



WESGRO

cape town & western cape
tourism, trade & investment

Annual Performance Plan 2018/19

Submission date: 2 March 2018

an inspiring place to do business

Foreword

2017 was an extremely challenging year with many local and global headwinds, including credit ratings downgrades, economic uncertainty, a slowdown in globalisation, increased tension over migrant movement, and the impact of the worst drought in living memory.

Despite these various challenges, the Western Cape remains the destination of choice for both investors and tourists, with the tourism sector recording double-digit growth in 2017.

The province continues to outperform the national economic growth rate, recording the lowest unemployment rate in the country, and we anticipate that it will continue to fall on the back of significant investment in the services, manufacturing, construction and agro-processing industries.

As Cape Town and the Western Cape's official Tourism, Trade and Investment Promotion Agency, Wesgro has been working hard to instil confidence, attract investors and tourists to our shores, and help our local businesses trade with the rest of the world. We understand that by doing this, we will not only boost economic growth, but also help lower unemployment even further.

These efforts are bearing fruit.

According to a survey completed in the last financial year, Wesgro was viewed as a trusted brand that continues to play an important role in linking private sector companies with the relevant government structures to facilitate economic growth. This has been done in all key focus sectors, namely tourism, trade, film promotion and investment.

Wesgro is mindful of the effect that our region's severe drought might have on our economy. We will therefore also continue to focus on the agri-industry by promoting the excellent products that are produced here, as well as creating awareness of the large number of agri-business investment opportunities across the province.

While the Western Cape is our key focus, we also understand that our position on the most southern tip of the African continent places us in a unique position to take advantage of opportunities across the rest of Africa.

Indeed, the rest of Africa has been the Western Cape's largest trading region over the past four years, and the demand for products and services continues to rise. Similarly, there are various investment opportunities on the continent that Wesgro is promoting to increase the influence of companies in the province.

By 2030, Africa will constitute the single largest market in the world, and if we act now, Cape Town and the Western Cape will establish itself as the gateway to these opportunities.

This Annual Performance Plan, which is set out in the following document, sets out how all these important objectives will be met in the 2018/19 financial year.

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, Helen Zille and the Western Cape Minister of Economic Opportunities, Alan Winde, as well as the Mayor of the City of Cape Town, Patricia De Lille.

We are also 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.

Lastly, I need to thank the diverse and talented team at Wesgro who work so hard every day to build a more competitive Cape economy.

South Africa has the potential to once again be the economic powerhouse of the African continent, and if we continue to exceed these targets, we will successfully position the Western Cape as the engine room of this growth.

We look forward to working towards this key objective in the upcoming financial year.

Sincerely,

Tim Harris

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Official Sign-Off

It is hereby certified that the Annual Performance Plan for 2018/19:

- Was developed by the management of Wesgro under the guidance of the Board of Directors and Minister Alan Winde, MEC for Agriculture, Economic Development and Tourism, and
- Accurately reflects the strategic goals and objectives which Wesgro will endeavour to achieve during the 2018/19 financial year, subject to the resources being made available.



Kholeka Zama Signature: _____
Chief Financial Officer



Timothy Harris Signature: _____
Chief Executive Office

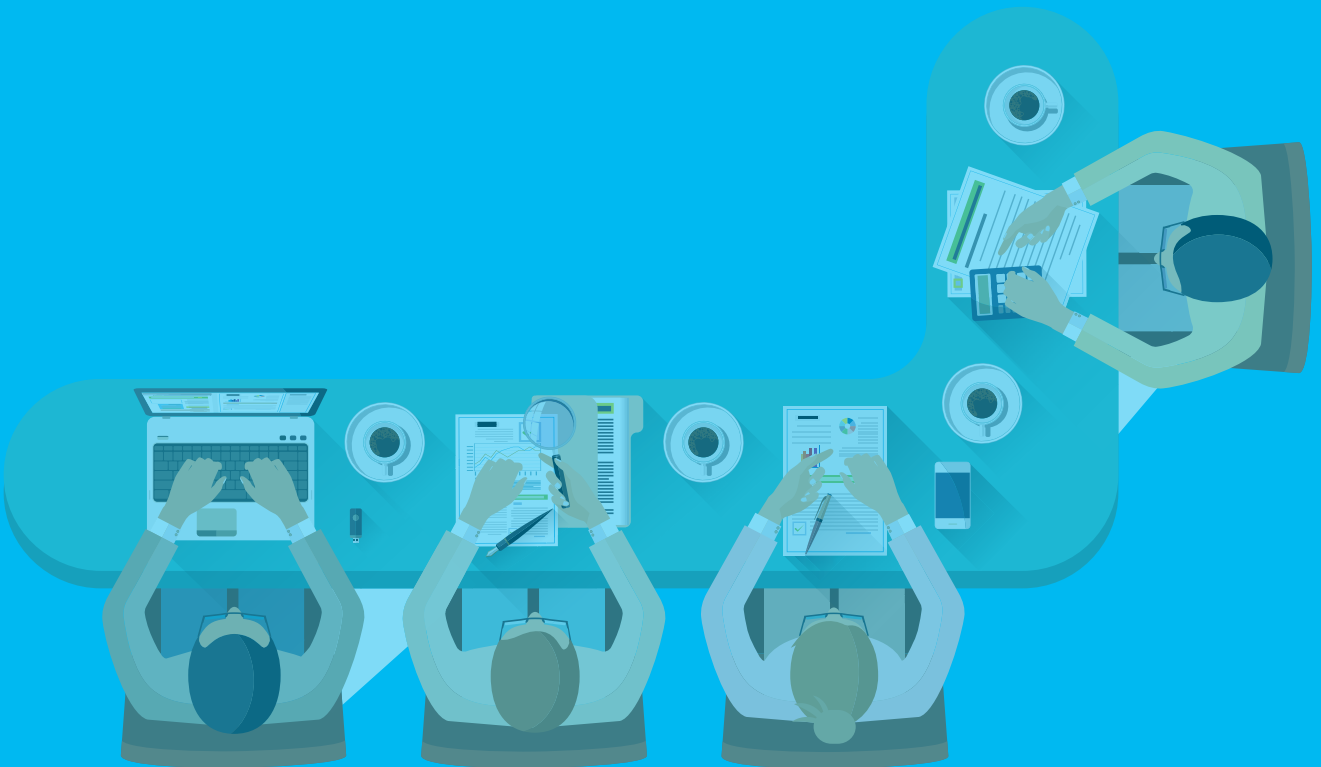
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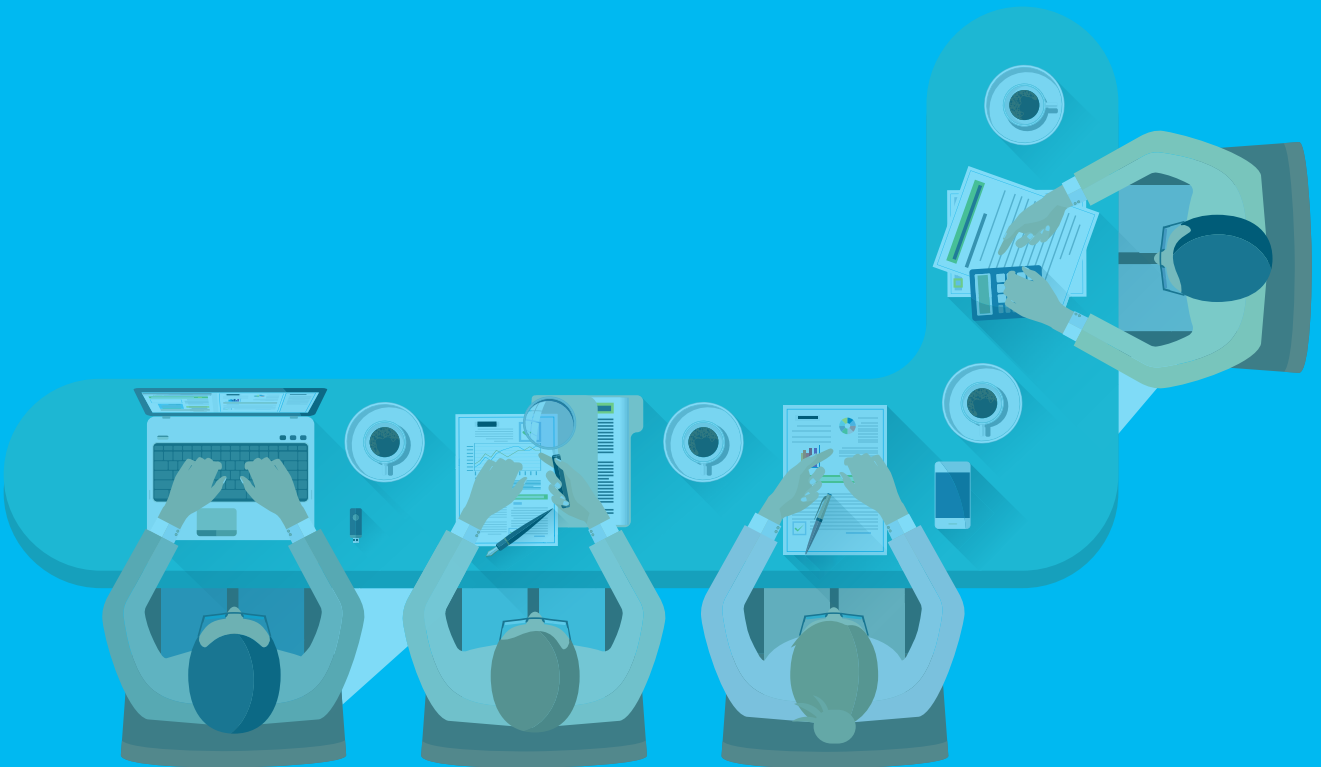


Prof. Brian Figaji Signature: _____
Chairperson of the Wesgro Board



Minister Alan Winde Signature: _____
Executive Authority





1. Part A: Strategic overview

1.1. Vision

To grow the Western Cape economy beyond expectation.

1.2. Mission

The mission of the Agency is:

- To attract and retain direct investment in the Western Cape, grow exports, and market the province as a competitive and sustainable tourism 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 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
- Integrity and trust

1.4. Legislative and other mandates

1.4.1. Legislative mandate

According to the Western Cape Investment and Trade Promotion Agency Amendment Act, Act No. 6, 2013;

The objects of the Agency shall be-

- a. To promote tourism, trade and investment in the Western Cape province; and
- b. To undertake, at the request of the responsible Member or other stakeholders or agencies, activities for which the necessary resources can be raised and which, in the opinion of the Board, will contribute to the strengthening of the Western Cape and/or promote equitable participation in the economy by sectors of the community and/or regions of the Western Cape.

1.4.2. Policy mandates

1.4.2.1 National policy framework:

National Development Plan

The National Development Plan (NDP) represents a vision for South Africa which will be achieved by 2030. It aims to enable faster economic growth, higher levels of 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.

Medium Term Strategic Framework

This Medium Term Strategic Framework (MTSF) is the Government's strategic plan for the 2014-2019 electoral term. The MTSF sets out the actions the government will take, and the targets to be achieved. It also provides a framework for the other plans of national, provincial and local government.

1.5. Provincial policy framework:

Project Khulisa

Project Khulisa identified "a small number of high potential opportunities that can deliver meaningful jobs and growth within a 3 – 5 year framework." It seeks to streamline the focus of government interventions, through the identification of key focus areas and priority sectors. Project Khulisa identified three horizons:

- Horizon 1: Over the next 3 – 5 years the focus will be on the tourism, oil and gas and agro-processing sectors of the Western Cape economy.
- Horizon 2: Over the next 5 – 10 years, the expanded focus will be on business process outsourcing and the film sectors.
- Horizon 3: Over the next 10 plus years, the approach is to build on the broader eco-system, namely the ICT and software, manufacturing and private healthcare sectors.

Wesgro, together with the Department of Economic Development and Tourism (DEDAT) plays a key role in the achievement of the objectives identified in Project Khulisa.

OneCape 2040

OneCape 2040 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.

Provincial Strategic Plan (PSP)

The Provincial Strategic Plan identified five Provincial Strategic Goals (PSGs), namely:

- PSG 1 – Create opportunities for economic growth and jobs
- PSG 2 – Improve education outcomes and opportunities for youth development
- PSG 3 – Increase wellness, safety and tackle social ills
- PSG 4 – Build a quality living environment, resilient to climate change
- PSG 5 – Embed good governance and integrated service delivery through partnerships and spatial alignment.

DEDAT through its programmes and activities contributes to PSG 1. The following strategic priorities have been identified by DEDAT:

- Invest in growing, attracting and retaining the skills required by our economy
- Support entrepreneurs and small businesses
- Make it easier to do business by addressing red tape
- Invest in high quality, efficient and competitive infrastructure
- Rebrand the region to increase internal and external investment
- Open markets for Western Cape firms and key sectors wanting to export
- Ensure our economic, social and environmental sustainability
- Demonstrate leadership which promotes an improved regional economic eco-system (governance) and embraces innovation
- Improve our visitor economy through destination marketing.

State of the Province Address

This is the speech delivered by the Premier at the start of the year setting out the Provincial Government's priorities for the year.

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 (WCIF) aligns the planning, delivery and management of infrastructure provided by all stakeholders including 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.

Relevant Court Rulings

There is no court ruling that has an impact on the operations of Wesgro.

1.6. Updated situational analysis

As of 2016/17, Wesgro has pursued a three-year strategy centred on excellence in three pillars, namely “growth”, “jobs” and “brand”. The pillar of growth represents economic growth in the Western Cape and the City of Cape Town; the pillar of jobs represents job creation in the provincial and city economies; and the pillar of brand represents the provincial and city business brand as well as the provincial tourism brand, as well as the Wesgro brand.

These three pillars are henceforth required to appear as direct or indirect targets in all of Wesgro’s programmes. This is to ensure alignment across the Agency around the objectives of driving growth, creating jobs, and building the brand of the region. In some programmes, targets are explicitly directed at these pillars, whilst other programmes will have targets where the outcome is indirectly related to each of these pillars.

1.6.1. Performance delivery environment

Economic Environment

South Africa’s real Gross Domestic Product (GDP) reached 0.3% in 2016, a considerable decline from the 1.7% and 1.3% growth experienced in 2014 and 2015, respectively (StatsSA, 2018). Domestic growth prospects improved somewhat in 2017 – albeit off a low base – with the South African economy growing by 2.0% in the third quarter of 2017 (seasonally adjusted and annualised), down from a revised 2.8% in the second quarter. This was mainly driven by expansions in the agriculture, mining and manufacturing sectors, with the agricultural sector recording the largest quarterly jump in agricultural production since the second quarter of 1996. The South African Reserve Bank (SARB) upwardly revised its forecast for GDP growth from 0.7% to 0.9% for 2017 at its most recent Monetary Policy Committee meeting held on 18 January 2018. Prospects are marginally improved into 2018 and 2019, with the SARB upwardly adjusting its GDP growth forecasts for the country to 1.4% and 1.6% respectively, from 1.2% and 1.5% previously. While this is marginally higher than the 1.1%

forecast by the World Bank for 2018, South Africa is still expected to record one of the lowest growth rates in sub-Saharan Africa in 2018.

That said, recent political developments bode exceptionally well for the country, evident in the sharp strengthening in the local exchange rate to levels last seen in 2015, and a groundswell of rising optimism following the swearing in of President Cyril Ramaphosa on 15 February 2018.

Economic growth in the Western Cape reached an estimated 0.8% in 2016, and is forecast to moderate to 0.5% in 2017. While the expectation is that the local economy will recover to 1% in 2018, the reality is that growth levels may well fall short of this due to the persisting drought, continues to place significant pressure on the local agricultural sector.

That said, the country's improving inflationary outlook, together with a notably stronger local currency (R) in recent weeks provides support for the domestic economy. As does improving business and renewed investor confidence in the country seen in Davos 2018. Notwithstanding these positives factors, risks continue to remain. In particular, a further sovereign credit rating downgrade cannot be ruled out. The likelihood of this depends on government's response to the deteriorating fiscal position and commitment to credible growth-enhancing policies (SARB, 2018).

Foreign Direct Investment (FDI)

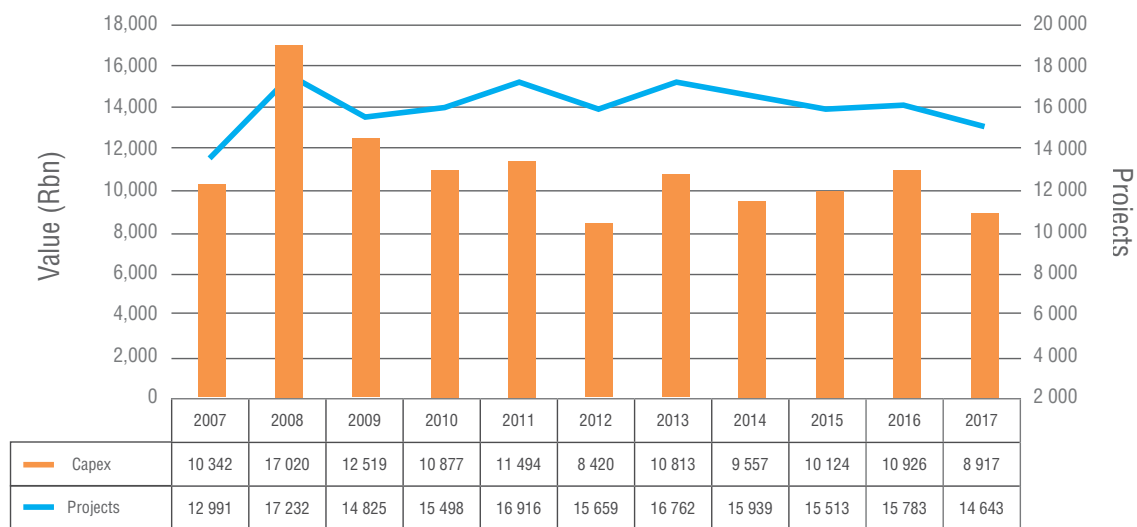
Between January 2017 and December 2017, a total of 14 643 foreign direct investment (FDI) projects were recorded globally. These projects represented a total capital investment of R8.9tn, which equates to an average investment of R609m per project. During the period, a total of 2,015,623 jobs were created.

Western Europe remained the main source region for global FDI in 2017, accounting for 50.48% of projects, followed by North America (22.6%). The United States (US) was the largest source country by FDI projects, accounting for 20.37% in 2017, followed by Germany (10.7%) and the United Kingdom (UK) (8.8%). The US and Germany were also the largest source markets in terms of capex in 2017 investing 17% and 8% of total capex, respectively. London was the top source city accounting for 5.1% of projects tracked, with project volume peaking during March 2017, with 84 projects tracked.

Western Europe was the top destination region in 2017, accounting for almost one-third of projects tracked. Project volume in Western Europe peaked during March, with 483 projects tracked. The Asia-Pacific region received the highest number of total jobs and greatest investment with a total of 640,903 jobs and R2.4tn investment. The US was the top destination country accounting for one-eighth of projects tracked (1 756). China and India had the largest project size on average in terms of investment and jobs creation, respectively. In terms of cities, London received the highest number of projects in 2017, while Singapore received the highest number of total jobs and greatest investment, with a total of 25,568 jobs and R140bn investment, respectively.

Out of 39 sectors, the top five accounted for more than two-fifths of projects in 2017. Software & IT services was the top sector, accounting for more than one-eighth of projects (2,048). Project volume in this sector peaked during May, with 204 projects tracked. Textiles and business services received the second and third largest number of projects, respectively.

GLOBAL FDI TRENDS BY CAPEX AND PROJECTS, 2003-2016



From a regional perspective, a total of 155 FDI projects were recorded into the Western Cape over the period January 2013 through December 2017. These projects represented a total capital investment of R38.2bn, which equates to an average investment of R246m per project. During this period, 8,414 jobs were created. Global FDI into the Western Cape by capex increased by 217% in 2017, while FDI by projects increased by 4.17%.

More than half of all investments into the Western Cape in this period originated from Western Europe (55% projects and 55% capex), followed by North America (25% projects and 22% capex). Almost one third of all investments into the Western Cape were from the United Kingdom (25% projects and 11% capex). The top three markets (including the US and Germany) collectively commanded more than half of all investments into the province over the said period. Between 2013 and 2017, London was the top city for FDI into the Western Cape, both in terms of projects (23) and capex (R2.4bn).

The rest of Africa was the largest destination for Western Cape outward foreign direct investment (OFDI) accounting for 50% of projects and 68% of capex between 2013 and 2017, followed by Western Europe in terms of projects and Emerging Europe in terms of capex.

The province's largest destination markets in terms of projects were Nigeria, the UK, Kenya and Zambia accounting for a combined 35% of all projects, while the largest by capex were Mozambique, Nigeria and the United Arab Emirates (UAE). The software and IT services continued to dominate outward FDI, accounting for 26%, followed by food & tobacco (16%).

Trade environment

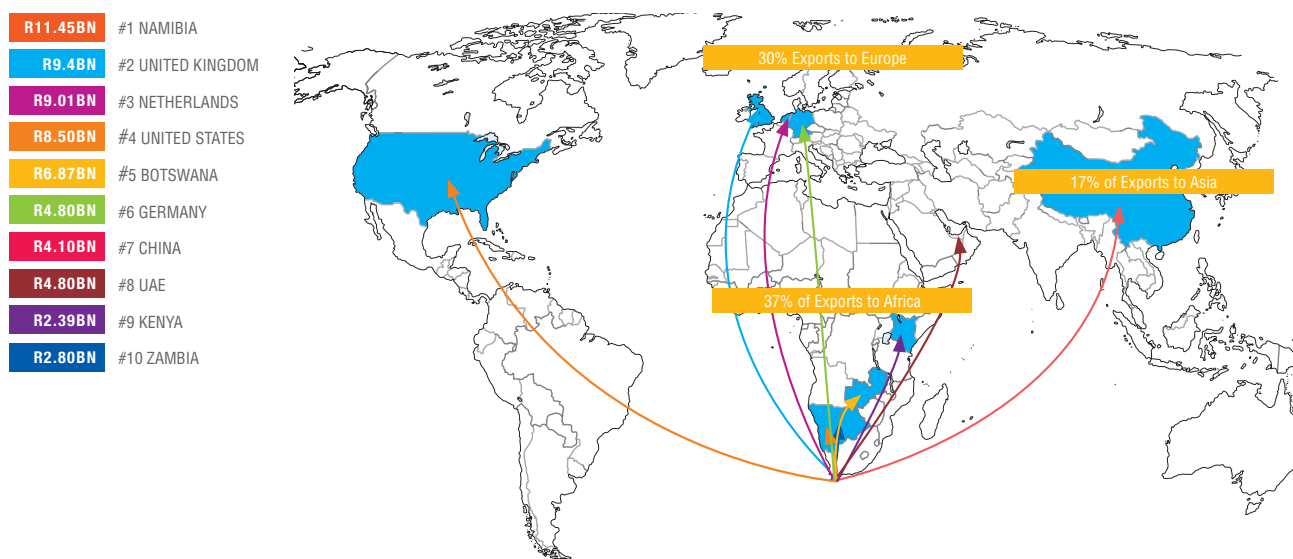
From a trade perspective, the Western Cape recorded an annual average export growth rate of 10.62% over the ten year period, 2008 through 2017. In parallel, imports grew at an annual average rate of 6.59% over the said period. In 2017, the value of exports from the Western Cape totalled R124.24bn, an increase of 0.56% on that recorded in 2016, but significantly down on the 3.57% recorded between 2015 and 2016.

In turn, imports into the Western Cape totalled R185bn in 2017, some 3.6% lower than in 2016. These growth numbers are expressed in nominal terms (i.e. include price fluctuations and not just volume growth).

As a result, the Western Cape's trade balance remained firmly in deficit at a value of R60.76bn in 2017. That said, this was marginally lower than the deficit of R68.35bn recorded in 2016, with the improvement attributable to a 3.6% decline in import growth and a 0.57% increase in export earnings 2017. 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 42% of total import costs in 2017.

In 2017 the Rand strengthened to an average value of R11.62/US\$, from R14.71/US\$ in 2016.

Western Cape Export Markets, 2016



The Western Cape's top five export products in 2017 were the same as in 2016. Petroleum oils (excluding crude oil) dominated at a value of R13.17bn, equivalent to 11% of total export earnings, followed by citrus fruit (R11.53bn), grape wines (R8.7bn), grapes (R6.66bn), and fresh apples, pears and quinces (R6.63bn).

The province's fastest growing export category overall was the 'flat rolled iron and non-alloy steel' sector, which grew by an annual average growth rate of 120% p.a. over the period 2013 to 2017, followed by tobacco at an average of 20% p.a. and grapes (16% p.a.).

Impact of BREXIT

The United Kingdom (UK) is one of the Western Cape's traditional export markets, consuming 7.6%, equivalent to R9.17bn of total exports in 2016. This was almost double the 4% share of South Africa's exports to the UK. In fact, almost one-fifth of South Africa's exports to the UK come from the Western Cape. The UK accounts for 19% of the province's exports to the European Union (EU), making it a significant export destination.

In 2016, the UK imported R1.6bn worth of wine, R1.6bn of grapes, R1.1bn of apples and pears, and R1.3bn of citrus from the Western Cape, making it the the largest global market for the province's wine, apples, apricots and citrus exports. To put this into perspective, the UK accounts for 24% of South Africa's global bulk wine exports, 21% of bottled wine exports and 7% of all sparkling wine exports. South Africa's preferential market access for wine exports to the EU has been significantly enhanced by the signing of the Economic Partnership Agreement (EPA) by the EU and SADC countries (EU-SADC EPA) in 2016. Under this EPA, some 110 million litres of South African wine is permitted to enter the EU market duty-free in the first year of implementation; the wine quota has been applicable since 01 November 2016. This is up from the 50 million litres of South African wine that was previously permitted to enter the EU under the Trade, Development and Cooperation Agreement (TDCA) between South Africa and the EU signed in 2000.

A roundtable discussion was held on 19 July 2017 between the Southern African Customs Union (SACU) countries and the UK to discuss trade relations, post BREXIT. The EPA between the SADC countries (Botswana, Lesotho, Namibia, Mozambique, South Africa and Swaziland) and the EU was signed on 10 June 2016 in Kasane, Botswana. The EU-SADC Economic Partnership Agreement (EU-SADC EPA) provisionally entered into force between the SACU countries and the EU on 10 October 2016.

The SACU Ministers welcomed the UK's intention to avoid disruption for its trading partners as it withdraws from the EU. The UK has re-affirmed its commitment to the trade arrangement under the current EU-SADC EPA, as well as to maintain current market access to the UK following its withdrawal from the EU, and to ensure continuity of the effects of the EU-SADC EPA.

The two sides agreed to continue discussions to explore ways to ensure that the existing trade arrangement between the UK and SACU currently governed by the EU-SADC EPA will not be disrupted by the UK's departure from the EU. Talks are likely to focus on steps to agree on an arrangement that replicates the effects of the EPA once the UK has left the EU. This would be a technical exercise to ensure continuity in the trading relationship, rather than an opportunity to renegotiate existing terms.

Tourism performance

Foreign arrivals into the Western Cape reached a significant 1,568,357 in 2016; an increase of 18.5% y-o-y on that recorded in 2015, and the highest number of arrivals in four years. Total foreign direct spend (excluding capital expenditure) by tourists in the province surged as a result, to a significant R18.1bn; 21.6% higher than that spent in 2015. From a national perspective, the Western Cape accounted for 15.6% of all South African tourist arrivals, 23.9% of tourists' spend, and 18.9% of bed nights recorded in 2016.

Regionally, the Western Cape received 808,302 international tourist arrivals from January through June 2017, while domestic arrivals stood at 528,000 over the period January through March 2017.

Western Cape Performance Indicators	2014	2015	2016	Jan-Jun 2017 YTD
International				
Total number of tourist arrivals	1,386,100	1,323,283	1,568,357	808,302
% Share of South Africa's arrivals	14.5%	14.9%	15.6%	-
Total foreign direct spend (excl capital expenditure) from tourists	R14.5bn	R14.9bn	R18.1bn	R9.9bn
% Share of South Africa's spend	22.60%	21.80%	23.90%	-
Total number of bed nights spent by tourists	16,483,252	15,625,036	16,744,578	10,446,400
Length of stay	12.4 nights	12.2 nights	11.1 nights	-
Domestic				
Total domestic trips	1,606,000	1,829,000	2,139,000	528,000
(Jan-Mar 2017)	R2.8bn	R2.0bn	R2.5bn	24.3%
Total direct domestic spend	R2.8bn	R2.0bn	R2.5bn	-
Total annual domestic bed nights	12,086,000	8,316,000	10,393,000	-
Length of stay	7.5 nights	4.8 nights	4.9 nights	-

Source: SA Tourism, 2017

Attractiveness of Western Cape's top tourism icons and activities over the period 2014 – 2016:

- 14 out of the Top 20 attractions and landmarks visited in South Africa were based in the Western Cape
- 14 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 beaches in the Top 10 beach front attractions visited in South Africa

ATTRactions AND LANDMARKS VISITED BY TOURISTS IN SOUTH AFRICA, 2014-2016				
Attraction/Landmark	2014	2015	2016	15/16 % Change
V&A Waterfront	918,000	840,000	1,101,000	31.1%
Cape Town Central City	774,000	883,000	1,088,000	23.2%
Cape Point	718,000	664,000	862,000	29.8%
Sandton City/Mandela Square	249,000	61,000	818,000	1241.0%
Table Mountain Cableway	761,000	722,000	786,000	8.9%
Table Mountain (not cableway)			352,000	-
The Winelands	662,000	559,000	669,000	19.7%
Camp's Bay			511,000	-
Kirstenbosch National Botanical Gardens			447,000	-
The Garden Route	325,000	284,000	402,000	41.5%
Clifton Beach			374,000	-

ATTRactions AND LANDMARKS VISITED BY TOURISTS IN SOUTH AFRICA, 2014-2016				
Attraction/Landmark	2014	2015	2016	15/16 % Change
Robben Island	291,000	317,000	337,000	6.3%
Kruger Park	246,000	242,000	294,000	21.5%
Apartheid Museum	227,000	208,000	262,000	26.0%
Tsitsikamma National Park			250,000	-
Eastgate Mall	86,000	17,000	233,000	1270.6%
Mandela House (Soweto)	1,000		227,000	-
Cape Town Ostrich Ranch/Cape Point Ostrich Farms	119,000	144,000	226,000	56.9%
Karoo National Park		101,000	193,000	91.1%
Tour of Soweto	157,000	173,000	212,000	22.5%

Source: SA Tourism, 2017

1.6.2. Organisational environment

The following section provides an overview of the Agency's risk analysis given the expansion of the Agency's mandate.

Political Risks

According to World Economic Forum's Global Competitiveness Index (2017/2018) report, South Africa remains one of the region's most competitive economies, ranking 61st out of 137 countries assessed globally in the annual survey. That said, in 61st place the country was some 14 positions lower in the overall rankings compared to the 2016/2017 WEF GCI results, with corruption, crime and theft, and government instability cited as the primary reasons for this. Regionally Mauritius topped the rankings in 45th place, followed by Rwanda in 58th position.

Other concerns raised by potential investors include policy uncertainties, including those surrounding the revised mining charter which was published in June 2017 and which has the potential to further undermine the already weak investor sentiment in this key sector. Ongoing socio-economic issues also remain of concern, including labour reform and property/land ownership issues. There is a dire need for greater transparency and policy certainty if South Africa is to successfully regain business confidence investors interest. The recent inauguration of President Cyril Ramaphosa on 15 February has ushered in new hope and optimism both locally and on the international front, which collectively bode well for both investor confidence as well as for the stability of the political landscape in South Africa.

Economic Risks

Macroeconomic risks

One of the greatest challenges posed by 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 bode well for the country however, assuming that newly-elected President Cyril Ramaphosa can maintain the confidence that he has instilled in investors and consumers in recent weeks.

Investment promotion activities have also been impacted by perception issues around South Africa as an investment destination. Again however, recent political developments could well have been the defining moment in terms of changing these perceptions for the better, which in turn bodes positively for all aspects of the economy; including economic growth.

Risks in the global economy

The upturn in global economic growth seen since mid-2016 continues, with global economic output rising to an above-consensus 3.7% in 2017 – the highest level since 2011. Encouragingly, this upturn was broad-based, with some 120 economies, who collectively account for three quarters of world GDP, recording a pick-up in growth in year-on-year terms in 2017.

Prospects remain bright, with global output forecast to rise further to 3.9% in 2018 where it will remain in 2019 according to the International Monetary Fund (IMF) – or 4% according to Goldman Sachs – as global economic activity continues to firm up. Underpinning this will be strong and synchronised global growth momentum, with the US and 'Euro area' having robust business and consumer confidence. This will likely continue, with both likely to exceed 2% growth in 2018. Asia – excluding Japan – should once again be the fastest growing region in the world, while Africa and Latin America should continue to recover from 2016 lows. Notwithstanding the benefits of rising global growth, growth is still below the 4.2% average seen in the 10 years before the global financial crisis. A significant amount still needs to be done to get back to those levels.

In terms of key risks to these short-term outlooks, these include a harder landing in China's economy, a swifter normalisation of monetary policy in developed economies, geopolitical stress and heightened protectionism.

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 success achieved under various trade pacts and agreements, non-tariff barriers and tariff barriers to South African exports remain a challenge.

The Western Cape 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. That said, the African Growth and Opportunity Act (AGOA), which provides duty free access for close on 6,500 tariff lines to the US for select, eligible countries and products has had a significant impact on promoting sub-Saharan Africa – US bilateral trade, including South Africa.

However, post 2025, what lies ahead for trade relations between the US and Africa, when AGOA likely ends? While there has been no formal indication from the US that the programme will not be renewed post 2025, the consensus view is that it will not be. Key reasons for this assumption include a rapidly changing global trade environment, which is increasingly affecting the US-Africa trade relationship, and 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 US and Africa. Determining a new and appropriate strategy for trade and investment relations between South Africa (and Africa) and the US post-2025 remains a key consideration.

Social Risks

The Western Cape is dependent on domestic tourism during the off-peak season, with this being a key factor in combatting seasonality. The domestic tourism environment also faces difficulties as these tourists are vulnerable to inflation, and fuel and electricity price increases.

On the trade front, increasingly sophisticated consumers in the rest of Africa have placed pressure on Western Cape exporters to meet their heightened demand for higher quality products. The price awareness of these consumers has also been improved by access to the internet. Furthermore, a slower-than-anticipated economic growth rate in China may well thwart the anticipated rise in the Chinese consumer class, which on its own has consequences for global economic growth.

Technological Risks

The most significant technological risks to Wesgro includes: a) a slower-than-planned rollout of advanced broadband infrastructure and speed than forecast by the Western Cape Broadband Initiative; and b) the price of internet access being higher than other economies. 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 remains inadequate'.

Environmental Risks

The greatest environmental risk at present is the scarcity of water, which is greatly affecting farmers across the country, and the Western Cape in particular. Should the current drought and water shortage continue unabated, this could pose a risk to the country's economic growth. The province is a major agricultural exporter, and as such, is required to produce agricultural goods of export grade quality. The poor crops and yield anticipated during this season could severely impact agricultural exports. Further to this, the water scarcity also stands to affect Wesgro's ongoing efforts in terms of securing FDI, in the agri-business sector in particular.

Further to this, an analysis of Wesgro's key strengths, weaknesses, opportunities was conducted to assist the Agency in developing its priorities for the next five years. The analysis is presented in the table below:

Strengths	Weaknesses
<ul style="list-style-type: none"> • Sector and market specialists in the trade and investment teams • Strong research capability • The Exporter Advancement Programme (EAP) is well regarded and nationally recognised as the best programme • Solid governance and financial control • Highly responsive to stakeholder needs • Strong relationships with national departments such as the DTI • Strong relationships with provincial departments such as DOTP, DEDAT, DEADP • Strong relationships with local government such as CoCT and other municipalities across the Western Cape • Wesgro has a long history and a fast-developing brand • The tourism website is highly attractive and tourist oriented 	<ul style="list-style-type: none"> • Business units often operate in silos despite improvements in this area • Contact management is often lacking, databases are not maintained and consolidated nor are they shared Agency wide • The Agency is financially under-resourced to develop to its full potential • The PFMA is too onerous regarding procurement, planning and reporting resulting in a heavily bureaucratic environment • Poor salaries in relation to private sector resulting in staff attrition and deters talent from applying to work at the Agency • Unclear definition of Wesgro's institutional role
Opportunities	Threats
<ul style="list-style-type: none"> • Improved knowledge management could lead to greater lead generation and enhanced client management • A vastly improved website can generate greater trade and investment leads • Creating a balance between working with small and large businesses can lead to improved value chains in the local economy, business mentorship and a greater impact of programmes • Improved financial resourcing could assist the Agency in engaging in high impact activities and improving its value proposition • An ability to offer increased salaries as a result of improved financial resourcing can assist the Agency to access a larger talent pool 	<ul style="list-style-type: none"> • Deteriorating South African investment climate • Insecure and unreliable energy supply • Exchange rate fluctuations • The political environment nationally creates constraints for investors and tourists in particular • The perception of Wesgro as an Agency that adds value to business is always under scrutiny and can impact on funding • Budgeting on an annual basis despite a three year planning cycle makes the execution of medium-term projects practically impossible to develop or implement • Being flexible and accepting of new and additional mandates can create uncertainty in the market and internally, as well as draining on financial and human resources if the mandates, do not come with adequate funding • Drought and water scarcity in the Western Cape

1.6.2.1. Organisational structure

Wesgro is a public entity as envisaged in the PFMA and is managed by a Board of Directors appointed by 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. Ashraf Ameen	Director
Mr. Ian Bartes	Chairperson of the Audit, IT and Risk Committee/Director
Ms. Andrea Böhmer	Director
Mr. Paul Bannister	Director
Mr. David Green	Director
Cllr. Marius Koen	Director
Ms. Palesa Morudu	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
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

1.6.2.1.1. Number of employees listed and vacancies indicated

The following table highlights the vacancies within the organisation.

Employment and Vacancies			
Salary band	Number of posts	Number of positions filled	Vacancies
Executive Management	4	4	0%
Senior Management	10	10	0%
Middle Management	25	24	4%
Assistant Management	20	16	20%
Administrators	18	17	6%
Interns	5	3	40%
Additional Staff			
Temporary Staff	0	0	0%
Projects (Air Access, CTHP)	12	10	17%
Total	94	84	11%

1.6.2.1.2. Organogram



1.7. The strategic planning process

The Wesgro Act, 1996, as amended, informed the Annual Performance Plan aligned to Provincial and National priorities, which govern the Agency. Engagement sessions were held with senior managers to identify priorities and develop well defined indicators and “SMART” targets. Further to this, consultations with the Department of Economic Development and Tourism and the City of Cape Town were held during the development of this plan.

1.8. Strategic outcome orientated goals of the Agency

Strategic outcome oriented goal	
Strategic goal	The stimulation, facilitation and increase of economic growth and job creation through tourism promotion, trade promotion and investment promotion in the Western Cape province.
Goal statement	<p>It is envisaged that the Agency will achieve the following deliverables over the period extending from 2015/16 to 2019/20;</p> <ul style="list-style-type: none"> • To market Cape Town and the Western Cape as the tourism destination to increase international and domestic tourists, • To recruit and facilitate between R5,3bn and R9,4bn direct investment in to the Province, • To recruit and facilitate between R2,5bn – R4,7bn Outward Foreign Direct Investment (OFDI) business deals and between R512m-R1,23bn worth of trade promotion business deals and facilitate between 718 – 1 343 jobs; and • To build a strong regional economic brand that positions the Cape as an inspiring place to do business.
Baseline	A total of R2 ,1bn was committed during the 2016/17 year, facilitating a total of 696 jobs. In addition, of the Agency secured 41 business agreements, with an export value of R9,04bn, resulting in 781 jobs. Furthermore, R507million in Outward Foreign Direct investment was committed. With regards to destination marketing the Agency supported 14 tourism marketing activities, with an estimated economic value of R428,3m.
Justification	Wesgro plays a pivotal role in investment and trade promotion, and marketing Cape Town and the Western Cape as a tourism destination.
Links	The goal is linked to Provincial Strategic Goal 1: “Create opportunities for growth and jobs”, and the strategic objectives of the Department of the Economic Development and Tourism and the City of Cape Town. Further to this the goal is linked to the Wesgro Act.

1.9. Overview of 2018/19 budget and MTEF estimates

Budget overview

High Level Budget: Wesgro

HIGH LEVEL BUDGET						
DESCRIPTION	BUDGET	ADJUSTMENT BUDGET 2017/18	2018/19	OUTER MTEF YEARS		
	2017/18			2019/20	2020/21	2021/22
	R'000	R'000	R'000	R'000	R'000	R'000
STAFF REMUNERATION	34,931	34,931	37,108	39,153	41,328	42,411
DEPARTMENTAL EXPENSES (A+B)	51,991	55,741	69,789	69,588	72,305	52,343
Overheads (A)	15,030	16,780	34,139	33,084	34,767	19,106
Programmes (B)	36,961	38,961	35,650	36,504	37,538	33,237
Capital Expenditure	0	0	0	0	0	0
TOTAL EXPENSES	86,922	90,672	106,897	108,741	113,633	94,754
Staff Complement	87	87	87	90	90	90

High level budget: Trade and Investment Promotion

HIGH LEVEL BUDGET						
DESCRIPTION	BUDGET	ADJUSTMENT BUDGET 2017/18	2018/19	OUTER MTEF YEARS		
	2017/18			2019/20	2020/21	2021/22
	R'000	R'000	R'000	R'000	R'000	R'000
STAFF REMUNERATION	19,770	19,770	20,597	21,710	22,884	24,257
DEPARTMENTAL EXPENSES (A+B)	18,119	18,119	18,064	19,272	19,401	18,028
Overheads (A)	8,053	8,053	8,390	8,081	7,769	7,769
Programmes (B)	10,066	10,066	9,674	11,191	11,632	10,259
Capital Expenditure		0		0		0
TOTAL EXPENSES	37,889	37,889	38,661	40,982	42,285	42,285
Staff Complement	73	73	73	76	76	76

High Level Budget for Destination Marketing

HIGH LEVEL BUDGET						
DESCRIPTION	BUDGET	ADJUSTMENT BUDGET 2017/18		OUTER MTEF YEARS		
	2017/18		2018/19	2019/20	2020/21	2021/22
	R'000	R'000	R'000	R'000	R'000	R'000
STAFF REMUNERATION	13,871	13,871	14,317	15,098	15,921	16,876
DEPARTMENTAL EXPENSES (A+B)	3,910	3,910	3,464	4,504	5,571	4,616
Overheads (A)	3,910	3,910	3,464	4,504	5,571	4,616
Programmes (B)						
Capital Expenditure		0	0	0	0	
TOTAL EXPENSES	17,781	17,781	17,781	19,602	21,492	21,492
		0				
Staff Complement	14	14	14	14	14	14

High Level Budget for Destination Marketing: Project Khulisa

HIGH LEVEL BUDGET						
DESCRIPTION	BUDGET	ADJUSTMENT BUDGET 2017/18		OUTER MTEF YEARS		
	2017/18		2018/19	2019/20	2020/21	2021/22
	R'000	R'000	R'000	R'000	R'000	R'000
STAFF REMUNERATION						
DEPARTMENTAL EXPENSES (A+B)	14,745	14,445	14,745	14,745	14,745	14,745
Overheads (A)						
Programmes (B)	14,745	14,445	14,745	14,745	14,745	14,745
Capital Expenditure		0	0	0	0	
TOTAL EXPENSES	14,745	14,445	14,745	14,745	14,745	14,745
Staff Complement	0	0	0	0	0	0

High Level Budget for Other Projects

HIGH LEVEL BUDGET						
DESCRIPTION	BUDGET	ADJUSTMENT		OUTER MTEF YEARS		
	2017/18	BUDGET 2017/18		2018/19	2019/20	2020/21
	R'000	R'000	R'000	R'000	R'000	R'000
STAFF REMUNERATION	1,290	1,290	2,194	2,345	2,523	1,278
DEPARTMENTAL EXPENSES (A+B)	15,217	19,267	33,516	31,067	32,588	14,954
Trade and Investment	3,067	4,817	22,285	20,499	21,427	6,721
DMO	12,150	14,450	11,231	10,568	11,161	8,233
Capital Expenditure		0	0	0	0	
TOTAL EXPENSES	16,507	20,557	35,710	33,412	35,111	16,232
		0				
Staff Complement	3	3	3	3	3	3

Summary of payments and estimates

Programme R'000		Outcome			Estimated outcome 2017/18	Medium-term estimate		
		Audited 2014/15	Audited 2015/16	Audited 2016/17		2018/19	2019/20	2020/21
1,	Administration	4 976	2 747	5 555	4 231	3 990	4 701	4 782
2,	Corporate Services	8 006	7 169	14 480	10 859	11 826	11 702	11 584
3,	Investment	3 511	3 766	4 582	5 439	5 601	6 103	6 384
4,	Trade	4 723	4 515	6 934	8 749	8 027	8 320	8 936
5,	Wesgro IQ	2 968	2 073	3 342	3 257	3 394	3 954	3 991
6,	Marketing and Communication	3 888	4 365	5 141	5 354	5 823	6 203	6 608
7,	DMO: Integrated Marketing	19 178	27 308	17 919	17 781	17 781	19 602	21 492
	Total payments and estimates	47 250	51 943	57 953	55 670	56 442	60 585	63 777

Summary of provincial payments and estimates by economic classification

Summary of provincial payments and estimates by economic classification: Western Cape Tourism, Trade and Investment Promotion Agency								
Economic classification R'000		Outcome			Estimated outcome	Medium-term estimate		
		Audited	Audited	Audited				
		2014/15	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21
	Expenses							
	Current expense	46 346	48 583	57 953	55 670	56 442	60 585	63 777
	Compensation of employees	22 793	24 870	25 527	33 640	34 914	36 807	38 806
	Salary & Wages	19 862	22 054	23 162	31 896	33 153	35 062	37 032
	Basic salary	18 654	20 452	21 898	30 301	31 338	33 251	35 130
	Performance rewards	1 208	1 602	1 264	1 595	1 815	1 811	1 902
	Social Contributions (employer contributions only)	2 931	2 816	2 365	1 744	1 761	1 745	1 774
	Pension	2 292	2 248	1 749	1 283	1 265	1 252	1 292
	Medical	464	397	340	340	374	374	362
	UIF	98	93	98	121	122	119	120
	Use of goods and services	24 672	24 772	26 033	21 724	20 137	22 641	23 766
	Advertising	1 149	1 981	1 564	2 171	1 764	1 742	2 073
	Advertising of posts	114	69	139	180	59	90	61
	Gifts and Promotional items	461	324	227	200	200	286	297
	Advertising (marketing)	574	1 588	1 198	1 791	1 505	1 366	1 715
	Audit Fees	1 300	2 210	1 817	1 590	1 947	1 840	1 670
	Internal	213	902	744	561	1 024	1 180	1 100
	External	1 087	1 308	1 073	1 029	923	660	570
	Bank charges	82	81	146	79	85	96	99
	Board Costs	485	386	402	410	443	480	498
	Board - Remuneration	461	354	396	410	443	480	498
	Board - Subsistence	24	32	6				
	Bursaries (employees)							
	Catering services	91	58	105	125	87	113	107
	Communication	1 064	1 166	958	643	728	724	334
	Telephone	735	1 015	780	634	720	720	332
	Cellphones	239	127	169	8	7	3	1
	Postage & Courier	90	24	9	1	1	1	1
	Other							
	Computer services	610	754	372	766	742	1 152	1 167
	SITA services							
	External service providers	610	754	372	766	742	1 152	1 167
	Consultants, contractors and special services	8 862	6 782	8 254	4 934	3 969	4 442	4 454
	Consultants	5 747	6 140	6 565	2 130	1 972	1 945	1 832
	Contractors and special services	3 115	642	1 689	2 804	1 997	2 497	2 622
	General Expenses	204	256	832	1 568	1 218	1 308	1 180
	Conference Expenditure	223	386	799	512	400	534	701
	Photographic services	70		58	44	60	80	90
	Venues and facilities	2 618			680	319	575	651
	Other special services							
	Entertainment	503	16	146				
	Equipment less than Capitalisation threshold	18	2	4	6	6	6	6
	Inventory	1 503	1 692	1 777	2 022	2 144	2 859	2 649
	Consumables							
	Fuel, oil and gas	61	41	69	48	56	60	54
	Parts and other maintenance material			40				

**Summary of provincial payments and estimates by
economic classification:
Western Cape Tourism, Trade and Investment Promotion Agency**

Economic classification R'000		Outcome			Estimated outcome	Medium-term estimate		
		Audited	Audited	Audited				
		2014/15	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21
	Stationary and printing	405	385	213	90	154	134	134
	Subscriptions	1 037	1 266	1 455	1 884	1 934	2 665	2 461
	Other							
	Legal fees	228	399	144	196	127	252	108
	Losses / (Profits)	(43)	(24)	(49)	2	1	2	2
	Losses due to Fraud							
	On Sale of Assets	(48)	(21)	(64)	1		1	1
	Forex	5	(3)	15	1	1	1	1
	Other							
	Maintenance and repairs	1 179	22	300	542	66	221	296
	Buildings	1 067		256	515	44	196	260
	Equipment	104	22	44	27	22	25	36
	Other	8						
	Operating leases	3 014	3 862	4 665	3 804	3 361	3 595	5 177
	Rent-buildings	2 753	3 380	3 602	3 207	2 758	2 955	3 995
	Rent-equipment	261	482	1 063	597	603	640	1 182
	Other							
	Printing and publication	187	515	462	200	190	180	205
	Professional bodies and membership fees	558	938					
	Travel and Subsistence	3 608	3 575	3 083	3 815	4 043	4 417	4 364
	Air Travel - Air Tickets (Domestic)	532	368	191	215	337	372	369
	Air Travel - Air Tickets (International)	868	1 542	2 139	2 115	2 585	2 558	2 528
	Accommodation - Domestic	479	151	65	551	486	644	712
	Accommodation - International	596	770	607	792	531	729	655
	Entertainment	11		2				
	Other	1 122	744	79	142	104	114	100
	Training and staff development	231	357	555	419	434	520	557
	Depreciation and amortisation	(1 119)	(1 059)	6 393	306	1 391	1 137	1 205
	Leasehold Improvements	(1 900)	(2 118)	5 280		490	315	365
	Computer equipment	203	275	232	75	152	282	304
	Furniture and Office equipment	249	333	338	90	310	182	178
	Other Machinery and equipment	101	129	107	55	124	84	88
	Crockery and Cutlery							
	Transport Assets	115	110	278	23	157	130	130
	Computer Software	113	212	158	63	158	144	140
	Transfers and subsidies	904	3 360					
	Non-profit institutions	904	3 360					
	Total expenses	47 250	51 943	57 953	55 670	56 442	60 585	63 777
	Other Machinery and equipment	101	129	107	55	75	34	29
	Transport Assets	115	110	278	23	56	19	19
	Computer Software	113	212	158	63	63	29	25
	Transfers and subsidies	904	3 360					
	Non-profit institutions	904	3 360					
	Total expenses	47 250	51 943	57 953	55 670	56 548	66 198	69 903

1.10. Relating expenditure trends to strategic goals

The global economic climate placed pressure on maintaining the past performance of attracting foreign visitor arrivals, foreign direct investment (FDI) and exports. Growth during 2015 has shown little improvement with quarterly year-on-year growth rates only a few decimal points higher than 2014 growth rates. During Q1 2016 the South African economy's year on year real gross domestic product contracted by 0.2%. The South Africa's Reserve Bank has forecast 0% growth for 2016, 1.5% in 2017 and 1.7% in 2018.

The operational budget for the Agency has allocation declined over the past two financial years. Management has embarked on a process of robust consultation with the stakeholders to secure additional funding. With the tightening of belts nationally and provincially the Agency had not been able to secure additional funding; however the Agency remains committed to delivering on its mandate.





2. Part B: Programme and sub-programme plans

2.1. 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.

Programme structure

Sub-programme 1.1: Financial management

Effective financial management is aimed at ensuring the upholding of the legislative requirements of the Agency. The sub-programme of financial management will also ensure 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 also has to comply with the Public Finance Management Act 1 of 1999 and the Public Service Act. Wesgro is compelled 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 is maintained and visible.

The corporate services programme has a focus 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 will ensure that the Agency becomes the employer of choice and maintain an excellent, talented and skilled workforce. A priority is to attract, recruit and retain staff by creating a culture and climate conducive to sustain a motivated workforce. Further to this, the sub-programme will ensure all legislative compliance with regards to human resource management.

Sub- programme 1.4: Monitoring and Evaluation

This sub-programme is responsible for the implementation and management of reporting systems, which must comply with the guidelines set in the Treasury Regulations, the Public Finance Management Act (PFMA) and the Municipal Finance Management Act (MFMA). The sub-programme is also responsible for the timely and accurate delivery of monthly, quarterly, and annual reports to stakeholders.

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.

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. 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 is maintained and visible.

Effective financial management is aimed at ensuring the upholding of the legislative requirements of the Agency. The sub-programme of financial management will also ensure that the necessary resources to efficiently run core operations are provided.

2.1.1. Strategic objectives

Sub-programme 1.1: Financial management

Strategic objective table	
Strategic objective	Attain and maintain a high-level Financial Management Capability over 5 years.
Objective statement	The identification and implementation of interventions to assist the Agency in adapting to the renewed financial standards and maintain a clean audit opinion.
Baseline	The Agency achieved clean audit for the 2016/17 financial year.
Justification	The concept of value for money has become an integral part of the strategic and operational activities. Corporate Services identifies and implements intervention 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 III and PSG 5: Embed good governance and integrated service delivery through partnerships and spatial alignment.

Sub-programme 1.2: IT and Administrative services

Strategic objective table	
Strategic objective	To achieve the maximum benefit from information technology innovations, increasing research capability, and delivering efficiencies in support of administrative functions.
Objective statement	To provide secure, effective information systems that support efficient, streamlined and consistent business processes and provide high-quality information.
Baseline	The Agency experienced downtime for 52 hours during the previous financial year.
Justification	The concept of value for money has become an integral part of the strategic and operational activities. Corporate Services identifies and implements intervention 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 III and PSG 5: Embed good governance and integrated service delivery through partnerships and spatial alignment.

Sub-programme 1.3: Human Resources Management

Strategic objective table	
Strategic objective	To create a culture and climate to attract, sustain and retain a motivated, talented and skilled workforce and ensure that the Agency becomes the employer of choice.
Objective statement	To ensure timeous application of the staff appraisal system annually and to assist in the increase of staff moral to 80% during the five year cycle.
Baseline	The Agency achieved 80% in the climate and employee satisfaction surveys conducted.
Justification	The implementation of human resource interventions will contribute to the creation of a culture conducive to the retention of a motivated workforce and to retain intellectual property. Further to this, ensuring the optimal adoption of HR policies, related policies and procedures.
Links	This objective is linked to the Public Service Act, 1994, Public Service Regulations, 2001; Labour Relations Act, 1995; Employment Equity Act, 1998; Basic Conditions of Employment Act, 1997; PFMA, King III, and PSG 5: Embed good governance and integrated service delivery through partnerships and spatial alignment.

Sub programme 1.4: Wesgro Monitoring and Evaluation

Strategic objective table	
Strategic objective	To ensure that an effective monitoring and evaluation system is implemented and aligned to the legislative and regulatory prescripts pertaining to performance management.
Objective statement	To ensure the timeous delivery of quarterly and annual reports to stakeholders as legislatively required.
	The development and timeous delivery of the Agency's corporate plans as legislatively required.
Baseline	A total of four quarterly reports, one annual report and our corporate plans were timeously submitted.
Justification	To ensure the implementation of sound corporate governance practices
Links	This objective is linked to the Agency's five-year strategic plan and PSG 5: Embed good governance and integrated service delivery through partnerships and spatial alignment.

2.1.2. Programme performance indicators and annual targets

Strategic objective annual targets for 2018/19 (Outcome indicators)

No.	Strategic objective indicator	Strategic plan target	PSG	Audited/Actual performance			Estimated performance 2017/18	Medium-term targets	
				2014/15	2015/16	2016/17		2018/19	2019/20
1.1	Enhance financial accountability through compliance with all prescribed financial regulations and guidelines		5	-		100%	100%	100%	100%
1.2	Maintain and enable a reliable and stable network infrastructure through a maximum of four hours of downtime during working hours	4 hours downtime	5	51 minutes 10 seconds downtime	9 hours downtime	52 hours downtime	4 hours downtime	4 hours downtime	4 hours downtime
1.3	Management of staff morale within the Agency by conducting regular climate surveys	80%	5	-	-	80%	70%	75%	80%
1.4	Compliance with all legislative and regulatory prescripts pertaining to performance management through the submission of performance reports	5	5	4	4	5	5	5	5

Annual Performance Targets for 2018/19 (Output indicators)

Sub-programme 1.1: Financial management

No.	Programme performance indicator	PSG	Audited/Actual performance			Estimated performance 2017/18	Medium-term targets	
			2014/15	2015/16	2016/17		2018/19	2019/20
1.1.1	Number of revenue and projection reports submitted to stakeholders	5	12	12	10	12	12	12
1.1.2	Number of days taken to process payments made to creditors from date of receipt	5	30 days	30 days	30 days	30 days	30 days	30 days
1.1.3	Average turnaround time for approval of workflows from date of receipt	5	2.3 days	2.8 days	2.5 days	3 days	3 days	3 days
1.1.4	Outcome of the external audit for the previous financial year	5	Unqualified external audit report	Clean external audit report	Clean external audit opinion	Clean external audit opinion	Clean external audit opinion	Clean external audit opinion

Sub-programme 1.2: IT and Administrative services

No.	Programme performance indicator	PSG	Actual/Audited performance			Estimated performance 2017/18	Medium-term targets	
			2014/15	2015/16	2016/17		2018/19	2019/20
1.2.1	Average maximum downtime during working hours	5	51 minutes 10 seconds-downtime	9 hours downtime	52 hours downtime	4 hours downtime	4 hours downtime	4 hours downtime
1.2.2	Average turnaround time for responding to logged desktop support IT queries	5	-	-	24 hours	24 hours	24 hours	24 hours

Sub programme 1.3: Human Resource Management

No.	Programme performance indicator	PSG	Actual/Audited performance			Estimated performance 2017/18	Medium- term targets	
			2014/15	2015/16	2016/17		2018/19	2019/20
1.3.1	Results achieved based on the outcome of the climate and employee satisfaction surveys conducted	5	-	-	80%	70%	75%	80%
1.3.2	Implementation of the staff performance management system	5	-	-	Complete	Sign-off of new performance agreements by April 2017	Sign-off of new performance agreements by May 2018	Sign-off of new performance agreements by May 2019

Sub programme 1.4: Monitoring and Evaluation

No.	Programme performance indicator	PSG	Actual/Audited performance			Estimated performance 2017/18	Medium- term targets	
			2014/15	2015/16	2016/17		2018/19	2019/20
1.4.1.	Number of performance reports submitted by the deadline as legislatively required	5	5	5	5	5 performance reports submitted	5 performance reports submitted	5 performance reports submitted
1.4.2	Number of corporate plans submitted by the deadline as legislatively required	5	7	4	4	3	3	3

Quarterly targets for 2018/19 (Output indicators)

Sub-programme 1.1: Financial management

No.	Programme performance indicator	PSG	Reporting period	Annual target 2018/19	Quarterly targets			
					1 st	2 nd	3 rd	4 th
1.1.1	Number of revenue and projection reports submitted to stakeholders	5	Quarterly	12	3	3	3	3
1.1.2	Number of days taken to process payments made to creditors from date of receipt	5	Quarterly	30 days	30 days	30 days	30 days	30 days
1.1.3	Average turnaround time for approval of workflows from date of receipt	5	Quarterly	3 days	3 days	3 days	3 days	3 days
1.1.4	Outcome of the external audit for the previous financial year	5	Annually	Clean external audit opinion	-	Clean external audit opinion	-	-

Sub-programme 1.2: IT and Administrative Services

No.	Programme performance indicator	PSG	Reporting period	Annual target 2018/19	Quarterly targets			
					1 st	2 nd	3 rd	4 th
1.2.1	Average maximum downtime during working hours	5	Quarterly	4 hours downtime	1 hour downtime	1 hour downtime	1 hour downtime	1 hour downtime
1.2.2	Average turnaround time for responding to logged desktop support IT queries	5	Quarterly	24 hours	24 hours	24 hours	24 hours	24 hours

Sub-programme 1.3: Human Resource Management

No.	Programme performance indicator	PSG	Reporting period	Annual target 2018/19	Quarterly targets			
					1 st	2 nd	3 rd	4 th
1.3.1.	Results achieved based on the outcome of the climate and employee satisfaction surveys conducted	5	Annually	75%	-	-	-	75%
1.3.2.	Implementation of the staff performance management system	5	Annually	Sign-off of new performance agreements May 2018	Sign-off of new performance agreements May 2018	-	-	-

Sub-programme 1.4: Monitoring and Evaluation

No.	Programme performance indicator	PSG	Reporting period	Annual target 2018/19	Quarterly targets			
					1 st	2 nd	3 rd	4 th
1.4.1	Number of performance reports submitted by the deadline as legislatively required	5	Quarterly	5 performance reports submitted	1	2	1	1
1.4.2	Number of corporate plans submitted by the deadline as legislatively required	5	Quarterly	3	-	1	1	1

2.1.3. Reconciling performance targets with the budget and MTEF

Summary of payments and estimates: Programme 2: Corporate Services

Summary of payments and estimates: Programme 2: Corporate Services Western Cape Tourism, Trade and Investment Promotion Agency								
Programme R'000		Outcome			Estimated outcome	Medium-term estimate		
		Audited	Audited	Audited				
		2014/15	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21
1,	Corporate Services	8 006	7 169	14 480	10 859	11 826	11 702	11 584
	Total payments and estimates	8 006	7 169	14 480	10 859	11 826	11 702	11 584

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

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				
		2014/15	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21
	Expenses							
	Current expense	8 006	7 169	14 480	10 859	11 826	11 702	11 584
	Compensation of employees	4 898	2 453	2 398	2 805	3 436	3 620	3 815
	Salary & Wages	4 506	2 170	2 072	2 693	3 277	3 497	3 687
	Basic salary	3 324	2 016	1 893	2 560	3 068	3 339	3 527
	Performance rewards	1 182	154	179	133	209	158	160
	Social Contributions (employer contributions only)	392	283	326	112	159	123	128
	Pension	237	158	180	70	90	74	79
	Medical	63	38	46	30	56	36	36
	UIF	15	9	11	12	13	13	13
	Use of goods and services	4 326	6 135	6 199	7 748	7 411	7 446	7 074
	Advertising	114	44	167	55	59	60	61
	Advertising of posts	114	44	107	55	59	60	61
	Advertising (marketing)			60				
	Audit Fees	469	1 425	928	1 466	1 427	1 263	874
	Internal	106	614	352	561	624	780	500
	External	363	811	576	905	803	483	374
	Bank charges	41	28	95	28	85	45	48
	Board Costs	24	32	6				
	Board - Subsistence	24	32	6				
	Catering services	18	57	78	25	30	30	30
	Communication	436	644	560	326	728	723	334
	Telephone	371	517	393	318	720	720	332
	Cellphones	59	127	166	7	7	2	1

**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				
		2014/15	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21
	Postage & Courier	6		1	1	1	1	1
	Other							
	Computer services	169	65	1 328	382	742	820	735
	SITA services							
	External service providers	169	65		382	742	820	735
	Consultants, contractors and special services	620	625	814	2 337	1 835	2 094	1 979
	Consultants	541	501	643	1 386	917	1 086	899
	Contractors and special services	79	124	171	951	918	1 008	1 080
	General Expenses	34	124	171	951	918	1 008	1 080
	Conference Expenditure	45						
	Equipment less than Capitalisation threshold	18	2	4	6	6	6	6
	Inventory	228	97	208	93	336	174	173
	Fuel, oil and gas	35	20	47	24	56	34	26
	Stationery and printing	137	64	75	50	154	94	94
	Subscriptions	56	13	86	19	126	46	53
	Legal fees	185	129	86	98	127	150	
	Losses / (Profits)	(44)	(23)	(50)	1	1	1	1
	On Sale of Assets	(49)	(20)	(65)				
	Forex	5	(3)	15	1	1	1	1
	Maintenance and repairs	514	10	106	428	66	57	91
	Buildings	486		74	414	44	45	68
	Equipment	20	10	32	14	22	12	23
	Other	8						
	Operating leases	1 293	2 872	1 503	2 187	1 553	1 608	2 277
	Rent-buildings	1 122	2 585	991	1 590	950	1 055	1 595
	Rent-equipment	171	287	512	597	603	553	682
	Professional bodies and membership fees		14					
	Travel and Subsistence	35		19	14	33	15	15
	Air Travel - Air Tickets (Domestic)	1		12	7	26	9	9
	Air Travel - Air Tickets (International)	11						
	Accommodation - Domestic				5	5	5	5
	Accommodation - International	22						
	Other	1		7	2	2	1	1
	Training and staff development	206	114	347	302	383	400	450
	Depreciation and amortisation	(1 218)	(1 419)	5 883	306	979	636	695
	Leasehold Improvements	(1 900)	(2 118)	5 280		490	315	365
	Computer equipment	141	179	126	75	76	176	198

**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				
	2014/15	2015/16	2016/17		2018/19	2019/20	2020/21
Furniture and Office equipment	230	235	219	90	219	63	59
Other Machinery and equipment	88	55	48	55	75	34	29
Transport Assets	115	110	167	23	56	19	19
Computer Software	108	120	43	63	63	29	25
Total expenses	8 006	7 169	14 480	10 859	11 826	11 702	11 584
Other	1		7	2	2	1	1
Training and staff development	206	114	347	302	383	400	450
Depreciation and amortisation	(1 218)	(1 419)	5 883	306	979	636	695
Leasehold Improvements	(1 900)	(2 118)	5 280		490	315	365
Computer equipment	141	179	126	75	76	176	198
Furniture and Office equipment	230	235	219	90	219	63	59
Other Machinery and equipment	88	55	48	55	75	34	29
Transport Assets	115	110	167	23	56	19	19
Computer Software	108	120	43	63	63	29	25
Total expenses	8 006	7 169	14 480	10 859	14 457	13 578	12 669

2.1.4. 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 are regular staff feedback meetings, regular reporting on performance against targets to relevant stakeholders. In addition, strategic objectives are also directly linked to the performance agreements with staff.

2.2. 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.

2.2.1 Programme structure

Wesgro attracts direct investment to the Western Cape from international, national and local sources through 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
- Inward and outward missions
- Business facilitation

Investment facilitation aims to minimise delays in the investment process. Wesgro offers several investment facilitation services including:

- Promotion and facilitation of access to incentives/grants
- Site location
- Facilitation of accessing finance ('best-efforts' basis)
- Professional referral service
- Assistance for approval expedition
- Access to strategic networks
- Policy advocacy
- Strategic matchmaking

Aftercare

Through the aftercare programme, Wesgro aims to use the current pool of Wesgro investor clients, as well as current investors in the Western Cape, who have not used the Agency's services as a source of increased investment through the expansion of their business interests in the province. The commitment to business retention and expansion also implies a dedication to current investors in the ambit of facilitation and advocacy.

Advocacy

The aim of policy advocacy is to identify constraints to investment and alert decision-makers to the negative effects 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: Agri-business Investment Unit

The aim of the special projects programme is to manage key projects on behalf of our stakeholders. The Investment Promotion Unit manages the Agri-business Investment Unit as a project on behalf of the Department of Agriculture. The unit is responsible for locating new direct investments in the Western Cape Agri-Business sector, as well as retaining existing investments and supporting their expansions.

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. The methodology includes:

- Positioning Wesgro as the “first port of call” for investors – providing essential knowledge, access & 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; and
- Facilitating and securing investment into the region; and providing business retention and expansion services (aftercare) to existing investors.

Priority sectors

In line with Project Khulisa and our own research, Wesgro will concentrate its efforts on the following sectors:

- Agro-processing
- Oil & gas
- Manufacturing
- Green economy and renewable energy
- Hotel and real estate development: tourism
- Information and communication technology
- Pharmaceuticals and medical devices

Priority markets

In selecting and preparing for markets to promote the above sectors, as well as to facilitate Foreign Direct Investment, Wesgro has undertaken the following analysis:

- Analysis of the areas that most investments emanate from – “Source Market Analysis”;
- Analysis of the destinations attracting the most investments – “Destination Market Analysis”;
- Collate “Market Reports”, to understand the history of a market’s cross-border investment flows and trends;
- Analysing which businesses are being established by the leading outward investors in foreign markets;
- Industry-analysis by sector i.e. food & beverage and business activity i.e. retail;

- Identification of the Western Cape's competitive advantages and the benchmarking of those advantages to other emerging markets, based on operating expenditure; and
- Identification of strategic markets and collating a targeted list of leading active outward investors to present the Western Cape value proposition.



When operationalising investment promotion activities, Wesgro presents its strategic value proposition by establishing contact with key decision-makers at the relevant companies responsible for global business development. These global business development individuals or teams can be segmented into regions i.e. Middle East Africa, Asia Pacific (APAC) etc. When meeting the companies in the market place, Wesgro obtains and understands the company's expansion strategies and international ambitions to explore emerging markets. Specific focus is then given to South Africa as a potential investment destination. Individuals within the Investment Promotion unit are trained to interact and discuss international business with high-level executives. The following priority markets have been selected for the financial year under review;

- France
- United Kingdom
- China
- United Arab Emirates
- Malaysia
- Singapore
- USA
- India
- Hong Kong
- Italy
- Spain
- Saudi Arabia

The Investment Promotion Unit also expects to undertake a minimum of 4 strategic missions during the course of the financial year. These missions refer to missions undertaken with, or at the request of a Wesgro stakeholder (Western Cape Government, City of Cape Town) or National Government (the dti)

2.2.2. Strategic objectives

Strategic objective table	
Strategic objective	Facilitate investment and jobs into the Western Cape.
Objective statement	Recruit and facilitate between R5,3bn and R9,4bn in investment and between 2970 and 6240 jobs into the Western Cape within the next 5 years.
Baseline	A total of R2,1bn investments was committed creating a total of 696 jobs during the 2016/17 financial year.
Justification	The facilitation of 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 PSG 1: Creating opportunities for economic growth and jobs and Project Khulisa. Further to this, the objective is aligned to the National Development Plan Vision 2030 pertaining to economic growth and industry development.

2.2.3. Programme performance indicators and annual targets

Strategic objective annual targets for 2018/19 (Outcome indicators)

No.	Strategic objective indicators	Strategic plan target	PSG	Audited/Actual performance			Estimated performance 2017/18	Medium-term targets	
				2014/15	2015/16	2016/17		2018/19	2019/20
2.1	Rand value of committed investments in to the province	R5,3bn – R9,4bn	1	R1,9bn	R2,04bn	R2,12bn	R1,05bn – R1,8bn	R1,3bn – R2,1bn	R1,4bn – R2,3bn
2.2	Number of jobs facilitated from committed investments in to the province	2970 – 6240	1	1 187	681	696	600 – 1250	620 – 1300	640 – 1 370

Annual Performance Targets for 2018/19 (Output indicators)

No.	Programme performance indicator	PSG	Audited/Actual performance			Estimated performance 2017/18	Medium-term targets	
			2014/15	2015/16	2016/17		2018/19	2019/20
2.1.1	Number of investment projects realised	1	16	10	12	13	14	15

Quarterly targets for 2018/19

No.	Programme performance indicator	PSG	Reporting period	Annual target 2018/19	Quarterly targets			
					1 st	2 nd	3 rd	4 th
2.1.1	Number of investment projects realised	1	Quarterly	14	3	5	2	4

2.2.4. Special Projects: Agri-business Investment Promotion Unit (AIU)

The Agri-business Investment Unit is responsible for attracting and facilitating foreign and domestic direct investments into the Western Cape as well as retaining existing investments and supporting their expansions. The unit identifies and targets potential investors through proposition-based marketing in order to attract them to the Western Cape. The programme is comprehensive in that it is able to create a more conducive external environment while being able to service the investor's individual needs.

Situational analysis

The AIU is mandated to attract and facilitate foreign and domestic direct investment within the various sub-sectors of the agri-business sector. The team works to attract and facilitate foreign and domestic direct investment into the Western Cape and the City of the Cape Town. The methodology includes:

- Positioning Wesgro as the “first port of call”, both physical and psychological, providing essential knowledge, access & 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 research-driven outward and inward investment missions to promote the region; and
- Facilitating and securing investment into the region; and
- Providing business retention and expansion services (aftercare) to existing investors

Priority sectors

The Unit has realigned its priority sectors and markets with the national and provincial departments of Agriculture. To this end, both the Industrial Policy Action Plan and Project Khulisa strategies were key drivers in the sector selection process to ensure that the focus is aligned with national and provincial strategies. In line with Project Khulisa and national and provincial priorities, the Unit will concentrate its efforts and energy on the following sub-sectors:

- Food processing
- Beverages
- Aquaculture
- Agriculture (including ostrich farming, fruit and vegetables, beef and dairy)
- Horticulture (including viticulture and wine production)
- Medicinal, aromatics and flavourants (including essential oils)
- Rooibos and honeybush
- Capital equipment & industrial machinery (including cold storage)

The focus of the sub-sectors above will be broader, rather than too narrow and product-specific. Through its core service offering, however, the AIU is strategically positioned to provide impetus to Project Khulisa's implementation plan within the agri-processing sector in the following ways:

- Market the 'Halaal Parks' initiative via Wesgro's international investment channels in order to solicit investment into the region. The aim is to increase capacity in the Halaal supply chain, thereby growing the Western Cape's Halaal market share from 1% to 3%,
- Develop value propositions for multinational corporations to invest in the Western Cape's agri-processing sector in order to increase the local production of beneficiated goods. This will increase demand for entry into the Western Cape's agri parks, and
- Drive innovation and efficiency into the sector via the identification and attraction of new technologies into the sector.

Priority markets

In selecting and preparing for markets to promote the above sectors, as well as to facilitate foreign direct investment the AIU has undertaken the following analysis:

- Analysis of the areas that most investments emanate from – "Source Market Analysis";
- Analysis of the destinations attracting the most investments – "Destination Market Analysis";
- Collate "Market Reports", to understand the history of a market's cross-border investment flows and trends;
- Analysing which businesses are being established by the leading outward investors in foreign markets;
- Industry-analysis by sector i.e. Food & beverage and business activity i.e. retail;
- Identification of the Western Cape's competitive advantages and the benchmarking of those advantages to other emerging markets, based on operating expenditure; and
- Identification of strategic markets and collating a targeted list of leading active outward investors to present the Western Cape value proposition.



When operationalising investment promotion activities, Wesgro presents its strategic value proposition by establishing contact with key decision-makers at the relevant companies responsible for global business development. These global business development individuals or teams can be segmented into regions i.e. Middle East Africa, Asia Pacific (APAC) etc. When meeting the companies in the market place, Wesgro obtains and understands the company's expansion strategies and international ambitions to explore emerging markets. Specific focus is then given to South Africa as a potential investment destination. Individuals within the Investment

Promotion unit are trained to interact and discuss international business with high-level executives. The following priority markets have been selected for the financial year under review;

- United Kingdom
- USA
- Netherlands
- Japan
- Switzerland
- Singapore

The AIU also expects to undertake 4 strategic missions during the course of the financial year in alignment with the Halal Parks Initiative in order to solicit investment into the region.

2.2.4.1. Strategic objectives

Strategic objective table	
Strategic objective	Facilitate investment and jobs into the Western Cape.
Objective statement	Recruit and facilitate between R1,3bn and R1,9bn in investment and between 935 and 1290 jobs into the Western Cape within the next 5 years.
Baseline	A total of R735m investments was committed creating a total of 275 jobs during the 2016/17 financial year.
Justification	The facilitation of 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 PSG 1: Creating opportunities for economic growth and jobs, and Project Khulisa. Further to this, the objective is aligned to the National Development Plan Vision 2030 pertaining to economic growth and industry development.

2.2.4.2. Programme performance indicators and annual targets

Strategic objective annual targets for 2018/19 (Outcome indicators)

No.	Strategic objective indicators	Strategic plan target	PSG	Audited/Actual performance			Estimated performance 2017/18	Medium-term targets	
				2014/15	2015/16	2016/17		2018/19	2019/20
2.4.1	Rand value of committed investments in the agri-business sector in to the province	R1,3bn – R1,9bn	1	R225m	R315m	R735m	R300m – R420m	R300m – R420m	R300m – R420m
2.4.2	Number of jobs facilitated from committed investments in the agri-business sector in to the province	935-1 285	1	325	218	275	200 to 280	200 to 280	200 to 280

Annual Performance Targets for 2018/19 (Output indicators)

No.	Programme performance indicators	PSG	Audited/Actual performance			Estimated performance 2017/18	Medium-term targets	
			2014/15	2015/16	2016/17		2018/19	2019/20
2.4.1.1	Number of investment projects realised in the agri-business sector	1	4	3	3	7	7	7

Quarterly targets for 2018/19

No.	Programme performance indicator	PSG	Reporting period	Annual target 2018/19	Quarterly targets			
					1 st	2 nd	3 rd	4 th
2.4.1.1	Number of investment projects realised in the agri-business sector	1	Quarterly	7		3	1	3

2.2.5. Special Projects: Invest SA One Stop Shop: Western Cape

Wesgro has been tasked with the establishment of an investment 'One Stop Shop' to service firms seeking to locate or expand operations in the Western Cape province. This is an initiative being run by the DTI's Invest SA division, whose objective resides in accelerating the ease of doing business at a firm, and macroeconomic level. Given this context, the Cape Investor Centre ("CIC") will be positioned as a collaboration between firms various arms of both national and regional government who endeavour to assist multinationals and local firms with potential and administrative bottle necks.

The launch partners identified are namely CIPC, the dti, Department of Home Affairs, VFS Global, SARS, NRCS, Green Cape, Saldanha Bay Industrial Development Zone, The City of Cape Town, Western Cape Government, Red Tape Unit, Wesgro and BPeSA.

Purpose

To reduce the red tape around setting up and operating a business in the Western Cape and as a result increasing investment and jobs into the region.

2.2.5.1. Programme performance indicators and annual targets

Annual Performance Targets for 2018/19 (Output indicators)

No.	Programme performance indicators	PSG	Audited/Actual performance			Estimated performance 2017/18	Medium-term targets	
			2014/15	2015/16	2016/17		2018/19	2019/20
2.5.1	Average time taken to attend to investment enquiries from date of receipt	1	-	-	-	-	3 days	3 days
2.5.2	Number of regulatory issues resolved	1	-	-	-	-	10	15

Quarterly targets for 2018/19

No.	Programme performance indicator	PSG	Reporting period	Annual target 2018/19	Quarterly targets			
					1 st	2 nd	3 rd	4 th
2.5.1	Average time taken to attend to investment enquiries from date of receipt	1	Quarterly	3 days	3 days	3 days	3 days	3 days
2.5.2	Number of regulatory issues resolved	1	Annually	10	-	-	-	10

2.2.6 Reconciling performance targets with the budget and MTEF

Summary of payments and estimates: Programme 2: Investment Promotion

Summary of payments and estimates: Programme 3: Investment Western Cape Tourism, Trade and Investment Promotion Agency								
Programme R'000		Outcome			Esti- mated outcome	Medium-term estimate		
		Audited	Audited	Audited				
		2014/15	2015/16	2016/17		2018/19	2019/20	2020/21
1,	Investment	3 511	3 766	4 582	5 439	5 601	6 103	6 384
	Total payments and estimates	3 511	3 766	4 582	5 439	5 601	6 103	6 384

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

Summary of provincial payments and estimates by economic classification: Programme 3: Investment								
Economic classification R'000		Outcome			Estimated outcome	Medium-term estimate		
		Audited	Audited	Audited				
		2014/15	2015/16	2016/17		2018/19	2019/20	2020/21
	Expenses							
	Current expense	3 511	3 766	4 582	5 439	5 601	6 103	6 384
	Compensation of employees	2 139	3 154	3 750	3 902	4 177	4 401	4 637
	Salary & Wages	1 790	2 685	3 274	3 529	3 786	3 963	4 211
	Basic salary	1 824	2 446	3 078	3 354	3 601	3 768	4 000
	Performance rewards	(34)	239	196	175	185	195	211
	Social Contributions (employer contributions only)	349	469	476	373	391	438	426
	Pension	267	373	385	298	316	363	351
	Medical	71	84	79	60	60	60	60
	UIF	11	12	12	15	15	15	15
	Use of goods and services	1 372	612	832	1 537	1 424	1 702	1 747
	Advertising		45	53	190		196	290
	Advertising of posts			6				
	Gifts and Promotional items		45					
	Advertising (marketing)			47	190		196	290
	Audit Fees	152						
	Internal	20						
	External	132						
	Bank charges	8						
	Catering services	6						
	Communication	101		3				
	Telephone	14						
	Cellphones	84						
	Postage & Courier	3		3				

Computer services	99						
External service providers	99						
Consultants, contractors and special services	169	5	136	337	383	256	288
Consultants	101	2	10		383	88	95
Contractors and special services	68	3	126	337		168	193
General Expenses	30						
Conference Expenditure	38	3	126	162		85	103
Venues and facilities				175		83	90
Inventory	57	1	3				
Fuel, oil and gas	5	1					
Stationary and printing	52		3				
Maintenance and repairs	76						
Buildings	75						
Equipment	1						
Operating leases	327						
Rent-buildings	300						
Rent-equipment	27						
Travel and Subsistence	372	561	637	1 010	1 041	1 250	1 169
Air Travel - Air Tickets (Domestic)	10	40	65	68	101	106	56
Air Travel - Air Tickets (International)	170	397	287	454	645	754	779
Accommodation - Domestic	15	16	23	195	132	224	162
Accommodation - International	96	64	116	260	118	136	136
Other	81	44	146	33	45	30	36
Training and staff development	5						
Total expenses	3 511	3 766	4 582	5 439	5 601	6 103	6 384
Other	81	44	146	33	45	33	43
Training and staff development	5						
Total expenses	3 511	3 766	4 582	5 439	5 804	7 022	7 645

2.2.7. Performance and expenditure trends

The current economic climate and budget restrictions have placed tremendous pressure on the unit to achieve its targets, however 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 the unit is able to deliver on its targets.

2.3. 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.

Programme structure

The programme is divided into two sub-programmes namely;

- Sub-programme 3.1: Trade Promotion, and
- Sub-programme 3.2: African Expansion (Outward Foreign Direct Investment – OFDI)

In response to the request made by the Minister of Agriculture, Economic Development and Tourism, to explore ways of supporting Western Cape companies with increasing trade and expanding into the rest of the African continent, the Trade promotion programme changed its strategic direction. The programme will now focus on increasing the Rand value of exports into global markets and the number of jobs resulting export orders, as well as the facilitation, support operations and expansion of qualified Western Cape companies into the rest of Africa.

Sub-programme 3.1: Trade Promotion

Wesgro will focus on companies that have export experience and capacity to supply a demand for goods or services in global markets. The programme will present proactive client engagement activities.

Business facilitation

The Agency's facilitation activities include:

- 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

Sub-programme 3.2: African Expansion (OFDI)

Wesgro will focus 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.

Business facilitation

The Agency's facilitation activities include:

- 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

Situational analysis

Exports from the Western Cape totalled R121.09bn in 2016, growing by 4% from 2015 in Rand values. Growth in 2016 can largely be attributed to the depreciating Rand which declined from R12.75 to the USD in 2015 to R14.71 in 2016. Western Cape imports in 2016 reached R192.14bn, declining by 2% from 2015. With the exclusion of petroleum oils from the trade figures, the trade deficit totalled R8.42bn in 2016 with exports of R107.19bn. The Western Cape is the second largest province with regards to the total trade flows (R313.23bn), exceeded only by Gauteng (R1.28trn).

The Western Cape had the second highest average annual export growth in the country of 17.84% and the seventh largest import growth of 7.67% from 2012-2016. The rest of Africa is still the largest opportunity for Western Cape exports worth an estimated R45.13bn in 2016. Europe and Asia come in second and third, valued at R36.27bn and R20.69bn respectively. The top three export destinations for the Western Cape in 2016 were Namibia (R12.27bn), the United Kingdom (R9.17bn) and the United States (R8.98bn), accounting for a combined 22% of total exports. The top exports from the Western Cape in 2016 were refined petroleum oils, citrus fruit, wines, fresh apples, pears and quinces as well as grapes. These top five positions have remained unchanged from 2015. Other articles or cladde precious metal is the leading export growth product from the Western Cape (2012-2016) growing by 13 578% p.a. The Western Cape's total share of South African exports was 11.14% in 2016. The Western Cape exports more than 98% of South Africa's zirconium, crustaceans and bird skins and feathers.

The following priority markets have been identified with regards to Trade Promotion;

- Africa: Namibia, Botswana, Angola, Mozambique, Zambia, Kenya, Ethiopia, Tanzania, Nigeria, Ghana, Ivory Coast
- Americas: US, Canada, Brazil, Argentina, Peru, Chile, Uruguay, Cuba
- Europe: UK, Germany, France, Portugal, Netherlands, Switzerland, Poland, Turkey, Russia
- Middle East: Saudi Arabia, Iran, UAE, Jordan, Qatar
- Asia: China, India, China, Japan, Malaysia, Singapore, Thailand, Vietnam, Indonesia

Over the last decade, South African investment abroad has increased significantly, with much of this investment directed towards other African countries. The main reasons for outward investment into Africa are due to 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 the African market. The **.dti's** 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 Outward Foreign Direct Investment (OFDI) strategy, which is currently in phase 2, has already set out to develop phase 3 for outward investment into the rest of Africa.

The Foreign Service Management of the **.dti** also supports investment into Africa and other region's globally as companies have access to the **.dti's** network of 46 foreign economic offices abroad to facilitate business activities. The Western Cape generally follows the national strategy in outward investment promotion efforts despite some investment initiatives within the Trade and Sector Development Programme which are focused on investment promotion.

Priority sectors

The following key sectors have been identified with regards to trade promotion;

- Agro-processing and agri-business
- Manufacturing and value-added products
- Green Industries
- Infrastructure development (OFDI in Africa)
- ICT and services
- Wholesale and retail
- Clothing, Textiles, Leather, Footwear, Furniture
- Boatbuilding and associated services
- Aerospace and defence

Priority markets

The following priority markets have been identified with regards to trade promotion;

- Africa: Namibia, Botswana, Angola, Mozambique, Zambia, Kenya, Ethiopia, Tanzania, Nigeria, Ghana, Ivory Coast
- Americas: US, Canada, Brazil, Argentina, Peru, Chile, Uruguay, Cuba
- Europe: UK, Germany, France, Portugal, Netherlands, Switzerland, Poland, Turkey, Russia
- Middle East: Saudi Arabia, Iran, UAE, Jordan, Qatar
- Asia: China, India, China, Japan, Malaysia, Singapore, Thailand, Vietnam, Indonesia

2.3.1. Strategic objectives

Strategic objective table	
Strategic objective	To promote and facilitate global exports of goods and services from qualified companies in the Western Cape
Objective statement	To commit an estimated Rand value of between R2,5bn and R4,7bn trade promotion business deals facilitating a between 718-1 343 jobs by the end of the five-year cycle.
Baseline	A total of R9,04bn worth of trade promotion business deals were committed resulting in 781 jobs.
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 PSG 1: Creating opportunities for economic growth and jobs.

Strategic objective table	
Strategic objective	To facilitate and support operations and expansion of Western Cape companies into the rest of Africa.
Objective statement	To commit a Rand value of between R508m and R1,23bn business deals through outward investment into Africa by the end of the five year cycle.
Baseline	A total of R507m worth of OFDI was committed during the 2016/17 financial year.
Justification	Africa has significant market opportunities for investment. This is as a result of increased urbanisation and growing consumer demands. To this end, there are great opportunities for Western Cape companies to successfully grow their outward investments in the broader African market
Links	Alignment with PSG 1 and investment initiatives from the dti's and financial institutions such as the Industrial Development Corporation, as they both actively promote investment into Africa. In addition, it is aligned with the Development Bank of Southern Africa's (DBSA) economic growth and investment initiatives into Africa

2.3.2. Programme performance Indicators and Targets

Strategic objective annual targets for 2018/19 (Outcome indicators)

Sub-programme 3.1: Trade Promotion

No.	Strategic objective performance indicator	Strategic plan target	PSG	Audited/Actual performance			Estimated performance 2017/18	Medium-term targets	
				2014/15	2015/16	2016/17		2018/19	2019/20
3.1.1	Estimated rand value business agreements signed	R2,5bn – R4,7bn	1	-	-	R9,04bn	R100m – R200m	R1,1bn – R2bn	R1,3bn – R2,5bn
3.1.2	Number of jobs facilitated from business agreements signed	718-1 343	1	-	-	781	200-400	250-460	258-483

Sub-programme 3.2: African Expansion (OFDI)

No.	Strategic objective performance indicator	Strategic plan target	PSG	Audited/Actual performance			Estimated performance 2017/18	Medium-term targets	
				2014/15	2015/16	2016/17		2018/19	2019/20
3.2.1	Rand value of committed outward foreign direct investment (OFDI) declarations signed	R508m-1,2bn	1	-	-	R507m	R100m-R200m	R200m-R500m	R206m-R525m

Annual targets for 2018/19 (Output indicators)

Sub-programme 3.1: Trade Promotion

No.	Programme performance indicators	PSG	Audited/Actual performance			Estimated performance 2017/18	Medium-term targets	
			2014/15	2015/16	2016/17		2018/19	2019/20
3.1.1.1	Number of business agreements signed	1	-	-	41	20	-	30

Sub-programme 3.2: African Expansion (OFDI)

No.	Programme performance indicators	PSG	Audited/Actual performance			Estimated performance 2017/18	Medium-term targets	
			2014/15	2015/16			2018/19	2019/20
3.2.1.1	Number of outward foreign direct investment (OFDI) declarations signed	1	-	-	3	3	6	7

Quarterly targets for 2018/19 (Output indicators)

No.	Programme performance indicators	PSG	Reporting period	Annual target 2018/19	Quarterly targets			
					1 st	2 nd	3 rd	4 th
3.1.1.1	Number of business agreements signed	1	Quarterly	25	5	8	5	7
3.2.1.1	Number of outward foreign direct investment (OFDI) declarations signed	1	Quarterly	6	-	2	2	2

2.3.3. Reconciling performance targets with budget and the MTEF

Summary of payments and estimates: Programme 3: Trade Promotion

Summary of payments and estimates: Programme 4: Trade Western Cape Tourism, Trade and Investment Promotion Agency								
Programme R'000		Outcome			Estimated outcome 2017/18	Medium-term estimate		
		Audited 2014/15	Audited 2015/16	Audited 2016/17		2018/19	2019/20	2020/21
1,	International Trade Promotion	4 723	4 515	6 934	8 749	8 027	8 320	8 936
	Total payments and estimates	4 723	4 515	6 934	8 749	8 027	8 320	8 936

Summary of provincial payments and estimates by economic classification: Programme 3: Trade Promotion

Summary of provincial payments and estimates by economic classification: Programme 4: Trade								
Economic classification R'000		Outcome			Estimated outcome	Medium-term estimate		
		Audited	Audited	Audited				
		2014/15	2015/16	2016/17		2018/19	2019/20	2020/21
	Expenses							
	Current expense	4 723	4 515	6 934	8 749	8 027	8 320	8 936
	Compensation of employees	2 675	2 743	4 817	6 194	5 440	5 736	6 049
	Salary & Wages	2 336	2 473	4 507	5 809	5 122	5 488	5 790
	Basic salary	2 345	2 345	4 226	5 513	4 834	5 227	5 515
	Performance rewards	(9)	128	281	296	288	261	275
	Social Contributions (employer contributions only)	339	270	310	385	318	248	259
	Pension	289	235	270	304	254	184	195
	Medical	36	23	25	60	48	48	48
	UIF	14	12	15	21	16	16	16
	Use of goods and services	2 048	1 772	2 117	2 555	2 587	2 584	2 887
	Advertising		5	234		50	55	40
	Advertising (marketing)		5	234		50	55	40
	Audit Fees	130						
	Internal	17						
	External	113						
	Bank charges	7						
	Catering services	4		1				
	Communication	101	12	4				
	Telephone	80						

	Cellphones	12						
	Postage & Courier	9	12	4				
	Computer services	85						
	External service providers	85						
	Consultants, contractors and special services	478	81	338	480	240	406	370
	Consultants	442	78	123	200	180	190	150
	Contractors and special services	36	3	215	280	60	216	220
	General Expenses	26						
	Conference Expenditure	4	3	215	90	40	85	90
	Venues and facilities	6			190	20	131	130
	Inventory	29	1	44				
	Fuel, oil and gas	3	1	1				
	Stationary and printing	25		43				
	Subscriptions	1						
	Maintenance and repairs	123						
	Buildings	99						
	Equipment	24						
	Operating leases	251						
	Rent-buildings	231						
	Rent-equipment	20						
	Travel and Subsistence	836	1 673	1 496	2 075	2 297	2 123	2 477
	Air Travel - Air Tickets (Domestic)	15	42	29	27	115	128	195
	Air Travel - Air Tickets (International)	254	696	1 064	1 186	1 424	1 102	1 314
	Accommodation - Domestic	13	41	24	346	340	400	528
	Accommodation - International	145	461	296	416	373	413	380
	Other	409	433	83	100	45	80	60
	Training and staff development	4						
	Total expenses	4 723	4 515	6 934	8 749	8 027	8 320	8 936
	Other	409	433	83	100	47	80	60
	Training and staff development	4						
	Total expenses	4 723	4 515	6 934	8 749	7 373	9 632	10 516

2.3.4. Performance and expenditure trends

The current economic climate and budget restrictions have placed tremendous pressure on the unit to achieve its targets, however 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 the unit is able to deliver on its targets.

2.4. Programme 4: Wesgro IQ

Purpose

The purpose of the programme is to provide tourism, trade and investment research to inform the Agency's goals and strategy as well as provide evidence based research to augment the Agency's promotion activities.

2.4.1 Programme structure

Wesgro IQ is not divided into sub-programmes.

Situational Analysis

Wesgro IQ Unit is the custodian of intelligence related to the Agency's core business. Therefore, it is important that this unit provides relevant, evidence based, and strategic information to the Agency. In addition, the unit needs to provide a supportive programme to ensure that market and sector knowledge is presented to potential exporters and prospective investors as well as tourism research on the Western Cape's tourism sector. With the preceding in mind, Wesgro IQ executes two main functions:

- Driving the strategy of the Agency, and
- Augmenting the promotion activities of the Agency through evidence based research.

Driving the strategy of the Agency

The unit analyses global tourism, trade and investment trends to drive the strategy of the Agency. 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 will be identified and disseminated during internal workshops with the relevant Wesgro units.

Wesgro IQ 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 of the unit also informs 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 tourism, trade and investment promotion activities.

Enhancing the promotion activities of Wesgro

The unit supports the Agency's tourism, trade and investment promotion activities by providing intelligence on key sectors and foreign markets with a specific focus on tourism, trade and investment with the underlying objective of promoting the Western Cape and Cape Town as a Business destination.

The research prepared for the purpose of enhancing the promotion activities of Wesgro will be 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 the clients also benefit from the research products provided. To this end, a survey will be conducted to determine the effectiveness of the research.

Priority sectors

The unit does not focus on priority sectors or markets per se. The unit will either present priority sectors to the investment promotion unit for their future strategy and activities through a thorough research process prior to setting the deliverables to the APP or alternatively refine sector research in support of the priority sectors selected by the investment promotion team.

Selection of priority sectors for research purposes would take place according to the methodology.

Priority markets

The unit does not focus on priority sectors or markets per se. The unit will either present priority market to the trade promotion unit for their future strategy and activities through a thorough research process prior to setting the deliverables to the APP or alternatively refine market research in support of the priority market selected by the trade promotion team.

Selection of priority sectors for research purposes would take place according to the methodology.

2.4.2. Strategic objectives

Strategic objective table	
Strategic Objective	Develop relevant tourism, trade and investment publications
Objective statement	Develop content for publications relevant to the priority sectors and markets of Wesgro, informative publications on the Western Cape and City of Cape Town as an investment and business destination, tourism publications, as well as recent trends in tourism, trade and investment nationally and provincially.
Baseline	A total of 115 publications were completed during the 2016/17 financial year.
Justification	Publications informs and guides the Agency, exporters and investors
Links	The objective is linked to the Agency's 5-year Strategic Plan 2015-2020

Strategic objective table	
Strategic Objective	Provide customised research and information in support of the core functions of the Agency
Objective statement	<p>Supportive functions will be provided through customised research such as research assistance through enquiries and presentations developed and delivered to delegations.</p> <p>Ensure that research requestors receive the research products positively and that most clients benefit from the research.</p> <p>Ensure that Wesgro is known as a thought leader through positively received presentations on issues pertaining to tourism, trade and investment</p>
Baseline	A total of 64 customised information requests were addressed with an average turnaround time of 2.4 days.
Justification	Providing Wesgro clients and potential with the necessary research and information ensures the required information for tourism, trade and investment initiatives is received.
Links	The objective is linked to the Agency's 5-year Strategic Plan 2015-2020

2.4.3. Programme performance indicators and annual targets

Strategic objective annual targets for 2018/19 (Outcome indicators)

No.	Strategic objective performance indicator	Strategic plan target	PSG ¹	Audited/Actual performance			Estimated performance 2017/18		Medium-term targets	
				2014/15	2015/16	2016/17	2017/18		2018/19	2019/20
4.1	Turnaround time to provide customised research and information in support of the core functions of the Agency	3 days	-	2.5 days	2 days	2.4 days	3 days		3 days	3 days

¹ Wesgro IQ supports the core functions of the Agency through the provision of customized research and information. In light of this, the strategic objectives and annual performance targets are linked to the 5-Year Strategy of the Agency and indirectly linked to the PSG 1.

Annual targets for 2018/19 (Output indicators)

No.	Programme performance indicator	PSG ²	Audited/Actual Performance			Estimated performance 2017/18	Medium-term targets	
			2014/15	2015/16	2016/17		2018/19	2019/20
4.1.1	Number of relevant tourism, trade and investment publications developed	-	116	115	115	100	100	100
4.2.1	Average turnaround time to complete research requests from date of receipt	-	2.5 days	2 days	2.4days	3 days	3 days	3 days

Quarterly targets for 2018/19 (Output indicators)

No.	Programme performance indicator	PSG ³	Reporting period	Annual target 2018/19	Quarterly targets			
					1 st	2 nd	3 rd	4 th
4.1.1	Number of relevant tourism, trade and investment publications developed	-	Bi-Annually	100	-	50	-	50
4.2.1	Average turnaround time to complete research requests from date of receipt	-	Quarterly	3 days	3 days	3 days	3 days	3 days

² Wesgro IQ supports the core functions of the Agency through the provision of customized research and information. In light of this, the strategic objectives and annual performance targets are linked to the 5-Year Strategy of the Agency and indirectly linked to the PSG 1.

³ Wesgro IQ supports the core functions of the Agency through the provision of customized research and information. In light of this, the strategic objectives and annual performance targets are linked to the 5-Year Strategy of the Agency and indirectly linked to the PSG 1.

2.4.4. Reconciling performance targets with the budget and MTEF

Summary of payments and estimates: Programme 4: Wesgro IQ

Summary of payments and estimates: Programme 5: Intelligence Western Cape Tourism, Trade and Investment Promotion Agency								
Programme R'000		Outcome			Estimated outcome	Medium-term estimate		
		Audited	Audited	Audited				
		2014/15	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21
1,	Intelligence	2 968	2 073	3 342	3 257	3 394	3 954	3 991
	Total payments and estimates	2 968	2 073	3 342	3 257	3 394	3 954	3 991

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

Summary of provincial payments and estimates by economic classification: Programme 5: Wesgro IQ								
Economic classification R'000		Outcome			Estimated outcome	Medium-term estimate		
		Audited	Audited	Audited				
		2014/15	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21
	Expenses							
	Current expense	2 968	2 073	3 342	3 257	3 394	3 954	3 991
	Compensation of employees	1 608	808	2 087	1 468	1 672	1 763	1 858
	Salary & Wages	1 359	699	1 765	1 301	1 495	1 579	1 667
	Basic salary	1 383	642	1 615	1 235	1 414	1 491	1 575
	Performance rewards	(24)	57	150	66	81	88	92
	Social Contributions (employer contributions only)	249	109	322	167	177	184	191
	Pension	192	86	259	123	130	137	144
	Medical	48	19	49	38	39	39	39
	UIF	9	4	14	6	8	8	8
	Use of goods and services	1 360	1 265	1 255	1 789	1 722	2 191	2 133
	Advertising							
	Audit Fees	64						
	Internal	8						
	External	56						
	Bank charges	3						
	Catering services	2						

	Communication	41						
	Telephone	34						
	Cellphones	7						
	Computer services	43						
	External service providers	43						
	Consultants, contractors and special services	45	31		5			
	Consultants	31	27		5			
	Contractors and special services	14	4					
	General Expenses	14						
	Conference Expenditure		4					
	Inventory	964	1 210	1 230	1 749	1 668	2 111	2 050
	Stationary and printing	6	1	1				
	Subscriptions	958	1 209	1 229	1 749	1 668	2 111	2 050
	Maintenance and repairs	49						
	Buildings	49						
	Operating leases	140						
	Rent-buildings	128						
	Rent-equipment	12						
	Printing and publication		6					
	Professional bodies and membership fees							
	Travel and Subsistence	7	18	25	35	54	80	83
	Air Travel - Air Tickets (Domestic)	7	10	11	25	48	68	70
	Accommodation - Domestic		3	9	4	4	10	11
	Other		5	5	6	2	2	2
	Training and staff development	2						
	Total expenses	2 968	2 073	3 342	3 257	3 394	3 954	3 991

2.4.5. 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.

Tourism research is a primary research function and Wesgro, through the tourism offices, is responsible for the Western Cape's tourism research. This is a costly function and budgetary constraints are limiting to the research and Wesgro is unable to fund tourism research and is at the mercy of the goodwill of reciprocal relationships it has with the tourism offices and various tourism establishments of the province.

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

2.5. Programme 5: Marketing and communication

Purpose

To conduct the marketing and communication for Wesgro corporate and the trade, investment, film & media and research business units for Wesgro.

2.5.1. 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 and/or 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 AVEs generated

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 rand depreciation can also place pressure on the marketing budget with regard to international media spend.

The overall perception of the country has a direct impact on the brand of Cape Town and the Western Cape. This can have both a positive and negative effect on the work of the Agency's marketing and communications unit.

Priority sectors

The Marketing and Communication Unit does not focus on priority sectors per se. The unit will support the priority sectors and activities identified by the Agency through a thorough research process prior to setting the deliverables to the APP.

Priority markets

The unit does not focus on priority markets per se. The unit will support the priority markets and activities identified by the Agency through a thorough research process prior to setting the deliverables to the APP.

2.5.2 Strategic objectives

Strategic objective table	
Strategic objective	To improve the position of the Agency and the destination with shareholders, citizens, domestic and international businesses.
Objective statement	To improve the position of the Agency and destination by implementing the new corporate marketing campaign, bespoke content creation, customer relationship marketing and the hosting and sponsorship of strategic Agency events.
Baseline	30 strategic events hosted and 6 strategic events sponsored during the 2016/17 financial year.
Justification	By improving the position of the Agency and the destination, we will be able to attract more trade, investment and film business leads for the Agency that can be converted into economic growth and jobs.
Links	This objective is linked to the Agency's 5-year Strategic Plan

Strategic objective table	
Strategic objective	Profile and position the Agency through its core mandates of tourism, trade and investment.
Objective statement	To manage the reputation of the Agency and destination through the distribution of media releases, strategic media engagements and other tactical media opportunities.
Baseline	R37,6m in AVE was generated during the 2016/17 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.

2.5.3. Programme performance indicators and annual targets

Strategic objective annual targets for 2018/19 (Outcome indicators)

No.	Strategic objective indicator	Strategic plan target	PSG ⁴	Audited / actual performance			Estimated performance 2017/18	Medium – term targets	
				2014/15	2015/16	2016/17		2018/19	2019/20
5.1	Rand value of the advertising value equivalent (AVE) generated for the Agency	R120m	-	R21,27m	R16,5m	R37,6m	R25m	R30m	R35m

Annual targets for 2018/19 (Output indicators)

No.	Programme performance indicator	PSG ⁵	Audited / actual performance			Estimated performance 2017/18	Medium-term targets	
			2014/15	2015/16	2016/17		2018/19	2019/20
5.1.1	Number of strategic media engagements hosted	-	-	7	12	7	8	9
5.1.2	Number of strategic corporate Agency events hosted	-	13	14	30	7	8	9
5.1.3	Number of relevant industry events sponsored	-	-	2	6	4	5	6

⁴ The Marketing and Communication unit is responsible for the management of the reputation of the Agency and the destination. In light of this, the strategic objectives and performance indicators are linked to the 5-year Strategic Plan of the Agency and indirectly linked to PSG 1.

⁵ The Marketing and Communication unit is responsible for the management of the reputation of the Agency and the destination. In light of this, the strategic objectives and performance indicators are linked to the 5-year Strategic Plan of the Agency and indirectly linked to PSG 1.

Quarterly targets for 2018/19 (Output indicators)

No.	Programme performance indicator	PSG ⁶	Reporting period	Annual target 2018/19	Quarterly targets			
					1 st	2 nd	3 rd	4 th
5.1.1	Number of strategic media engagements hosted	-	Quarterly	8	1	3	2	2
5.1.2	Number of strategic corporate Agency events hosted	-	Quarterly	8	1	3	2	2
5.1.3	Number of relevant industry events sponsored	-	Annually	5	-	-	-	5

⁶ The Marketing and Communication unit is responsible for the management of the reputation of the Agency and the destination. In light of this, the strategic objectives and performance indicators are linked to the 5-year Strategic Plan of the Agency and indirectly linked to PSG 1.

2.5.4. Reconciling performance targets with the budget and MTEF

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

Summary of payments and estimates: Programme 6: Marketing and Communication Western Cape Tourism, Trade and Investment Promotion Agency								
Programme R'000		Outcome			Estimated outcome	Medium-term estimate		
		Audited	Audited	Audited				
		2014/15	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21
1,	Marketing and Communication	3 888	4 365	5 141	5 354	5 823	6 203	6 608
	Total payments and estimates	3 888	4 365	5 141	5 354	5 823	6 203	6 608

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

Summary of provincial payments and estimates by economic classification: Programme 6: Marketing and Communication								
Economic classification R'000		Outcome			Estimated outcome	Medium-term estimate		
		Audited	Audited	Audited				
		2014/15	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21
	Expenses							
	Current expense	3 888	4 365	5 141	5 354	5 823	6 203	6 608
	Compensation of employees	1 968	2 308	1 615	2 926	3 457	3 643	3 840
	Salary & Wages	1 663	2 005	1 403	2 773	3 298	3 478	3 669
	Basic salary	1 672	1 892	1 345	2 619	3 134	3 305	3 486
	Performance rewards	(9)	113	58	154	164	173	183
	Social Contributions (employer contributions only)	305	303	212	153	159	165	171
	Pension	241	246	172	106	112	118	124
	Medical	53	45	31	36	36	36	36
	UIF	11	12	9	11	11	11	11
	Use of goods and services	1 920	2 057	3 526	2 428	2 366	2 560	2 768
	Advertising	537	920	1 028	1 746	1 651	1 337	1 572
	Gifts and Promotional items	184		227	200	200	286	297
	Advertising (marketing)	353	920	801	1 546	1 451	1 051	1 275
	Audit Fees	108						
	Internal	14						
	External	94						
	Bank charges	6						
	Communication	68	9					
	Telephone	55						
	Cellphones	10						
	Postage & Courier	3	9					
	Computer services	71						

	External service providers	71						
	Consultants, contractors and special services	658	917	2 061	361	371	533	631
	Consultants	407	809	1 576	42	42	129	133
	Contractors and special services	251	108	485	319	329	404	498
	General Expenses	21						
	Conference Expenditure	110	108	427	100	110	114	158
	Photographic services	53		58	44	60	80	90
	Venues and facilities	67			175	159	210	250
	Inventory	25		14	110	140	500	350
	Fuel, oil and gas	12						
	Stationary and printing	11						
	Subscriptions	2		14	110	140	500	350
	Maintenance and repairs	83						
	Buildings	82						
	Equipment	1						
	Operating leases	233						
	Rent-buildings	214						
	Rent-equipment	19						
	Printing and publication	112	147	349	200	190	180	205
	Travel and Subsistence	15	64	74	11	14	10	10
	Air Travel - Air Tickets (Domestic)		10	16	9	9	9	9
	Air Travel - Air Tickets (International)	12	51	32				
	Accommodation - Domestic	2		2	1			
	Accommodation - International			24				
	Other	1	3		1	5	1	1
	Training and staff development	4						
	Total expenses	3 888	4 365	5 141	5 354	5 823	6 203	6 608
	Accommodation – Domestic	2		2	1			
	Accommodation – International			24				
	Other	1	3		1	5	1	1
	Training and staff development	4						
	Total expenses	3 888	4 365	5 141	5 354	4 540	6 498	7 147

2.5.5. Performance and expenditure trends

The current economic climate and budget restrictions have placed tremendous pressure on the unit to achieve its targets, however 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 the unit is able to deliver on its targets

2.6. Programme 6: Destination marketing (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 focusing on business tourism (through its Convention Bureau team), tourism trade, media, influencers and marketing campaigns to visitors.

By increasing the visitor numbers of leisure and business tourists to the province has a direct, indirect and induced economic impact is generated for the Cape.

The DMOs activities thereby contribute to economic growth and job creation.

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)
- Focused 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)

The DMO must also ensure that focus is given to the priority initiatives as identified by the Western Cape Government's Project Khulisa: Tourism strategy.

2.6.1. Programme structure

The programme structure has been aligned to Project Khulisa: Tourism Activity Dashboard as approved by Cabinet and is made up of three sub-programmes. 2018/19 is the third year of Project Khulisa and the sub-programmes will work off the foundation built in 2016/17.

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

This sub-programme will be made up of the following strategic initiatives:

- Competitive identity
- Partnership growth strategies in key markets
- Digital management and real-time intelligence

- Grow business tourism
- CRM and stakeholder management

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

This sub-programme will be made up of the following strategic initiatives:

- Air Access (which forms part of a separate strategic unit within Wesgro)
- InvestSA One Stop Shop (Cape Investor Centre, which forms part of Wesgro's Trade and Investment Unit)
- Local transport marketing

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

This sub-programme will be made up of the following strategic initiatives:

- The Cross Cape promotion
- Madiba legacy route
- Gastronomy tourism promotion
- Cape of Great Events promotion
- Service level improvement

Situational analysis

Demand is increased in two ways. First, by more visitors coming to the destination and, second, as a result of visitors spending more (by staying longer, travelling further away from the entry point into the province, buying higher value goods and services and so on). 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 offerings.

In order to ensure that our tourism destination marketing efforts are most impactful, there needs to be focused 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.

Priority sectors

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

- Agri-processing
- Energy – renewable
- Real-estate and tourism infrastructure
- ICT
- Manufacturing
- Health and pharmaceuticals

Priority 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 tourist).

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.

The markets are segmented into:

- **High season and volume:** These markets travel during the high season and are seen as volume markets. We need to maintain and protect them through on the ground support and partnerships with South African Tourism, media and the trade (e.g. Airlines and operators) and digital marketing. Our marketing message focuses on promoting the attractiveness of the province by promoting our niche tourism activities such as cycling, gastronomy and culture and heritage. The markets are United Kingdom, Germany, France and the Netherlands.
- **Low season and promote:** These markets travel during our low season (April – September) and we need to focus on promoting more actively there to increase volume. We implement joint marketing campaigns, hosting with partners and digital marketing campaigns. Our marketing message focuses on promoting the attractiveness of the province by promoting our niche tourism activities such as cycling, gastronomy and culture and heritage. These markets are the United States, Australia, China, India and Namibia.
- **Tactical:** These markets align with Project Khulisa and have the propensity to grow quickly and offer a high value tourist. Our focus is mainly on the tourism trade to educate them on the destination. Our marketing message focuses on the positioning of the destination through unique offers such as a family-friendly destination for the Halal market.

2.6.2. Strategic objectives

Strategic objective table	
Strategic objective	Enhance the attractiveness, awareness and accessibility of the of region and drive conversion.
Objective statement	To heighten the awareness of the region through competitive product offerings and compelling marketing.
	To enhance the attractiveness of the region in key markets and sectors that drive conversion.
Baseline	An estimated value of R428,3m was generated from tourism initiatives supported for the 2016/17 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 PSG 1: Creating opportunities for growth and jobs, Project Khulisa and the strategic plan of the Department of Economic Development and Tourism.

2.6.3. Programme performance indicators and targets

Strategic objective annual targets for 2018/19 (Outcome indicator)

No.	Strategic objective indicator	Strategic plan target	PSG	Audited / actual performance			Estimated performance 2017/18	Medium-term targets	
				2014/15	2015/16	2016/17		2018/19	2019/20
6.1	Total estimated economic value of tourism destination marketing initiatives supported	R665m	1	-	-	R428,3m	R156m	R171,6m	R188,7m

Annual targets for 2018/19 (Output indicators)

No.	Programme performance indicator	PSG	Audited / actual performance			Estimated performance 2017/18	Medium-term targets	
			2014/15	2015/16	2016/17		2018/19	2019/20
6.1.1	Number of tourism destination marketing initiatives supported	1	-	-	14	13	13	13
6.1.2	Number of joint marketing agreements secured	1	12	12	14	15	17	19
6.1.3	Number of bids secured	1	16	17	33	18	24	26
6.1.4	Economic impact of bids secured	1	R280,4m	R374,1m	R425,3m	R150m	R260m	R280m
6.1.5	Number of leisure events supported	1	20	48	56	23	35	35
6.1.6	Rand value of AVE generated	1	-	R16,5m	R20,3m	R15m	R20m	R22m

Quarterly targets for 2018/19 (Output indicators)

No	Programme performance indicator	PSG	Reporting period	Annual Target 18/19	Quarterly targets			
					1 st	2 nd	3 rd	4 th
6.1.1	Number of tourism destination marketing initiative supported	1	Annually	13	-	-	-	13
6.1.2	Number of joint marketing agreements (JMA) secured	1	Quarterly	17	2	6	6	3
6.1.3	Number of bids secured	1	Quarterly	24	5	7	7	5
6.1.4	Economic impact of bids secured	1	Quarterly	R260m	R50m	R70m	R70m	R50m
6.1.5	Number of leisure events supported	1	Quarterly	35	10	15	5	5
6.1.6	Rand value of AVE generated	1	Annually	R20m	-	-	-	R20 m

2.6.4. Reconciling performance targets with the budget and MTEF

Summary of payments and estimates: Programme 6: Destination Marketing

Summary of payments and estimates: Destination Marketing Organisation								
Sub-programme R'000		Outcome			Estimated outcome	Medium-term estimate		
		Audited	Audited	Audited				
		2014/15	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21
1.	Organisational Support	2 754	11 182	10 486	10 657	10 987	12 435	13 930
2.	Integrated Marketing	16 424	16 126	7 433	7 124	6 794	7 167	7 562
	Total payments and estimates	19 178	27 308	17 919	17 781	17 781	19 602	21 492

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

Summary of provincial payments and estimates by economic classification: Destination Marketing Organisation								
Economic classification R'000		Outcome			Estimated outcome	Medium-term estimate		
		Audited	Audited	Audited				
		2014/15	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21
	Expenses							
	Current expense	18 175	23 588	17 409	17 781	17 369	19 101	20 982
	Compensation of employees	5 818	11 600	7 264	13 871	14 317	15 097	15 921
	Salary & Wages	4 800	10 324	6 740	13 378	13 812	14 558	15 372
	Basic salary	4 850	9 499	6 539	12 729	13 079	13 774	14 545
	Performance rewards	(50)	825	201	649	733	784	827
	Social Contributions (employer contributions only)	1 018	1 276	524	493	505	539	549
	Pension	826	1 056	311	339	334	351	372
	Medical	163	180	96	104	117	137	125
	UIF	29	40	28	50	54	51	52
	Use of goods and services	12 357	11 988	10 145	3 910	3 052	4 004	5 061
	Advertising	498	812	82	25		30	
	Advertising of posts		25	26	25		30	
	Gifts and Promotional items	277	279					
	Advertising (marketing)	221	508	56				
	Audit Fees	313	785	889	124	520	577	796
	Internal	40	288	392		400	400	600
	External	273	497	497	124	120	177	196
	Bank charges	17	53	51	51		51	51
	Board Costs							

	Catering services	59	1	25	25		25	25
	Communication	273	501	391	317		1	
	Telephone	175	498	387	316			
	Cellphones	29		3	1		1	
	Postage & Courier	69	3	1				
	Computer services	143	689	372	384		332	432
	External service providers	143	689	372	384		332	432
	Consultants, contractors and special services	6 722	5 072	4 353	1 034	700	600	400
	Consultants	4 069	4 673	3 689	417	400	300	300
	Contractors and special services	2 653	399	664	617	300	300	100
	General Expenses	66	132	661	617	300	300	100
	Conference Expenditure	25	267	3				
	Photographic services	17						
	Venues and facilities	2 545						
	Entertainment	503	16	103				
	Inventory	180	377	269	70		74	76
	Fuel, oil and gas	5	19	21	24		26	28
	Parts and other maintenance material			40				
	Stationary and printing	156	314	89	40		40	40
	Subscriptions	19	44	119	6		8	8
	Legal fees	43	270	58	98		102	108
	Losses / (Profits)	1	(1)	1	1		1	1
	On Sale of Assets	1	(1)	1	1		1	1
	Maintenance and repairs	302	12	194	114		164	205
	Buildings	244		182	101		151	192
	Equipment	58	12	12	13		13	13
	Operating leases	629	990	3 162	1 617	1 808	1 987	2 900
	Rent-buildings	629	795	2 611	1 617	1 808	1 900	2 400
	Rent-equipment		195	551			87	500
	Printing and publication		233	67				
	Professional bodies and membership fees	558	890					
	Travel and Subsistence	2 106	1 092	(23)				
	Air Travel - Air Tickets (Domestic)	459	214	11				
	Air Travel - Air Tickets (International)	352	299	101				
	Accommodation - Domestic	444	88	2				
	Accommodation - International	276	245	13				
	Entertainment			2				
	Other	575	246	(152)				
	Training and staff development	10	196	151	50	24	60	67
	Depreciation and amortisation	99	360	510		412	501	510
	Computer equipment	62	96	106		76	106	106
	Furniture and Office equipment	19	98	119		91	119	119

	Other Machinery and equipment	13	74	59		49	50	59
	Transport Assets			111		101	111	111
	Computer Software	5	92	115		95	115	115
	Transfers and subsidies	904	3 360					
	Non-profit institutions	904	3 360					
	Total expenses	19 178	27 308	17 919	17 781	17 781	19 602	21 492
	Computer equipment	62	96	106				
	Furniture and Office equipment	19	98	119				
	Other Machinery and equipment	13	74	59				
	Transport Assets			111				
	Computer Software	5	92	115				
	Transfers and subsidies	904	3 360					
	Non-profit institutions	904	3 360					
	Total expenses	19 178	27 308	17 919	17 781	17 781	19 602	21 491

2.6.5. Performance and expenditure trends

The current economic climate and budget restrictions have placed tremendous pressure on the unit to achieve its targets, however 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 the unit is able to deliver on its targets.

2.7. Programme 7: Film and Media Promotion

Purpose

Establish a globally competitive film sector by 2020 in Cape Town and the Western Cape.

2.7.1. Programme structure

The programme is not divided into sub-programmes

Situational analysis

The Western Cape and the City of Cape Town research baseline was completed recently, setting out that the size of the film and media industry in the Western Cape in 2015 was R3.9bn, of which R3.5bn was based in Cape Town. Television productions formed the largest component in the Western Cape, at R1.3bn, followed by commercials (all types collectively) at R949m and feature films at R800m. Documentaries amounted to R300m and stills production R298m. Short films and animation contributed R100m each and gaming R62m. The subsector distribution in Cape Town was a little different to that in the province. The Western Cape film industry contributed:

- R1.6bn to direct GVA, R4.4bn to total South African GDP and R3.6bn to Western Cape GGP.
- 7 380 direct and 6 180 indirect provincial jobs. This is a total of 13 560 jobs.
- R565m in taxes.
- R980m 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:

- R1.38bn to direct GVA, R3.91bn to total South African GDP and R2.63bn to Cape Town GGP.
- 6 550 direct and 2 940 indirect city jobs. This is a total of 9 490 jobs.
- R501m in taxes.
- R886m in net foreign exchange.

The production multiplier is defined as the increase in total production across the economy as a result of expenditure in the film industry. For the film and media industry the production multipliers vary between 2.46 (for documentaries and feature films) and 2.72 (for commercials), with a weighted average multiplier of 2.56 for the film and media industry as a whole.

A value chain analysis was conducted on the industry. Production costs formed the highest component at between 41% and 72% of production expenses, with pre-production and post production costs forming the remainder, for all forms except for documentaries and feature films. For documentaries and feature films pre-production costs formed the highest component, at 56%, with production and post production expenses forming the remainder. A similar pattern was observed for job creation.

Lastly, an analysis was done to understand which economic sectors (including labour) benefitted most from expenditure by the film and media industry. In nearly all cases wages and business services benefitted most. These accounted for 43% and 27% of value chain expenditure respectively. This was followed by general expenditure (10%) and electronic equipment (7%). All other items were individually 3% or less and collectively contributed the remaining 13%.

Film and media marketing collateral is developed and being expanded to promote marketing opportunities in the annual business plan under the auspice of the 5 year strategic plan. These include representing 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 Berlin, Cannes, American Film Market or Toronto and for the emerging BRICS areas the Rio Content Market, Beijing and Hong Kong markets to name a few.

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 in the 5 year strategic plan. 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 foreign markets, festivals and governments who invite the Cape Town and Western Cape film industry to partake in their festivals and markets as experts and participants. Film festivals and markets do far more than just promote movies, they serve to enhance culture by widening the scope of movies that are known and available to the world. Especially in the early days of film festivals, it was difficult, if not impossible, for the majority of people to experience foreign films. The film cultures of other countries simply weren't accessible to the general public. Film festivals played a major role in changing this and their attached markets are where producers find funding to grow their next projects and or where the Cape's locations are shopped to international producers.

Programmes for film and media are run in collaboration with national and regional partners and other opportunities as presented in the annual business plan under the auspice of the 5-year strategic plan. 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, South African Association of Stills Producers.

An additional intervention identified is inward missions to activate film and media companies through business-to-business meetings and hosting familiarization tours. The inbound missions lead to new contracts, and 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. The nascent drones industry is predicted to grow from 0 to a R300m industry and it is one strongly associated with film and media work.

Priority 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 Knet, 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 then can host feature films in the TV shooting breaks. The following sectors would follow in priority: independent feature film; expanding and increasing studios; and the intangible asset manufacturing of animations (tv, feature, games) and post production.

Priority markets

- Wesgro Film and Media strategy mapped the following priority markets to grow.
- Any co-production company (recently increased to nine co-production treaty countries: Canada, Germany, France, Ireland, New Zealand, Australia, Italy, UK and the Netherlands).
- 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 (although China is growing). So our producers need to co-produce and or distribute in the USA.
- 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 and the occasional film and media invitation, such as Tunisia in 2015 and Egypt in 2017.

2.7.2. Strategic objectives

Strategic objective table	
Strategic Objective	To firmly establish a globally competitive film sector by 2020.
Objective statement	To attract R1,5bn to R2,5bn worth of film and media productions and facilitate 2 500 to 3 500 full time equivalent (FTE) jobs
Baseline	A total of R1,56bn worth of investment was committed in the film and media sector, creating a total of 3 271 FTE jobs during the 2016/17 financial year.
Justification	Film is an important sector in the Western Cape and major contributor to economic growth and jobs
Links	The objective is linked to PSG 1: Create opportunities for economic growth and jobs. Furthermore, the objective is linked to Department of Economic Development and Tourism's 5-year film and media strategy, the Cape Town Film Studios.

2.7.3. Programme performance indicators and annual targets

Strategic objective annual targets for 2018/19 (Outcome indicators)

No.	Strategic objective indicators	Strategic plan target	PSG	Audited/Actual performance			Estimated performance 2017/18	Medium-term targets	
				2014/15	2015/16	2016/17		2018/19	2019/20
7.1	Rand value of media and film productions brought in to the province	R3,08bn-R5,12bn	1	-	-	R1,520bn	R45m	R1,5bn – R2,5bn	R1,54bn-R2,62bn
7.2	Number of jobs facilitated through the productions brought in to the province	5 210 – 7 175 FTE jobs	1	-	-	3 271	70	2 500 -3 500FTE jobs	2 575 – 3 675 FTE jobs

Annual targets for 2018/19 (Output indicators)

No.	Programme performance indicators	PSG	Audited/Actual performance			Estimated performance 2017/18	Medium-term targets	
			2014/15	2015/16	2016/17		2018/19	2019/20
7.1	Number of film and media productions brought in to the province	1	-	-	5	6	7	8

Quarterly targets for 2018/19 (Output indicators)

No.	Programme performance indicators	PSG	Reporting period	Annual target 2018/19	Quarterly targets			
					1 st	2 nd	3 rd	4 th
7.1	Number of film and media productions brought in to the province	1	Annually	7	-	-	-	7



3. Part C: Links to other plans

Links to long-term infrastructure and other capital plans

Not applicable

Conditional grants

Not applicable

Public entities

Not applicable

Public private partnerships

Not applicable



4. Part D: Changes to the strategic plan

The following strategic objective was changed in the Programme 5: Marketing and Communication due to a shift in the strategic direction of the unit;

No.	Strategic objective	Revised objective
1.	Profile and position the Agency and the destination	Profile and position the Agency through its core mandates of tourism, trade and investment

The following indicators were changed in Programme 2: Investment Promotion, Sub-section 2.2.4.2. Special Projects: Agri-business Investment Unit (AIU) under the guidance of the Department of the Premier and the relevant legislation to make the indicator more relevant;

No.	Former performance indicator	Revised performance indicator
1.	Rand value of committed investment in to the province	Rand value of committed investment in the agri-business sector in to the province
2.	Number of jobs facilitated from committed investments in to the province	Number of jobs facilitated from the committed investments in the agri-business sector in the province
3.	Number of investment projects realised	Number of investment projects realised in the agri-business sector



5. Part E: Technical performance indicator descriptions

Programme 1: Corporate Services

Strategic outcome oriented goal: The stimulation, facilitation and increase of economic growth and job creation through tourism promotion, trade promotion and investment promotion in the Western Cape province.

Strategic objective: Attain and maintain a high-level Financial Management Capability over 5 years.

Strategic Objective Performance Indicators (Outcome indicators)

Sub-programme 1.1: Financial management

Strategic objective indicator	1.1. Enhance financial accountability through compliance with all prescribed financial regulations and guidelines
Short definition	To ensure compliance with all prescribed financial regulations and guidelines through the submission of the relevant documentation as legislatively prescribed and the implementation of systems and process to ensure the adherence to the various regulatory prescripts and guidelines.
Purpose/importance	To enhance financial accountability.
Source/collection of data	Signed financial statements, ACCPAC reports, Workflow system reports
Method of calculation	The percentage achieved is calculated based on the average per output indicator listed under sub-programme 1.1. In order to achieve 100% compliance the Agency has to achieve all the targets within the sub-programme.
Data limitations	None
Type of indicator	Output
Calculation type	Non-cumulative
Reporting cycle	Annually
New indicator	No
Desired performance	To achieve the target as indicated.
Indicator responsibility	Financial controller

Programme 1: Corporate Services

Strategic outcome oriented goal: The stimulation, facilitation and increase of economic growth and job creation through tourism promotion, trade promotion and investment promotion in the Western Cape province.

Strategic objective: To provide first class IT and administration services to the employees of the Agency.

Strategic Objective Performance Indicators (Outcome indicators)

Sub-programme 1.2: IT and Administration Services

Strategic objective indicator	1.2 Maintain and enable a reliable and stable network infrastructure through a maximum of four hours of downtime during working hours
Short definition	To ensure that the network, internet and shared drive is stable to avoid downtime on the network.
Purpose/importance	To ensure a high level of productivity and performance is maintained.
Source/collection of data	IT reports from the relevant server
Method of calculation	The number of hours downtime experienced is calculated to determine the total.
Data limitations	None
Type of indicator	Outcome
Calculation type	Non-cumulative
Reporting cycle	Annually
New indicator	No
Desired performance	To achieve the target as indicated.
Indicator responsibility	Chief Financial Officer

Programme 1: Corporate Services

Strategic outcome oriented goal: The stimulation, facilitation and increase of economic growth and job creation through tourism promotion, trade promotion and investment promotion in the Western Cape province.

Strategic objective: To provide world class human resources support and services by recruiting, maintaining and developing a competent, motivated workforce in the department, while complying with all HR and Agency policies and procedures.

Strategic Objective Performance Indicators (Outcome indicators)

Sub-programme 1.3: Human Resource Management

Strategic Objective Performance Indicator	1.3 Management of staff morale within the Agency by conducting regular climate surveys
Short definition	To monitor staff morale and implement the necessary strategies to ensure that employees remain motivated and performance driven.
Purpose/importance	To enhance employee satisfaction.
Source/collection 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	None
Type of indicator	Outcome
Calculation type	Non-cumulative
Reporting cycle	Annually
New indicator	No
Desired performance	To achieve the target as indicated
Indicator responsibility	Manager: Human Resource Management

Programme 1: Corporate Services

Strategic outcome oriented goal: The stimulation, facilitation and increase of economic growth and job creation through tourism promotion, trade promotion and investment promotion in the Western Cape province.

Strategic objective: To ensure that an effective monitoring and evaluation system is implemented aligned to the legislative and regulatory prescripts pertaining to performance management.

Strategic Objective Performance Indicators (Outcome indicators)

Sub-programme 1.4: Monitoring and Evaluation

Strategic objective indicator	1.4 Compliance with all legislative and regulatory prescripts pertaining to performance management through the submission of performance reports
Short definition	The delivery of quarterly and annual reports to stakeholders and legislatively required.
Purpose/importance	To ensure compliance to all legislature pertaining to performance management.
Source/collection of data	Acknowledgements of receipt or emails of the submission of the performance report as per the deadlines legislatively stipulated.
Method of calculation	The number of reports submitted will be calculated to determine the total.
Data limitations	None
Type of indicator	Outcome
Calculation type	Non-cumulative
Reporting cycle	Annually
New indicator	No
Desired performance	To achieve the target as indicated.
Indicator responsibility	Financial controller

Programme 1: Corporate Services

Strategic outcome oriented goal: The stimulation, facilitation and increase of economic growth and job creation through tourism promotion, trade promotion and investment promotion in the Western Cape province.

Strategic objective: Attain and maintain a high-level Financial Management Capability over five years.

Annual Programme Performance Indicators (Output indicators)

Sub-programme 1.1: Financial Management

Performance indicator	1.1.1 Number of revenue and projection reports submitted to stakeholders
Short definition	The number of monthly assessment of revenue and projections submitted to the relevant stakeholders.
Purpose/importance	To ensure effective cash flow management.
Source/collection of data	Acknowledgement of receipt or emails of the submission of the report to the Department of the Economic Development and Tourism (DEDAT) and the City of Cape Town.
Method of calculation	The number of reports submitted will be calculated to determine the total.
Data limitations	None
Type of indicator	Output
Calculation type	Cumulative
Reporting cycle	Quarterly
New indicator	No
Desired performance	To achieve the target as indicated.
Indicator responsibility	Financial controller

Programme 1: Corporate Services

Strategic outcome oriented goal: The stimulation, facilitation and increase of economic growth and job creation through tourism promotion, trade promotion and investment promotion in the Western Cape province.

Strategic objective: Attain and maintain a high-level Financial Management Capability over five years.

Annual Programme Performance Indicators (Output indicators)

Sub-programme 1.1: Financial Management

Performance indicator	1.1.2 Number of days taken to process payments made to creditors from date of receipt
Short definition	To ensure that creditors are paid within 30 days as prescribed by the Treasury Regulations.
Purpose/importance	To ensure effective cash flow management and adherence to the relevant regulatory prescripts.
Source/collection of data	ACCPAC reports
Method of calculation	The number of days taken to process the payment of creditors will be calculated.
Data limitations	None
Type of indicator	Output
Calculation type	Cumulative
Reporting cycle	Quarterly
New indicator	No
Desired performance	To achieve the target as indicated.
Indicator responsibility	Financial Controller

Programme 1: Corporate Services

Strategic outcome oriented goal: The stimulation, facilitation and increase of economic growth and job creation through tourism promotion, trade promotion and investment promotion in the Western Cape province.

Strategic objective: Attain and maintain a high-level Financial Management Capability over five years.

Annual Programme Performance Indicators (Output indicators)

Sub-programme 1.1: Financial Management

Performance indicator	1.1.3 Average turnaround time for approval of workflows from the date of receipt
Short definition	To ensure that all workflows are timeously approved aimed at inhibiting process delays.
Purpose/importance	To enhance supply chain management within the Agency.
Source/collection of data	Workflow system reports
Method of calculation	The total number of days taken to process submissions /number of sub-missions completed without queries is used to calculate the average
Data limitations	System and process glitches.
Type of indicator	Output
Calculation type	Cumulative
Reporting cycle	Quarterly
New indicator	No
Desired performance	To achieve the target as indicated.
Indicator responsibility	Financial Controller

Programme 1: Corporate Services

Strategic outcome oriented goal: The stimulation, facilitation and increase of economic growth and job creation through tourism promotion, trade promotion and investment promotion in the Western Cape province.

Strategic objective: Attain and maintain a high-level Financial Management Capability over five years.

Annual Programme Performance Indicators (Output indicators)

Sub-programme 1.1: Financial Management

Performance indicator	1.1.4 Outcome of external audit for the previous financial year
Short definition	To measure the reliability and accuracy of the financial and performance information produced by the Agency and test the controls implemented.
Purpose/importance	To ensure that the reliability and accuracy of the financial and performance information and the viability of the controls in place.
Source/collection of data	External audit report produced by the Auditor General
Method of calculation	One report is delivered by the Auditor General.
Data limitations	None
Type of indicator	Output
Calculation type	Non- cumulative
Reporting cycle	Annually
New indicator	No
Desired performance	To achieve the target as indicated.
Indicator responsibility	Financial Controller

Programme 1: Corporate Services

Strategic outcome oriented goal: The stimulation, facilitation and increase of economic growth and job creation through tourism promotion, trade promotion and investment promotion in the Western Cape province.

Strategic objective: To provide first class IT and administration services to the employees of the Agency.

Annual Programme Performance Indicators (Output indicators)

Sub-programme 1.2: IT and Administrative Support

Performance indicator	1.2.1 Average maximum downtime during working hours
Short definition	To ensure that the network, internet and shared drive is stable to avoid downtime on the network.
Purpose/importance	To ensure a high level of productivity and performance is maintained.
Source/collection of data	IT reports from the relevant server
Method of calculation	The average downtime hours maximum experienced during working hours is averaged to calculate the average number of hours.
Data limitations	None
Type of indicator	Output
Calculation type	Cumulative
Reporting cycle	Quarterly
New indicator	No
Desired performance	To achieve the target as indicated.
Indicator responsibility	Financial Controller

Programme 1: Corporate Services

Strategic outcome oriented goal: The stimulation, facilitation and increase of economic growth and job creation through tourism promotion, trade promotion and investment promotion in the Western Cape province.

Strategic objective: To provide first class IT and administration services to the employees of the Agency.

Annual Programme Performance Indicators (Output indicators)

Sub-programme 1.2: IT and Administrative Support

Performance indicator	1.2.2 Average turnaround time for responding to logged desktop support IT queries
Short definition	To ensure that logged IT queries are timeously attended to.
Purpose/importance	To ensure a high level of productivity and performance is maintained.
Source/collection of data	IT reports from the relevant server
Method of calculation	The total number of days taken to respond to logged queries/the number of queries received is used to calculate the average
Data limitations	None
Type of indicator	Output
Calculation type	Cumulative
Reporting cycle	Quarterly
New indicator	No
Desired performance	To achieve the target as indicated.
Indicator responsibility	Financial Controller

Programme 1: Corporate Services

Strategic outcome oriented goal: The stimulation, facilitation and increase of economic growth and job creation through tourism promotion, trade promotion and investment promotion in the Western Cape province.

Strategic objective: To provide world class human resources support and services by recruiting, maintaining and developing a competent, motivated workforce in the department, while complying with all HR and Agency policies and procedures.

Annual Programme Performance Indicators (Output indicators)

Sub-programme 1.3: Human Resource Management

Performance indicator	1.3.1 Results achieved based on the outcome of the climate and employee satisfaction surveys conducted
Short definition	To conduct climate and employee satisfaction surveys to monitor staff morale and implement the necessary strategies to ensure that employees remain motivated and performance driven
Purpose/importance	To enhance employee satisfaction.
Source/collection of data	Internal climate survey report signed by the Chief Financial Officer
Method of calculation	The results is derived from the survey conducted.
Data limitations	None
Type of indicator	Output
Calculation type	Cumulative
Reporting cycle	Annually
New indicator	No
Desired performance	To achieve the target as indicated.
Indicator responsibility	Manager: Human Resource Management

Programme 1: Corporate Services

Strategic outcome oriented goal: The stimulation, facilitation and increase of economic growth and job creation through tourism promotion, trade promotion and investment promotion in the Western Cape province.

Strategic objective: To provide world class human resources support and services by recruiting, maintaining and developing a competent, motivated workforce in the department, while complying with all HR and Agency policies and procedures.

Annual Programme Performance Indicators (Output indicators)

Sub-programme 1.3: Human Resource Management

Performance indicator	1.3.2 Implementation of the staff performance management system
Short definition	To ensure that staff performance agreements are signed and implemented as prescribed by the performance management policy.
Purpose/importance	To ensure the effective management of individual performance.
Source/collection of data	Database of performance agreements signed and reviews conducted on the respective dates signed by the Manager: Human Resources and the Chief Financial Officer
Method of calculation	The number of performance agreements signed and reviews conducted on the respective dates will be calculated.
Data limitations	None
Type of indicator	Output
Calculation type	Cumulative
Reporting cycle	Quarterly
New indicator	No
Desired performance	To achieve the target as indicated.
Indicator responsibility	Manager: Human Resource Management

Programme 1: Corporate Services

Strategic outcome oriented goal: The stimulation, facilitation and increase of economic growth and job creation through tourism promotion, trade promotion and investment promotion in the Western Cape province.

Strategic objective: To provide world class human resources support and services by recruiting, maintaining and developing a competent, motivated workforce in the department, while complying with all HR and Agency policies and procedures.

Annual Programme Performance Indicators (Output indicators)

Sub-programme 1.4: Monitoring and Evaluation

Performance indicator	1.4.1 Number of performance reports submitted by the deadline as legislatively required
Short definition	The delivery of quarterly and annual reports to stakeholders and legislatively required.
Purpose/importance	To ensure compliance to all legislature pertaining to performance management.
Source/collection of data	Acknowledgements of receipt or emails of the submission of the performance report as per the deadlines legislatively stipulated.
Method of calculation	The number of reports submitted will be calculated to determine the total.
Data limitations	None
Type of indicator	Output
Calculation type	Cumulative
Reporting cycle	Quarterly
New indicator	No
Desired performance	To achieve the target as indicated.
Indicator responsibility	Manager: Monitoring and Evaluation

Programme 1: Corporate Services

Strategic outcome oriented goal: The stimulation, facilitation and increase of economic growth and job creation through tourism promotion, trade promotion and investment promotion in the Western Cape province.

Strategic objective: To provide world class human resources support and services by recruiting, maintaining and developing a competent, motivated workforce in the department, while complying with all HR and Agency policies and procedures.

Annual Programme Performance Indicators (Output indicators)

Sub-programme 1.4: Monitoring and Evaluation

Performance indicator	1.4.2 Number of corporate plans submitted by the deadline as legislatively required
Short definition	The delivery of all corporate plans to stakeholders as legislatively required.
Purpose/importance	To ensure compliance to all legislature pertaining to performance management.
Source/collection of data	Acknowledgements of receipt or emails of the submission of the corporate plans as per the legislated deadlines.
Method of calculation	The number of reports submitted will be calculated to determine the total.
Data limitations	None
Type of indicator	Output
Calculation type	Cumulative
Reporting cycle	Quarterly
New indicator	No
Desired performance	To achieve the target as indicated.
Indicator responsibility	Manager: Monitoring and Evaluation

Programme 2: Investment Promotion

Strategic outcome oriented goal: The stimulation, facilitation and increase of economic growth and job creation through tourism promotion, trade promotion and investment promotion in the Western Cape province.

Strategic objective: Facilitate investment and jobs into the Western Cape.

Strategic Objective Performance Indicators (Outcome indicators)

Strategic objective indicator	2.1 Rand value of committed investments in to the province
Short definition	The rand value of committed investment projects for the financial year. Committed investments are classified as those projects where the investor has already incurred substantial expenditure towards the implementation of the investment project in the Western Cape.
Purpose/importance	The rand value of committed projects is a good indicator of the impact of committed investment projects facilitated by Wesgro into the Western Cape; contributing to economic growth.
Source/collection of data	1. Signed investor declaration and 2. Signed and verified database
Method of calculation	Wesgro only claims the deal once a record of decision has been taken by the client. Upon completion of the project an investor declaration is signed by investors and the date on which it was signed is used as the date of realisation. The committed investment figures are derived from all the investor declarations for the financial year and are added together to give the overall total. The variance is calculated using the lower band.
Data limitations	None
Type of indicator	Outcome
Calculation type	Cumulative
Reporting cycle	Annually
New indicator	No
Desired performance	To achieve the target as indicated.
Indicator responsibility	Senior Manager: Investment Promotion

Programme 2: Investment Promotion

Strategic outcome oriented goal: The stimulation, facilitation and increase of economic growth and job creation through tourism promotion, trade promotion and investment promotion in the Western Cape province.

Strategic objective: Facilitate investment and jobs into the Western Cape.

Strategic Objective Performance Indicators (Outcome indicators)

Strategic objective indicator	2.2 Number of jobs facilitated from committed investments in to the province
Short definition	Number of jobs created via the committed investment projects for the financial year. Committed investments are classified as those projects where the investor has already incurred substantial expenditure towards the implementation of the investment project in the Western Cape.
Purpose/importance	Employment is a good indicator of a committed investment on the economy of the Western Cape.
Source/collection of data	1. Signed investor declaration and 2. Signed and verified database
Method of calculation	The number of jobs indicated in the investor declarations is calculated to determine the total. Wesgro only counts direct permanent jobs. The variance is calculated using the lower band.
Data limitations	None
Type of indicator	Outcome
Calculation type	Cumulative
Reporting cycle	Annually
New indicator	No
Desired performance	To achieve the target as indicated.
Indicator responsibility	Senior Manager: Investment Promotion

Programme 2: Investment Promotion

Strategic outcome oriented goal: The stimulation, facilitation and increase of economic growth and job creation through tourism promotion, trade promotion and investment promotion in the Western Cape province.

Strategic objective: Facilitate investment and jobs into the Western Cape.

Annual Programme Performance Indicators (Output indicators)

Performance indicator	2.1.1 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/importance	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.
Source/collection of data	1. Signed investor declaration and 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	Output
Calculation type	Cumulative
Reporting cycle	Quarterly
New indicator	No
Desired performance	To achieve the target as indicated.
Indicator responsibility	Senior Manager: Investment Promotion

Programme 2: Investment Promotion

Special projects: Agri-business Investment Unit

Strategic outcome oriented goal: The stimulation, facilitation and increase of economic growth and job creation through tourism promotion, trade promotion and investment promotion in the Western Cape province.

Strategic objective: Facilitate investment and jobs into the Western Cape.

Strategic Objective Indicators (Outcome indicators)

Strategic objective indicator	2.4.1 Rand value of committed investments in the agri-business sector in to the province
Short definition	The rand value of committed investment projects for the financial year. Committed investments are classified as those projects where the investor has already incurred substantial expenditure towards the implementation of the investment project in the Western Cape.
Purpose/importance	The rand value of committed projects is a good indicator of the impact of committed investment projects facilitated by Wesgro into the Western Cape; contributing to economic growth.
Source/collection of data	1. Signed investor declaration and 2. Signed and verified database
Method of calculation	Wesgro only claims the deal once a record of decision has been taken by the client. Upon completion of the project an investor declaration is signed by investors and the date on which it was signed is used as the date of realisation. The committed investment figures are derived from all the investor declarations for the financial year and are added together to give the overall total. The variance is calculated using the lower band.
Data limitations	None
Type of indicator	Outcome
Calculation type	Cumulative
Reporting cycle	Annually
New indicator	No
Desired performance	To achieve the target as indicated.
Indicator responsibility	Senior Manager: Investment Promotion

Programme 2: Investment Promotion

Special projects: Agri-business Investment Unit

Strategic outcome oriented goal: The stimulation, facilitation and increase of economic growth and job creation through tourism promotion, trade promotion and investment promotion in the Western Cape province.

Strategic objective: Facilitate investment and jobs into the Western Cape.

Strategic Objective Indicators (Outcome indicators)

Strategic objective indicator	2.4.2 Number of jobs facilitated from committed investments in the agri-business sector in to the province
Short definition	Number of jobs created via the committed investment projects for the financial year. Committed investments are classified as those projects where the investor has already incurred substantial expenditure towards the implementation of the investment project in the Western Cape.
Purpose/importance	Employment is a good indicator of a committed investment on the economy of the Western Cape.
Source/collection of data	1. Signed investor declaration and 2. Signed and verified database
Method of calculation	The number of jobs indicated in the investor declarations is calculated to determine the total. Wesgro only counts direct permanent jobs. The variance is calculated using the lower band.
Data limitations	None
Type of indicator	Outcome
Calculation type	Cumulative
Reporting cycle	Annually
New indicator	No
Desired performance	To achieve the target as indicated.
Indicator responsibility	Senior Manager: Investment Promotion

Programme 2: Investment Promotion

Special projects: Agri-business Investment Unit

Strategic outcome oriented goal: The stimulation, facilitation and increase of economic growth and job creation through tourism promotion, trade promotion and investment promotion in the Western Cape province.

Strategic objective: Facilitate investment and jobs into the Western Cape.

Annual Programme Performance Indicators (Output indicators)

Performance indicator	2.4.1.1 Number of investment projects realised in the agri-business sector
Short definition	Number of jobs created via the committed investment projects for the financial year. Committed investments are classified as those projects where the investor has already incurred substantial expenditure towards the implementation of the investment project in the Western Cape.
Purpose/importance	Employment is a good indicator of a committed investment on the economy of the Western Cape.
Source/collection of data	1. Signed investor declaration and 2. Signed and verified database
Method of calculation	The number of jobs indicated in the investor declarations is calculated to determine the total. Wesgro only counts direct permanent jobs. The variance is calculated using the lower band.
Data limitations	None
Type of indicator	Output
Calculation type	Cumulative
Reporting cycle	Quarterly
New indicator	No
Desired performance	To achieve the target as indicated.
Indicator responsibility	Senior Manager: Investment Promotion

Programme 2: Investment Promotion

Special projects: Special Projects: Invest SA One Stop Shop: Western Cape

Strategic outcome oriented goal: The stimulation, facilitation and increase of economic growth and job creation through tourism promotion, trade promotion and investment promotion in the Western Cape province.

Strategic objective: Facilitate investment and jobs into the Western Cape.

Annual Programme Performance Indicators (Output indicators)

Performance indicator	2.5.1 Number of regulatory issues with facilitated
Short definition	Number of regulatory issues facilitated for the financial year are classified as those where the Invest SA, One Stop Shop, Western Cape fast tracks investment regulatory issues for new and existing investors, thereby enhancing Wesgro's role in expediting approvals.
Purpose/importance	Number of regulatory issues facilitated is a good indicator to determine the Invest SA One Stop Shop's ability to enhance the region's Ease of Doing Business (EoDB)
Source/collection of data	Email of support for issues facilitated from the client, Ministry or Agency..
Method of calculation	The number of issues facilitated will be calculated to determine the total.
Data limitations	None
Type of indicator	Output
Calculation type	Cumulative
Reporting cycle	Quarterly
New indicator	Yes
Desired performance	To achieve the target as indicated.
Indicator responsibility	Head: Invest SA One Stop Shop: Western Cape

Programme 2: Investment Promotion

Special projects: Special Projects: Invest SA One Stop Shop: Western Cape

Strategic outcome oriented goal: The stimulation, facilitation and increase of economic growth and job creation through tourism promotion, trade promotion and investment promotion in the Western Cape province.

Strategic objective: Facilitate investment and jobs into the Western Cape.

Annual Programme Performance Indicators (Output indicators)

Performance indicator	2.5.2 Average time taken to respond to investment enquiries from date of receipt
Short definition	To ensure the timeous response to investment queries.
Purpose/importance	To meet customer requirements and expectations for information needs in order to expedite the closure of investment projects.
Source/collection of data	Enquiry log
Method of calculation	The number of days taken/number of requests received is used to calculate the average days
Data limitations	None
Type of indicator	Output
Calculation type	Non-cumulative
Reporting cycle	Quarterly
New indicator	Yes
Desired performance	To achieve the target as indicated.
Indicator responsibility	Head: Invest SA One Stop Shop: Western Cape

Programme 2: Investment Promotion

Special projects: Special Projects: Invest SA One Stop Shop: Western Cape

Strategic outcome oriented goal: The stimulation, facilitation and increase of economic growth and job creation through tourism promotion, trade promotion and investment promotion in the Western Cape province.

Strategic objective: Facilitate investment and jobs into the Western Cape.

Annual Programme Performance Indicators (Output indicators)

Performance indicator	2.5.5 Number of regulatory issues resolved
Short definition	The indicator reflects the number of resolved cases received through the one stop shop or Wesgro.
Purpose/importance	Creating an enabling business environment through the enhancement of the regulatory framework within which businesses operate creates opportunities to attract foreign direct investment in to the Province, stimulate job creation and strengthens the competitive advantage thereof.
Source/collection of data	A signed database of cases received
Method of calculation	The cases resolved throughout the year is added together to give us the total
Data limitations	None
Type of indicator	Output
Calculation type	Non-cumulative
Reporting cycle	Annually
New indicator	Yes
Desired performance	To achieve the target as indicated.
Indicator responsibility	Head: Invest SA One Stop Shop: Western Cape

Programme 3: Trade Promotion

Strategic outcome oriented goal: The stimulation, facilitation and increase of economic growth and job creation through tourism promotion, trade promotion and investment promotion in the Western Cape province.

Strategic objective: To promote and facilitate global exports of goods and services from qualified companies in the Western Cape

Strategic objective: To facilitate and support operations and expansion of Western Cape companies into the rest of Africa

Sub-programme 3.1: Trade Promotion

Strategic Objective Performance Indicators (Outcome indicators)

Strategic objective indicator	3.1.1 Estimated rand value of business agreements signed
Short definition	The estimated value of trade business agreements signed.
Purpose/importance	To measure monetary inflows into the Province.
Source/collection of data	1. Signed trade declarations and 2. Signed and verified database
Method of calculation	The figure for the projected rand value is derived from the signed trade declarations and is added together to give the overall total. The variance is calculated using the lower band.
Data limitations	Non-disclosure of third party information
Type of indicator	Outcome
Calculation type	Cumulative
Reporting cycle	Annually
New indicator	No
Desired performance	To achieve the target as indicated.
Indicator responsibility	Senior Manager: Trade Promotion

Programme 3: Trade Promotion

Strategic outcome oriented goal: The stimulation, facilitation and increase of economic growth and job creation through tourism promotion, trade promotion and investment promotion in the Western Cape province.

Strategic objective: To promote and facilitate global exports of goods and services from qualified companies in the Western Cape

Strategic objective: To facilitate and support operations and expansion of Western Cape companies into the rest of Africa

Strategic Objective Performance Indicators (Outcome indicators)

Strategic objective indicator	3.1.2 Number of jobs facilitated from the business agreements signed
Short definition	Number of jobs created via the business deals signed for the financial year.
Purpose/importance	Employment is a good indicator of the increase in exports on the economy of the Western Cape.
Source/collection of data	1. Signed trade declarations and 2. Signed and verified database
Method of calculation	The number of jobs indicated in the signed trade declarations is calculated to determine the total. The variance is calculated using the lower band.
Data limitations	Non-disclosure of third party information
Type of indicator	Outcome
Calculation type	Cumulative
Reporting cycle	Annually
New indicator	No
Desired performance	To achieve the target as indicated.
Indicator responsibility	Senior Manager: Trade Promotion

Programme 3: Trade Promotion

Strategic outcome oriented goal: The stimulation, facilitation and increase of economic growth and job creation through tourism promotion, trade promotion and investment promotion in the Western Cape province.

Strategic objective: To promote and facilitate exports of goods and services from qualified companies in the Western Cape

Strategic objective: To facilitate and support operations and expansion of Western Cape companies into the rest of Africa

Sub-programme 3.2: African Expansion

Strategic Objective Performance Indicators (Outcome indicators)

Strategic objective indicator	3.2.1 Rand value of committed outward foreign direct investment (OFDI) declarations signed
Short definition	The rand value of OFDI declarations signed for the financial year.
Purpose/importance	The rand value of the signed OFDI business agreements is a good indicator of the impact of the committed business deals facilitated by Wesgro ; contributing to economic growth. The variance is calculated using the lower band.
Source/collection of data	1. Signed OFDI declarations signed and 2. Signed and verified database
Method of calculation	The figure for the projected rand value is derived from the OFDI declarations signed and is added together to give the overall total.
Data limitations	Non-disclosure of third party information
Type of indicator	Outcome
Calculation type	Cumulative
Reporting cycle	Annually
New indicator	No
Desired performance	To achieve the target as indicated.
Indicator responsibility	Senior Manager: Trade Promotion

Programme 3: Trade Promotion

Strategic outcome oriented goal: The stimulation, facilitation and increase of economic growth and job creation through tourism promotion, trade promotion and investment promotion in the Western Cape province.

Strategic objective: To promote and facilitate exports of goods and services from qualified companies in the Western Cape

Strategic objective: To facilitate and support operations and expansion of Western Cape companies into the rest of Africa

Sub-programme 3.1: Trade Promotion

Annual Programme Performance Indicators (Output indicators)

Performance indicator	3.1.1.1 Number of business agreements signed
Short definition	Refers to the number of confirmed trade transactions facilitated.
Purpose/importance	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.
Source/collection of data	1. Signed trade declarations and 2. Signed and verified database
Method of calculation	The number of signed business is calculated to determine the number of projects realised.
Data limitations	Non-disclosure of third party information
Type of indicator	Output
Calculation type	Cumulative
Reporting cycle	Quarterly
New indicator	No
Desired performance	To achieve the target as indicated.
Indicator responsibility	Senior Manager: Trade Promotion

Programme 3: Trade Promotion

Strategic outcome oriented goal: The stimulation, facilitation and increase of economic growth and job creation through tourism promotion, trade promotion and investment promotion in the Western Cape province.

Strategic objective: To promote and facilitate exports of goods and services from qualified companies in the Western Cape

Strategic objective: To facilitate and support operations and expansion of Western Cape companies into the rest of Africa

Sub-programme 3.2: African Expansion

Annual Programme Performance Indicators (Output indicators)

Performance indicator	3.2.1.1 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/importance	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.
Source/collection of data	1. Signed OFDI declarations signed and 2. Signed and verified database
Method of calculation	The number of signed business agreements is calculated to determine the number of projects realised.
Data limitations	Non-disclosure of third party information
Type of indicator	Output
Calculation type	Non-cumulative
Reporting cycle	Annually
New indicator	No
Desired performance	To achieve the target as indicated.
Indicator responsibility	Senior Manager: Trade Promotion

Programme 4: Wesgro IQ

Strategic outcome oriented goal: The stimulation, facilitation and increase of economic growth and job creation through tourism promotion, trade promotion and investment promotion in the Western Cape province.

Strategic objective: Develop relevant tourism, trade and investment publications

Strategic objective: Provide customised research and information in support of the core functions of the Agency.

Strategic Objective Performance Indicators (Outcome indicators)

Strategic objective indicator	4.1 Percentage of publications with more than 100 downloads from the date of activation on the website
Short definition	This refers to meeting the percentage target for publications with more than 100 downloads from the date of activation on the website
Purpose/importance	To determine the value of publications developed by the research unit as measured by the number of downloads
Source/collection of data	Website counter tool from the date of activation on the website
Method of calculation	The number of publications with more than 100 downloads /the number of publications activated is used to calculate the percentage. Activation must have occurred during the financial year in order for it to be included in the calculation.
Data limitations	Availability of the website tool or downtime of the website
Type of indicator	Outcome
Calculation type	Non-cumulative
Reporting cycle	Annually
New indicator	No
Desired performance	To achieve the target as indicated.
Indicator responsibility	Chief Research Officer

Programme 4: Wesgro IQ

Strategic outcome oriented goal: The stimulation, facilitation and increase of economic growth and job creation through tourism promotion, trade promotion and investment promotion in the Western Cape province.

Strategic objective: Develop relevant tourism, trade and investment publications

Strategic objective: Provide customised research and information in support of the core functions of the Agency.

Annual Programme Performance Indicators (Output indicators)

Performance indicator	4.1.1 Number of relevant tourism, trade and investment publications developed
Short definition	Publications refer to research and information products that are developed both internally and externally by and for the Agency, as per the set our criteria.
Purpose/importance	To sector specific information available to the public.
Source/collection of data	Publication control sheet signed by the researcher and approved by the Head: Wesgro IQ.
Method of calculation	The number of publications produced are added to determine the number produced.
Data limitations	Information requested may not be freely available.
Type of indicator	Output
Calculation type	Cumulative
Reporting cycle	Bi-Annually
New indicator	No
Desired performance	To achieve the target as indicated.
Indicator responsibility	Chief Research Officer

Programme 4: Wesgro IQ

Strategic outcome oriented goal: The stimulation, facilitation and increase of economic growth and job creation through tourism promotion, trade promotion and investment promotion in the Western Cape province.

Strategic objective: Develop relevant tourism, trade and investment publications

Strategic objective: Provide customised research and information in support of the core functions of the Agency.

Annual Programme Performance Indicators (Output indicators)

Performance indicator	4.2.1 Average turnaround time to complete research requests from date of receipt
Short definition	To ensure the timeous response to customised research queries.
Purpose/importance	To meet customer requirements and expectations for information needs.
Source/collection of data	Enquiry log
Method of calculation	The number of days taken/number of requests received is used to calculate the average days
Data limitations	Information requested may not be freely available
Type of indicator	Output
Calculation type	Cumulative
Reporting cycle	Quarterly
New indicator	No
Desired performance	To achieve the target as indicated.
Indicator responsibility	Chief Research Officer

Programme 5: Marketing and Communication

Strategic outcome oriented goal: The stimulation, facilitation and increase of economic growth and job creation through tourism promotion, trade promotion and investment promotion in the Western Cape province.

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

Strategic objective: Profile and position the Agency through its core mandates of tourism, trade and investment

Strategic Objective Performance Indicators (Outcome indicators)

Strategic objective indicator	5.1 Rand value of the advertising value equivalent (AVE) generated for the Agency
Short definition	Advertising Value Equivalency (AVE) is the measure used in public relations to 'measure' the benefit to the Agency and destination from media coverage received via media release, campaigns, sponsorships, events, partnerships and other marketing activities undertaken by Wesgro.
Purpose/importance	To manage and measure the reputation of the Agency and destination through media opportunities
Source/collection of data	A monthly media monitoring report
Method of calculation	The rand value of AVE generated through various marketing and promotion activities will be calculated to determine the total.
Data limitations	None
Type of indicator	Outcome
Calculation type	Non-cumulative
Reporting cycle	Annually
New indicator	No
Desired performance	To achieve the target as indicated.
Indicator responsibility	Chief Communications Officer

Programme 5: Marketing and Communication

Strategic outcome oriented goal: The stimulation, facilitation and increase of economic growth and job creation through tourism promotion, trade promotion and investment promotion in the Western Cape province.

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

Strategic objective: Profile and position the Agency through its core mandates of tourism, trade and investment

Annual Programme Performance Indicators (Output indicators)

Performance indicator	5.1.1 Number of strategic media engagements hosted
Short definition	Engagements with the media via events, interviews, engagements, meetings, emails, telephone or social media that assist in the positioning of Wesgro and/or the destination.
Purpose/importance	To improve the position of the Agency and the destination with shareholders, citizens, domestic and international businesses.
Source/data collection	Invite to media event, proof of meeting request, email, article published, social media coverage received, radio interview and/or TV interview
Method of calculation	The number of media engagements will be added to calculate the total.
Data limitations	None
Type of indicator	Output
Calculation type	Cumulative
Reporting cycle	Quarterly
New indicator	No
Desired performance	To achieve the target as indicated.
Indicator responsibility	Chief Communications Officer

Programme 5: Marketing and Communication

Strategic outcome oriented goal: The stimulation, facilitation and increase of economic growth and job creation through tourism promotion, trade promotion and investment promotion in the Western Cape province.

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

Strategic objective: Profile and position the Agency through its core mandates of tourism, trade and investment

Annual Programme Performance Indicators (Output indicators)

Performance indicator	5.1.2 Number of strategic corporate Agency events hosted
Short definition	To host, assist with hosting, facilitate elements of an event for partners or provide collateral to a partner event.
Purpose/importance	To improve the position of the Agency and the destination with shareholders, citizens, domestic and international businesses.
Source/data collection	Invite to the event or an email documenting type of assistance to partners
Method of calculation	The number of events hosted will be added to calculate the total.
Data limitations	None
Type of indicator	Output
Calculation type	Cumulative
Reporting cycle	Quarterly
New indicator	No
Desired performance	To achieve the target as indicated.
Indicator responsibility	Chief Communications Officer

Programme 5: Marketing and Communication

Strategic outcome oriented goal: The stimulation, facilitation and increase of economic growth and job creation through tourism promotion, trade promotion and investment promotion in the Western Cape province.

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

Strategic objective: Profile and position the Agency through its core mandates of tourism, trade and investment

Annual Programme Performance Indicators (Output indicators)

Performance indicator	5.1.3 Number of relevant industry events sponsored
Short definition	To provide financial or non-financial support to industry events that help promote Wesgro and the destination.
Purpose/importance	To improve the position of the Agency and the destination with shareholders, citizens, domestic and international businesses.
Source/data collection	Contract, email, joint marketing agreement or programme from the event
Method of calculation	The number of events hosted will be added to calculate the total.
Data limitations	None
Type of indicator	Output
Calculation type	Non-cumulative
Reporting cycle	Annually
New indicator	No
Desired performance	To achieve the target as indicated.
Indicator responsibility	Chief Communications Officer

Programme 6: Destination Marketing

Strategic outcome oriented goal: The stimulation, facilitation and increase of economic growth and job creation through tourism promotion, trade promotion and investment promotion in the Western Cape province.

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

Strategic Objective Performance Indicators (Outcome indicators)

Strategic objective indicator	6.1 Total estimated economic value of tourism destination marketing initiatives supported
Short definition	To measure the economic value of the tourism destination marketing initiatives supported by means of joint marketing agreements secured, conference bids secured, incentives secured, events supported and the amount of AVE (advertorial value equivalent) generated.
Purpose/importance	To drive geographic spread, improve seasonality, job creation and the stimulation of economic growth.
Source/data collection	<ol style="list-style-type: none"> 1. Signed and verified database of the economic value of the tourism initiatives supported; 2. Evidence substantiating the economic value of the tourism initiatives supported, which may include; <ul style="list-style-type: none"> • 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 and/or • Signed AVE report and/or • Communiqué confirming that the incentives have been secured
Method of calculation	The total economic value will be calculated by the addition of the economic value of the initiatives supported.
Data limitations	No control over data provided by third parties or the timing of the submission thereof
Type of indicator	Outcome
Calculation type	Non-cumulative
Reporting cycle	Annually
New indicator	No
Desired performance	To achieve the target as indicated.
Indicator responsibility	Chief Marketing Officer

Programme 6: Destination Marketing

Strategic outcome oriented goal: The stimulation, facilitation and increase of economic growth and job creation through tourism promotion, trade promotion and investment promotion in the Western Cape province.

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

Annual Programme Performance Indicators (Output indicators)

Performance indicator	6.1.1 Number of tourism destination marketing initiatives supported
Short definition	To measure the number of tourism destination marketing initiatives supported.
Purpose/importance	To drive geographic spread, improve seasonality, job creation and the stimulation of economic growth.
Source/data collection	1. Signed progress report for the initiatives supported and estimated economic value of initiatives supported and 2. Evidence substantiating the initiatives supported.
Method of calculation	The number of tourism destination marketing initiatives supported will be calculated to determine the total.
Data limitations	Dependency on partnerships
Type of indicator	Output
Calculation type	Non-cumulative
Reporting cycle	Annually
New indicator	No
Desired performance	To achieve the target as indicated
Indicator responsibility	Chief Marketing Officer

Programme 6: Destination Marketing

Strategic outcome oriented goal: The stimulation, facilitation and increase of economic growth and job creation through tourism promotion, trade promotion and investment promotion in the Western Cape province.

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

Annual Programme Performance Indicators (Output indicators)

Performance indicator	6.1.2 Number of joint marketing agreements (JMA) secured
Short definition	Collaborating with various stakeholders (including industry partners, tour operators, media and/or airlines) to market Cape Town and the Western Cape
Purpose/importance	To minimize the cost of marketing and allow Wesgro to gain maximum access to potential clients.
Source/data collection	Copy of signed JMA between the Agency and the stakeholder
Method of calculation	The number of JMA's will be added to get the total
Data limitations	Dependency on partnerships
Type of indicator	Output
Calculation type	Cumulative
Reporting cycle	Quarterly
New indicator	No
Desired performance	Achieve targets as indicated
Indicator responsibility	Chief Marketing Officer

Programme 6: Destination Marketing

Strategic outcome oriented goal: The stimulation, facilitation and increase of economic growth and job creation through tourism promotion, trade promotion and investment promotion in the Western Cape province.

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

Annual Programme Performance Indicators (Output indicators)

Performance indicator	6.1.3 Number of bids secured
Short definition	Number of bids secured by the Agency from businesses or organisations or association bodies to host meetings, incentive, conference/conference or exhibitions in the destination.
Purpose/importance	To attract international and domestic business tourism delegates who contribute towards the economic impact and the profiling of the destination.
Source/data collection	Copy of signed letter form the organisation or business or an email confirming the decision and first 2 pages of the bid book or presentation.
Method of calculation	The number of conference bids secured will be added to calculate the total.
Data limitations	Dependency on partnerships
Type of indicator	Output
Calculation type	Cumulative
Reporting cycle	Quarterly
New indicator	No
Desired performance	Achieve targets as indicated
Indicator responsibility	Head: Convention Bureau

Programme 6: Destination Marketing

Strategic outcome oriented goal: The stimulation, facilitation and increase of economic growth and job creation through tourism promotion, trade promotion and investment promotion in the Western Cape province.

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

Annual Programme Performance Indicators (Output indicators)

Performance indicator	6.1.4 Economic impact of bids secured
Short definition	Estimated economic impact of the bids secured by the Conventions Bureau to host their meeting, incentive, congress/conference or exhibition in the destination.
Purpose/importance	To measure the economic impact of the bids secured and the profiling of the destination of the destination by international and domestic business tourism delegates.
Source/data collection	Economic impact report signed by the Head: Convention Bureau and approved by the Chief Marketing Officer.
Method of calculation	The economic impact is calculated by the addition of the value of number of bids secured.
Data limitations	No control over the data provided by the event owner or association bodies and lack of accurate data.
Type of indicator	Output
Calculation type	Cumulative
Reporting cycle	Quarterly
New indicator	No
Desired performance	Achieve targets as indicated
Indicator responsibility	Head: Convention Bureau

Programme 6: Destination Marketing

Strategic outcome oriented goal: The stimulation, facilitation and increase of economic growth and job creation through tourism promotion, trade promotion and investment promotion in the Western Cape province.

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

Annual Programme Performance Indicators (Output indicators)

Performance indicator	6.1.5 Number of leisure events supported
Short definition	Supporting leisure events aimed at increasing awareness of the destination and increases the number of visitor arrivals to the destination.
Purpose/importance	To drive geographic spread and reduce the impact of seasonality.
Source/data collection	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	Output
Calculation type	Cumulative
Reporting cycle	Quarterly
New indicator	No
Desired performance	Achieve targets as indicated
Indicator responsibility	Chief Marketing Officer

Programme 6: Destination Marketing

Strategic outcome oriented goal: The stimulation, facilitation and increase of economic growth and job creation through tourism promotion, trade promotion and investment promotion in the Western Cape province.

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

Annual Programme Performance Indicators (Output indicators)

Performance indicator	6.1.6 Rand value of AVE generated
Short definition	The branding value is publicity in media measured through the advertising value equivalent (AVE)
Purpose/importance	To build the prominence of het Agency and the destination in international and domestic markets.
Source/data collection	A media monitoring report signed by the Chief Marketing Officer
Method of calculation	The rand value of AVE generated through various marketing and promotion activities will be calculated to determine the total.
Data limitations	None
Type of indicator	Output
Calculation type	Non-cumulative
Reporting cycle	Annually
New indicator	No
Desired performance	Achieve targets as indicated
Indicator responsibility	Chief Marketing Officer

Programme 7: Film and Media Promotion

Strategic outcome oriented goal: The stimulation, facilitation and increase of economic growth and job creation through tourism promotion, trade promotion and investment promotion in the Western Cape province.

Strategic objective: To firmly establish a globally competitive film sector by 2020.

Strategic Objective Indicators (Outcome indicators)

Strategic objective indicator	7.1 Rand value of film and media productions brought in to the province
Short definition	The rand value of committed film and media productions for the financial year
Purpose/importance	The rand value of committed projects is a good indicator of the impact of committed investment projects facilitated by Wesgro into the Western Cape; contributing to economic growth.
Source/data collection	Signed investor declaration
Method of calculation	The committed investment figures are derived from all the investor declarations for the financial year and are added together to give the overall total.
Data limitations	None
Type of indicator	Outcome
Calculation type	Non-cumulative
Reporting cycle	Annually
New indicator	No
Desired performance	To achieve the target as indicated.
Indicator responsibility	Head: Film and Media Promotion

Programme 7: Film and Media Promotion

Strategic outcome oriented goal: The stimulation, facilitation and increase of economic growth and job creation through tourism promotion, trade promotion and investment promotion in the Western Cape province.

Strategic objective: To firmly establish a globally competitive film sector by 2020.

Strategic Objective Indicators (Outcome indicators)

Strategic objective indicator	7.2 Number of jobs facilitated through the productions brought to the province
Short definition	Number of FTE jobs facilitated via the committed investment projects for the financial year.
Purpose/importance	Employment is a good indicator to review the impact of a committed investment on the economy of the Western Cape.
Source/data collection	Signed investor declaration
Method of calculation	The number of FTE jobs indicated in the investor declarations is calculated to determine the total.
Data limitations	None
Type of indicator	Outcome
Calculation type	Non-cumulative
Reporting cycle	Annually
New indicator	No
Desired performance	To achieve the target as indicated.
Indicator responsibility	Head: Film and Media Promotion

Programme 7: Film and Media Promotion

Strategic outcome oriented goal: The stimulation, facilitation and increase of economic growth and job creation through tourism promotion, trade promotion and investment promotion in the Western Cape province.

Strategic objective: To firmly establish a globally competitive film sector by 2020.

Annual Programme Performance Indicators (Output indicators)

Performance indicator	7.1.1 Number of film and media productions brought in to the province
Short definition	Refers to the number of confirmed direct international investment in film and media production 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/importance	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. 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
Source/data collection	Signed investor declaration
Method of calculation	The number of signed investor declarations is calculated to determine the number of projects realised.
Data limitations	None
Type of indicator	Output
Calculation type	Non-cumulative
Reporting cycle	Annually
New indicator	No
Desired performance	To achieve the target as indicated.
Indicator responsibility	Head: Film and Media Promotion



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