-year Strategic Plan 2020-2024.

3.4.3 Outcomes, Outputs, Performance Indicators and Targets 2020/21

No	Outcome	Outputs	Output Indicators	Annual Targets					
				Audited /Actual Performance		Estimated Performance 2019/20	MTEF Period		
				2016/17	2017/18		2018/19	2020/21	2021/22
4.1	Number of research reports downloaded and distributed	Research reports produced	Number of research reports developed	115	119	105	100	100	100

Indicators, Annual and Quarterly Targets 2020/21 (Output indicators)

No	Output Indicators	Annual Target	Q1	Q2	Q3	Q4
4.1.1	Number of research reports developed	100	-	50	-	50

3.4.4 Explanation of planned performance over the medium term period

As a key support function, the Unit supports the Agency's core functions through the provision of intelligence on sectors and markets. The Unit also provides the Agency with the intelligence that forms the foundation of its strategy aimed at achieving its mandatory requirements.

3.4.5 Reconciling performance targets with the budget and MTEF

Summary of payments and estimates: Programme 4: Wesgro Research

"Programme R'000"		Outcome			Estimated outcome	Medium-term estimate		
		Audited	Audited	Audited				
		2016/17	2017/18	2018/19		2020/21	2021/22	2022/23
1, Intelligence		3 342	3 506	3 394	4 055	4 497	4 856	3 989
Total payments and estimates		3 342	3 506	3 394	4 055	4 497	4 856	3 989

Summary of provincial payments and estimates by economic classification: Programme 4: Wesgro Research

"Economic classification R'000"		Outcome			Estimated outcome	Medium-term estimate		
		Audited	Audited	Audited				
		2016/17	2017/18	2018/19		2020/21	2021/22	2022/23
Expenses								
Current expense		3 342	3 506	3 394	4 055	4 497	4 856	3 989
Compensation of employees		2 087	2 139	1 672	1 883	1 769	1 834	1 934
Salary & Wages		1 765	2 029	1 495	1 757	1 628	1 687	1 781
Basic salary		1 615	1 866	1 414	1 661	1 542	1 596	1 684
Performance rewards		150	163	81	96	86	91	97
Service based								
Periodic Payments								
Other non-pensionable allowances								
Social Contributions (employer contributions only)		322	110	177	126	141	147	153
Pension		259	91	130	101	116	122	128
Medical		49	10	39	18	17	17	17
Home owners allowance								
UIF		14	9	8	7	8	8	8
Bargaining council								
Unions								
Provisions for staff costs								
Salary related expenses								
Use of goods and services		1 255	1 367	1 722	2 172	2 728	3 022	2 055
Advertising			3					
Advertising of posts								
Gifts and Promotional items								
Advertising (marketing)			3					
Audit Fees								
Internal								
Forensic								
External								
Bank charges								
Board Costs								

"Economic classification R'000"	Outcome			Estimated outcome	Medium-term estimate		
	Audited	Audited	Audited				
	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23
Board - Remuneration							
Board - Air Tickets							
Board - Accommodation							
Board - Subsistence							
Bursaries (employees)							
Catering services							
Communication							
Telephone							
Cellphones							
Postage & Courier							
Satellite signals							
Other							
Computer services							
SITA services							
External service providers							
Consultants, contractors and special services		(139)		5			
Consultants		(139)		5			
Contractors and special services							
Services rendered							
General Expenses							
Design Development							
Logistics							
Conference Expenditure							
Donations paid							
Photographic services							
Venues and facilities							
Agency Administrative and Support Staff							
Event Promoters							
Youth Status Report							
Transport: Consultants and Contractors							
Other special services							
Entertainment							
Equipment less than Capitalisation threshold							
Inventory	1 230	1 485	1 668	2 122	2 684	2 970	2 055
Consumables							
Food and food supplies							
Fuel, oil and gas							
Parts and other maintenance material							
Stationery and printing	1						
Subscriptions	1 229	1 485	1 668	2 122	2 684	2 970	2 055
Restoration and fittings							
Other							
Legal fees							
Losses / (Profits)							
Losses due to Fraud							
On Sale of Assets							
Forex							
Loss on stolen fixed asset							
Other							
Maintenance and repairs							
Buildings							
Infrastructure Assets							

"Economic classification R'000"		Outcome			Estimated outcome	Medium-term estimate		
		Audited	Audited	Audited				
		2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23
	Equipment							
	Other							
	Operating leases							
	Rent-buildings							
	Rent-equipment							
	Other							
	Owned/ leasehold and property exp. (Establishment Costs)							
	Transport - Motor Fleet							
	Transport - Private Vehicles							
	Safeguard and Security							
	Printing and publication							
	Professional bodies and membership fees							
	Travel and Subsistence	25	4	54	45	44	52	
	Air Travel - Air Tickets (Domestic)	11	4	48	35	28	36	
	Air Travel - Air Tickets (International)							
	Accommodation - Domestic	9		4	4	8	8	
	Accommodation - International							
	transport: Governmeny Garage							
	Motor Finance: Claim above 500 km							
	Entertainment							
	Other	5		2	6	8	8	
	Training and staff development		14					
	Utilities							
	Water and electricity							
	Item 1							
	Item 2							
	Venues and facilities							
	Item 1							
	Item 2							
	Other							
	Depreciation and amortisation							
	Land							
	Dwellings							
	Non- Residential Buildings							
	Investment Property							
	Other Structures (Infrastructure Assets)							
	Mineral & Similar Non - Regenerative Resources							
	Capital Work in Progress							
	Heritage Assets							
	Biological Assets							
	Computer equipment							
	Furniture and Office equipment							
	Other Machinery and equipment							
	Crockery and Cutlery							
	Transport Assets							
	Computer Software							
	Valuables (e.g. works of art)							
	Mastheads and Publishing titles							
	Patents, Licences, Copyrights, Brand names & Trademarks							
	Recipes, Formulae, Prototypes, Designs & Models							
	Service and Operating Rights							

"Economic classification R'000"	Outcome			Estimated outcome	Medium-term estimate		
	Audited	Audited	Audited				
	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23
Other Intangibles							
Unearned reserves (social security funds only)							
Interest, dividends and rent on land							
Interest							
Dividends							
Rent on land							
Transfers and subsidies							
Provincial government							
Municipalities							
Rates and taxes							
RSC levies							
Other							
Departmental agencies and accounts							
Universities and technikons							
Foreign governments							
International organisations							
Public and private corporations							
Non life insurance							
Other							
Non-profit institutions							
Households							
Social benefits (social security funds only)							
Other households							
Total expenses	3 342	3 506	3 394	4 055	4 497	4 856	3 989

3.4.6 Performance and expenditure trends

The Unit faces enormous strain, particularly due to the depreciating exchange rate significantly increasing the cost of international databases. These databases are at the epicentre of investment intelligence and global sector intelligence in particular.

Wesgro, through the tourism offices, is responsible for the Western Cape's tourism research. This is a costly exercise and budget constraints impact on this function. As a result, the Research Unit relies on the goodwill of the reciprocal relationships it has with the tourism offices and various tourism establishments of the Province in order to deliver.

In light of this, the Agency has implemented mitigation strategies to ensure that the Unit is able to deliver on its targets.

3.4.7 Key risks

Project objective:		To promote and facilitate global exports of goods and services from qualified companies in the Western Cape.			
Project risk statement		To facilitate and support operations and the expansion of Western Cape companies into the rest of Africa.			
Project risk statement		Inherent risk		Residual Risk Rating	
		Impact	Likelihood	Impact	Likelihood
Insufficient funding to fulfil Wesgro's mandate		4	3	3	2
		<ul style="list-style-type: none"> Ongoing lobbying of dti and other funders Making use of partnerships with other entities for funding An event framework is in place, detailing criteria to receive funding Sustainability and growth are key elements taken into consideration before funding is provided to an event Continued use of cost assessment to determine whether the expenditure incurred is used most effectively Developing different approaches for export delivery 			
Insufficient staff retention and knowledge retention capacity within Wesgro		4	3	3	2
		<ul style="list-style-type: none"> Filling of existing vacancies within budget constraints Staff retention policy HR Benchmarking process for remuneration Performance management process includes defined career path 			
Decline in the SA currency		3	2	3	2
		<ul style="list-style-type: none"> Partner with, and increase collaboration with other Agencies for subscriptions Travel card to contain travel expenses 			
Insufficient air routes into Cape Town		4	2	3	2
Failure to effectively market the destination internationally and domestically		4	2	3	2
		<ul style="list-style-type: none"> Air-access project committee in place to address new air routes Further lobbying to increase funding from stakeholders Collaboration with City of Cape Town and other DMOs Limiting or ending duplication 			
Failure to service the entire Province		3	3	3	2
		<ul style="list-style-type: none"> District outreaches included in the operational plan 			
Custodianship of data		3	3	2	1
		<ul style="list-style-type: none"> Creating value in response to client needs 			
Need to maintain brand awareness		3	3	2	1
		<ul style="list-style-type: none"> Daily media engagement meetings Enhanced marketing approach 			
Lack of resources to meet in mandate (Trade)		1	2	2	1
		<ul style="list-style-type: none"> Strategy formulation and planning inventions Contracting consultants to provide advice 			

3.5 Programme 5: Marketing and Communication

Purpose

To conduct the marketing and communication for Wesgro corporate and investment, trade, tourism, and film and media.

3.5.1 Programme structure

The programme is divided into two sub-programmes, namely:

Sub-programme 5.1: Positioning of the Agency and the destination. To improve the position of the Agency and the destination with shareholders, citizens, domestic and international businesses:

- Assistance with hosting of and/or the logistical management of strategic corporate and external events with partners.
- Marketing campaigns via social media, digital and traditional media channels.
- Creation of bespoke content (audio, visual and printed) for Wesgro and the destination to be used in marketing campaigns.
- Customer relationship marketing.

Sub-programme 5.2: Management of the reputation of the Agency and the destination. To manage the reputation of the Agency and destination through media opportunities:

- Writing and distribution of op-ed pieces.
- Writing and distribution of media releases.
- Website management.
- Hosting of strategic media engagements.
- Distribution of research publications via media opportunities.
- Monthly tracking of Advertising Value Equivalent (AVE) generated.

Special projects

The aim of the special projects programme is to manage key projects on behalf of our stakeholders.

Project Good Hope

Project Good Hope promotes the export offering of Cape Town and the Western Cape. This is provided through digital marketing in key source markets (aligned to the strategic goals of the Wesgro Trade Team) and through direct engagements with influential business people in South Africa and abroad. It also provides for designed collateral that can be used by government and economic agencies in promoting the destination to buyers, importers and distributors.

In packaging the export offering, Cape Town and the Western Cape's export brand is positioned with special consideration for the intrinsic qualities that the region has on offer. By positioning the region, the profile of the entire destination brand is influenced, which could impact positively on other sectors.

Situational analysis

In Wesgro's role to manage and drive the reputation of both the Agency and the business brand for Cape Town and the Western Cape, there are various internal and external factors that influence the Unit.

While the "traditional" media environment continues to fragment resulting in a lower reach, online and digital platforms provide new and exciting opportunities for communication and brand management. The PR landscape is evolving and the Unit's operations are evolving with it. The Marketing and Communication Unit examines content holistically and adopts a multimedia approach to content marketing across social media and PR, while still having a presence in traditional media.

The rand depreciation can also place pressure on the marketing budget with regard to international media spend. In terms of digital marketing, we are bid for online space against other international investment, tourism, film and trade place brands and so we need to be able to compete in a global space.

The overall perception of the country has a direct impact on the business brand of Cape Town and the Western Cape. This can have both a positive and negative effect, depending on the issue at hand. Other regional factors, such as the drought, concerns over tourism safety and political developments can also shape how the destination is viewed at home and abroad. Our role as the Agency for the destination is to counteract these perceptions with the positive economic stories that exist, underpinned by our research. This is done under the #CapeConfidence banner on our digital platforms.

3.5.2 Strategic objectives

Strategic outcome	
Strategic outcome	Profile and position the Agency through its core mandates of tourism, trade and investment.
Outcome statement	To build a strong regional economic brand with an estimated rand value of R398,1 million AVE.
Baseline	A total of R157,4 million in AVE was generated during the 2018/19 financial year.
Justification	By positively managing the reputation of the Agency and the destination, we will attract more interest in the Cape and help improve economic growth and job creation.
Links	This objective is linked to the Agency's 5-year Strategic Plan.

3.5.3 Outcomes, Performance Indicators and Targets 2020/21

No	Outcome	Outputs	Output Indicators	Annual Targets					
				Audited /Actual Performance		Estimated Performance 2019/20	MTEF Period		
				2016/17	2017/18		2018/19	2020/21	2021/22
5.1	Rand value of the advertising value equivalent (AVE) generated for the Agency	Corporate events supported	Number of corporate events supported	14	31	51	20	25-45	25-45
		Content management	Quarterly reports evidencing content management of Agency collateral	-	-	-	-	4	4

Indicators, Annual and Quarterly Targets 2020/21 (Output indicators)

No.	Output Indicators	Annual Target	Q1	Q2	Q3	Q4
5.1.1	Number of strategic corporate Agency events supported	25-45	5-8	5-10	5-12	5-15
5.1.2	Quarterly reports evidencing content management of Agency collateral	4	1	1	1	1

3.5.4 Explanation of planned performance over the medium term period

Wesgro's Marketing and Communication Unit's objective is to build the brand of Cape Town and the Western Cape. In order to do this, Wesgro makes use of earned media communication (resulting in print, broadcast and digital coverage) and social media (such as Facebook and LinkedIn) to promote stories that create a positive perception of the destination. This is measured in AVE.

The Unit builds the brand of the destination through direct marketing efforts, by creating collateral for the various Units and partners to use when they promote the destination. Collateral such as pamphlets, banners and designed research collateral are disseminated at events, exhibitions, conferences and on missions. This content is presented in quarterly reports.

The Unit builds the brand of the destination through corporate events. These events, which include key stakeholders and the business community, allows the Agency to directly communicate the offer of the Province, promote success stories, share research and engage with concerns raised. It is a highly effective form of business-to-business marketing, which also allows for networking between businesses and the building of a vibrant ecosystem. This will be reflected in the number of corporate events supported.

3.5.5 Reconciling performance targets with the budget and MTEF

Summary of payments and estimates: Programme 5: Marketing and Communication

"Programme R'000"		Outcome			Estimated outcome	Medium-term estimate		
		Audited	Audited	Audited				
		2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23
1,	Marketing and Communication	5 141	4 873	5 823	6 036	8 752	8 879	7 972
	Total payments and estimates	5 141	4 873	5 823	6 036	8 752	8 879	7 972

Summary of provincial payments and estimates by economic classification: Programme 5: Marketing and Communication

"Economic classification R'000"		Outcome			Estimated outcome	Medium-term estimate		
		Audited	Audited	Audited				
		2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23
	Expenses							
	Current expense	5 141	4 873	5 823	6 036	8 752	8 879	7 972
	Compensation of employees	1 615	2 088	3 457	3 724	5 094	5 368	5 656
	Salary & Wages	1 403	1 882	3 298	3 278	4 226	4 459	4 705
	Basic salary	1 345	1 798	3 134	3 095	4 099	4 325	4 563
	Performance rewards	58	84	164	183	127	134	142
	Service based							
	Periodic Payments							
	Other non-pensionable allowances							
	Social Contributions (employer contributions only)	212	206	159	446	868	909	951
	Pension	172	164	112	397	740	781	823
	Medical	31	33	36	36	108	108	108
	Home owners allowance							
	UIF	9	9	11	13	20	20	20
	Bargaining council							
	Unions							

"Economic classification R'000"		Outcome			Estimated outcome	Medium-term estimate		
		Audited	Audited	Audited				
		2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23
	Provisions for staff costs							
	Salary related expenses							
	Use of goods and services	3 526	2 785	2 366	2 312	3 658	3 511	2 316
	Advertising	1 028	823	1 651	1 646	1 597	1 505	223
	Advertising of posts							
	Gifts and Promotional items	227		200	200	150	152	47
	Advertising (marketing)	801	823	1 451	1 446	1 447	1 353	176
	Audit Fees							
	Internal							
	Forensic							
	External							
	Bank charges							
	Board Costs							
	Board - Remuneration							
	Board - Air Tickets							
	Board - Accommodation							
	Board - Subsistence							
	Bursaries (employees)							
	Catering services							
	Communication							
	Telephone							
	Cellphones							
	Postage & Courier							
	Satellite signals							
	Other							
	Computer services							
	SITA services							
	External service providers							
	Consultants, contractors and special services	2 061	1 761	371	361	1 260	1 380	1 600
	Consultants	1 576	99	42	42	60	80	100
	Contractors and special services	485	1 662	329	319	1 200	1 300	1 500
	Services rendered							
	General Expenses							
	Design Development							
	Logistics							
	Conference Expenditure	427	1 662	110	100	535	550	700
	Donations paid							
	Photographic services	58		60	44	15	50	50
	Venues and facilities			159	175	650	700	750
	Agency Administrative and Support Staff							
	Event Promoters							
	Youth Status Report							
	Transport: Consultants and Contractors							
	Other special services							
	Entertainment							
	Equipment less than Capitalisation threshold							
	Inventory	14	15	140	110	350	355	283
	Consumables							
	Food and food supplies							
	Fuel, oil and gas							
	Parts and other maintenance material							
	Stationery and printing							

"Economic classification R'000"		Outcome			Estimated outcome	Medium-term estimate		
		Audited	Audited	Audited				
		2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23
	Subscriptions	14	15	140	110	350	355	283
	Restoration and fittings							
	Other							
	Legal fees							
	Losses / (Profits)							
	Losses due to Fraud							
	On Sale of Assets							
	Forex							
	Loss on stolen fixed asset							
	Other							
	Maintenance and repairs							
	Buildings							
	Infrastructure Assets							
	Equipment							
	Other							
	Operating leases							
	Rent-buildings							
	Rent-equipment							
	Other							
	Owned/ leasehold and property exp. (Establishment Costs)							
	Transport - Motor Fleet							
	Transport - Private Vehicles							
	Safeguard and Security							
	Printing and publication	349		190	184	287	260	210
	Professional bodies and membership fees							
	Travel and Subsistence	74	185	14	11	164	11	
	Air Travel - Air Tickets (Domestic)	16	185	9	9	80	9	
	Air Travel - Air Tickets (International)	32				80		
	Accommodation - Domestic	2			1	3	1	
	Accommodation - International	24						
	transport: Governmeny Garage							
	Motor Finance: Claim above 500 km							
	Entertainment							
	Other			5	1	1	1	
	Training and staff development		1					
	Utilities							
	Water and electricity							
	Item 1							
	Item 2							
	Venues and facilities							
	Item 1							
	Item 2							
	Other							
	Depreciation and amortisation							
	Land							
	Dwellings							
	Non- Residential Buildings							
	Investment Property							
	Other Structures (Infrastructure Assets)							
	Mineral & Similar Non - Regenerative Resources							
	Capital Work in Progress							
	Heritage Assets							

"Economic classification R'000"		Outcome			Estimated outcome	Medium-term estimate		
		Audited	Audited	Audited				
		2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23
	Biological Assets							
	Computer equipment							
	Furniture and Office equipment							
	Other Machinery and equipment							
	Crockery and Cutlery							
	Transport Assets							
	Computer Software							
	Valuables (e.g. works of art)							
	Mastheads and Publishing titles							
	Patents, Licences, Copyrights, Brand names & Trademarks							
	Recipes, Formulae, Prototypes, Designs & Models							
	Service and Operating Rights							
	Other Intangibles							
	Unearned reserves (social security funds only)							
	Interest, dividends and rent on land							
	Interest							
	Dividends							
	Rent on land							
	Transfers and subsidies							
	Provincial government							
	Municipalities							
	Rates and taxes							
	RSC levies							
	Other							
	Departmental agencies and accounts							
	Universities and technikons							
	Foreign governments							
	International organisations							
	Public and private corporations							
	Non life insurance							
	Other							
	Non-profit institutions							
	Households							
	Social benefits (social security funds only)							
	Other households							
	Total expenses	5 141	4 873	5 823	6 036	8 752	8 879	7 972

3.5.6 Performance and expenditure trends

Aimed at promoting the business and destination brand, the Unit has embarked on a number of new initiatives to create brand awareness. Additional funding has been allocated to ensure that it is able to achieve its mandate and implement its new strategy.

3.5.7 Key risks

Project objective:		To promote and facilitate global exports of goods and services from qualified companies in the Western Cape.			
Project risk statement		To facilitate and support operations and the expansion of Western Cape companies into the rest of Africa.			
Project risk statement	Inherent risk		Project risk mitigation	Residual Risk Rating	
	Impact	Likelihood		Impact	Likelihood
Insufficient funding to fulfil Wesgro's mandate	4	3	<ul style="list-style-type: none"> Ongoing lobbying of dti and other funders Making use of partnerships with other entities for funding An event framework is in place, detailing criteria to receive funding Sustainability and growth are key elements taken into consideration before funding is provided to an event Continued use of cost assessment to determine whether the expenditure incurred is used most effectively Developing different approaches for export delivery 	3	2
Insufficient staff retention and knowledge retention capacity within Wesgro	4	3	<ul style="list-style-type: none"> Filling of existing vacancies within budget constraints Staff retention policy HR Benchmarking process for remuneration Performance management process includes defined career path 	3	2
Decline in the SA currency	3	2	<ul style="list-style-type: none"> Partner with, and increase collaboration with other Agencies for subscriptions Travel card to contain travel expenses 	3	2
Insufficient air routes into Cape Town	4	2	<ul style="list-style-type: none"> Air-access project committee in place to address new air routes 	3	2
Failure to effectively market the destination internationally and domestically	4	2	<ul style="list-style-type: none"> Further lobbying to increase funding from stakeholders Collaboration with City of Cape Town and other DMOs Limiting or ending duplication 	3	2
Failure to service the entire Province	3	3	<ul style="list-style-type: none"> District outreaches included in the operational plan 	3	2
Custodianship of data	3	3	<ul style="list-style-type: none"> Creating value in response to client needs 	2	1
Need to maintain brand awareness	3	3	<ul style="list-style-type: none"> Daily media engagement meetings Enhanced marketing approach 	2	1
Lack of resources to meet in mandate (Trade)	1	2	<ul style="list-style-type: none"> Strategy formulation and planning inventions Contracting consultants to provide advice 	2	1

3.6 Programme 6: Destination Marketing Organisation (DMO)

Purpose

The purpose of the DMO is to promote the Western Cape internationally and domestically in order to increase the number of visitors. The DMO markets the destination by focussing on business tourism (through its Convention Bureau team), tourism trade, media, influencers and marketing campaigns. By increasing the visitor numbers of leisure and business tourists to the Province, direct, indirect and induced revenue is generated for the Western Cape.

3.6.1 Programme structure

The Programme also aligns the Provincial Tourism Master Plan and the National Department of Tourism's five-year strategy. The Programme is structured to create demand and awareness of the Western Cape as a tourism destination.

The Programme is divided into three sub-programmes:

Sub-programme 6.1: Heighten awareness of the Western Cape in key markets and sectors

- Marketing and trade promotions through partnerships in key markets.
- Digital maintenance and content creation for website and social media platforms.
- Business tourism.
- Stakeholder management and engagements.

Sub-programme 6.2: Improve accessibility to Cape Town and the regions

- Air Access, through the Cape Town Air Access initiative.
- InvestSA One Stop Shop (Cape Investor Centre), which forms part of Wesgro's Trade and Investment Unit.

Sub-programme 6.3: Enhance the attractiveness of the Cape through a competitive offering

- Sport and Adventure Tourism promotion
- Culture and Heritage promotion
- Food and Wine Tourism promotion
- Cape of Great Events promotion
- Domestic Tourism promotion

In growing Business Tourism, the Unit places emphasis on:

- A well-defined and successful methodology to bidding.
- Creation of demand through promotional activities such as attending trade shows (locally and internationally).
- Leveraging of international association memberships (e.g. BestCities Global Alliance and International Congress and Convention Association).
- Unique programmes and value-added offerings (e.g. Delegate boosting, networking and legacy programme).
- Focussed sector approach and cross-selling with other Wesgro Units (e.g. trade team).

The Leisure Unit places emphasis on:

- The creation of demand through marketing activities not tourism product development.
- The acquisition and generation of data and intelligence.
- Collaboration with various provincial (e.g. regional and local tourism offices), national (e.g. South African Tourism) and international (e.g. UNWTO) organisations.
- Joint marketing opportunities with private sector (e.g. trade and media).

Situational analysis

To attract a greater number of visitors, a destination has to maintain its past levels of tourism marketing and constantly increase the quality and quantity of its tourism marketing offering.

To ensure that tourism destination marketing efforts are most impactful, there needs to be focussed on domestic and international marketing campaigns. These, in turn, are based on quality market research and a clearly defined competitive identity that distinguishes Cape Town and the Western Cape as a brand among so many other similar brands internationally.

Sectors

Priority is given to business events (e.g. corporate meetings, conferences and exhibitions), which focus on sectors that align with the Western Cape Government and Wesgro's strategic approach:

- Manufacturing
- Agri-processing
- Tourism
- Oceans Economy
- BPO and ICT
- Creative Industries

Markets

Priority is given to markets that focus on the Province's key source markets (these drive volume), emerging markets (these show potential to grow during our low season of April-September) and our tactical markets (high value tourists). Emphasis is placed on markets where South African Tourism has a presence and provides on-the-ground marketing support to Wesgro through joint marketing initiatives and hosting opportunities.

3.6.2 Strategic outcomes

Strategic outcome	
Strategic Outcome	Enhance the attractiveness, awareness and accessibility of the of region and drive conversion.
Outcome statement	To market Cape Town and the Western Cape and support tourism destination marketing initiatives with an estimated economic value of R2,65 billion – R4,24billion.
Baseline	An estimated value of R1,15 billion was generated from tourism initiatives supported for the 2018/19 financial year.
Justification	Wesgro's strategic mandate is to conduct tourism marketing and promotion for Cape Town and the Western Cape.
Links	The objective is linked to VIP 2: Economy and jobs, and the strategic plan of the Department of Economic Development and Tourism.

3.6.3 Outcomes, Performance Indicators and Targets 2020/21

No	Outcome	Outputs	Output Indicators	Annual Targets						
				Audited/Actual Performance			Estimated Performance 2019/20	MTEF Period		
				2016/17	2017/18	2018/19		2020/21	2021/22	2022/23
6.1	Total estimated economic value of tourism destination marketing initiatives supported	Tourism marketing initiatives supported	Number of tourism destination marketing initiatives supported	14	32	34	13	34	36	38
		Joint marketing agreements secured	Number of joint marketing agreements secured	14	15	19	19	25	27	29
		Leisure events supported	Number of leisure events supported	55	51	50	35	52	54	56
		Bids secured	Number of bids secured	33	33	30	26	32	34	35

Indicators, Annual and Quarterly Targets 2020/21 (Output indicators)

No.	Output Indicators	Annual Target	Q1	Q2	Q3	Q4
6.1.1	Number of tourism destination marketing initiatives supported	34	-	-	-	34
6.1.2	Number of joint marketing agreements secured	25	-	--	-	25
6.1.3	Number of leisure events supported	52	10	18	12	12
6.1.4	Number of bids secured	32	9	6	8	9

3.6.4 Explanation of planned performance over the medium term period

The planned performance of the Programme is to develop future demand for the destination by delivering on:

- Tourism destination marketing initiatives supported.
- Joint marketing agreements.
- Leisure events supported.
- Bids secured.

The outcome of the planned performance is the total estimated economic value of tourism destination marketing initiatives supported.

3.6.5 Reconciling performance targets with the budget and MTEF

Summary of payments and estimates: Programme 6: Destination Marketing

"Sub-programme R'000"		Outcome			Estimated outcome	Medium-term estimate		
		Audited	Audited	Audited				
		2016/17	2017/18	2018/19		2020/21	2021/22	2022/23
1.	Organisational Support	10 486	10 743	10 987	11 667	14 123	13 146	11 956
2.	Integrated Marketing	7 433	20 824	6 794	7 359	8 903	9 393	15 910
3.	DMO Programme					29 560	31 115	26 664
	Total payments and estimates	17 919	31 567	17 781	19 026	52 586	53 654	54 530

Summary of provincial payments and estimates by economic classification: Programme 6: Destination Marketing Organisation

"Economic classification R'000"		Outcome			Estimated outcome	Medium-term estimate		
		Audited	Audited	Audited				
		2016/17	2017/18	2018/19		2020/21	2021/22	2022/23
	Expenses							
	Current expense	17 409	31 567	17 369	19 026	52 885	53 654	54 530
	Compensation of employees	7 264	12 957	14 317	15 627	19 084	18 926	20 820
	Salary & Wages	6 740	11 769	13 812	13 790	16 402	16 196	16 949
	Basic salary	6 539	11 108	13 079	13 081	15 612	15 626	16 366
	Performance rewards	201	660	733	709	790	570	583
	Service based							
	Periodic Payments							
	Other non-pensionable allowances		1					
	Social Contributions (employer contributions only)	524	1 188	505	1 837	2 682	2 730	3 871
	Pension	311	956	334	1 538	2 281	2 315	3 342
	Medical	96	185	117	246	335	347	459
	Home owners allowance							
	UIF	28	47	54	53	66	68	70
	Bargaining council							
	Unions							
	Provisions for staff costs							
	Salary related expenses	89						
	Use of goods and services	10 145	18 610	3 052	3 399	33 801	34 728	33 710
	Advertising	82	6 835			10 744	11 745	12 745

"Economic classification R'000"		Outcome			Estimated outcome	Medium-term estimate		
		Audited	Audited	Audited				
		2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23
	Advertising of posts	26	25					
	Gifts and Promotional items							
	Advertising (marketing)	56	6 810			10 744	11 745	12 745
	Audit Fees	889	124	520	1 034	1 086	1 150	
	Internal	392		400	696	438	500	
	Forensic							
	External	497	124	120	338	648	650	
	Bank charges	51	51					
	Board Costs							
	Board - Remuneration							
	Board - Air Tickets							
	Board - Accommodation							
	Board - Subsistence							
	Bursaries (employees)							
	Catering services	25	25					
	Communication	391	323		487	330	330	
	Telephone	387	322		487	330	330	
	Cellphones	3	1					
	Postage & Courier	1						
	Satellite signals							
	Other							
	Computer services	372	384			277	63	
	SITA services							
	External service providers	372	384			277	63	
	Consultants, contractors and special services	4 353	5 649	700		16 242	16 796	16 345
	Consultants	3 689	5 032	400		5 111	5 665	5 214
	Contractors and special services	664	617	300		11 131	11 131	11 131
	Services rendered							
	General Expenses	661	617	300				
	Design Development							
	Logistics							
	Conference Expenditure	3				4 420	4 420	4 420
	Donations paid							
	Photographic services							
	Venues and facilities					6 711	6 711	6 711
	Agency Administrative and Support Staff							
	Event Promoters							
	Youth Status Report							
	Transport: Consultants and Contractors							
	Other special services							
	Entertainment	103						
	Equipment less than Capitalisation threshold							
	Inventory	269	485			381	381	381
	Consumables							
	Food and food supplies							
	Fuel, oil and gas	21	24					
	Parts and other maintenance material	40						
	Stationery and printing	89	40					
	Subscriptions	119	421			381	381	381
	Restoration and fittings							
	Other							
	Legal fees	58	98					

"Economic classification R'000"		Outcome			Estimated outcome	Medium-term estimate		
		Audited	Audited	Audited				
		2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23
	Losses / (Profits)	1	1					
	Losses due to Fraud							
	On Sale of Assets	1	1					
	Forex							
	Loss on stolen fixed asset							
	Other							
	Maintenance and repairs	194	114			510		
	Buildings	182	101			510		
	Infrastructure Assets							
	Equipment	12	13					
	Other							
	Operating leases	3 162	1 703	1 808	1 878	2 038	2 070	2 046
	Rent-buildings	2 611	1 703	1 808	1 878	1 971	2 070	2 046
	Rent-equipment	551				67		
	Other							
	Owned/ leasehold and property exp. (Establishment Costs)	67	1					
	Transport - Motor Fleet							
	Transport - Private Vehicles							
	Safeguard and Security							
	Printing and publication	67	1					
	Professional bodies and membership fees							
	Travel and Subsistence	(23)	2 767			2 193	2 193	2 193
	Air Travel - Air Tickets (Domestic)	11				333	333	333
	Air Travel - Air Tickets (International)	101				990	990	990
	Accommodation - Domestic	2				50	50	50
	Accommodation - International	13				600	600	600
	transport: Governmeny Garage							
	Motor Finance: Claim above 500 km							
	Entertainment	2						
	Other	(152)	2 767			220	220	220
	Training and staff development	151	50	24				
	Utilities							
	Water and electricity							
	Item 1							
	Item 2							
	Venues and facilities							
	Item 1							
	Item 2							
	Other							
	Depreciation and amortisation	510		412				
	Land							
	Dwellings							
	Non- Residential Buildings							
	Investment Property							
	Other Structures (Infrastructure Assets)							
	Mineral & Similar Non - Regenerative Resources							
	Capital Work in Progress							
	Heritage Assets							
	Biological Assets							
	Computer equipment	106		76				
	Furniture and Office equipment	119		91				

"Economic classification R'000"	Outcome			Estimated outcome	Medium-term estimate		
	Audited	Audited	Audited				
	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23
Other Machinery and equipment	59		49				
Crockery and Cutlery							
Transport Assets	111		101				
Computer Software	115		95				
Valuables (e.g. works of art)							
Mastheads and Publishing titles							
Patents, Licences, Copyrights, Brand names & Trademarks							
Recipes, Formulae, Prototypes, Designs & Models							
Service and Operating Rights							
Other Intangibles							
Unearned reserves (social security funds only)							
Interest, dividends and rent on land							
Interest							
Dividends							
Rent on land							
Transfers and subsidies							
Provincial government							
Municipalities							
Rates and taxes							
RSC levies							
Other							
Departmental agencies and accounts							
Universities and technikons							
Foreign governments							
International organisations							
Public and private corporations							
Non life insurance							
Other							
Non-profit institutions							
Households							
Social benefits (social security funds only)							
Other households							
Total expenses	17 919	31 567	17 781	19 026	52 885	53 654	54 530

3.6.6 Performance and expenditure trends

With the adoption of the new National and Provincial Tourism Strategy, the Agency has aligned itself to the overall outcomes thereof. Additional income has been allocated to ensure that the Unit is able to achieve its mandate and successfully drive the new strategy.

3.6.7 Key risks

Project objective:		To promote and facilitate global exports of goods and services from qualified companies in the Western Cape.			
		To facilitate and support operations and the expansion of Western Cape companies into the rest of Africa.			
Project risk statement		Inherent risk		Residual Risk Rating	
		Impact	Likelihood	Impact	Likelihood
Insufficient funding to fulfil Wesgro's mandate		4	3	3	2
		<ul style="list-style-type: none">• Ongoing lobbying of dti and other funders• Making use of partnerships with other entities for funding• An event framework is in place, detailing criteria to receive funding• Sustainability and growth are key elements taken into consideration before funding is provided to an event• Continued use of cost assessment to determine whether the expenditure incurred is used most effectively• Developing different approaches for export delivery			
Insufficient staff retention and knowledge retention capacity within Wesgro		4	3	3	2
		<ul style="list-style-type: none">• Filling of existing vacancies within budget constraints• Staff retention policy• HR Benchmarking process for remuneration• Performance management process includes defined career path			
Decline in the SA currency		3	2	3	2
		<ul style="list-style-type: none">• Partner with, and increase collaboration with other Agencies for subscriptions• Travel card to contain travel expenses			
Insufficient air routes into Cape Town		4	2	3	2
		<ul style="list-style-type: none">• Air-access project committee in place to address new air routes			
Failure to effectively market the destination internationally and domestically		4	2	3	2
		<ul style="list-style-type: none">• Further lobbying to increase funding from stakeholders• Collaboration with City of Cape Town and other DMOs• Limiting or ending duplication			
Failure to service the entire Province		3	3	3	2
		<ul style="list-style-type: none">• District outreaches included in the operational plan			
Custodianship of data		3	3	2	1
		<ul style="list-style-type: none">• Creating value in response to client needs			
Need to maintain brand awareness		3	3	2	1
		<ul style="list-style-type: none">• Daily media engagement meetings• Enhanced marketing approach			
Lack of resources to meet in mandate (Trade)		1	2	2	1
		<ul style="list-style-type: none">• Strategy formulation and planning inventions• Contracting consultants to provide advice			

3.7 Programme 7: Film and Media Promotion

Purpose

Establish a globally competitive film sector in Cape Town and the Western Cape.

3.7.1 Programme structure

The Film and Media Promotion Unit represents the City of Cape Town and Western Cape region as a film location at annual film and media markets such as the established major market events attached to festivals at Annecy, Berlin, Cannes, South By South West (SXSW) and Toronto, and for the emerging BRICS areas at the Rio Content Market, Beijing and Hong Kong markets.

Supporting outward missions in collaboration with partners to activate the exporter growth of companies in the Western Cape has been identified as an important intervention for the next five years. The support of the businesses going on these outward-led missions is combined from a number of sources, including the National Film and Video Foundation (NFVF), the dti and its EMIA and SAAS schemes, and/or from the foreign markets, festivals and governments that invite the Cape Town and Western Cape film industry to participate in their festivals and markets as experts and participants.

Programmes for film and media are run in collaboration with national and regional partners. These programmes assist participants to be more internationally competitive and facilitate new business opportunities and qualified leads in markets outside of South Africa and the Western Cape. These include NFVF, the dti and national partners from industry such as the Independent Producers Organisation, Writers Guild of South Africa, Animation South Africa, Make Games South Africa, Interactive Entertainment South Africa, Documentary Filmmaker Association, Writers Guild of South Africa, Commercials Producers Association and South African Association of Stills Producers.

Inward missions activate film and media companies through business-to-business meetings and hosting familiarisation tours. The inbound missions lead to new contracts, the expansion of prospects for company growth and help the development of markets. Business-to-business activations are included around film, animation and new media – areas that should bring job growth.

Situational analysis

The Western Cape and the City of Cape Town research baseline was completed in 2017, setting out that the size of the film and media industry in the Western Cape in 2015 was R3,9 billion, of which R3,5 billion was based in Cape Town. Television productions formed the largest component in the Western Cape, at R1,3 billion, followed by commercials (all types collectively) at R949 million and feature films at R800 million. Documentaries amounted to R300 million and stills production R298 million. Short films and animation contributed R100 million each and gaming R62 million. The subsector distribution in Cape Town was little different to that in the Province.

The Western Cape film industry contributed:

- R1,6 billion to direct GVA, R4,4 billion to total South African GDP and R3,6 billion to Western Cape GGP.
- 7 380 direct and 6 180 indirect provincial jobs. This is a total of 13 560 jobs.
- R565 million in taxes.
- R980 million in net direct foreign exchange. Commercials generated the most foreign exchange.
- The Cape Town film and media industry, which forms a subset of the Western Cape industry, contributed:
 - R1,38 billion to direct GVA, R3,91 billion to total South African GDP and R2,63 billion to Cape Town GGP.

- 6 550 direct and 2 940 indirect city jobs. This is a total of 9 490 jobs.
- R501 million in taxes.
- R886 million in net foreign exchange.

Sectors

The priority sectors are long form TV series, such as attracting another “Homeland” or “Black Sails” to the region along with supporting local industry to create their own TV series such as “Suidooster”, now the most watched soapie on kykNET, and shooting at the new Atlantic Film Studios. These successful TV series become the anchor tenants of expanded studios, such as the Cape Town Film Studios, which can then host feature films in the TV shooting breaks.

These sectors follow:

- Independent feature films and TV series.
- Expanding and increasing the amount of studios.
- The intangible asset manufacturing of animations (TV, feature, games).
- Post production.

Markets

Wesgro’s film and media strategy mapped the following priority markets to grow:

- Any co-production company (recently increased to ten co-production treaty countries: Canada, Germany, France, Ireland, New Zealand, Australia, Italy, the UK, the Netherlands and Brazil).
- The BRICS countries are also important due to the large potential cultural links, natural unofficial co-productions and future official co-production potential.
- The USA is the largest producer of content (studio model drives this) and the largest consumer market.
- The Wesgro strategy also includes helping companies expand into the rest of Africa and this Pan-African potential is being worked on via trade and investment missions into the continent.

3.7.2 Strategic objectives

Strategic outcome	
Strategic Outcome	To firmly establish a globally competitive film sector.
Outcome statements	To recruit and facilitate between R10,13 billion and R17,82 billion film and media productions brought into the Province, with between 15 246 FTE and 18 472 FTE jobs.
Baseline	A total value of R2,38 billion was committed in the film and media sector, resulting in 2 265 FTE jobs during the 2018/19 financial year.
Justification	Film is an important sector in the Western Cape and a major contributor to economic growth and jobs.
Links	The objective is linked to VIP 2: Economy and jobs. Furthermore, the objective is linked to the Department of Economic Development and Tourism’s 5-year film and media strategy, the Cape Town Arts and Culture’s 10-year strategy and the Cape Town Film Studios.

3.7.3 Outcomes, Outputs, Performance Indicators and Targets 2020/21

No	Outcome	Outputs	Output Indicators	Annual Targets					
				Audited /Actual Performance		Estimated Performance 2019/20	MTEF Period		
				2016/17	2017/18		2018/19	2020/21	2021/22
7.1	Rand value of film and media productions brought into the Province	Film and media declarations signed	Number of film and media declarations signed	5	9	8	5	5-7	5-7
7.2	Number of jobs facilitated through the productions brought into the Province								

Indicators, Annual and Quarterly Targets 2020/21 (Output indicators):

No.	Output Indicators	Annual Target	Q1	Q2	Q3	Q4
7.1	Number of film and media declarations signed	5-7	-	-	-	5-7

3.7.4 Explanation of planned performance over the medium term period

By attending international events at overseas festivals and markets such as Cannes or Annecy in France, Berlinale in Germany, Toronto in Canada, and SXSW in Austin, USA, Wesgro helps grow recognition for Cape Town and the Western Cape as having viable service offerings for international productions. These are major events which all 10 co-production countries' producers attend, including the BRICS and African producers. Wesgro's Film and Media promotion support for local Export Advancement Programmes and Business-to-Business events in the Western Cape adds to that attraction, and helps strengthen the relationships between industry producers and international partners. Together these help to bring production spend to the Western Cape. Having an office staffed with two certified African Film Commissioners helps to resolve issues of red tape and manage expectations of industry.

3.7.5 Key risks

Project objective:		To promote and facilitate global exports of goods and services from qualified companies in the Western Cape.			
Project risk statement		To facilitate and support operations and the expansion of Western Cape companies into the rest of Africa.			
Project risk statement	Impact	Inherent risk		Residual Risk Rating	
		Impact	Likelihood	Impact	Likelihood
Insufficient funding to fulfil Wesgro's mandate	4	3	<ul style="list-style-type: none"> Ongoing lobbying of dti and other funders Making use of partnerships with other entities for funding An event framework is in place, detailing criteria to receive funding Sustainability and growth are key elements taken into consideration before funding is provided to an event Continued use of cost assessment to determine whether the expenditure incurred is used most effectively Developing different approaches for export delivery 	3	2
Insufficient staff retention and knowledge retention capacity within Wesgro	4	3		3	2
Decline in the SA currency	3	2		3	2
Insufficient air routes into Cape Town	4	2		3	2
Failure to effectively market the destination internationally and domestically	4	2	<ul style="list-style-type: none"> Further lobbying to increase funding from stakeholders Collaboration with City of Cape Town and other DMOs Limiting or ending duplication 	3	2
Failure to service the entire Province	3	3	District outreaches included in the operational plan	3	2
Custodianship of data	3	3	Creating value in response to client needs	2	1
Need to maintain brand awareness	3	3	<ul style="list-style-type: none"> Daily media engagement meetings Enhanced marketing approach 	2	1
Lack of resources to meet in mandate (Trade)	1	2	<ul style="list-style-type: none"> Strategy formulation and planning inventions Contracting consultants to provide advice 	2	1

Cango Caves, Garden Route & Klein Karoo



4. Part D: Technical performance indicator descriptions

4.1 Programme 1: Corporate Services

Strategic outcome: Enhance financial accountability through compliance with all prescribed financial and non-financial regulations and guidelines

Indicator number	1.1			
Indicator title	Positive financial viability assessment results.			
Short definition	To determine the viability of the Agency’s financial systems, and the efficacy of the internal controls.			
Purpose	To ensure compliance with the relevant financial legislation.			
Strategic link	VIP #5	Focus Area(s): Good governance transformation	Output(s): Strengthening and maintaining governance and accountability. Strengthening and maintaining oversight.	Intervention(s):
Source of data	Financial discipline report provided by internal auditors.			
Method of calculation	The financial viability rating is determined by a financial discipline assessment conducted by the internal auditors.			
Data limitations	N/A			
Type of indicator	Input:	Activities:	Output: x	Outcome:
	Service Delivery Indicator:		Direct Service Delivery:	
			Indirect Service Delivery: x	
	Demand Driven Indicator:		Yes, demand driven:	
No, not demand driven: x				
Calculation type	Cumulative Year-end:	Cumulative Year-to-date:	Non-cumulative: x	
Reporting cycle	Quarterly:	Bi-annually:	Annually: x	Biennially:
Desired performance	Higher than target:		On target: x	Lower than target:
Indicator responsibility	Financial controller			
Spatial transformation (where applicable)	N/A			
Disaggregation of beneficiaries (where applicable)	Target for women:		N/A	
	Target for youth:		N/A	
	Target for people with disabilities:		N/A	
Assumptions	N/A			
Means of verification	Financial discipline report provided by internal auditors.			

Sub-programme 1.1: Financial management

Indicator number	1.2			
Indicator title	Percentage achievement of annual budgeted operational expenditure.			
Short definition	To demonstrate the percentage of budget spent by the Agency in relation to the appropriated amount.			
Purpose	To enhance effective expenditure management.			
Strategic link	VIP #5	Focus Area(s): Good governance transformation	Output(s): Strengthening and maintaining governance and accountability. Strengthening and maintaining oversight.	Intervention(s):
Source of data	Expenditure reports from the accounting system.			
Method of calculation	Total actual expenditure over the total budget divided by the total budget.			
Data limitations	N/A			
Type of indicator	Input:	Activities:	Output: x	Outcome:
	Service Delivery Indicator:		Direct Service Delivery:	
			Indirect Service Delivery: x	
	Demand Driven Indicator:		Yes, demand driven:	
			No, not demand driven: x	
Calculation type	Cumulative Year-end:	Cumulative Year-to-date:	Non-cumulative: x	
Reporting cycle	Quarterly:	Bi-annually:	Annually: x	Biennially:
Desired performance	Higher than target:		On target: x	Lower than target:
Indicator responsibility	Financial controller			
Spatial transformation (where applicable)	N/A			
Disaggregation of beneficiaries (where applicable)	Target for women:		N/A	
	Target for youth:		N/A	
	Target for people with disabilities:		N/A	
Assumptions	N/A			
Means of verification	Expenditure reports from the accounting system used.			

Sub-programme 1.2: Supply Chain Management

Indicator number	1.3			
Indicator title	Achieve maximum B-BBEE spend.			
Short definition	To demonstrate the percentage of budget spent by the Agency in relation to the appropriated amount.			
Purpose	Economically supporting the PDIs will improve the Wesgro rating according to the B-BBEE act and official reporting lines. Wesgro as a governmental public entity needs to lead by example in implementing the B-BBEE act. This forms part of the improvement and upliftment of lives of citizens in the community.			
Strategic link	VIP #5	Focus Area(s): Good governance transformation	Output(s): Strengthening and maintaining governance and accountability. Strengthening and maintaining oversight.	Intervention(s):
Source of data	Expenditure reports from the accounting system.			
Method of calculation	Total actual expenditure over the total budget divided by the total budget.			
Data limitations	N/A			
Type of indicator	Input:	Activities:	Output: x	Outcome:
	Service Delivery Indicator:		Direct Service Delivery:	
			Indirect Service Delivery: x	
	Demand Driven Indicator:		Yes, demand driven:	
			No, not demand driven: x	
Calculation type	Cumulative Year-end:	Cumulative Year-to-date:	Non-cumulative: x	
Reporting cycle	Quarterly:	Bi-annually:	Annually: x	Biennially:
Desired performance	Higher than target:		On target: x	Lower than target:
Indicator responsibility	SCM Manager			
Spatial transformation (where applicable)	N/A			
Disaggregation of beneficiaries (where applicable)	Target for women:		Yes	
	Target for youth:		Yes	
	Target for people with disabilities:		Yes	
Assumptions	N/A			
Means of verification	Expenditure reports from the accounting system used.			

Sub-programme 1.2: Supply Chain Management

Indicator number	1.4			
Indicator title	Percentage B-BBEE spend on black owned suppliers.			
Short definition	To support PDIs, black woman and black men by means of procurement through EMEs and QSEs in conjunction with the B-BBEE Act.			
Purpose	Economically supporting the PDIs will improve the Wesgro rating according to the B-BBEE act and official reporting lines. Wesgro as a governmental public entity needs to lead by example in implementing the B-BBEE act. This forms part of the improvement and upliftment of lives of citizens in the community.			
Strategic link	VIP #5	Focus Area(s): Good governance transformation	Output(s): Strengthening and maintaining governance and accountability. Strengthening and maintaining oversight.	Intervention(s):
Source of data	Comprehensive supplier schedule			
Method of calculation	Total actual spend over total budget divided by the total budget.			
Data limitations	Limited supplier information			
Type of indicator	Input:	Activities:	Output: x	Outcome:
	Service Delivery Indicator:		Direct Service Delivery:	
			Indirect Service Delivery: x	
	Demand Driven Indicator:		Yes, demand driven:	
			No, not demand driven: x	
Calculation type	Cumulative Year-end:	Cumulative Year-to-date:	Non-cumulative: x	
Reporting cycle	Quarterly:	Biannually:	Annually: x	Biennially:
Desired performance	Higher than target:		On target: x	Lower than target:
Indicator responsibility	SCM Manager			
Spatial transformation (where applicable)	N/A			
Disaggregation of beneficiaries (where applicable)	Target for women:		Yes	
	Target for youth:		Yes	
	Target for people with disabilities:		Yes	
Assumptions	N/A			
Means of verification	Comprehensive supplier schedule.			

Sub-programme 1.2: Supply Chain Management

Indicator number	1.5			
Indicator title	Percentage payment deviation from awarded contracts.			
Short definition	To monitor the adherence to contractual obligations of awarded contracts.			
Purpose	To ensure the effective management of awarded contracts.			
Strategic link	VIP #5	Focus Area(s): Good governance transformation	Output(s): Strengthening and maintaining governance and accountability. Strengthening and maintaining oversight.	Intervention(s):
Source of data	Comprehensive SCM payment schedule.			
Method of calculation	The percentage is generated by the accounting system.			
Data limitations	N/A			
Type of indicator	Input:	Activities:	Output:	Outcome:
	Service Delivery Indicator:		Direct Service Delivery:	
			Indirect Service Delivery: x	
	Demand Driven Indicator:		Yes, demand driven:	
			No, not demand driven: x	
Calculation type	Cumulative Year-end:	Cumulative Year-to-date:	Non-cumulative: x	
Reporting cycle	Quarterly:	Bi-annually:	Annually: x	Biennially:
Desired performance	Higher than target:		On target: x	Lower than target:
Indicator responsibility	SCM Manager			
Spatial transformation (where applicable)	N/A			
Disaggregation of beneficiaries (where applicable)	Target for women:		Yes	
	Target for youth:		Yes	
	Target for people with disabilities:		Yes	
Assumptions	NA			
Means of verification	Comprehensive SCM payment schedule			

Sub-programme 1.2: Supply Chain Management

Indicator number	1.6			
Indicator title	Submission of the annual procurement plan.			
Short definition	The submission of the annual procurement plan as legislatively required.			
Purpose	To ensure compliance to all legislation pertaining to SCM.			
Strategic link	VIP #5	Focus Area(s): Good governance transformation	Output(s): Strengthening and maintaining governance and accountability. Strengthening and maintaining oversight.	Intervention(s): N/A
Source of data	Acknowledgement of receipt for submission of procurement plan.			
Method of calculation	NA			
Data limitations	N/A			
Type of indicator	Input:	Activities:	Output: x	Outcome:
	Service Delivery Indicator:		Direct Service Delivery:	
			Indirect Service Delivery: x	
	Demand Driven Indicator:		Yes, demand driven:	
No, not demand driven: x				
Calculation type	Cumulative Year-end:	Cumulative Year-to-date:	Non-cumulative: x	
Reporting cycle	Quarterly:	Bi-annually:	Annually: x	Biennially:
Desired performance	Higher than target:		On target: x	Lower than target:
Indicator responsibility	SCM Manager			
Spatial transformation (where applicable)	N/A			
Disaggregation of beneficiaries (where applicable)	Target for women:		Yes	
	Target for youth:		Yes	
	Target for people with disabilities:		Yes	
Assumptions	NA			
Means of verification	Acknowledgement of receipt for submission of procurement plan.			

Sub-programme 1.3: IT and Administration Services

Indicator number	1.7			
Indicator title	Number of reports evidencing the maintenance of the Agency's ICT environment.			
Short definition	To ensure that the network, internet and shared drive is stable to avoid downtime on the network.			
Purpose	To ensure a high level of productivity and performance is maintained.			
Strategic link	VIP #5	Focus Area(s): Good governance transformation	Output(s): Strengthening and maintaining governance and accountability. Strengthening and maintaining oversight.	Intervention(s): N/A
Source of data	Comprehensive signed quarterly report providing an overview of the status of the Agency's ICT environment.			
Method of calculation	The number of ICT reports submitted each quarter is added to determine the total number of reports submitted for the year.			
Data limitations	N/A			
Type of indicator	Input:	Activities:	Output:x	Outcome:
	Service Delivery Indicator:		Direct Service Delivery:	
			Indirect Service Delivery: x	
	Demand Driven Indicator:		Yes, demand driven:	
No, not demand driven: x				
Calculation type	Cumulative Year-end:	Cumulative Year-to-date:	Non-cumulative: x	
Reporting cycle	Quarterly:	Bi-annually:	Annually: x	Biennially:
Desired performance	Higher than target:		On target: x	Lower than target:
Indicator responsibility	Senior manager IT			
Spatial transformation (where applicable)	N/A			
Disaggregation of beneficiaries (where applicable)	Target for women:		Yes	
	Target for youth:		Yes	
	Target for people with disabilities:		Yes	
Assumptions	NA			
Means of verification	Comprehensive signed quarterly report providing an overview of the status of the Agency's ICT environment.			

Sub-programme 1.4: Human Resource Management

Indicator number	1.8			
Indicator title	Percentage employee satisfaction			
Short definition	To monitor staff morale and implement the necessary strategies to ensure that employees remain motivated and performance driven.			
Purpose	To enhance employee satisfaction.			
Strategic link	VIP #5	Focus Area(s): Citizen-centric culture	Output(s): Integrated employee engagement, organisation culture and citizen satisfaction index	Intervention(s): N/A
Source of data	Internal climate survey report, signed by the Chief Executive Officer.			
Method of calculation	The results are derived from the surveys conducted.			
Data limitations	Staff not completing surveys as requested.			
Type of indicator	Input:	Activities:	Output: x	Outcome:
	Service Delivery Indicator:		Direct Service Delivery:	
			Indirect Service Delivery: x	
	Demand Driven Indicator:		Yes, demand driven:	
			No, not demand driven: x	
Calculation type	Cumulative Year-end:	Cumulative Year-to-date:	Non-cumulative: x	
Reporting cycle	Quarterly:	Bi-annually:	Annually: x	Biennially:
Desired performance	Higher than target:		On target: x	Lower than target:
Indicator responsibility	HR Manager			
Spatial transformation (where applicable)	N/A			
Disaggregation of beneficiaries (where applicable)	Target for women:		N/A	
	Target for youth:		N/A	
	Target for people with disabilities:		N/A	
Assumptions	N/A			
Means of verification	Internal climate survey report, signed by the Chief Executive Officer.			

Sub-programme 1.4: Human Resource Management

Indicator number	1.9			
Indicator title	Percentage of annual total salary cost spent on staff training and internship opportunities.			
Short definition	To monitor training and development of staff.			
Purpose	To ensure the work-skills plan is being implemented.			
Strategic link	VIP #5	Focus Area(s): Citizen-centric culture	Output(s): Integrated employee engagement, organisation culture and citizen satisfaction index	Intervention(s): N/A
Source of data	Comprehensive training schedule			
Method of calculation	The total expenditure over the total budget allocated.			
Data limitations	Budgetary constraints			
Type of indicator	Input:	Activities:	Output: x	Outcome:
	Service Delivery Indicator:		Direct Service Delivery:	
			Indirect Service Delivery: x	
	Demand Driven Indicator:		Yes, demand driven:	
			No, not demand driven: x	
Calculation type	Cumulative Year-end:	Cumulative Year-to-date:	Non-cumulative: x	
Reporting cycle	Quarterly:	Bi-annually:	Annually: x	Biennially:
Desired performance	Higher than target:		On target: x	Lower than target:
Indicator responsibility	HR Manager			
Spatial transformation (where applicable)	N/A			
Disaggregation of beneficiaries (where applicable)	Target for women:		N/A	
	Target for youth:		N/A	
	Target for people with disabilities:		N/A	
Assumptions	N/A			
Means of verification	Comprehensive training schedule			

Sub-programme 1.4: Human Resource Management

Indicator number	1.10			
Indicator title	Percentage of people from the employment equity target groups employed in compliance with the entity's approved EE plan.			
Short definition	To ensure that the Agency reflects the demographic framework of the Province.			
Purpose	To monitor the implementation of the EE plan to ensure that we meet the required legislative standards.			
Strategic link	VIP #5	Focus Area(s): Citizen-centric culture	Output(s): Integrated employee engagement, organisation culture and citizen satisfaction index	Intervention(s): N/A
Source of data	Employment Equity report generated from the employee self-service system.			
Method of calculation	Percentage generated from the employee satisfaction system.			
Data limitations	N/A			
Type of indicator	Input:	Activities:	Output:x	Outcome:
	Service Delivery Indicator:		Direct Service Delivery:	
			Indirect Service Delivery: x	
	Demand Driven Indicator:		Yes, demand driven:	
No, not demand driven: x				
Calculation type	Cumulative Year-end:	Cumulative Year-to-date:	Non-cumulative: x	
Reporting cycle	Quarterly:	Bi-annually:	Annually: x	Biennially:
Desired performance	Higher than target:		On target: x	Lower than target:
Indicator responsibility	HR Manager			
Spatial transformation (where applicable)	N/A			
Disaggregation of beneficiaries (where applicable)	Target for women:		Yes	
	Target for youth:		Yes	
	Target for people with disabilities:		Yes	
Assumptions	N/A			
Means of verification	Comprehensive training schedule			

Sub-programme 1.5: Monitoring and Evaluation

Indicator number	1.11			
Indicator title	Number of M&E performance reports submitted.			
Short definition	The delivery of quarterly reports, annual reports and corporate plans to stakeholders.			
Purpose	To ensure compliance to all legislature pertaining to performance management.			
Strategic link	VIP # 5	Focus Area(s): Good governance transformation	Output(s): Strengthening and maintaining governance and accountability. Strengthening and maintaining oversight.	Intervention(s)
Source of data	Acknowledgements of receipt/email of the submission of the performance report as per the legislative deadlines.			
Method of calculation	The number of reports submitted will be calculated to determine the total.			
Data limitations	None			
Type of indicator	Input:	Activities:	Output:x	Outcome:
	Service Delivery Indicator:		Direct Service Delivery:	
			Indirect Service Delivery: x	
	Demand Driven Indicator:		Yes, demand driven:	
			No, not demand driven: x	
Calculation type	Cumulative Year-end:	Cumulative Year-to-date:	Non-cumulative: x	
Reporting cycle	Quarterly:x	Bi-annually:	Annually: x	Biennially:
Desired performance	Higher than target:		On target: x	Lower than target:
Indicator responsibility	Manager: M and E			
Spatial transformation (where applicable)	N/A			
Disaggregation of beneficiaries (where applicable)	Target for women:		N/A	
	Target for youth:		N/A	
	Target for people with disabilities:		N/A	
Assumptions	N/A			
Means of verification	Acknowledgements of receipt/email of the submission of the performance report as per the legislative deadlines.			

4.2 Programme 2: Investment Promotion

Strategic outcome: Facilitate investment and jobs into the Western Cape

Indicator number	2.1			
Indicator title	Number of investment projects realised.			
Short definition	Refers to the number of confirmed direct international investment projects in productive assets by a foreign or local company, as opposed to investments in shares. The point of realisation is the point of first flow of funds and/or the point at which physical activity on the project commences.			
Purpose	For a host country or the firm which receives the investment, it can provide a source of new technologies, capital, processes, products, organisational technologies and management skills, and, as such, can provide a strong impetus to economic development.			
Strategic link	VIP # 2	Focus Area(s): Increase investment	Output(s): Number of investment projects realised	Intervention(s): Investment promotion Attracting investment
Source of data	1. Signed investor declaration. 2. Signed and verified database.			
Method of calculation	The number of signed investor declarations is calculated to determine the number of projects realised.			
Data limitations	None			
Type of indicator	Input:	Activities:	Output:x	Outcome:
	Service Delivery Indicator:		Direct Service Delivery:	
			Indirect Service Delivery: x	
	Demand Driven Indicator:		Yes, demand driven:	
			No, not demand driven: x	
Calculation type	Cumulative Year-end:	Cumulative Year-to-date: x	Non-cumulative:	
Reporting cycle	Quarterly: x	Bi-annually:	Annually:	Biennially:
Desired performance	Higher than target:	On target: x	Lower than target:	
Indicator responsibility	Head: Investment Promotion			
Spatial transformation (where applicable)	N/A			
Disaggregation of beneficiaries (where applicable)	Target for women:		N/A	
	Target for youth:		N/A	
	Target for people with disabilities:		N/A	
Assumptions	N/A			
Means of verification	1. Signed investor declaration 2. Signed and verified database			

4.3 Programme 3: Trade Promotion

Strategic outcome: To promote and facilitate global exports of goods and services from qualified companies in the Western Cape and to facilitate the expansion of qualifying companies into the rest of Africa.

Sub-programme 3.1: Trade Promotion

Indicator number	3.1			
Indicator title	Number of trade agreements signed.			
Short definition	Refers to the number of confirmed trade transactions facilitated.			
Purpose	For the business that receives revenue from sales, it can provide a source of new technologies, capital, processes, products, organisational technologies and management skills, and as such can provide a strong impetus to economic development.			
Strategic link	VIP # 2	Focus Area(s): Growing the economy through export	Output(s): Rand value of Western Cape exports	Intervention(s): N/A
Source of data	1. Signed trade declarations. 2. Signed and verified database.			
Method of calculation	The number of signed trade agreements is calculated to determine the number of projects realised.			
Data limitations	Non-disclosure of third-party information			
Type of indicator	Input:	Activities:	Output:	Outcome:
	Service Delivery Indicator:		Direct Service Delivery:	
			Indirect Service Delivery: x	
	Demand Driven Indicator:		Yes, demand driven:	
			No, not demand driven: x	
Calculation type	Cumulative Year-end:	Cumulative Year-to-date:	Non-cumulative: x	
Reporting cycle	Quarterly: x	Bi-annually:	Annually:	Biennially:
Desired performance	Higher than target:		On target: x	Lower than target:
Indicator responsibility	Head: Trade Promotion			
Spatial transformation (where applicable)	N/A			
Disaggregation of beneficiaries (where applicable)	Target for women:		N/A	
	Target for youth:		N/A	
	Target for people with disabilities:		N/A	
Assumptions	N/A			
Means of verification	1. Signed trade declarations 2. Signed and verified database			

Sub-programme 3.2: African Expansion

Indicator number	3.2			
Indicator title	Number of Outward Foreign Direct Investment (OFDI) declarations signed.			
Short definition	Refers to the number of confirmed direct outward investments facilitated on the African continent.			
Purpose	For a host country or the firm which receives the investment, it can provide a source of new technologies, capital, processes, products, organisational technologies and management skills, and as such can provide a strong impetus to economic development.			
Strategic link	VIP # 2	Focus Area(s): Growing the economy through export	Output(s): Rand value of Western Cape exports	Intervention(s): N/A
Source of data	1. Signed OFDI declarations signed. 2. Signed and verified database.			
Method of calculation	The number of signed trade agreements is calculated to determine the number of projects realised.			
Data limitations	Non-disclosure of third-party information			
Type of indicator	Input:	Activities:	Output:x	Outcome:
	Service Delivery Indicator:		Direct Service Delivery:	
			Indirect Service Delivery: x	
	Demand Driven Indicator:		Yes, demand driven:	
			No, not demand driven: x	
Calculation type	Cumulative Year-end:	Cumulative Year-to-date:	Non-cumulative: x	
Reporting cycle	Quarterly:	Bi-annually:	Annually: x	Biennially:
Desired performance	Higher than target:		On target: x	Lower than target:
Indicator responsibility	Head: Trade Promotion			
Spatial transformation (where applicable)	N/A			
Disaggregation of beneficiaries (where applicable)	Target for women:		N/A	
	Target for youth:		N/A	
	Target for people with disabilities:		N/A	
Assumptions	N/A			
Means of verification	1. Signed OFDI declarations signed 2. Signed and verified database			

4.4 Programme 4: Research

Strategic outcome: Develop relevant tourism, trade and investment publications and provide customised research to support the core functions of the Agency.

Indicator number	4.1			
Indicator title	Number of research reports developed.			
Short definition	Publications refer to research and information products, which are developed both internally and externally.			
Purpose	To make specific information available to the public.			
Strategic link	VIP # 2	Focus Area(s): Increase investment. Grow the economy through export.	Output(s): N/A	Intervention(s): N/A
Source of data	Publication control sheet signed by the researcher and approved by the Chief Research Officer.			
Method of calculation	The number of publications is used to determine the number produced.			
Data limitations	Information requested may not be freely available.			
Type of indicator	Input:	Activities:	Output:x	Outcome:
	Service Delivery Indicator:		Direct Service Delivery:	
			Indirect Service Delivery: x	
	Demand Driven Indicator:		Yes, demand driven:	
			No, not demand driven: x	
Calculation type	Cumulative Year-end:	Cumulative Year-to-date:	Non-cumulative: x	
Reporting cycle	Quarterly:	Bi-annually: x	Annually:	Biennially:
Desired performance	Higher than target:		On target: x	Lower than target:
Indicator responsibility	Chief Research Officer			
Spatial transformation (where applicable)	N/A			
Disaggregation of beneficiaries (where applicable)	Target for women:		N/A	
	Target for youth:		N/A	
	Target for people with disabilities:		N/A	
Assumptions	N/A			
Means of verification	Publication control sheet signed by the researcher and approved by the Head: Wesgro Research.			

4.5 Programme 5: Marketing and Communication

Strategic outcome: To improve the position of the Agency and the destination with shareholders, citizens, and domestic and international businesses.

Indicator number	5.1			
Indicator title	Number of corporate events supported.			
Short definition	Engagements with the media (via events, interviews, engagements, meetings, emails, telephone or social media) that assist in positioning Wesgro and/or the destination.			
Purpose	To improve the position of the Agency and the destination with shareholders, citizens and domestic and international businesses.			
Strategic link	VIP # N/A	Focus Area(s): N/A	Output(s): N/A	Intervention(s): N/A
Source of data	Invitations to media events, proof of meeting requests, emails, articles published, social media coverage received, radio interviews and/or TV interviews.			
Method of calculation	The number of media engagements will be added to calculate the total.			
Data limitations	None			
Type of indicator	Input:	Activities:	Output: x	Outcome:
	Service Delivery Indicator:		Direct Service Delivery:	
			Indirect Service Delivery: x	
	Demand Driven Indicator:		Yes, demand driven:	
			No, not demand driven: x	
Calculation type	Cumulative Year-end:	Cumulative Year-to-date: x	Non-cumulative:	
Reporting cycle	Quarterly: x	Bi-annually:	Annually:	Biennially:
Desired performance	Higher than target:		On target: x	Lower than target:
Indicator responsibility	Chief Communications Officer			
Spatial transformation (where applicable)	N/A			
Disaggregation of beneficiaries (where applicable)	Target for women:		N/A	
	Target for youth:		N/A	
	Target for people with disabilities:		N/A	
Assumptions	N/A			
Means of verification	Invitations to media events, proof of meeting requests, emails, articles published, social media coverage received, radio interviews and/or TV interviews.			

Programme 5: Marketing and Communication

Strategic outcome: To improve the position of the Agency and the destination with shareholders, citizens, domestic and international businesses.

Indicator number	5.2			
Indicator title	Quarterly reports evidencing content management of Agency collateral.			
Short definition	Content creation for the Units within Wesgro.			
Purpose	To promote the brand of the Agency and the destination into key source markets, manage the destination reputation and deliver on industry-led support marketing.			
Strategic link	VIP # 5	Focus Area(s): Increase investment. Grow the economy through export.	Output(s): N/A	Intervention(s): N/A
Source of data	Quarterly report to highlight the marketing initiatives embarked upon.			
Method of calculation	The number of quarterly reports submitted is added to determine the amount of reports submitted for the year.			
Data limitations	None			
Type of indicator	Input:	Activities:	Output: x	Outcome:
	Service Delivery Indicator:		Direct Service Delivery:	
			Indirect Service Delivery: x	
	Demand Driven Indicator:		Yes, demand driven:	
			No, not demand driven: x	
Calculation type	Cumulative Year-end:	Cumulative Year-to-date: x	Non-cumulative:	
Reporting cycle	Quarterly: x	Bi-annually:	Annually:	Biennially:
Desired performance	Higher than target:		On target: x	Lower than target:
Indicator responsibility	Chief Communications Officer			
Spatial transformation (where applicable)	N/A			
Disaggregation of beneficiaries (where applicable)	Target for women:		N/A	
	Target for youth:		N/A	
	Target for people with disabilities:		N/A	
Assumptions	N/A			
Means of verification	Quarterly report to highlight the marketing initiatives embarked upon.			

4.6 Programme 6: Destination Marketing

Strategic objective: Enhance the attractiveness and awareness of the region and drive conversion

Indicator number	6.1			
Indicator title	Number of tourism destination marketing initiatives supported.			
Short definition	To measure the number of tourism destination marketing initiatives supported.			
Purpose	To drive geographic spread, improve seasonality, job creation and the stimulation of economic growth.			
Strategic link	VIP #:2	Focus area(s) Growing the economy through export	Output(s) N/A	Intervention(s) N/A
Source of data	1. Signed progress report for the initiatives supported and estimated economic value of initiatives supported. 2. Evidence substantiating the initiatives supported, which may include: Signed joint marketing agreements; and/or Signed service-level agreement; and/or Bid communique confirming that the bids have been secured; and/or Signed events-marketing agreements.			
Method of calculation	The number of tourism destination marketing initiatives supported will be calculated to determine the total.			
Data limitations	None			
Type of indicator	Input:	Activities:	Output: x	Outcome:
	Service Delivery Indicator:		Direct Service Delivery:	
			Indirect Service Delivery: x	
	Demand Driven Indicator:		Yes, demand driven:	
No, not demand driven: x				
Calculation type	Cumulative Year-end:	Cumulative Year-to-date:	Non-cumulative: x	
Reporting cycle	Quarterly:	Bi-annually:	Annually: x	Biennially:
Desired performance	Higher than target:		On target: x	Lower than target:
Indicator responsibility	Chief Tourism Officer			
Spatial transformation (where applicable)	N/A			
Disaggregation of beneficiaries (where applicable)	Target for women:		N/A	
	Target for youth:		N/A	
	Target for people with disabilities:		N/A	
Assumptions	N/A			
Means of verification	1. Signed progress report for the initiatives supported and estimated economic value of initiatives supported. 2. Evidence substantiating the initiatives supported, which may include: <ul style="list-style-type: none">Signed joint marketing agreements; and/orSigned service-level agreement; and/orBid communique confirming that the bids have been secured; and/orSigned events-marketing agreements.			

Indicator number	6.2			
Indicator title	Number of Joint Marketing Agreements (JMAs) secured.			
Short definition	Collaborating with various stakeholders (including tour operators, media or airlines) to market Cape Town and the Western Cape.			
Purpose	To minimise the cost of marketing and allow Wesgro to gain maximum access to potential clients.			
Strategic link	VIP #2	Focus Area(s): Grow the economy through export	Output(s): N/A	Intervention(s): N/A
Source of data	Signed JMA.			
Method of calculation	The number of JMAs will be added to get the total.			
Data limitations	Dependency on partnerships			
Type of indicator	Input:	Activities:	Output:	Outcome:
	Service Delivery Indicator:		Direct Service Delivery:	
			Indirect Service Delivery: x	
	Demand Driven Indicator:		Yes, demand driven:	
			No, not demand driven: x	
Calculation type	Cumulative Year-end:	Cumulative Year-to-date:	Non-cumulative: x	
Reporting cycle	Quarterly:	Bi-annually:	Annually: x	Biennially:
Desired performance	Higher than target:		On target: x	Lower than target:
Indicator responsibility	Chief Marketing Officer			
Spatial transformation (where applicable)	N/A			
Disaggregation of beneficiaries (where applicable)	Target for women:		N/A	
	Target for youth:		N/A	
	Target for people with disabilities:		N/A	
Assumptions	N/A			
Means of verification	A signed JMA.			

Indicator number	6.3			
Indicator title	Number of leisure events supported.			
Short definition	Supporting leisure events with the aim of increasing awareness of and the number of visitor arrivals to the destination.			
Purpose	To drive geographic spread and reduce the impact of seasonality.			
Strategic link	VIP# 2	Focus Area(s): Growing the economy through export	Output(s): N/A	Intervention(s): N/A
Source of data	A copy of the signed Events Marketing Agreement (EMA).			
Method of calculation	The number of events supported is added to calculate the total.			
Data limitations	Lack of funding to support events.			
Type of indicator	Input:	Activities:	Output: x	Outcome:
	Service Delivery Indicator:		Direct Service Delivery:	
			Indirect Service Delivery: x	
	Demand Driven Indicator:		Yes, demand driven:	
			No, not demand driven: x	
Calculation type	Cumulative Year-end:	Cumulative Year-to-date:	Non-cumulative: x	
Reporting cycle	Quarterly: x	Bi-annually:	Annually:	Bi-annually:
Desired performance	Higher than target:		On target: x	Lower than target:
Indicator responsibility	Chief Marketing Officer			
Spatial transformation (where applicable)	N/A			
Disaggregation of beneficiaries (where applicable)	Target for women:		N/A	
	Target for youth:		N/A	
	Target for people with disabilities:		N/A	
Assumptions	N/A			
Means of verification	A copy of the signed Events Marketing Agreement (EMA).			

Indicator number	6.4			
Indicator title	Number of bids secured.			
Short definition	Number of bids secured by the Agency from businesses or organisations or association bodies to host meetings, incentives, conferences or exhibitions at the destination.			
Purpose	To attract international and domestic business tourism delegates who contribute towards the economic impact and the profiling of the destination.			
Strategic link	VIP # 2	Focus Area(s): Grow the economy through export	Output(s): N/A	Intervention(s): N/A
Source of data	Copy of signed letter from the organisation or business or an email confirming the decision and first two pages of the bid book or presentation.			
Method of calculation	The total number of conference bids secured will be calculated.			
Data limitations	Dependency on partnerships			
Type of indicator	Input:	Activities:	Output: x	Outcome:
	Service Delivery Indicator:		Direct Service Delivery:	
			Indirect Service Delivery: x	
	Demand Driven Indicator:		Yes, demand driven:	
			No, not demand driven: x	
Calculation type	Cumulative Year-end:	Cumulative Year-to-date: x	Non-cumulative:	
Reporting cycle	Quarterly: x	Bi-annually:	Annually: x	Biennially:
Desired performance	Higher than target:		On target: x	Lower than target:
Indicator responsibility	Head: Convention Bureau			
Spatial transformation (where applicable)	N/A			
Disaggregation of beneficiaries (where applicable)	Target for women:		N/A	
	Target for youth:		N/A	
	Target for people with disabilities:		N/A	
Assumptions	N/A			
Means of verification	Copy of signed letter from the organisation or business or an email confirming the decision and first two pages of the bid book or presentation.			

4.7 Programme 7: Film and Media Promotion

Strategic objective: Firmly establish a globally competitive film sector by 2025.

Indicator number	7.1			
Indicator title	Number of film and media declarations signed.			
Short definition	Refers to the number of confirmed direct international investment in film and media productions by a company, as opposed to investments in shares. The point of realisation is the point of first flow of funds and/or the point at which physical activity on the production begins.			
Purpose	For a host country or the firm which receives the investment, it can provide a source of new technologies, capital, processes, products, organisational technologies and management skills, and thereby contribute to economic development. The transfer of skills and (for co-production or local production) the ownership of Intellectual Property, can give a long-tail return on investment for the creative firms working regionally.			
Strategic link	VIP # 2	Focus Area(s): Increase Investment	Output(s): Number of investment projects realised	Intervention(s): N/A
Source of data	Signed film and media declarations.			
Method of calculation	The total number of signed investor declarations is calculated to determine the number of projects realised.			
Data limitations	None			
Type of indicator	Input:	Activities:	Output: x	Outcome:
	Service Delivery Indicator:		Direct Service Delivery:	
			Indirect Service Delivery: x	
	Demand Driven Indicator:		Yes, demand driven:	
No, not demand driven: x				
Calculation type	Cumulative Year-end:	Cumulative Year-to-date:	Non-cumulative: x	
Reporting cycle	Quarterly:	Bi-annually:	Annually: x	Biennially:
Desired performance	Higher than target:		On target: x	Lower than target:
Indicator responsibility	Head: Film and Media Promotion			
Spatial transformation (where applicable)	N/A			
Disaggregation of beneficiaries (where applicable)	Target for women:		N/A	
	Target for youth:		N/A	
	Target for people with disabilities:		N/A	
Assumptions	N/A			
Means of verification	Signed film and media declarations.			

