

Annual Performance Plan 2021/22



Submission date:
9 March 2021

An inspiring place to do business

WesGRO

cape town & western cape
tourism, trade, investment, film

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Executive Authority Statement

The 2021/22 Annual Performance Plan (APP) is aligned to Wesgro's 5-year Strategic Plan for the period 2020/21 to 2024/25.

In the development of the 5-year Strategic Plan, there was no knowing that 2020 would bring disruption to economies and livelihoods on a global scale. Developing this APP has therefore been a somewhat extraordinary experience.

Almost every aspect of Wesgro's mandate involves international economic activity, and the Covid-19 pandemic therefore left no part of the Agency's operations untouched. The events of 2020 would have seen a lesser institution fumble and panic, but Wesgro did the opposite. This small agency reacted with great speed and agility to adapt to the rapidly unfolding new realities. Not only was Wesgro able to adapt its own operations, but the Agency was able to provide guidance and support to an entire business community trying to keep afloat in a sea of uncertainty.

Wesgro's unique role, on the one hand as an interface between government and business, and on the other as an international-facing agency, allowed the Agency the agility to roll out the Western Cape's response plan of containment, adaptation and recovery in a highly effective way.

Wesgro's mandate is to connect its clients to opportunity, and the Agency adapted to do this in virtual spaces to contain lost opportunities. By adapting to the virtual world, Wesgro has seen a dramatic increase in reach, and has helped clients adapt and thrive. Our greatest challenge is economic recovery, and here Wesgro is working relentlessly to position Cape Town and the Western Cape at the top of the consideration list during our current economic constraints.

2020 presented unprecedented challenges and unexpected opportunities. Looking ahead, this APP tries to make sense of our still uncertain new reality. This is a plan that tries to harness as many of those unexpected opportunities as possible to help the Western Cape economy navigate the uncertainties and challenges that we now know lie ahead.

The APP outlines the outputs that will be delivered for the financial year under review. The plan sets out a set of targets for the financial year, which is calculated against the achievements of previous years and takes into account the impact of COVID-19. The outcomes are aligned to the Agency's objectives and mandate, and to Government's priorities. The targets take into consideration the current context of the South African economy and the international economic climate.

Despite an extremely constrained environment, we present ambitious outcome targets as a sign of our commitment to achieve economic growth for our region.

As the Board, we are proud to have provided direction on the development and implementation of the delivery targets, and whole-heartedly endorse this Annual Performance Plan. It is indeed a plan that will contribute significantly to economic recovery and job creation in the Western Cape.

I am confident that the Board, Management and Staff of Wesgro will give every effort to ensure effective implementation of the Agency's priorities. It is this commitment to excellence that makes Wesgro excel in times of crisis.



Mike Spicer

Chairperson of the Wesgro Board

Accounting Officer Statement

This Annual Performance Plan (APP) sets out a path for Wesgro that will require us to maintain our agility and resourcefulness.

The Covid-19 pandemic forced us to rethink the way that we operate as an agency. 2020 saw every team in Wesgro adopt new approaches overnight, in order to continue supporting businesses and connecting clients to opportunity.

It is thanks to this attitude of agility and resilience that each of the teams at Wesgro have pioneered a new path for their clients this past year. From virtual wine tastings around the world, to podcasts that make you dream about Cape Town and the Western Cape, our track record of adaptation is why we are setting out ambitious plans in this APP to grow the Cape economy.

Our resilience in recent years has been forged by crisis.

In the face of drought, citizens and businesses in the Cape cut their water consumption faster and by more than any other region facing a similar disaster. This took the Cape economy to the forefront of water-resilience.

In the face of crippling load-shedding a Special Economic Zone for Greentech was created, on the back of the Cape performing as one of the fastest growing green economies in the world.

And, in the face of economic shock upon economic shock, the Western Cape has helped to raise our country's economic growth rate, and lower national unemployment.

This lies at the heart of what we call "Cape Confidence".

The Agency's achievements over the 2019/20 financial year show how committed we are to growing the Western Cape:

- R2,24bn in committed investments into the Province, with 1 485 jobs created from committed investments.
- R3,08bn estimated rand value of trade agreements signed, with 973 jobs facilitated and R428,75m in committed Outward Foreign Direct Investment.
- R2,04bn total estimated economic impact of tourism marketing initiatives supported.
- 104 publications completed.
- R58,37m in advertising value equivalent (AVE) generated.
- R935,63, total estimated economic impact of tourism initiatives supported.
- R2,189bn worth of investment committed in the film and media sector, creating a total of 2 147 full-time equivalent jobs.

Building upon these successes, we look to the future. We need to help drive a strong economic recovery from the COVID crisis by:

- Maintaining the high levels of participation achieved on virtual platforms globally across investment, export, tourism and film.
- Significantly upscaling digital international tourism marketing campaigns, focused in key source markets to ensure competitive advantage.
- Enhancing our international presence through investment and export and promote business expansion into the Western Cape from the rest of the country.
- Building and maintaining our export portal and retain the virtual outward and inward missions for increased exporter participation.
- Upscaling locations marketing for film, with increased cross-selling from the tourism sector.
- Continuing to work tirelessly to find opportunity for citizens and companies in the Cape, and around the world.

I would like to thank our stakeholders for their support, particularly the Western Cape Government led by the Premier of the Western Cape, Alan Winde and the Western Cape Minister of Finance and Economic Opportunities, David Maynier; the Mayor of the City of Cape Town, Dan Plato, and Alderman James Vos, Mayoral Committee Member for Economic Opportunities and Assets Management. Economic recovery will be built upon the Western Cape's strong sense of collaboration and partnerships.

I am exceptionally grateful for the support and guidance of our committed Board of Directors, and in particular Chairperson Michael Spicer. On behalf of the remarkable team at Wesgro, I thank you.

A handwritten signature in black ink, appearing to read 'Timothy Harris', written over a horizontal line.

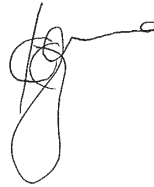
Timothy Harris

Chief Executive Officer

Official Sign-Off

It is hereby certified that the Annual Performance Plan for 2021/22:

- was developed by the Management of Wesgro under the guidance of the Board of Directors and Minister David Maynier, MEC of Finance and Economic Opportunities; and
- accurately reflects the impacts, outcomes and outputs which Wesgro will endeavour to achieve during the 2021/22 financial year, subject to the resources being made available.



Kholeka Zama

Signature: _____

Chief Financial Officer



Timothy Harris

Signature: _____

Chief Executive Officer

Approved by:



Mike Spicer

Signature: _____

Chairperson of the Wesgro Board



Minister David Maynier

Signature: _____

Executive Authority



Hopefield wind farm



1. Part A: Our mandate

1.1 Vision

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

1.2 Mission

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

The mission of the Agency is:

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

1.3 Values

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

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

1.4 Constitutional, legislative and other mandates

1.4.1 Constitutional mandate

Constitution of the Republic of South Africa, 1996

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

- Consumer Protection
- Industrial Promotion
- Tourism
- Trade

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

1.4.2 Legislative mandates

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

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

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

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

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

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

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

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

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

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

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

regulate the process of applying for and issuing of Special Economic Zones operator permits and to provide for functions of the Special Economic Zones operator.

Tourism Act, 2014 (Act 3 of 2014)

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

1.4.3 Policy mandates

1.4.3.1 National policy framework

State of the Nation Address (SONA)

In the State of the Nation Address (SONA), held on 11 February 2021, the President highlighted the following four key areas of focus:

1. Overcoming COVID-19.
2. Accelerating economic recovery.
3. Implementing economic reforms to drive inclusive growth.
4. Fight corruption and strengthen the state.

Medium Term Strategic Framework

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

National Development Plan (NDP)

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

Industrial Policy Action Plan (IPAP)

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

1. Grow the economy.
2. Strengthen efforts to raise aggregate domestic demand – mainly through localisation of public procurement and intensified efforts to persuade the private sector to support localisation and local supplier development.
3. Step up South Africa's export effort.
4. Create and reinforce policy certainty and programme alignment.

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

National Tourism Sector Strategy (NTSS)

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

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

1.4.3.2 Provincial policy framework

State of the Province Address (SOPA)

During the State of the Province Address (SOPA), delivered on 18 February 2021, the Premier outlined the Western Cape Government's main focus areas for the next year as:

- COVID-19 response
- Johnson and Johnson trials
- Jobs and the economy
- Safety
- Dignity and well-being

Provincial Strategic Plan (PSP)

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

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

The Department of Economic Development and Tourism (DEDAT), through its programmes and activities, contributes to the achievement of VIP 2: Growth and Jobs.

The focus areas for VIP 2 are:

- Increasing Investment
- Building and maintaining Infrastructure

- Growing the economy through export growth
- Creating opportunities for job creation through skills development
- Creating an enabling environment for economic growth through resource resilience

Wesgro contributes to the achievement of VIP2: Growth and Jobs, and has developed its 5-year strategy and the achievement thereof to the creation of an enabling environment that fosters economic growth and job creation. In terms of the current COVID environment and economic climate, Wesgro has doubled down on its effort to economic and export growth.

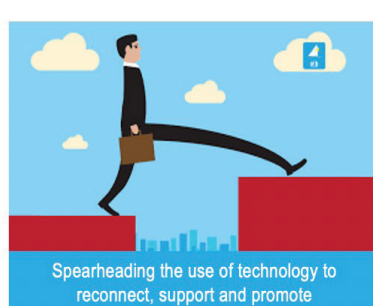
Western Cape Recovery Plan

The Recovery Plan is built on four themes:

- COVID Recovery: The pandemic will be with us for the foreseeable future; existing measures must continue and new ones put in place to deal with disruptors to the economy and service delivery.
- Jobs: The economic impact of COVID-19 has been severe. We can only recover if our economy grows and our citizens generate income.
- Well-being: Government must ensure that the basic human needs of our citizens are realised, as guaranteed in the Constitution.
- Safety: This is the over-arching theme for the Provincial Strategic Plan, and it is equally relevant going forward. It is inextricably linked with Wellbeing, as Safety cannot be achieved if basic human needs are not met.

Dignity is central to these themes. The citizen is the centre of everything that we do as government, and what we deliver and how we deliver, must be upheld in the dignity of every individual, household and community.

Wesgro's legislative mandate and response to the Western Cape's Recovery Plan:



Western Cape Recovery Plan – Wesgro’s economic growth and job creation targets:

Strategic Context	Aligned Intervention	Implications (Strategic, budgetary and or targets)
Prioritised interventions linked to Western Cape Recovery Plan	Boost investment	To recruit and facilitate between R1,96bn and R2,85bn committed investment into the Province, resulting in between 698 and 1 490 jobs.
		To recruit and facilitate between R1,97bn and R2,91bn film and media productions brought into the Province, resulting in between 2 964 and 3 591 FTE jobs.
	Boost exports	To recruit and facilitate between R2,97bn and R4,25bn trade agreements, resulting in between 551 and 721 jobs, and R265m and R590m Outward Foreign Direct Investment (OFDI).
		To market Cape Town and the Western Cape and support tourism destination marketing initiatives with an estimated economic value of R515m and R824m.

Key areas of focus, which are delivery items across the programmes in Wesgro, are:

Investments

- Improve international positioning of the Western Cape region.
- Improve positioning of the Western Cape locally – i.e. to companies currently based in Gauteng and KZN.
- Improve ease of doing business and the investment ecosystem.
- Improve investment facilitation.
- Improve retention strategy.
- Optimise resourcing within the investment ecosystem.

Exports

- Stimulate the growth of key sectors such as Business Process Outsourcing, tourism, agriculture and agri-processing.
- Assist firms in moving up the product and services complexity continuum.
- Improve productivity in key tradeable sectors through all the instruments at the government’s disposal.
- Deepen existing destination markets and seek out new markets with local firms through trade promotion.
- Promote trade in key destination markets (i.e. rest of Africa).
- Support tourism – air access.

Call Centre





2. Part B: Our strategic focus

2.1 Updated situational analysis

Economic Environment

2020 will be remembered as a year of extremes and for this it makes it particularly difficult to compare it with any preceding period or with upcoming years. As a result, it probably makes more sense to look at the year in isolation and compare 2019 with 2021. The reality of course is that South Africa's economy was struggling in 2019 with GDP growth in the region of 0,6%. This is way below the required rate to address the serious challenge of unemployment that at the time of writing this stands on just over 40% of the working population. In fact, the South African economy shed 2,2 million jobs in the second quarter of 2020 as a direct result of the hard lockdown the South African government implemented to gear up the medical response to COVID-19. SA's GDP suffered a record quarterly contraction of 16.4% (51% annualised) in the same quarter.

At the same time, government implemented large scale recovery programmes (valued at R500bn and equating to around 10% of GDP) to support the unemployed, the poor and struggling companies. Such a large-scale intervention is clearly not sustainable and hence there is an immediate and ongoing need for the economy to recover. It is estimated that South Africa's economy will contract by 8,3% in 2020. However, it seems that in many cases the market crash was less severe than originally anticipated and that the recovery for 2021 will be more robust, with an anticipated increase of 3,5% GDP. Recovery depends to a large extent on how we manage the impact of the second wave of infections. The significant decrease in interest rates by 300 base points in 2020 to date, is a further stimulus to consumption, although it will no doubt also entice more appetite for consumer debt. The repo rate is expected to remain unchanged in 2021. The rand depreciated from R14,72 in Q4 2019 to R17,95 in Q2 2020 against the US dollar, but is expected to maintain a rate of around R17,20 in 2021.

Inflationary Developments

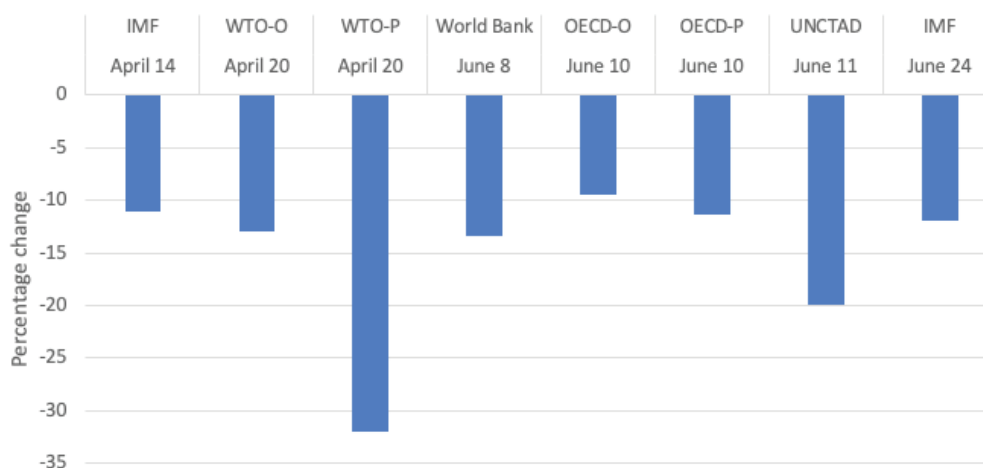
South Africa's headline inflation averaged 4.1% in 2019, marginally higher than the mid-point of the Central Bank's target band of 3% to 6%. Year-to-date headline inflation has dropped to 2,4% and it is expected to remain below 4% in 2021.

The oil price has decreased from \$63 per barrel in Q4 2019 to \$34 in Q2 2020. It is expected that oil prices will increase in 2021, adding to inflation pressure. However, demand for products and services is expected to remain subdued in 2021, which will limit the expectations for significant inflation increases.

External Position

Not since the global financial crisis of 2008, has the world seen international trade volumes slow to current levels. Initial projections from a number of multilateral organisations for the contraction of the annual volume for world trade in 2020 range from -10% to -32%, as indicated in the graph below.

Figure 1 Forecasts for real world trade growth in 2020



Note: O = Optimistic scenario, P = Pessimistic Scenario

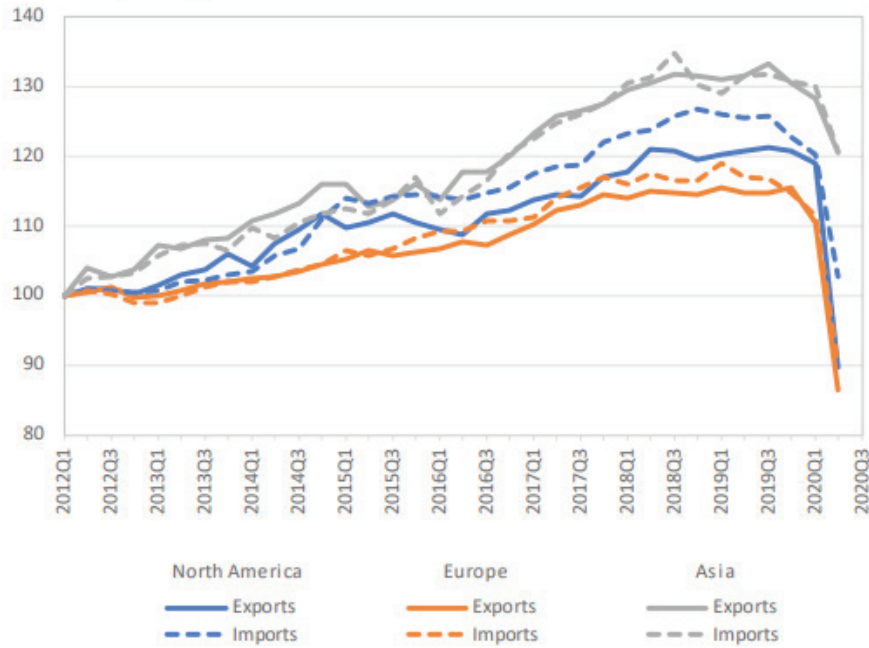
Note: O = Optimistic scenario, P = Pessimistic Scenario

According to the World Trade Organisation's (WTOs) latest October projections, global merchandise trade volumes are forecast to fall by a better-than-initially-expected 9.2% in 2020; modestly less severe than their April projection of 12.9%. The marginally better forecast is underpinned by better-than-expected trade flows in June and July as various lockdowns were eased and economic activity gained modest upward momentum. This in turn has facilitated a resurgence in container port throughput, an increase in global air traffic, and by inference, international air cargo.

Still, the WTO notes that global merchandise trade recorded its sharpest ever one-period decline in the second quarter of 2020, falling by 14.2% compared to the previous quarter, and by differing degrees across regions. Europe and North America recorded the steepest declines, with exports plummeting by 24.5% and 21.8% respectively. The cause and consequences of which ranged from widespread lockdowns, to disrupted industrial production and output, to transport disruptions and ultimately, depressed consumer demand.

Chart 3: Merchandise exports and imports by region, 2012Q1-2020Q2

Volume index, 2012Q1=100



Source: WTO and UNCTAD.

Looking ahead, the WTO predicts that global trade volume growth should recover to 7.2% in 2021, with the rider that downside risks dominate, with the greatest concern being risks posed by a resurgence in COVID-19 infections. This is fast becoming a potential reality, especially with the fast-rising surge of the second wave of COVID-19 infections in a number of key economies. This in turn could translate (again) into weaker-than-expected demand growth, and the possibility of a reintroduction and expansion of various degrees of travel and trade restrictions.

Recent research, by the Centre for Economic Policy Research, shows that while the initial fall in trade was exceptionally strong, recovery has set in relatively early in comparison to two major historical episodes of trade collapse, notably the Great Recession and the Great Depression. This suggests that world trade is more strongly resilient than first anticipated by the various international organisations. Furthermore, the takings from the study purport that the drop in international merchandise trade – which is often considered a leading indicator – appears to follow a sharp “V-shaped” pattern, with a much faster recovery predicted than seen post previous episodes of world trade contractions.

In a similar vein, COVID-19 has strengthened South Africa’s footing as a springboard into Africa as global economies retract, with the continent presenting a myriad of opportunities as local companies seek to grow their global footprint beyond the traditionally lucrative and now-expensive US and European markets. Notwithstanding the complexities and intricacies often faced when doing business on the African continent, lucrative opportunities undoubtedly exist. Progress on the African Continental Free Trade Area (AfCFTA) front stands to provide further support and opportunities.

This is in addition to new opportunities presented for both South Africa and particularly the Western Cape by the changes being shaped by the Brexit/European Union (EU) exit. The United Kingdom (UK) is the top source of foreign direct investment and tourism for the Western Cape, and the second largest export market, second only to Namibia. Accordingly, the province’s relationship with the UK is more important now more than ever, as the Western Cape and greater South Africa commences the journey to economic recovery post the devastation of COVID-19 with both the EU and UK.

While there is no denying that the impact that COVID-19 has had on the local economy has been severe, manifest in job losses, to depressed consumer demand, to reduced exports and trade facilitation, to a virtual stalling of the key local tourism sector, opportunities undoubtedly abound in a number of sectors – both old and new – despite the crisis, both Cape Town and the Western Cape are open for business.

The current global drive to get people vaccinated will have a positive impact on investment, export, tourism and film. Once the majority of the population is vaccinated, it is anticipated that there will be a significant increase in the movement of people between countries for both business and leisure purpose. For this reason, it is to the benefit of all countries to see universal vaccinations in the shortest time possible.

Trade source and destination markets

The province's exports totalled ZAR128.70bn in 2019, modestly lower than the ZAR130bn earned in 2018. Imports in turn continued an upward trend, rising to an accumulated cost of ZAR228.04bn in 2019, from ZAR218.56bn incurred in 2018. The region's trade balance remained firmly in deficit as a result, widening to a shortfall of ZAR99.35bn in 2019, from ZAR88.56bn recorded in 2018.

All told, when excluding petroleum activities, the value of the province's total exports eased to ZAR110.79bn (from ZAR128.70 when including petroleum related exports), while imports eased to a cost of ZAR115.80bn (from ZAR228.04bn when including petroleum related imports) in 2019. The net effect being a notable improvement in the overall trade balance, which totaled a significantly improved shortfall of ZAR5.01bn in 2019 compared to the ZAR99.35bn (shortfall) when petroleum activities were included. Of interest is that the province's trade balance (excl. petroleum activities) recorded a surplus in both 2017 and 2018.

From a regional trading perspective, Africa is still the lead export destination for the province's exports, with local exports to the (African) continent worth an estimated ZAR46.75bn in 2019. This was equivalent to 36.33% of the province's total exports in 2019. Europe placed second at a value of ZAR36.49bn (28.35% of total exports), with Asia in third position at a value of ZAR22.48bn (17.47%). Of interest is the fact that the US was the province's fastest growing export market for the period 2016 to 2019.

Exchange rate developments

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

However, it is anticipated that there will be a commodity boom in 2021 as the global economy recovers and as people start to travel again once vaccinated. This in turn could boost the value of the Rand and bring much needed capital to the JSE.

Foreign Direct Investment (FDI)

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

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

In terms of outward FDI by the Western Cape, between January 2019 and December 2019, 35 outward FDI projects were recorded. These projects represented a total capital investment of USD386 million, which equates to an average investment of USD11.0 million per project. During the period, 2 323 jobs were created. As seen in previous years, Africa was the largest destination for Western Cape outward FDI (OFDI) in 2019, accounting for 13 projects (equivalent to 37.1% of all outward FDI projects and 55.3% of capex in 2019) followed by Latin America and the Caribbean in terms of projects (28.6%) and Western Europe in terms of capex (22.9%). The Province's largest destination markets in terms of projects were Brazil and the UK, which accounted for 40% of all projects in 2019. The software and IT services continued to dominate outward FDI, accounting for 40.0% of all projects in 2019, followed by business services (31.0%) and food and beverages (18.6%).

Update on Brexit

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

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

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

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

Trade Wars

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

At the time of writing this, China and Australia have also developed tensions about the latter's request for an inquest into the facts around the source of COVID-19. The Chinese government has responded very aggressively with the announcement of the immediate end of certain imports from Australia. This opens the door for South African companies to benefit and establish themselves as suppliers to the growing affluent Chinese market.

Provincial Tourism Performance

Tourism has been an important growth driver of the Western Cape economy over the last 20 years. However, COVID-19 has all but destroyed the outlook for tourism in 2020 and 2021 with minimal international arrivals and a depressed domestic travel industry. As a result, the players in the industry will have to double down to make sure safe and sensible tourism is allowed and encouraged.

The data below is provided in order to show the importance of the industry based on the performance in 2019.

Of all nine provinces, the Western Cape ranked:

- TOP in Total Foreign Direct Spend: R24.2 billion
- TOP in the average length of stay: 13.4 nights
- 2nd Highest in total bed nights: 25.7 million
- 3rd Highest in tourist arrivals: 2.0 million

Provincial Tourism Performance, 2019				
Province	International Tourist Arrivals (millions)	Total Foreign Direct Spend (billions)	Bed nights (millions)	Length of stay (nights)
Gauteng	3.5	R23.7	34.5	11.0
Limpopo	2.3	R7.5	7.7	3.6
Western Cape	2.0	R24.2	25.7	13.4
Mpumalanga	1.7	R7.4	16.7	10.2
Free State	1.1	R3.1	11.4	11.4
KwaZulu-Natal	0.8	R6.4	7.5	9.7
North West	0.6	R2.9	3.7	6.3
Eastern Cape	0.4	R5.2	4.2	10.5
Northern Cape	0.1	R0.8	0.8	7.0

Source: SA Tourism, 2020

Western Cape Tourism Performance

The Western Cape accounted for 19.6% of all international tourist arrivals to South Africa and received 22.9% of South Africa's tourists spend. In addition, the Western Cape held 22.9% of South Africa's bed nights recorded during the period.

The Western Cape held the following share of South African tourists during 2019:

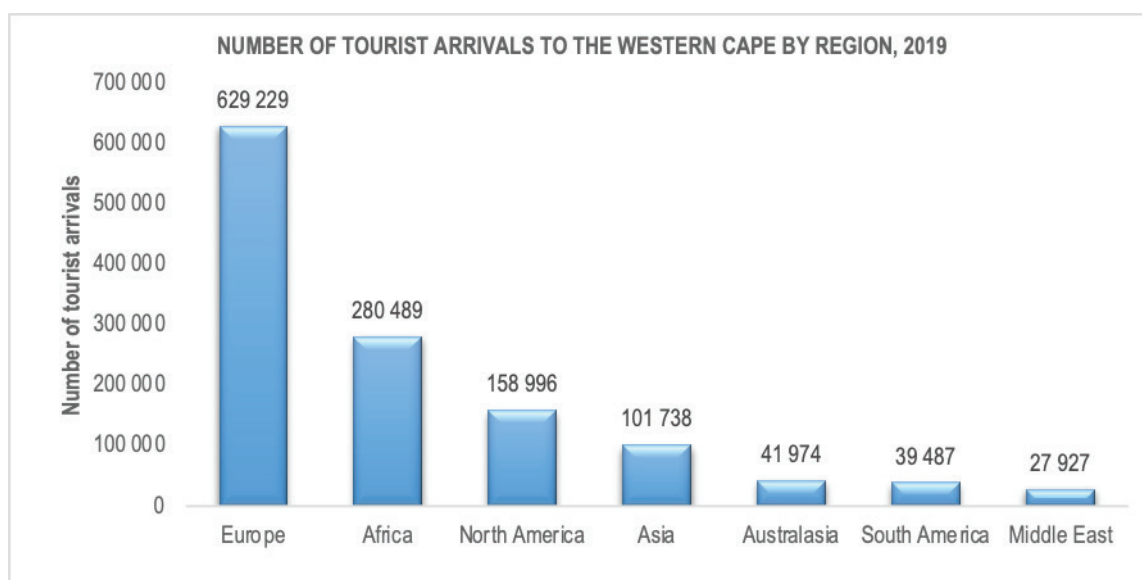
- Western Cape's share of Africa tourists visiting South Africa 3.7%
- Western Cape's share of Middle East tourists visiting South Africa 9.3%
- Western Cape's share of South America tourists visiting South Africa 32.8%
- Western Cape's share of North America tourists visiting South Africa 36.1%
- Western Cape's share of Asia tourists visiting South Africa 32.7%
- Western Cape's share of Australasia tourists visiting South Africa 32.8%
- Western Cape's share of European tourists visiting South Africa 40.4%

Western Cape Performance Indicators	2016	2017	2018	2019	18/19 % Change
International					
Total number of tourist arrivals	1,6 million	1,7 million	1.7 million	2.0 million	16.0%
% Share of South Africa's arrivals	15.6%	16.8%	16.5%	19.6%	-
Total foreign direct spend (excluding capital expenditure)	R18.1 billion	R23.1 billion	R16.3 billion	R18.6 billion	14.1%
% Share of South Africa's spend	23.9%	28.6%	19.8%	22.9%	-
Total number of bed nights spent by tourists	16,7 million	23,3 million	23.3 million	25.7 million	10.2%
% Share of South Africa's bed nights	18.9%	19.3%	19.7%	22.9%	-
Length of stay	11.1 nights	14.1 nights	13.9 nights	13.4 nights	3.9%
Domestic					
Total domestic trips	2,139,000	1,587,000	1,288,000	4,431,140	244%
Total direct domestic spend	R2.5 billion	R1.6 billion	R1.9 billion	R7.7 billion	315%
Total annual domestic bed nights	10,160,600	5,270,516	4,885,441	16,647,773	241%
Length of stay	4.9 nights	3.4 nights	3.8 nights	3.8 nights	-

Source: SA Tourism, 2020

Tourist Arrivals

- Europe maintained its position as the Western Cape's top region with respect to tourism volume, accounting for nearly 50% of tourists to the region in 2019. Four out of the top ten source markets to the Western Cape originated from Europe. The United Kingdom and Germany consecutively ranked as the top European source markets across the last three years.
- The rest of Africa (22%) ranked as the second largest contributor to tourism volume in the Western Cape. Namibia led as the top source market from the African region, recording over 70,000 tourists in 2019.
- The United States led travel from North America and accounted for 84.6% of tourists from the region. The largest (65.4%) proportion of South American tourists originated from Brazil.
- In 2019, China (incl. Hong Kong) ranked as the Western Cape's seventh largest source market and recorded the highest (47.3%) year-on-year growth in tourist arrivals. The Western Cape welcomed a share of 46.8% of South Africa's Chinese travellers, ranking as the most popular province amongst the Chinese.



Source: SA Tourism, 2020

Top 10 Source Markets

According to South African Tourism latest annual 2019 data, all source markets to the Western Cape increased in 2019, with the exception of Germany (-0.3%), Namibia (-17.0%), and France (-2.9%).

Top 10 Source Markets to the Western Cape, 2017-2019					
Ranking	Markets	2017	2018	2019	18/19 % Change
1	United Kingdom	259 188	173,847	194,900	12.1%
2	United States	192 465	122,579	134,561	9.8%
3	Germany	210 699	129,630	129,248	-0.3%
4	Namibia	120 477	90,070	74,734	-17.0%
5	France	98 978	64,258	62,404	-2.9%
6	Netherlands	86,527	50,401	51,480	2.1%
7	China (Including Hong Kong)	36 710	29,729	43,778	47.3%
8	Zimbabwe	44 945	33,705	39,166	16.2%
9	Australia	54 791	34,233	36,490	6.6%
10	Lesotho	23 876	28,987	32,077	10.7%

Source: SA Tourism, 2020

2.2 Organisational environment

2.2.1 External Environmental Analysis

COVID-19 related risks

In the preceding segment a substantial volume of information was provided on the impact of Covid-19 and the expected bounce back. This segment will therefore not focus on the pandemic per se. However, it must be noted that it will have a significant and long-lasting impact on all aspects of life as we know it.

Political risks

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

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

Economic risks

Macroeconomic risks

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

Global growth has crashed in 2020. Subdued investment in Emerging Market and Developing Economies (EMDEs) is dampening potential growth prospects. Risks to the outlook remain firmly on the downside, including the possibility of escalating trade tensions. Another concern is rising debt, which may make it difficult for EMDEs to respond to adverse developments and to finance growth-enhancing investments. Reforms to boost private investment and productivity growth are needed, particularly in low-income countries which face more significant challenges today than they did in the early 2000s.

Risks in international trade

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

Notwithstanding the success achieved under various trade pacts and agreements, non-tariff and tariff barriers to

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

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

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

Social risks

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

Technological risks

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

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

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

Legal risks

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

Environmental risks

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

2.2.2 Internal Environmental Analysis

SWOT Analysis

An analysis of Wesgro's key strengths, weaknesses, opportunities and threats was conducted to assist the Agency in developing its priorities for the five-year period from 2020/21 to 2024/25.

Strengths	Weaknesses
<ul style="list-style-type: none">• Over 35 years' proven track record and an established global brand in economic diplomacy• Sector and market specialists in the investment, trade, film, leisure and business tourism teams• Established and strong investment pipeline• Strong capability in creating market access through effective trade missions• Excellent track record in promoting outward investment into the rest of Africa• Responsive research and thought leadership capability• Strong relationships with Local, Provincial, National and Global Partners• Highly responsive to stakeholder needs• Primary bridge between business and government within the context of our mandate• Collaborative approach to realising opportunity and reputation management• Solid governance and financial controls	<ul style="list-style-type: none">• Co-ordination with the Department of Trade Industry and Competition• The Agency needs to be co-funded optimally by the Provincial Government of the Western Cape and the City of Cape Town in order to deliver on its legislative mandate• Onerous compliance requirements and reporting• Low salaries in relation to other Agencies and the private sector
Opportunities	Threats
<ul style="list-style-type: none">• Establish a better destination and economic brand hierarchy for global marketing efforts• Shifting global economic trends presenting new opportunities for innovation, investment, trade, tourism and film• Sectors geared for growth in the future are strongest in the Western Cape• Inter- and intra-Agency collaboration to drive the nation's growth agenda• Enhancement of thought leadership capability• Strengthening relationships with stakeholders and the private sector• Increase revenue generation sources	<ul style="list-style-type: none">• The COVID-19 pandemic impacting on all activities of the Agency• Lack of collaboration between role-players and duplication in effort• Negative perceptions of SA that affect confidence in the destination• The impact of climate change on the economy• Increasing pressure on economic infrastructure• Exchange rate fluctuations• Safety and security issues (perceived and real)• High level of youth unemployment• Skills development not in line with changing industry needs

Strategic focus for the 2020/21 to 2024/25 financial years on the following value propositions:

- Economic diplomacy role-player, as part of a “whole of province” approach to driving investment, export, tourism and film.
- Integrated economic diplomacy value chain (image building and province branding, advocacy, facilitation, lead generation and matchmaking, information, access to international networks, aftercare, and capacity building and skills training of partners and suppliers) approach to investment, export, tourism and film promotion.
- Demand-led approach to sectors and markets, underpinned by innovation and technology.
- Enhance the Cape Town and Western Cape brand in association with Wesgro’s global footprint and brand equity of 35 years.
- Provide thought leadership on issues that may affect investment, export, tourism and film.
- Provide insights and analytics on issues that affect businesses, through communication of research.

Wesgro’s response delivery to COVID-19:

- Containment: Wesgro’s mandate is to connect our clients to opportunity and we have continued to do this in virtual spaces, as we ease out of lockdown, we will do so in a responsible manner.
- Adaptation: We are working to help our clients adapt to and cope with the crises. We have also repurposed our activities to operate in our current environment. Our clients are now more prepared to work virtually, which has allowed for a dramatic increase in our reach.
- Recovery: We will work relentlessly to position Cape Town and the Western Cape at the top of the consideration list during our current economic constraints.

Our **first** strategic imperative is to rebuild internally, by focussing on local businesses and tourism.

- Investment – 80% of effort to supporting local businesses in Cape Town and the Western Cape and developing a business support pipeline that focuses on local business expansion in the first instance.
- Exports – virtual, hybrid and physical inward and outward missions with the key focus on export rand value and providing assistance to exporters.
- Tourism – destination reputation management and stabilising the tourism value chain, by rebuilding domestic tourism first followed by regional and then international. We are fortunate that our offering in the Cape is well positioned through our wide-open spaces and we will focus on building experiences best suited to the traveller.

Our **second** strategic imperative is Cape Town Air Access, which includes:

- route development;
- leveraging the impact of air access across investment, export and tourism;
- a hard lobby stance for improved airlift; and
- aligning effort and crowding-in funding.

Based on the aggressive approach needed for economic recovery and growth, we will:

- Maintain and grow the high levels of participation achieved on the global virtual platforms across investment, export, tourism and film.
- Significantly upscale digital international tourism marketing campaigns focused in key source markets to ensure competitive advantage.
- Enhance our international presence through investment and export and promote business expansion into the Western Cape from Gauteng and KZN.
- Build and maintain our Export Portal and retain the virtual outward and inward missions for increased audience participation.
- Upscale locations marketing for film, with increased cross-sell leverage from the tourism sector.

Our value-add is realised through the following strengths:

- Putting our clients first to effect business adaptation and resilience.
- Managing stakeholder relationships to the benefit of Cape Town and the Western Cape.
- Establishing and maintaining partnerships for the benefit of all.
- Firming up internal and external cross-sell effort that achieves maximum impact.
- Harnessing technology and digital capabilities that drive the new economy.

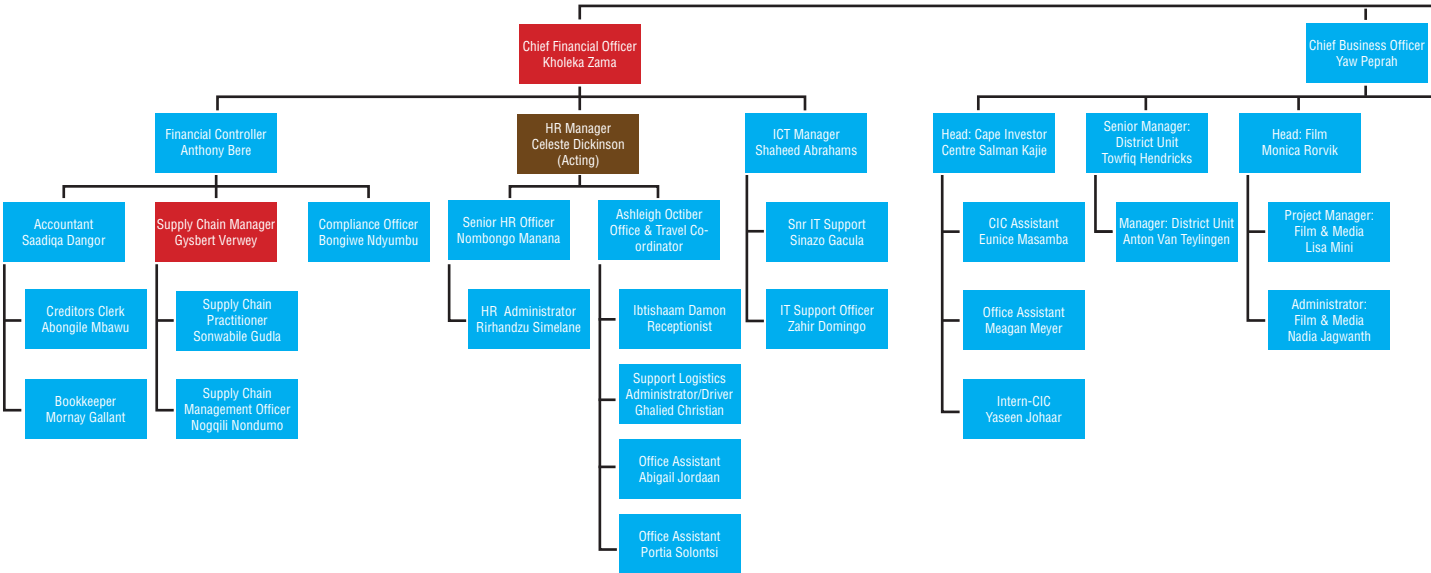
The Wesgro Board

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

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

Wesgro's Organogram

The current organisational structure is adequate to deliver on the current mandate.
Any new additional priorities would require temporary technical resources, where applicable.



LEGEND

CURRENT

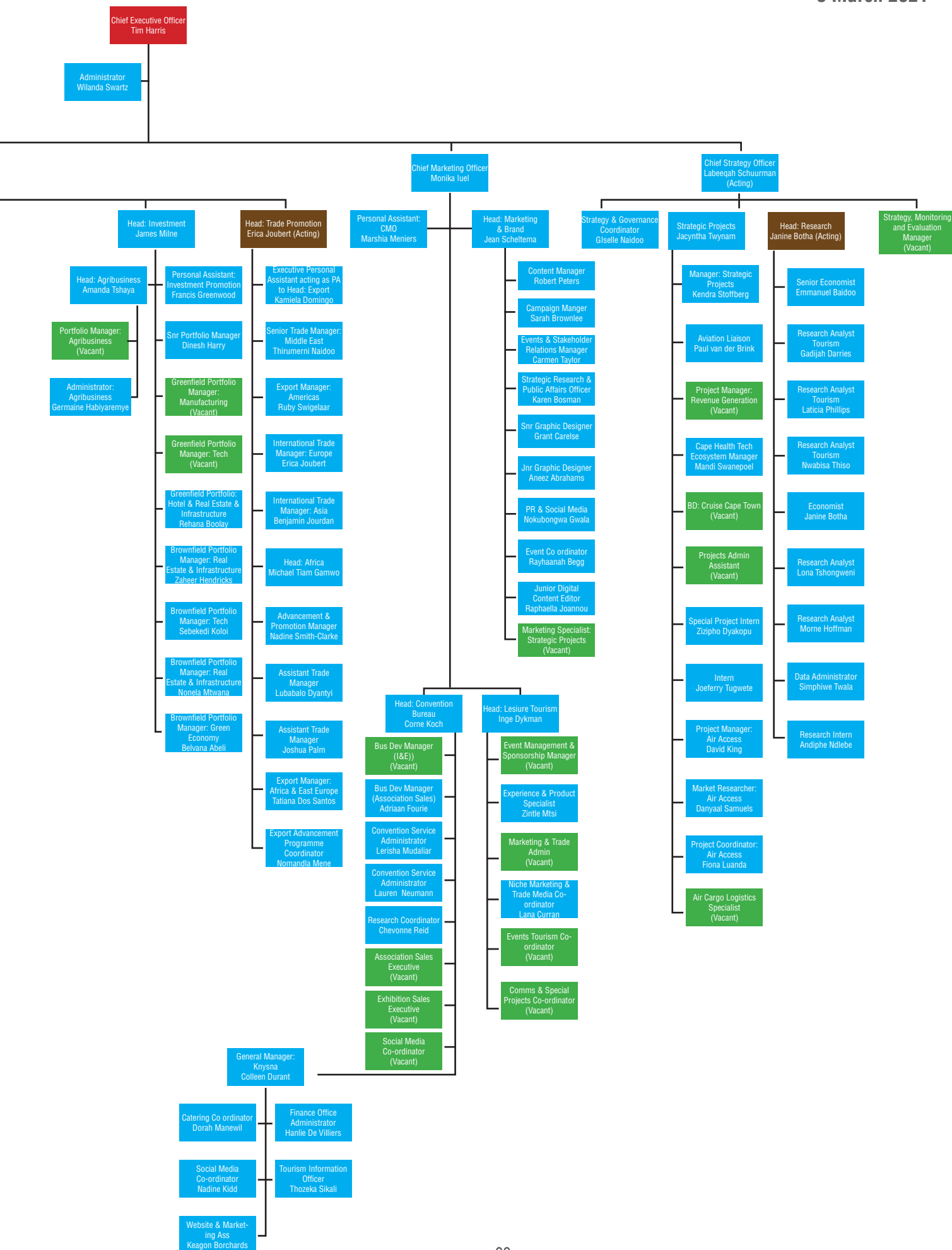
VACANT

ACTING

CRITICAL

Organogram

8 March 2021



2.3 Wesgro's Strategic Outcomes

Strategic Outcomes																																							
Strategic Outcome	To grow the Western Cape Economy through investment, trade, tourism and film promotion.																																						
Outcome Statements	<p>It is envisaged that the Agency will achieve the following deliverables for the period 2020/21 to 2024/25:</p> <ul style="list-style-type: none"> To recruit and facilitate between R10,11bn and R14,71bn committed investments into the Province, resulting in between 3 705 and 7 691 jobs. To recruit and facilitate between R16,70bn and R25,04bn trade agreements, resulting in between 2 840 and 3 716 jobs, and R1,36bn and R3,09bn Outward Foreign Direct Investment (OFDI). To market Cape Town and the Western Cape and support tourism destination marketing initiatives with an estimated economic value of R2,65bn and R4,24bn. To recruit and facilitate between R10,13bn and R17,82bn film and media productions brought into the Province, resulting in between 15 246 FTE jobs and 18 472 FTE jobs. To build a strong regional economic brand with an estimated rand value of R398,1m AVE. <p>Over the next five-years, the Agency will generate between R39,61bn and R61,82bn, resulting in the facilitation of between 21 791 and 29 879 jobs, as follows:</p> <table> <tr> <th>Programme</th><th colspan="2">Estimated economic impact (R)</th><th colspan="2">Jobs</th></tr> <tr> <th></th><th>Lower band</th><th>Upper band</th><th>Lower band</th><th>Upper band</th></tr> <tr> <td>Investment promotion</td><td>10 116 558 285</td><td>14 710 022 588</td><td>3 705</td><td>7 691</td></tr> <tr> <td>Export promotion (including OFDI)</td><td>16 707 850 394</td><td>25 040 781 957</td><td>2 840</td><td>3 716</td></tr> <tr> <td>Destination Marketing</td><td>2 654 567 905</td><td>4 247 308 648</td><td></td><td></td></tr> <tr> <td>Film and media promotion</td><td>10 131 489 646</td><td>17 823 207 056</td><td>15 246</td><td>18 472</td></tr> <tr> <td>Total</td><td>39 610 466 231</td><td>61 821 320 250</td><td>21 791</td><td>29 879</td></tr> </table> <p>*The 5-Year Achievement targets are cumulative and take into consideration the current context of the South African economy and the international trade climate.</p>				Programme	Estimated economic impact (R)		Jobs			Lower band	Upper band	Lower band	Upper band	Investment promotion	10 116 558 285	14 710 022 588	3 705	7 691	Export promotion (including OFDI)	16 707 850 394	25 040 781 957	2 840	3 716	Destination Marketing	2 654 567 905	4 247 308 648			Film and media promotion	10 131 489 646	17 823 207 056	15 246	18 472	Total	39 610 466 231	61 821 320 250	21 791	29 879
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Total	39 610 466 231	61 821 320 250	21 791	29 879																																			
Baseline	<p>During the 2019/20 financial year, the Agency achieved a total of 113 investment declarations, film and media declarations, business agreements and tourism initiatives, with an estimated economic impact of over R9bn and over 5 000 jobs created. A total of 18 investment projects with an investment value of R2,24bn was committed, resulting in the creation of 1 485 jobs. In addition, six investment projects were committed in the agri-business sector, with an investment value of R557m, resulting in 635 jobs. A total of 37 export promotion business agreements were signed, with an estimated economic impact of R3,08bn, resulting in 973 jobs. Also, seven OFDI projects were committed to the value of R428,75m. A total of 46 tourism destination marketing initiatives were supported, with an estimated economic impact of R935,63m and R138,54m of AVE was generated for corporate communication and tourism.</p>																																						
Links	Wesgro plays a pivotal role in investment and trade promotion, and marketing Cape Town and the Western Cape as a tourism and film destination.																																						

2.4 Overview of 2021/22 budget and MTEF estimates

Budget overview

High Level Budget						
Description	Budget	Adjustment Budget 2020/21	2021/22	Outer MTEF Years		
	2020/21			2022/23	2023/24	2024/25
	R'000	R'000	R'000	R'000	R'000	R'000
STAFF REMUNERATION	56 448	56 448	54 266	59 241	60 227	63 539
DEPARTMENTAL EXPENSES (A+B)	99 196	96 199	78 489	70 471	75 843	74 787
Overheads (A)	29 234	27 237	19 451	15 557	16 251	16 079
Programmes (B)	69 962	68 962	59 038	54 914	59 592	58 708
Capital Expenditure	2028	0	2 028	2139	2257	0
TOTAL EXPENSES	157 672	152 647	134 783	131 851	138 327	138 326
Staff Complement	106	106	122	122	122	122

High level budget: Trade and Investment Promotion

High Level Budget						
Description	Budget	Adjustment Budget 2020/21	2021/22	Outer MTEF Years		
	2020/21			2022/23	2023/24	2024/25
	R'000	R'000	R'000	R'000	R'000	R'000
STAFF REMUNERATION	31 007	31 007	30 678	33 284	34 004	35 874
DEPARTMENTAL EXPENSES (A+B)	28 754	25 757	33 889	31 927	33 965	34 352
Overheads (A)	12 702	10 705	10 069	10 559	12 103	12 103
Programmes (B)	16 052	15 052	23 820	21 368	21 862	22 249
Capital Expenditure	2 028	0	2 028	2139	2257	
TOTAL EXPENSES	61 789	56 764	66 595	67 350	70 226	70 226
Staff Complement	92	92	103	103	103	103

High Level Budget for Tourism Destination Marketing

High Level Budget						
Description	Budget	Adjustment Budget 2020/21	2021/22	Outer MTEF Years		
	2020/21			2022/23	2023/24	2024/25
	R'000	R'000	R'000	R'000	R'000	R'000
STAFF REMUNERATION	20 621	20 621	20 784	22 999	23 102	24 373
DEPARTMENTAL EXPENSES (A+B)	31 477	31 477	37 614	35 396	39 898	38 627
Overheads (A)	1 042	1 042	2 396	1 850	2 168	2 168
Programmes (B)	30 435	30 435	35 218	33 546	37 730	36 459
Capital Expenditure	0	0				
TOTAL EXPENSES	52 098	52 098	58 398	58 395	63 000	63 000
Staff Complement	14	14	19	19	19	19

High Level Budget for Other Projects

High Level Budget						
Description	Budget	Adjustment	2021/22	Outer MTEF Years		
	2020/21	Budget 2020/21		2022/23	2023/24	2024/25
	R'000	R'000	R'000	R'000	R'000	R'000
STAFF REMUNERATION	4 820	4 820	2 804	2 958	3 121	3 293
DEPARTMENTAL EXPENSES (A+B)	22 470	22 470	6 986	3 148	1 980	1 808
Trade and Investment	15 490	15 490	6 986	3 148	1 980	1 808
DMO	6 980	6 980		0	0	0
Capital Expenditure	0	0	0	0	0	
TOTAL EXPENSES	27 290	27 290	9 790	6 106	5 101	5 101
Staff Complement	14	10	10	14	14	14

Summary of payments and estimates

Summary of payments and estimates: Western Cape Tourism, Trade and Investment Promotion Agency								
Programme R'000		Outcome			Estimated outcome	Medium-term estimate		
		Audited	Audited	Audited				
		2017/18	2018/19	2019/20		2020/21	2021/22	2022/23
1.	Administration	4 231	3 990	4 379	4 139	2 892	2 863	2 988
2.	Corporate Services	10 859	11 826	13 402	19 110	18 048	18 679	20 223
3.	Investment	5 439	5 601	6 115	10 110	19 405	17 266	18 593
4.	Trade	8 749	8 027	8 810	21 614	21 455	23 101	21 403
5.	Wesgro Research	3 257	3 394	4 055	4 725	4 002	3 786	3 916
6.	Marketing and Communication	5 354	5 823	6 036	9 124	10 583	7 761	8 204
7.	DMO: Integrated Marketing	17 781	17 781	19 026	62 312	58 398	58 395	63 000
	Total payments and estimates	55 670	56 442	61 823	131 134	134 783	131 851	138 327

Summary of provincial payments and estimates by economic classification

Economic classification R'000		Outcome			Estimated outcome	Medium-term estimate		
		Audited	Audited	Audited				
		2017/18	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24
	Expenses							
	Current expense	55 670	56 442	61 823	131 134	134 783	130 602	137 078
	Compensation of employees	33 640	34 914	38 002	52 282	54 266	59 241	60 227
	Salary & Wages	31 896	33 153	33 792	45 869	45 177	51 179	52 284
	Basic salary	30 301	31 338	32 054	43 954	45 177	51 179	52 284
	Performance rewards	1 595	1 815	1 738	1 915			
	Other non-pensionable allowances							
	Social Contributions (employer contributions only)	1 744	1 761	4 210	6 413	9 089	8 062	7 943
	Pension	1 283	1 265	3 564	5 492	7 906	6 738	6 619
	Medical	340	374	515	761	1 017	1 164	1 164
	UIF	121	122	131	160	166	160	160

	Salary related expenses							
	Use of goods and services	21 724	20 137	22 818	76 824	79 022	70 112	75 602
	Advertising	2 171	1 764	2 062	18 458	21 907	18 343	19 231
	Advertising of posts	180	59	171	292	71	171	171
	Gifts and Promotional items	200	200	200	150	50	47	47
	Advertising (marketing)	1 791	1 505	1 691	18 016	21 786	18 125	19 013
	Audit Fees	1 590	1 947	2 069	1 788	3 472	2 566	2 566
	Internal	561	1 024	1 034	278	967	765	765
	External	1 029	923	1 035	1 510	2 505	1 801	1 801
	Bank charges	79	85	134	161	147	161	161
	Board Costs	410	443	440	562	546	369	366
	Board - Remuneration	410	443	440	562	546	369	366
	Board - Subsistence							
	Bursaries (employees)							
	Catering services	125	87	263	310	68	50	50
	Communication	643	728	1 165	1 112	609	961	1 027
	Telephone	634	720	1 157	979	495	520	586
	Cellphones	8	7	7	132	114	440	440
	Postage & Courier	1	1	1	1		1	1
	Other							
	Computer services	766	742	463	614	274	244	244
	SITA services							
	External service providers	766	742	463	614	274	244	244
	Consultants, contractors and special services	4 934	3 969	4 146	34 328	32 252	31 813	34 353
	Consultants	2 130	1 972	2 113	12 198	11 240	11 197	10 547
	Contractors and special services	2 804	1 997	2 033	22 130	21 012	20 616	23 806
	General Expenses	1 568	1 218	562	839	383	555	825
	Conference Expenditure	512	400	612	8 561	10 693	9 061	10 658
	Photographic services	44	60	44	15	153	50	50
	Venues and facilities	680	319	815	6 004	5 971	6 572	6 880
	Agency Administrative and Support Staff				6 711	3 812	4 378	5 393
	Other special services							
	Entertainment							
	Equipment less than Capitalisation threshold	6	6	10	10	10	25	23
	Inventory	2 022	2 144	2 484	3 960	4 475	3 065	3 590
	Consumables							
	Fuel, oil and gas	48	56	53	107	98	90	90
	Stationery and printing	90	154	121	204	63	60	125
	Subscriptions	1 884	1 934	2 310	3 649	4 314	2 915	3 375
	Other							
	Legal fees	196	127	98	104	54	54	54
	Losses / (Profits)	2	1	2	2	2	2	2
	Losses due to Fraud							
	On Sale of Assets	1						
	Forex	1	1	2	2	2	2	2
	Other							
	Maintenance and repairs	542	66	78	229	240	235	235
	Buildings	515	44	56	104	116	110	110
	Equipment	27	22	22	125	124	125	125
	Operating leases	3 804	3 361	4 386	6 039	7 269	5 687	7 800
	Rent-buildings	3 207	2 758	3 899	5 554	7 011	5 021	7 134
	Rent-equipment	597	603	487	485	258	666	666
	Other							
	Printing and publication	200	190	184	287	587	210	210

Professional bodies and membership fees							
Travel and Subsistence	3 815	4 043	4 356	8 128	6 665	6 077	5 112
Air Travel - Air Tickets (Domestic)	215	337	296	540	607	535	435
Air Travel - Air Tickets (International)	2 115	2 585	2 386	4 059	3 410	3 660	2 948
Accommodation - Domestic	551	486	607	106	103	436	383
Accommodation - International	792	531	922	2 666	2 153	1 076	976
Other	142	104	145	757	392	370	370
Training and staff development	419	434	478	732	356	250	578
Depreciation and amortisation	306	1 391	1 003	2 028	1 794	1 249	1 249
Land							
Leasehold Improvements		490	400	823	723	420	420
Computer equipment	75	152	176	600	466	344	344
Furniture and Office equipment	90	310	157	305	305	185	185
Other Machinery and equipment	55	124	75	96	96	96	96
Transport Assets	23	157	79	79	79	79	79
Computer Software	63	158	116	125	125	125	125
Total expenses	55 670	56 442	61 823	131 134	134 783	131 851	138 327

2.5 Relating expenditure trends to strategic goals

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



3. Part C: Measuring our performance

3.1 Programme 1: Corporate Services

Purpose

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

3.1.1 Programme structure

Sub-programme 1.1: Financial management

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

Sub-programme 1.2: IT and administrative services

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

Sub-programme 1.3: Human Resource Management

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

Sub-programme 1.4: Governance and Compliance

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

Situational analysis

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

3.1.2 Strategic outcome

Strategic outcome	
Strategic outcome	Enhance good governance practices through compliance with prescribed financial and non-financial regulations and guidelines.
Outcome statement	An unqualified Audit report with no material findings.
Baseline	The Agency achieved a clean audit for the 2019/20 financial year.
Justification	The concept of value for money is an integral part of the strategic and operational activities. Corporate Services identifies and implements interventions to achieve value for money that will improve service delivery, eliminate wasteful allocation of resources, enhance public confidence and ensure compliance.
Links	This objective is linked to the Public Finance Management Act (PFMA), National Treasury Regulations, Provincial Treasury Instructions, King IV in terms of good governance and integrated service delivery through partnerships and spatial alignment.

3.1.3 Outcomes, outputs, performance indicators and targets 2021/22

No.	Outcome	Outputs	Output Indicators	Annual Targets						
				Audited /Actual Performance		Estimated Performance 2020/21	MTEF Period			
				2017/18	2018/19	2019/20	2021/22	2022/23	2023/24	
1.1	Unqualified Audit report with no material findings	Financial, SCM, IT, HR and M&E outputs	Positive financial viability rating	-	-	-	4	5	5	
			Percentage achievement of annual budgeted operational expenditure	-	-	-	98%	98%	98%	
			Achieve maximum Broad-Based Black Economic Empowerment (B-BBEE) spend	-	-	-	70%	75%	75%	
			Percentage B-BBEE spend on black owned suppliers				60%	65%	65%	
			Percentage payment deviation from awarded contracts	-	-	-	10%	10%	10%	
			Submission of the annual Procurement Plan				1	1	1	
			Number of reports evidencing the maintenance of the Agency's ICT environment	-	-	-	4	4	4	
			Percentage of employee satisfaction	-	-	80%	80%	90%	90%	
			Percentage of annual total salary cost spent on training of staff and internship opportunities	-	-	-	1%	2%	2%	
			Percentage of people from the employment equity target groups employed in compliance with the entity's approved EE plan	-	-	-	79%	80%	80%	
			Number of M and E performance reports submitted	5	5	5	8	8	8	

Indicators, Annual and Quarterly Targets 2021/22 (Output indicators)

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

3.1.4 Explanation of planned performance over the medium-term period

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

3.1.5 Reconciling performance targets with the budget and MTEF

Summary of payments and estimates: Programme 2: Corporate Services

Programme R'000		Outcome			Estimated outcome	Medium-term estimate		
		Audited	Audited	Audited				
		2017/18	2018/19	2019/20		2021/22	2022/23	2023/24
1,	Corporate Services	10 859	11 826	13 402	19 110	18 048	18 679	20 223
	Total payments and estimates	10 859	11 826	13 402	19 110	18 048	18 679	20 223

**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				
		2017/18	2018/19	2019/20		2021/22	2022/23	2023/24
	Expenses							
	Current expense	10 859	11 826	13 402	19 110	18 048	17 430	18 974
	Compensation of employees	2 805	3 436	4 094	6 202	5 700	6 622	5 622
	Salary & Wages	2 693	3 277	3 592	5 383	4 699	5 775	4 775
	Basic salary	2 560	3 068	3 434	5 149	4 699	5 775	4 775
	Performance rewards	133	209	158	234			
	Other non-pensionable allowances							
	Social Contributions (employer contributions only)	112	159	502	819	1 001	847	847
	Pension	70	90	420	711	868	739	739
	Medical	30	56	66	85	110	85	85
	UIF	12	13	16	23	23	23	23
	Salary related expenses							
	Use of goods and services	7 748	7 411	8 305	10 880	10 554	9 559	12 103
	Advertising	55	59	71	171	71	171	171
	Advertising of posts	55	59	71	171	71	171	171
	Gifts and Promotional items							
	Advertising (marketing)							
	Audit Fees	1 466	1 427	1 035	1 788	2 422	2 566	2 566
	Internal	561	624	338	278	565	765	765
	External	905	803	697	1 510	1 857	1 801	1 801
	Bank charges	28	85	134	161	147	161	161
	Board Costs							
	Board - Remuneration							
	Board - Subsistence							
	Bursaries (employees)							

	Catering services	25	30	188	240	68	50	50
	Communication	326	728	678	1 112	609	961	1 027
	Telephone	318	720	670	979	495	520	586
	Cellphones	7	7	7	132	114	440	440
	Postage & Courier	1	1	1	1		1	1
	Other							
	Computer services	382	742	463	614	274	244	244
	SITA services							
	External service providers	382	742	463	614	274	244	244
	Consultants, contractors and special services	2 337	1 835	2 348	1 122	628	738	1 108
	Consultants	1 386	917	1 786	283	245	183	283
	Contractors and special services	951	918	562	839	383	555	825
	General Expenses	951	918	562	839	383	555	825
	Conference Expenditure							
	Photographic services							
	Venues and facilities							
	Agency Administrative and Support Staff							
	Other special services							
	Entertainment							
	Equipment less than Capitalisation threshold	6	6	10	10	10	25	23
	Inventory	93	336	252	398	214	237	302
	Consumables							
	Fuel, oil and gas	24	56	53	107	98	90	90
	Stationery and printing	50	154	121	204	63	60	125
	Subscriptions	19	126	78	87	53	87	87
	Other							
	Legal fees	98	127	98	104	54	54	54
	Losses / (Profits)	1	1	2	2	2	2	2
	Losses due to Fraud							
	On Sale of Assets							
	Forex	1	1	2	2	2	2	2
	Other							
	Maintenance and repairs	428	66	78	229	240	235	235
	Buildings	414	44	56	104	116	110	110

Equipment	14	22	22	125	124	125	125
Operating leases	2 187	1 553	2 508	4 193	5 713	3 837	5 632
Rent-buildings	1 590	950	2 021	3 708	5 455	3 171	4 966
Rent-equipment	597	603	487	485	258	666	666
Travel and Subsistence	14	33	29	28		28	28
Air Travel - Air Tickets (Domestic)	7	26	19	25		25	25
Accommodation - Domestic	5	5	5	1		1	1
Other	2	2	5	2		2	2
Training and staff development	302	383	411	708	102	250	500
Depreciation and amortisation	306	979	1 003	2 028	1 794	1 249	1 249
Land							
Leasehold Improvements		490	400	823	723	420	420
Computer equipment	75	76	176	600	466	344	344
Furniture and Office equipment	90	219	157	305	305	185	185
Other Machinery and equipment	55	75	75	96	96	96	96
Transport Assets	23	56	79	79	79	79	79
Computer Software	63	63	116	125	125	125	125
Total expenses	10 859	11 826	13 402	19 110	18 048	18 679	20 223

3.1.6 Performance and expenditure trends

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

During the 2020/21 financial year, the entity costs included the Atlantis SEZ (ASEZ) incubation once off cost which are not expected to be repeated as the ASEZ is now a separately registered entity. No modifications have been made to our rental obligations regardless of the COVID-19 reduced space utilisation, as the lease re-negotiation engagements have not been concluded. Annual inflationary increase is applied in line with the fixed cost support services required. Conclusion of the organisational design action plans are also required in order support effective staff retention while additional economic recovery plans are implemented by the entity.

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

3.1.7 Key risks

Project objective:		To promote and facilitate global exports of goods and services from qualified companies in the Western Cape.	
To facilitate and support operations and the expansion of Western Cape companies into the rest of Africa.			
Project risk statement	Inherent risk		Residual Risk Rating
	Impact	Likelihood	
Perception of Cape Town as a destination for Tourism and Investment.	4	3	2
The sustainable funding of Wesgro	4	3	3
Ineffective knowledge retention and cross selling	3	3	2
Maintenance of relationship with stakeholders / funders	3	2	2
Pandemic related risks	4	2	2
Digital Transformation	3	3	1

3.2 Programme 2: Investment Promotion

Purpose

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

3.2.1 Programme structure

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

Investment recruitment

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

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

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

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

Business Growth Services Unit

Through the Business Growth Unit, Wesgro aims to source increased investments from businesses already invested in the Western Cape. The commitment to business retention and expansion also implies a dedication to current investors in the ambit of facilitation and advocacy, with support from the InvestSA One Stop Shop.

The Unit will encourage local business located outside of the Western Cape to expand into the region. Gauteng and KZN are the prioritised targeted key economic hubs. Focus areas will include:

- development of a strategic pipeline of potential brownfield expansion projects into the following Western Cape's sectors: hotel & retail estate, green economy, technology, manufacturing;
- regular engagement with potential investors in the pipeline to support the commercialisation of investments; and
- host sector events to present our services and to understand and identify any common sectoral pain points or areas of concern.

Advocacy

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

Special projects

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

Agribusiness Investment Unit (AIU)

The Investment Promotion Unit manages the AIU as a project on behalf of the Western Cape Department of Agriculture and the Western Cape Department of Economic Development and Tourism. The Unit is responsible for landing new direct investments into the Western Cape's agri-business sector, and retaining existing investments and supporting their expansions.

One Stop Shop (OSS) – Investor Centre

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

- creating an entry point for investors in need of regulatory compliance;
- provision of pre-approval information to investors (market data, costs, incentives, project approval, visits, local partners, etc.);
- provision of facilitation services to investors (i.e. permits, approvals, import equipment & raw materials, works permits, etc.);
- access to incentives;
- participation in regulatory reform; and
- collaborative interface between senior-level government agents and investors.

In order to ensure that these services are readily available to businesses invested in or interested in investing in the Western Cape, a virtual OSS has been launched.

District Unit

Wesgro occupies a unique space between the private and government sectors. The insight that comes with this position makes the Agency better equipped to facilitate collaboration between these two sectors. The District Unit promotes the Western Cape Districts as business destinations in order to create employment and stimulate economic growth. It provides economic promotion support to all rural municipalities aligned to investment, export and film and media promotion. Key activities include:

- market businesses;
- increase awareness of investment opportunities;
- increase FDI and DDI;
- increase market access of WC District companies into key export markets;
- assist companies to invest into the rest of Africa;
- link to the Export Advancement Programme (EAP) in order to bolster the capacity of companies to export;

- assist the Districts with becoming ‘film-friendly’; promote the Western Cape Districts as ‘film-friendly’ destinations; and
- create awareness of the export and investment performance of the WC Districts to better understand challenges and opportunities.

Situational analysis

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

- Positioning Wesgro as the “first port of call” for investors – providing essential knowledge, access and expertise.
- Proactively recruiting investors by assigning sector-specific “relationship managers” and carefully managing customer relationships before, during, and after an investment.
- Leveraging relationships with the Sector Development Agencies.
- Taking part in outward and inward investment missions to promote the region.
- Facilitating and securing investment into the region and providing business retention and expansion services (aftercare) to existing investors.
- Hosting journalists – identify and host key journalists to assist in telling the Western Cape’s investment proposition.
- Infrastructure investments – portfolio managers to become familiar with municipal and provincial tender portals.
- Review value proposition – investigate new sectors like healthcare and pharmaceuticals, more effort in the tech sector.
- Sustainable Development Goals (SDGs)– Understand the 17 SDGs and look to attract investments that assist the province and country to achieve these.
- Mergers and acquisitions – look to play a more active role in identifying M&A opportunities.
- Disinvesting companies – prepare a proposal for companies disinvesting from China.

The COVID-19 pandemic has resulted in the Agency adapting to the new environment. The work Wesgro has done to strengthen and increase focus on the Business Growth Services team has equipped the Agency well in addressing the immediate expansion and retention requirements of existing Western Cape businesses. The virtual resources developed over this period will be enhanced for continued use to assist the Agency in providing the required services.

Sectors

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

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

The Western Cape is home to one Special Economic Zone focussed on oil & gas and marine fabrication, and another focussed on the green economy. Both are strong growth sectors for the Cape. The emergency energy procurement (Risk Mitigation Independent Power Producer Procurement Programme (RMIPPPP), and the extensive renewable build out planned, the South African Renewable energy masterplan (an industrialisation strategy for Energy), and the €700bn Green Deal, as well as continued offshore drilling work off the coast of the African continent, and the recent gas finds in the Southern Cape oceans, all further enhance this.

Markets

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

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

The markets mentioned above may seem copious, but certain markets are targeted for specific sectors that are relevant to the Western Cape over the 5-year period. In addition, not all markets may be visited in a calendar year as these missions are informed by factors such as opportunity, budget and operational plans.

3.2.2 Strategic outcomes

Strategic outcomes	
Strategic outcomes	Facilitate investment and jobs into the Western Cape.
Outcome statements	To recruit and facilitate between R10,11 billion and R14,71 billion committed investments into the Province, resulting in between 3 705 and 7 691 jobs.
Baseline	A total of R2,24 billion investments was committed, resulting in 1 485 jobs during the 2019/20 financial year.
Justification	The facilitation of investment projects into the Western Cape is a core function of Wesgro and it is imperative that the Agency remain consistent and a leader in investment generation.
Links	The objective is aligned to VIP 2: Economy and jobs, the National Development Plan and Vision 2030 in relation to economic growth and industry development.

3.2.3 Outcomes, Outputs, Performance Indicators and Targets 2021/22

No	Outcome	Outputs	Output Indicators	Annual Targets						
				Audited /Actual Performance			Estimated Performance	MTEF Period		
				2017/18	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24
2.1	Rand value of committed investments into the Province	Investment projects realised	Number of investment projects realised	12	15	18	14-18	14-18	15-20	15-20
2.2	No. of jobs facilitated from committed investments into the Province									

Indicators, Annual and Quarterly Targets 2021/22 (Output indicators)

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

3.2.4 Explanation of planned performance

The Investment Promotion Unit undertakes a range of outputs to ensure that it meets outcomes in terms of investment attraction and job creation. These include promoting the Western Cape internationally through undertaking outward missions, hosting inbound business delegations and having meetings with investors in the pipeline. The devaluation of the ZAR currency against major foreign currencies place additional pressure on limited funds available in the budget resulting in the minimised reprioritisation impact being realised.

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

3.2.5 Programme resource considerations

Summary of payments and estimates: Programme 2: Investment Promotion

Programme R'000		Outcome			Estimated outcome	Medium-term estimate		
		Audited	Audited	Audited				
		2017/18	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24
1,	Investment	5 439	5 601	6 115	10 110	19 405	17 266	18 593
	Total payments and estimates	5 439	5 601	6 115	10 110	19 405	17 266	17 266

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

Economic classification R'000		Outcome			Estimated outcome	Medium-term estimate		
		Audited	Audited	Audited				
		2017/18	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24
	Expenses							
	Current expense	5 439	5 601	6 115	10 110	19 405	17 266	18 593
	Compensation of employees	3 902	4 177	3 798	6 934	8 287	10 333	10 095
	Salary & Wages	3 529	3 786	3 271	6 039	7 180	8 808	8 570
	Basic salary	3 354	3 601	3 106	5 789	7 180	8 808	8 570
	Performance rewards	175	185	165	250			
	Other non-pensionable allowances							
	Social Contributions (employer contributions only)	373	391	527	895	1 107	1 525	1 525
	Pension	298	316	438	783	966	1 113	1 113
	Medical	60	60	72	96	120	396	396
	UIF	15	15	17	16	21	16	16
	Salary related expenses							
	Use of goods and services	1 537	1 424	2 317	3 176	11 118	6 933	8 498
	Advertising	190		190	311	1 718	1 696	1 340
	Advertising of posts							
	Advertising (marketing)	190		190	311	1 718	1 696	1 340
	Consultants, contractors and special services	337	383	412	1 363	5 257	3 089	4 985
	Consultants		383		896	2 070	1 080	1 480
	Contractors and special services	337		412	467	3 187	2 009	3 505
	General Expenses							
	Conference Expenditure	162		202	425	976	971	1 570
	Venues and facilities	175		210	42	2 211	1 038	1 935
	Inventory				352	1 680	324	549

	Consumables							
	Subscriptions				352	1 680	324	549
	Other							
	Legal fees							
	Travel and Subsistence	1 010	1 041	1 715	1 150	2 233	1 824	1 624
	Air Travel - Air Tickets (Domestic)	68	101	117	30	51	150	50
	Air Travel - Air Tickets (International)	454	645	924	563	1 162	971	1 024
	Accommodation - Domestic	195	132	251	30	30	315	262
	Accommodation - International	260	118	390	527	892	360	260
	Other	33	45	33		98	28	28
	Training and staff development					230		
	Total expenses	5 439	5 601	6 115	10 110	19 405	17 266	18 593

3.2.6 Performance and expenditure trends

The current economic climate and budget restrictions have placed tremendous pressure on the Unit to achieve its targets, 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 it is able to deliver on its targets. Further to this, a number of new initiatives have been implemented to ensure that the Unit contributes to the Agency's objective of creating a stimulating environment for increased economic growth and job creation during the current challenges experienced by the impact of COVID-19.

3.2.7 Key risks

Project objective:			To promote and facilitate global exports of goods and services from qualified companies in the Western Cape.		
			To facilitate and support operations and the expansion of Western Cape companies into the rest of Africa.		
Project risk statement	Inherent risk		Project risk mitigation	Residual Risk Rating	
	Impact	Likelihood		Impact	Likelihood
Perception of Cape Town as a destination for Tourism and Investment.	4	3	<ul style="list-style-type: none"> Enhance website and collateral ability Regional Africa Strategy for tourism Reconfigure for domestic as best possible Restore International travel 	3	2
The sustainable funding of Wesgro	4	3	<ul style="list-style-type: none"> Review the possibility of receiving private sector funding including international donors Receiving other public sector funding (diversify funding) Other government project management income around infrastructure Continue to Increase funding sources – adding contracts with new funders 	4	3
Ineffective knowledge retention and cross selling	3	3	<ul style="list-style-type: none"> Enhance cross-selling and knowledge retention Determine which information technology tasks run automatically and which require a person to operate and ensure additional personnel are available to cover that position Implement effective succession planning through internal staff development projects Maintenance of institutional knowledge Effective documentation of client engagements 	3	2
Maintenance of relationship with stakeholders / funders	3	2	<ul style="list-style-type: none"> Revise the Wesgro 5 year strategy developed, in consultation with the Wesgro key funders incorporating the COVID-19 response Clearly defined detail bilateral engagements Additional mechanisms to be put in place to generate revenue Protocol document currently being created and to be finalised Management should clearly define responsibilities Continued work on the mandates A response strategy per stakeholder to be developed 	3	2
Pandemic related risks	4	2	<ul style="list-style-type: none"> Covid-19 support communication centre established and maintained Finalise the revision of the Budget in conjunction with the revised available funding due to COVID-19 priorities Revise the Wesgro 5-year strategy developed, in consultation with the Wesgro key funders incorporating the COVID-19 response 	3	2
Digital Transformation	3	3	<ul style="list-style-type: none"> Incorporation of the IT risks into the IT Steering Committee report Enhanced IT security in line with the digital transformation 	2	1

3.3 Programme 3: Export Promotion

Purpose

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

3.3.1 Programme structure

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

Sub-programme 3.1

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

Sub-programme 3.2

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

The following services are offered:

Business facilitation

The Agency's facilitation activities include:

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

Promotion

Wesgro offers several promotional services including:

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

In the prior 5 years, the Export Unit was tasked to also focus on the following key areas which are still being incorporated in the general export promotion activities as follows:

Halal Export Promotion

The Unit will continue to advance the provincial halal strategy, aimed at increasing the Province's share of the global halal market. The Unit will build on the gains and learnings of the past 5 years in order to further impact Western Cape halal exports by gathering marketing intelligence, leading trade delegations and providing assistance through in-house export programmes.

Cape Export Week

The 2021/2022 financial year will birth the inaugural Cape Export Week, previously referred to as Africa Halal Week. The Western Cape Government has committed to growing the Western Cape's halal global market share to at least 2%. It is intended that the traction and growth in the event once titled Africa Halal week is built upon, however, an expansion of this agricultural expo is to provide a platform to promote halal and other agricultural products available in the Western Cape to international markets.

Wine Promotion

Through a partnership with Wines of South Africa (WOSA), a private sector funded SA wine promotion specialist, wine sales and awareness of South African wines was promoted in China and Angola. Wine promotion will continue in Angola as it has been in prior years, but this will be done alongside other African countries that have shown some partiality to South African wines. Promotion efforts in China are set to continue. There is no formal agreement with WOSA, but we continue to collaborate for the benefit of the wine sector.

Situational analysis

The Western Cape Government is driving an export-led economic growth strategy. Based on the opening of international markets in 2021 and the need for Wesgro's Export Unit to double up efforts in terms of international missions, the following key focus areas:

- Maintenance and improvement to the Western Cape Portal and E-Market Place, which is a platform for Western Cape export-ready and exporting companies that need to be vetted and on-boarded in addition to a multitude of international buyers, importers and distributors that need to be recruited. The project will significantly boost exports from the Western Cape, as international buyers will be able to source products 24/7/365 days a year. The project will run in conjunction to the increased international (physical) missions that the Unit would undertake. Eventually, linkages will be made to other provinces (ECDC, TIKZN, Northern Cape and GGDA) and to the DTIC.
- Business Seminar Events (AGOA, AfCTA, SADC, SACU, SADC-EU EPA etc.) – information sharing/business information seminars, are crucial to Western Cape export-ready and exporting companies as they keep companies abreast of the latest developments in international trade, especially with regard to the trade agreements that SA has with other countries. These information seminars create opportunities for WC exporters from a product and sector development perspective.
- Inward buying is a way more effective trade mechanism in influencing international buyers to source from the Western Cape. There is calculated experience from a Wesgro perspective that when a buyer visits Cape Town and the Western Cape, the company is more likely to source given the natural beauty, people, tourism and investment opportunities that come to fruition during a physical visit to the Province. Alternatively, there are now options to host virtual inward buying missions where Wesgro can demonstrate the beauty and multiple offerings of the Western Cape through various technological platforms, including Zoom. In this way we target buyers looking for specific products and also develop key sectors in the Western Cape.
- Research and exporter support – additional research efforts to identify export growth opportunities for Western Cape companies.
- Provide red tape reduction interventions for our exporters along with the DTIC and any other national departments.
- The Unit operates in a manner that leaves room for flexibility in order to investigate opportunities for Western Cape companies that may arise from trade wars or geopolitical disputes that affect trade.

Sectors

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

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

The abovementioned sectors are varied and show the wide range of competencies in the Western Cape. These sectors are at different levels of maturity in terms of export capability and as such our involvement may vary.

Markets

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

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

These markets vary from markets that are targeted for specific goods and sectors, well established markets, growing markets and markets with potential that Wesgro wishes to explore for the benefit of Western Cape companies. The nature and the level of work in these markets will thus vary.

3.3.2 Strategic outcomes

Strategic outcome	
Strategic outcome	To promote and facilitate global exports of goods and services from qualified companies in the Western Cape.
Outcome statements	To recruit and facilitate between R16,70 billion and R25,04 billion trade agreements, resulting in between 2 840 and 3 716 jobs, and R1,36 billion and R3,09 billion Outward Foreign Direct Investment (OFDI).
Baseline	A total value of R3,08 billion trade agreements were committed, resulting in 973 jobs. A total value of R428,75 million foreign direct investment was committed for the 2019/20 financial year.
Justification	By promoting and facilitating exports, the economy of the Western Cape will grow and continuous job creation will be sustained. In addition, exposure to markets will increase demand for brands.
Links	The objective is linked to VIP 2: Economy and jobs, the National Development Plan and Vision 2030 in relation to economic growth and industry development.

3.3.3 Outcomes, Outputs, Performance Indicators and Targets 2021/22

Sub-programme 3.1: Export Promotion

No	Outcome	Outputs	Output Indicators	Annual Targets					
				Audited /Actual Performance		Estimated Performance 2020/21	MTEF Period		
				2017/18	2018/19	2019/20	2021/22	2022/23	2023/24
3.1.1	Estimated Rand value trade agreements signed	Trade agreements signed	Number of trade agreements signed	53	79	40	45-65	50-70	50-70
3.1.2	Number of jobs facilitated from trade agreements signed								

Sub-programme 3.2: African Expansion (OFDI)

No	Outcome	Outputs	Output Indicators	Annual Targets					
				Audited /Actual Performance		Estimated Performance 2020/21	MTEF Period		
				2017/18	2018/19	2019/20	2021/22	2022/23	2023/24
3.2.1	Rand value of committed outward foreign direct investment (OFDI) declarations signed	Outward foreign direct investments (OFDI) signed	Number of outward foreign direct investment declarations (OFDI) signed	6	9	7	7	8	9

Indicators, Annual and Quarterly Targets 2021/22 (Output indicators)

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

3.3.4 Explanation of planned performance over the medium-term period

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

3.3.5 Reconciling performance targets with budget and the MTEF

Summary of payments and estimates: Programme 3: Trade Promotion

Programme R'000		Outcome			Estimated outcome	Medium-term estimate		
		Audited	Audited	Audited				
		2017/18	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24
1,	International Trade Promotion	8 749	8 027	8 810	21 614	21 455	23 101	21 403
	Total payments and estimates	8 749	8 027	8 810	21 614	21 455	23 101	21 403

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

Economic classification R'000		Outcome			Estimated outcome	Medium-term estimate		
		Audited	Audited	Audited				
		2017/18	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24
	Expenses							
	Current expense	8 749	8 027	8 810	21 614	21 455	23 101	21 403
	Compensation of employees	6 194	5 440	6 585	8 286	8 595	9 203	10 203
	Salary & Wages	5 809	5 122	5 948	7 475	7 356	8 014	9 014
	Basic salary	5 513	4 834	5 629	7 192	7 356	8 014	9 014
	Performance rewards	296	288	319	283			
	Other non-pensionable allowances							
	Social Contributions (employer contributions only)	385	318	637	811	1 239	1 189	1 189
	Pension	304	254	558	692	1 074	1 070	1 070
	Medical	60	48	59	96	144	96	96
	UIF	21	16	20	23	21	23	23
	Salary related expenses							
	Use of goods and services	2 555	2 587	2 225	13 328	12 860	13 898	11 200
	Advertising		50		86	446	201	200
	Advertising of posts							
	Advertising (marketing)		50		86	446	201	200
	Consultants, contractors and special services	480	240	480	9 296	10 459	11 665	9 733
	Consultants	200	180	200	1 043	1 400	2 420	2 420
	Contractors and special services	280	60	280	8 253	9 059	9 245	7 313

General Expenses							
Conference Expenditure	90	40	90	3 181	5 599	4 250	3 350
Venues and facilities	190	20	190	5 072	3 460	4 995	3 963
Travel and Subsistence	2 075	2 297	1 745	3 946	1 955	2 032	1 267
Air Travel - Air Tickets (Domestic)	27	115	27	60	66	27	27
Air Travel - Air Tickets (International)	1 186	1 424	856	1 991	1 185	1 699	934
Accommodation - Domestic	346	340	346	14	16	70	70
Accommodation - International	416	373	416	1 355	635	116	116
Other	100	45	100	526	53	120	120
Training and staff development							
Total expenses	8 749	8 027	8 810	21 614	21 455	23 101	21 403

3.3.6 Performance and expenditure trends

The Agency is aligned to the strategies of National and Provincial Government and the City of Cape Town, in order to achieve increased economic growth and jobs. The Agency will contribute to the export driven growth approach. The Export Promotion programme will ensure that it delivers on its mandate and implements the initiatives aimed at an increase in exports.

3.3.7 Key risks

Project objective:				To promote and facilitate global exports of goods and services from qualified companies in the Western Cape. To facilitate and support operations and the expansion of Western Cape companies into the rest of Africa.	
Project risk statement	Inherent risk		Project risk mitigation	Residual Risk Rating	
	Impact	Likelihood		Impact	Likelihood
Perception of Cape Town as a destination for Tourism and Investment.	4	3	<ul style="list-style-type: none"> Enhance website and collateral ability Regional Africa Strategy for tourism Reconfigure for domestic as best possible Restore International travel 	3	2
The sustainable funding of Wesgro	4	3	<ul style="list-style-type: none"> Review the possibility of receiving private sector funding including international donors Receiving other public sector funding (diversify funding) Other government project management income around infrastructure Continue to Increase funding sources – adding contracts with new funders 	4	3
Ineffective knowledge retention and cross selling	3	3	<ul style="list-style-type: none"> Enhance cross-selling and knowledge retention Determine which information technology tasks run automatically and which require a person to operate and ensure additional personnel are available to cover that position Implement effective succession planning through internal staff development projects Maintenance of institutional knowledge Effective documentation of client engagements 	3	2
Maintenance of relationship with stakeholders / funders	3	2	<ul style="list-style-type: none"> Revise the Wesgro 5 year strategy developed, in consultation with the Wesgro key funders incorporating the COVID-19 response Clearly defined detail bilateral engagements Additional mechanisms to be put in place to generate revenue Protocol document currently being created and to be finalised Management should clearly define responsibilities Continued work on the mandates A response strategy per stakeholder to be developed 	3	2
Pandemic related risks	4	2	<ul style="list-style-type: none"> Covid-19 support communication centre established and maintained Finalise the revision of the Budget in conjunction with the revised available funding due to COVID-19 priorities Revise the Wesgro 5-year strategy developed, in consultation with the Wesgro key funders incorporating the COVID-19 response 	3	2
Digital Transformation	3	3	<ul style="list-style-type: none"> Incorporation of the IT risks into the IT Steering Committee report Enhanced IT security in line with the digital transformation 	2	1

3.4 Programme 4: Wesgro Research

Purpose

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

3.4.1 Programme structure

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

The Unit executes two main functions:

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

Driving the strategy of the Agency

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

The Wesgro Research Unit aims to provide an enabling environment for the development of the strategy of the Agency by providing the necessary research to meet the goals and support the vision of the Agency. The research 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 investment, trade, tourism and film promotional activities.

Enhancing the promotion activities of Wesgro

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

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

3.4.2 Strategic outcome

Strategic outcome	
Strategic Outcome	Develop relevant tourism, trade and investment publications and provide customised research to support the core functions of the Agency.
Outcome statement	Develop content for publications relevant to the sectors and markets of Wesgro, the Province and the City, and produce customised research, aimed at strengthening the Agency's position as a thought leader.
Baseline	104 publications were produced during the 2019/20 financial year.
Justification	Publications inform and guide the Agency, exporters and investors.
Links	The objective is linked to the Agency's 5-year Strategic Plan.

3.4.3 Outcomes, Outputs, Performance Indicators and Targets 2021/22

No	Outcome	Outputs	Output Indicators	Annual Targets				
				Audited /Actual Performance		Estimated Performance 2020/21	MTEF Period	
				2017/18	2018/19		2021/22	2023/24
4.1	Number of research reports downloaded and distributed	Research reports produced	Number of research reports developed	119	105	104	100	100

Indicators, Annual and Quarterly Targets 2021/22 (Output indicators)

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

3.4.4 Explanation of planned performance over the medium-term period

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

3.4.5 Reconciling performance targets with the budget and MTEF

Summary of payments and estimates: Programme 4: Wesgro Research

Programme R'000		Outcome			Estimated outcome	Medium-term estimate		
		Audited	Audited	Audited				
		2017/18	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24
1,	Intelligence	3 257	3 394	4 055	4 725	4 002	3 786	3 916
	Total payments and estimates	3 257	3 394	4 055	4 725	4 002	3 786	3 916

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

Economic classification R'000		Outcome			Estimated outcome	Medium-term estimate		
		Audited	Audited	Audited				
		2017/18	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24
	Expenses							
	Current expense	3 257	3 394	4 055	4 725	4 002	3 786	3 916
	Compensation of employees	1 468	1 672	1 883	2 202	2 202	1 934	1 934
	Salary & Wages	1 301	1 495	1 757	2 061	1 843	1 781	1 781
	Basic salary	1 235	1 414	1 661	1 962	1 843	1 684	1 684
	Performance rewards	66	81	96	99	-	97	97
	Other non-pensionable allowances							
	Social Contributions (employer contributions only)	167	177	126	141	359	153	153
	Pension	123	130	101	116	296	128	128
	Medical	38	39	18	17	54	17	17
	UIF	6	8	7	8	9	8	8
	Salary related expenses							
	Use of goods and services	1 789	1 722	2 172	2 523	1 800	1 852	1 982
	Advertising							
	Advertising of posts							
	Gifts and Promotional items							
	Advertising (marketing)							
	Consultants, contractors and special services	5		5				
	Consultants	5		5				
	Inventory	1 749	1 668	2 122	2 479	1 800	1 852	1 982
	Subscriptions	1 749	1 668	2 122	2 479	1 800	1 852	1 982
	Other							
	Legal fees							
	Travel and Subsistence	35	54	45	44			
	Air Travel - Air Tickets (Domestic)	25	48	35	28			

	Air Travel - Air Tickets (International)							
	Accommodation - Domestic	4	4	4	8			
	Accommodation - International							
	Other	6	2	6	8			
	Total expenses	3 257	3 394	4 055	4 725	4 002	3 786	3 916

3.4.6 Performance and expenditure trends

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

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

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

The Unit relies heavily on the sourcing of information for their research in supporting the Agency through subscriptions based outside South Africa, which is impacted on due to the fluctuations of the South African Rand to major currencies.

3.4.7 Key risks

Project objective:		To promote and facilitate global exports of goods and services from qualified companies in the Western Cape.	
		To facilitate and support operations and the expansion of Western Cape companies into the rest of Africa.	
Project risk statement	Inherent risk		Residual Risk Rating
	Impact	Likelihood	
Perception of Cape Town as a destination for Tourism and Investment.	4	3	3 2
The sustainable funding of Wesgro	4	3	4 3
Ineffective knowledge retention and cross selling	3	3	3 2
Maintenance of relationship with stakeholders / funders	3	2	3 2
Pandemic related risks	4	2	3 2
Digital Transformation	3	3	2 1

3.5 Programme 5: Marketing and Communication

Purpose

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

3.5.1 Programme structure

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

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

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

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

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

We aim to embark on more sophisticated virtual events/webinar platforms and joint virtual events, as well as website updates and functionality to support stakeholders strategically as and when needed during the recovery period.

Special projects

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

Project Good Hope – Cape Town and Western Cape Remote Work Campaign

The aim of the campaign is to build confidence in Cape Town and the Western Cape as the destination of choice to do business remotely. Targeting both international and local audiences, the objective is to position the region as the top choice in Africa for remote work. In the short term, these audiences put money back into the economy, and in the long term they immerse themselves in the region, which fosters opportunities to bring future business here.

International missions have shown that those who set foot in Cape Town are more likely to invest, community co-working can be catalyst for this investment. The campaign will showcase the region's proof points and

capabilities. To deepen confidence building efforts, we will also land high level accolades of how successful Cape Town and the Western Cape has been in dealing with COVID-19 at all levels, as the system needs to be shown as capable.

The campaign will have two components:

- Local positioning: targeting predominately JHB-based business stakeholders to come to Cape Town and the Western Cape for longer stays.
- International positioning: targeting audience sets who are showing interest across business and tourism landscapes to come to Cape Town and the Western Cape for longer stays, with the possibility of relocating here.

By using online reputation management tools, and online listening tools, we will identify niche groups for targeting, including sentiment tracking along with personal development.

Campaign measurements:

- Primary objective: awareness – to promote the benefits and proof points of the destination as a top remote work hub in Africa.
- Local: continued partnerships with trade partners as well as industry to educate on the benefits of the destination as a remote work “long stay” option. Visits to site and engagement with trade collateral measured.
- International: website development. Reach, unique users attracted and visits to the webpage – also including time spent on site, database development and newsletter sign ups.
- Attendance of ‘leading tech cities’ webinars and B2B meetings.

Project Good Hope – Exports Campaign

The objective of the Export Campaign “Why Buy” is to package and promote the export offering of Cape Town & the Western Cape. This is done through digital marketing in key source markets, aligned to the strategic goals of the Wesgro Export team and taking into account the COVID-19 trading landscape. It will also see the development of designed, digital collateral that can be used by government and economic agencies in promoting the destination to buyers, importers and distributors for exports.

In packaging the export offering, the dedicated team will work to position the Cape Town and Western Cape export brand, with special consideration for the intrinsic qualities that the region has on offer and taking into account the COVID-19 trading landscape, focussing on new sectors for development, and those that give us a unique positioning in the market. By positioning the region, we subsequently influence the profile of the entire destination export brand, which could impact positively on other sectors.

Through the digital campaign, targeted buyers, importers and distributors will be driven to the virtual trade portal being developed by the Trade Unit, where data on them can be collected for CRM purposes. This trade portal is an important asset that can be leveraged in future campaigns, and in generating awareness of the destinations export brand. The site will not be built on a zero base, and will take its lead from the already developed “Cape Export Network” portal, which has begun the work of connecting wine exporters and buyers.

In line with the Western Cape Government’s greater emphasis on ‘tradeables’, the Project Good Hope Exports Campaign aims to achieve a single brand for Western Cape exports, with targeted campaigns in pre-identified markets to develop the brand identity for Western Cape exports. Detailed reports will be provided at the end of each boost, including data on:

Campaign measurements:

- Reach (How many opportunities to see the campaign, including source markets demographic data).
- Collateral Views (Portal Views, AV views).

- Clicks (Clicks leading to trade portal and clicks to subscribe – contact investment/trade team).
- In addition, and insofar as the export brand component is concerned, the adoption and use of this brand by key exporters will also be measured by gauging industry uptake.

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.

The "traditional" media environment continues to fragment and has been further negatively impacted by the COVID-19 landscape, resulting in a lower reach. Online and digital platforms provide new and exciting opportunities for communication and brand positioning. The PR landscape is evolving and the Unit's operations are evolving with it. The Marketing and Communication Unit examines content holistically and adopts a multimedia approach to content marketing across social media and PR, while still having a presence in strategic traditional media.

The rand depreciation can also place pressure on the marketing budget with regard to international media spend. In terms of digital marketing, we are bidding for online space against other international investment, export tourism and film place brands and so we need to be able to compete in a global space. This requires dedicated spend that can cut through global budgets in key source markets.

The overall perception of the country has a direct impact on the business brand of Cape Town and the Western Cape. This can have both a positive and negative effect, depending on the issue at hand. Other regional factors, such as the drought, concerns over tourism safety and political developments can also shape how the destination is viewed at home and abroad. Crucially, how the destination has handled COVID-19, the systemic capabilities of the public and private sector response impact perception. It is vital that we show how resilient we are and that the future still holds opportunities for business stakeholders, locally and globally. Our role as the Agency for the destination is to counteract these perceptions with the positive economic stories that exist, underpinned by our research. This is done under the #CapeConfidence banner on our digital platforms. The Cape Confidence Campaign will increase the amount of stakeholders we could reach with our 'future Cape Town AV' through a targeted media buy extension on LinkedIn and allow us to shoot more expat testimonial videos, which aim to increase confidence in order to retain businesses in the Cape.

3.5.2 Strategic objectives

Strategic outcome	
Strategic outcome	Profile and position the Agency through its core mandates of investment, export, tourism and film.
Outcome statement	To build a strong regional economic brand with an estimated rand value of R398,1 million AVE.
Baseline	A total of R58,37 million in AVE was generated during the 2019/20 financial year.
Justification	By positively managing the reputation of the Agency and the destination, we will attract more interest in the Cape and help improve economic growth and job creation.
Links	This objective is linked to the Agency's 5-year Strategic Plan.

3.5.3 Outcomes, Performance Indicators and Targets 2021/22

No	Outcome	Outputs	Output Indicators	Annual Targets						
				Audited /Actual Performance		Estimated Performance 2020/21	MTEF Period			
				2017/18	2018/19	2019/20	2021/22	2022/23	2023/24	
5.1	Rand value of the advertising value equivalent (AVE) generated for the Agency	Corporate events supported	Number of corporate events supported	31	51	57	20-45	20-45	20-45	
		Content management	Quarterly reports evidencing content management of Agency collateral	-	-	-	4	4	4	

Indicators, Annual and Quarterly Targets 2021/22 (Output indicators)

No.	Output Indicators	Annual Target	Q1	Q2	Q3	Q4
5.1.1	Number of strategic corporate Agency events supported	20-45	5-8	5-10	5-12	5-15
5.1.2	Quarterly reports evidencing content management of Agency collateral	4	1	1	1	1

3.5.4 Explanation of planned performance over the medium-term period

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

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

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

3.5.5 Reconciling performance targets with the budget and MTEF

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

Programme R'000		Outcome			Estimated outcome	Medium-term estimate		
		Audited	Audited	Audited				
		2017/18	2018/19	2019/20		2021/22	2022/23	2023/24
1,	Marketing and Communication	5 354	5 823	6 036	9 124	10 583	7 761	8 204
	Total payments and estimates	5 354	5 823	6 036	9 124	10 583	7 761	8 204

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

Economic classification R'000		Outcome			Estimated outcome	Medium-term estimate		
		Audited	Audited	Audited				
		2017/18	2018/19	2019/20		2021/22	2022/23	2023/24
	Expenses							
	Current expense	5 354	5 823	6 036	9 124	10 583	7 761	8 204
	Compensation of employees	2 926	3 457	3 724	5 094	5 583	5 656	5 656
	Salary & Wages	2 773	3 298	3 278	4 226	4 479	4 705	4 705
	Basic salary	2 619	3 134	3 095	4 099	4 479	4 563	4 563
	Performance rewards	154	164	183	127	-	142	142
	Other non-pensionable allowances							
	Social Contributions (employer contributions only)	153	159	446	868	1 104	951	951
	Pension	106	112	397	740	938	823	823
	Medical	36	36	36	108	145	108	108
	UIF	11	11	13	20	21	20	20
	Salary related expenses							
	Use of goods and services	2 428	2 366	2 312	4 030	5 000	2 105	2 548
	Advertising	1 746	1 651	1 646	2 025	2 897	223	223
	Advertising of posts							
	Gifts and Promotional items	200	200	200	150	50	47	47

Advertising (marketing)	1 546	1 451	1 446	1 875	2 847	176	176
Consultants, contractors and special services	361	371	361	1 260	1 113	1 389	1 832
Consultants	42	42	42	60	60	100	100
Contractors and special services	319	329	319	1 200	1 053	1 289	1 732
Services rendered							
General Expenses							
Conference Expenditure	100	110	100	535	600	700	700
Donations paid							
Photographic services	44	60	44	15	153	50	50
Venues and facilities	175	159	175	650	300	539	982
Agency Administrative and Support Staff							
Other special services							
Entertainment							
Equipment less than Capitalisation threshold							
Inventory	110	140	110	350	300	283	283
Subscriptions	110	140	110	350	300	283	283
Operating leases							
Rent-buildings							
Printing and publication	200	190	184	287	587	210	210
Professional bodies and membership fees							
Travel and Subsistence	11	14	11	108	103		
Air Travel - Air Tickets (Domestic)	9	9	9	24	44		
Air Travel - Air Tickets (International)				80	43		
Accommodation - Domestic	1		1	3	3		
Accommodation - International					12		
Other	1	5	1	1	1		
Total expenses	5 354	5 823	6 036	9 124	10 583	7 761	8 204

3.5.6 Performance and expenditure trends

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

3.5.7 Key risks

Project objective:		To promote and facilitate global exports of goods and services from qualified companies in the Western Cape.	
		To facilitate and support operations and the expansion of Western Cape companies into the rest of Africa.	
Project risk statement	Project risk mitigation		Residual Risk Rating
	Inherent risk	Impact	
	Impact	Likelihood	Likelihood
Perception of Cape Town as a destination for Tourism and Investment.	4	3	2
The sustainable funding of Wesgro	4	4	3
	3	3	2
Ineffective knowledge retention and cross selling	3	3	2
Maintenance of relationship with stakeholders / funders	3	3	2
Pandemic related risks	4	3	2
Digital Transformation	3	2	1

3.6 Programme 6: Destination Marketing Organisation (DMO)

Purpose

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

3.6.1 Programme structure

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

The Programme is divided into three sub-programmes:

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

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

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

- Air Access, through the Cape Town Air Access initiative.

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

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

The Leisure Unit places emphasis on:

- The creation of demand through marketing activities, with a key focus on domestic and international tourism marketing campaigns.
- 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).

In growing Business Events, the Unit places emphasis on:

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

The Cape Town Air Access Partnership places emphasis on:

- Airline support for route re-establishment and retention, includes various joint activities with airlines of which some will be aligned with and leveraging the DMO's tourism marketing campaigns and activities.
- International engagements with route planners of airlines for routes at risk.
- Attendance at World Routes, Routes Africa and other conferences to engage with route planners globally.
- Development of air cargo to unlock air cargo services to Cape Town, including assisting freighters to land into Cape Town International Airport (CTIA).
- Unlocking barriers with regard to air cargo handling at CTIA and assisting with a business case for necessary cargo infrastructure.

Situational analysis

Tourism has been a key competitive advantage for Cape Town and the Western Cape, providing significant growth opportunities. The tourism sector is both an economic driver and a large employment generator, thus unlocking opportunities in this sector is critical for overall economic growth and job creation.

COVID-19 has seen the travel and tourism industry hardest hit, and as yet there is no understanding of the extent of the full impact on global, regional and domestic tourism. It is essential for Wesgro's DMO to respond to the crisis in a strategic manner that will ensure that planning for recovery is underway. This will require:

- Managing the crisis though sharing reputable information timeously, while lobbying for early, safe reopening.
- Unlocking stimuli for recovery.
- Preparing for a collaborative approach between government and the tourism industry for recovery.

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

The strategic positioning of the domestic and international marketing campaigns take into consideration the following:

- Implement campaigns that will position the depth and breadth of experiences available throughout Cape Town and the Western to ensure that geographic spread and seasonality issues are addressed. The campaigns will put Cape Town and the Western Cape back onto the consideration list, and inspire travel to the destination. The creative will include the destination proposition and a unique reason to believe, differentiating the destination in a cluttered marketing space.
- During this time, place campaign drive on building familiarity and awareness, which will lead to conversion as travel opens up.

- Given the competitive landscape and the budget, prioritise our efforts in order to get maximum ROI and impact as the online bidding space is extremely competitive.
- We will sweat the content by using the white label mechanism to enable Municipalities use the campaign collateral.
- We are strengthening partnerships and collaboration with both the private and public sector so that we can maximise our effort and spend.
- We are emphasising Trade and the Joint Marketing Agreements, so that we can account for tangible conversion with the airlines, tour operators, etc.
- We are emphasising Business Events, although it is a brief on its own, so that it can be built into the domestic and international leisure marketing efforts for added leverage and conversion from leisure to business.

International Online Digital Platforms for Tourism Marketing

Our tourism promotion strategy is based on the reality that different markets and travellers in general are currently at varied stages of their travelling cycles with some markets open and some not.

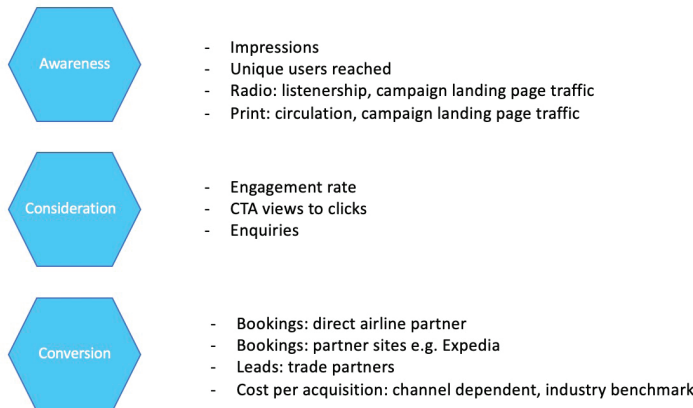
Based on this, our digital strategy needs to take on a three-phased approach which is agile in nature. Firstly, we need to create and maintain awareness, by ensuring that Cape Town and the Western Cape is top of mind as the perfect antidote for a post-locked down 2020. Secondly, we will then drive consideration to those who are open and able to travel, Thirdly, this will ultimately lead to generating conversion out of this engaged audience.

Digital channel selection will be market dependent, and it will be geared mainly towards the preferred channels of the targeted countries; this may include Facebook and YouTube, with inclusion of IG for awareness in particular. This will be supported by in-market partnerships, including strategic media, print and radio. Conversion is market-dependent, but the platform will include incremental demand and direct bookings. Due to uncertainty with regard to travel and the opening up of markets, we have positioned the familiarity and awareness build components over a longer timeframe, however, still leading to conversion in the targeted key source markets.



Key Metrics*

*Channel dependent, key metrics may shift



To promote the Western Cape as the leading business events destination on the African continent, the following key activities take place:

- Promoting local knowledge economy, by encouraging academics, scientists and thought leaders of the Western Cape to bid for business events aligned to priority economic growth sectors – aligned to LEAD programme. Focus on legacy impacts of events.
- Creating demand, by implementing joint lead development projects with key private sector, public sector and internal stakeholders, to drive forward bookings and regional spread of meetings.
- Driving marketing campaigns to strengthen the destination position as being leaders within the business events sector on the continent (editorial positioning, online marketing, content development).
- Promoting bureau services (pre and post bid assistance, marketing support and delegate boosting).
- Alignment to international and domestic industry associations (BestCities Global Alliance, ICCE, SITE, SAACI etc.) to drive thought leadership and provide a platform for education within the business events sector.
- Leveraging available research and data collection tools to increase market competitiveness.

To drive and promote Air Access, the following key activities take place:

- Leverage partnerships with airlines that are able to fly and have connectivity to Cape Town, including strategic collateral building in partnership with airlines and dependent on airline distribution channels that exist.
- Route Support is necessary to support airlines through international marketing initiatives, all of which will be jointly executed or in partnership with the relevant airline. The support will be provided by the aviation liaison to bolster the position of Cape Town and the Western Cape as a destination of choice for returning airlines (or even new airlines wishing to take over a route). It will provide the necessary marketing support to assist Wesgro to undertake bespoke international marketing activities with the airline(s) in order to boost awareness and achieve higher load factors and in so doing secure the route for the coming years. The value chain from awareness through to conversation is critical for the recovery of tourism and the airlines play an invaluable role in this value chain.

- The marketing initiatives can vary greatly and can also be very targeted to the specific traveller or market flying with the particular airline. Thus, leveraging partnerships with the airlines are likely to be even more targeted and focused with a higher rate of conversion. Furthermore, the support is intended to sweat the funds that the airlines are already spending on marketing and in so doing have an even deeper impact collectively than simply undertaking individual marketing initiatives.
- The marketing initiatives, in partnership with the airlines, will also allow Wesgro to bring in other partners in the local tourism economy, from hotels through to attractions, to make the value proposition even more compelling whilst at the same time supporting the local tourism economy.

Sectors

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

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

Markets

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

3.6.2 Strategic outcomes

Strategic outcome	
Strategic Outcome	Enhance the attractiveness, awareness and accessibility of the of region and drive conversion.
Outcome statement	To market Cape Town and the Western Cape and support tourism destination marketing initiatives with an estimated economic value of R2,65 billion – R4,24billion.
Baseline	An estimated value of R935,63 million was generated from tourism initiatives supported for the 2019/20 financial year.
Justification	Wesgro's strategic mandate is to conduct tourism marketing and promotion for Cape Town and the Western Cape.
Links	The objective is linked to VIP 2: Economy and jobs, and the strategic plan of the Department of Economic Development and Tourism.

3.6.3 Outcomes, Performance Indicators and Targets 2021/22

No	Outcome	Outputs	Output Indicators	Annual Targets						
				Audited/Actual Performance			Estimated Performance 2020/21	MTEF Period		
				2017/18	2018/19	2019/20		2021/22	2022/23	2023/24
6.1	Total estimated economic value of tourism destination marketing initiatives supported	Tourism marketing initiatives supported	Number of tourism destination marketing initiatives supported	32	34	46	34	15	36	38
		Joint marketing agreements secured	Number of joint marketing agreements secured	15	19	26	25	15	27	29
		Leisure events supported	Number of leisure events supported	51	50	49	52	35	54	56
		Bids secured	Number of bids secured	33	30	52	32	15	34	35

Indicators, Annual and Quarterly Targets 2021/22 (Output indicators)

No.	Output Indicators	Annual Target	Q1	Q2	Q3	Q4
6.1.1	Number of tourism destination marketing initiatives supported	15	-	-	-	15
6.1.2	Number of joint marketing agreements secured	15	-	--	-	15
6.1.3	Number of leisure events supported	35	5	10	10	10
6.1.4	Number of bids secured	15	4	5	4	2

3.6.4 Explanation of planned performance over the medium-term period

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

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

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

3.6.5 Reconciling performance targets with the budget and MTEF

Summary of payments and estimates: Programme 6: Destination Marketing

Sub-programme R'000		Outcome			Estimated outcome	Medium-term estimate		
		Audited	Audited	Audited				
		2017/18	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24
1.	Organisational Support	10 657	10 987	11 667	12 632	12 915	13 656	13 853
2.	Integrated Marketing	7 124	6 794	7 359	49 680	10 047	9 307	9 812
	DMO Programme					35 436	35 432	39 335
	Total payments and estimates	17 781	17 781	19 026	62 312	58 398	58 395	63 000

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

Economic classification R'000		Outcome			Estimated outcome	Medium-term estimate		
		Audited	Audited	Audited				
		2017/18	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24
	Expenses							
	Current expense	17 781	17 369	19 026	62 312	58 398	58 395	63 000
	Compensation of employees	13 871	14 317	15 627	21 182	21 784	22 999	24 223
	Salary & Wages	13 378	13 812	13 790	18 500	17 777	19 792	21 135
	Basic salary	12 729	13 079	13 081	17 709	17 777	19 792	21 135
	Performance rewards	649	733	709	791			
	Other non-pensionable allowances							
	Social Contributions (employer contributions only)	493	505	1 837	2 682	4 007	3 207	3 088
	Pension	339	334	1 538	2 281	3 513	2 703	2 584
	Medical	104	117	246	335	426	438	438
	UIF	50	54	53	66	68	66	66
	Salary related expenses							
	Use of goods and services	3 910	3 052	3 399	41 130	36 614	35 396	38 777
	Advertising	25			15 744	16 535	16 052	17 297
	Advertising of posts	25						
	Gifts and Promotional items							
	Advertising (marketing)				15 744	16 745	16 052	17 297
	Audit Fees	124	520	1 034		1 050		
	Internal		400	696		402		
	External	124	120	338		648		
	Bank charges	51						
	Board Costs							
	Board - Remuneration							
	Board - Subsistence							
	Bursaries (employees)							
	Catering services	25						

Communication	317		487				
Telephone	316		487				
Cellphones	1						
Postage & Courier							
Other							
Computer services	384						
SITA services							
External service providers	384						
Consultants, contractors and special services	1 034	700		20 966	14 697	14 932	16 645
Consultants	417	400		9 835	7 465	7 414	6 214
Contractors and special services	617	300		11 131	7 232	7 518	10 431
General Expenses	617	300					
Conference Expenditure				4 420	3 420	3 140	5 038
Photographic services							
Venues and facilities							
Agency Administrative and Support Staff				6 711	3 812	4 378	5 393
Other special services							
Entertainment							
Equipment less than Capitalisation threshold							
Inventory	70			381	481	369	474
Consumables							
Fuel, oil and gas	24						
Stationery and printing	40						
Subscriptions	6			381	481	369	474
Other							
Legal fees	98						
Losses / (Profits)	1						
Losses due to Fraud							
On Sale of Assets	1						
Forex							
Other							
Maintenance and repairs	114						
Buildings	101						
Equipment	13						
Operating leases	1 617	1 808	1 878	1 846	1 556	1 850	2 168
Rent-buildings	1 617	1 808	1 878	1 846	1 556	1 850	2 168
Rent-equipment							
Other							
Printing and publication							
Professional bodies and membership fees							
Travel and Subsistence				2 193	2 295	2 193	2 193
Air Travel - Air Tickets (Domestic)				333	433	333	333
Air Travel - Air Tickets (International)				990	990	990	990
Accommodation - Domestic				50	52	50	50
Accommodation - International				600	600	600	600
Other				220	220	220	220
Training and staff development	50	24					
Depreciation and amortisation		412					
Computer equipment		76					
Furniture and Office equipment		91					
Other Machinery and equipment		49					
Transport Assets		101					
Computer Software		95					
Total expenses	17 781	17 781	19 026	62 312	58 398	58 395	63 000

3.6.6 Performance and expenditure trends

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

3.6.7 Key risks

Project objective:	Project risk statement		Inherent risk		Project risk mitigation	Residual Risk Rating	
			Impact	Likelihood		Impact	Likelihood
To promote and facilitate global exports of goods and services from qualified companies in the Western Cape.	To facilitate and support operations and the expansion of Western Cape companies into the rest of Africa.						
Perception of Cape Town as a destination for Tourism and Investment.			4	3	<ul style="list-style-type: none"> Enhance website and collateral ability Regional Africa Strategy for tourism Reconfigure for domestic as best possible Restore International travel 	3	2
The sustainable funding of Wesgro			4	3	<ul style="list-style-type: none"> Review the possibility of receiving private sector funding including international donors Receiving other public sector funding (diversify funding) Other government project management income around infrastructure Continue to Increase funding sources – adding contracts with new funders 	4	3
Ineffective knowledge retention and cross selling			3	3	<ul style="list-style-type: none"> Enhance cross-selling and knowledge retention Determine which information technology tasks run automatically and which require a person to operate and ensure additional personnel are available to cover that position Implement effective succession planning through internal staff development projects Maintenance of institutional knowledge Effective documentation of client engagements 	3	2
Maintenance of relationship with stakeholders / funders			3	2	<ul style="list-style-type: none"> Revise the Wesgro 5 year strategy developed, in consultation with the Wesgro key funders incorporating the COVID-19 response Clearly defined detail bilateral engagements Additional mechanisms to be put in place to generate revenue Protocol document currently being created and to be finalised Management should clearly define responsibilities Continued work on the mandates A response strategy per stakeholder to be developed 	3	2
Pandemic related risks			4	2	<ul style="list-style-type: none"> Covid-19 support communication centre established and maintained Finalise the revision of the Budget in conjunction with the revised available funding due to COVID-19 priorities Revise the Wesgro 5-year strategy developed, in consultation with the Wesgro key funders incorporating the COVID-19 response 	3	2
Digital Transformation			3	3	<ul style="list-style-type: none"> Incorporation of the IT risks into the IT Steering Committee report Enhanced IT security in line with the digital transformation 	2	1

3.7 Programme 7: Film and Media Promotion

Purpose

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

3.7.1 Programme structure

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

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

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

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

Situational analysis

In order to develop a competitive film sector within the Province, there is a need to focus on:

- drive locations marketing;
- specific markets attached to festivals such as Annecy, Berlin, and Cannes and emerging BRICS countries;
- host inward missions to activate film and media companies;
- host the exporter advancement programme;
- continuation of the expansion of the Western Cape E-asset register to all five regions;
- conduct strategic research; and
- running ad hoc training opportunities as required, such as the EG Locations Summit.

A number of inward missions could possibly be in person, but this may continue to be virtual such as the virtual attendance of the countries producers at the 2020 Encounters International Documentary Film Festival and Silwerskermfes. The Unit will participate in the physical film festivals, however, virtual participation on international platforms will most likely continue and includes virtual stands. There is also an expansion plan to the E-register booklet and locations manual website.

Sectors

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

The following sectors follow:

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

Markets

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

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

3.7.2 Strategic objectives

Strategic outcome	
Strategic Outcome	To firmly establish a globally competitive film sector.
Outcome statements	To recruit and facilitate between R10,13 billion and R17,82 billion film and media productions brought into the Province, with between 15 246 FTE and 18 472 FTE jobs.
Baseline	A total value of R2,189 billion was committed in the film and media sector, resulting in 2 147 FTE jobs during the 2019/20 financial year.
Justification	Film is an important sector in the Western Cape and a major contributor to economic growth and jobs.
Links	The objective is linked to VIP 2: Economy and jobs. Furthermore, the objective is linked to the Department of Economic Development and Tourism’s 5-year film and media strategy, the Cape Town Arts and Culture’s 10-year strategy and the Cape Town Film Studios.

3.7.3 Outcomes, Outputs, Performance Indicators and Targets 2021/22

No	Outcome	Outputs	Output Indicators	Annual Targets					
				Audited /Actual Performance		Estimated Performance 2020/21	MTEF Period		
				2017/18	2018/19	2019/20	2021/22	2022/23	2023/24
7.1	Rand value of film and media productions brought into the Province	Film and media declarations signed	Number of film and media declarations signed	9	5	5	2-5	5-7	5-7
7.2	Number of jobs facilitated through the productions brought into the Province								

Indicators, Annual and Quarterly Targets 2021/22 (Output indicators):

No.	Output Indicators	Annual Target	Q1	Q2	Q3	Q4
7.1	Number of film and media declarations signed	2-5	-	-	-	2-5

3.7.4 Explanation of planned performance over the medium-term period

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

3.7.5 Key risks

Project objective:		Inherent risk		Project risk mitigation		Residual Risk Rating	
Project risk statement		Impact	Likelihood			Impact	Likelihood
To promote and facilitate global exports of goods and services from qualified companies in the Western Cape. To facilitate and support operations and the expansion of Western Cape companies into the rest of Africa.							
Perception of Cape Town as a destination for Tourism and Investment.		4	3	<ul style="list-style-type: none"> Enhance website and collateral ability Regional Africa Strategy for tourism Reconfigure for domestic as best possible Restore International travel 		3	2
The sustainable funding of Wesgro		4	3	<ul style="list-style-type: none"> Review the possibility of receiving private sector funding including international donors Receiving other public sector funding (diversify funding) Other government project management income around infrastructure Continue to Increase funding sources – adding contracts with new funders 		4	3
Ineffective knowledge retention and cross selling		3	3	<ul style="list-style-type: none"> Enhance cross-selling and knowledge retention Determine which information technology tasks run automatically and which require a person to operate and ensure additional personnel are available to cover that position Implement effective succession planning through internal staff development projects Maintenance of institutional knowledge Effective documentation of client engagements 		3	2
Maintenance of relationship with stakeholders / funders		3	2	<ul style="list-style-type: none"> Revise the Wesgro 5 year strategy developed, in consultation with the Wesgro key funders incorporating the COVID-19 response Clearly defined detail bilateral engagements Additional mechanisms to be put in place to generate revenue Protocol document currently being created and to be finalised Management should clearly define responsibilities Continued work on the mandates A response strategy per stakeholder to be developed 		3	2
Pandemic related risks		4	2	<ul style="list-style-type: none"> Covid-19 support communication centre established and maintained Finalise the revision of the Budget in conjunction with the revised available funding due to COVID-19 priorities Revise the Wesgro 5-year strategy developed, in consultation with the Wesgro key funders incorporating the COVID-19 response 		3	2
Digital Transformation		3	3	<ul style="list-style-type: none"> Incorporation of the IT risks into the IT Steering Committee report Enhanced IT security in line with the digital transformation 		2	1



4. Part D: Technical performance indicator descriptions

4.1 Programme 1: Corporate Services

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

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

Sub-programme 1.1: Financial management

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

Sub-programme 1.2: Supply Chain Management

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

Sub-programme 1.2: Supply Chain Management

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

Sub-programme 1.2: Supply Chain Management

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

Sub-programme 1.2: Supply Chain Management

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

Sub-programme 1.3: IT and Administration Services

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

Sub-programme 1.4: Human Resource Management

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

Sub-programme 1.4: Human Resource Management

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

Sub-programme 1.4: Human Resource Management

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

Sub-programme 1.5: Monitoring and Evaluation

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

4.2 Programme 2: Investment Promotion

Strategic outcome: Facilitate investment and jobs into the Western Cape

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

4.3 Programme 3: Export Promotion

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

Sub-programme 3.1: Trade Promotion

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

Sub-programme 3.2: African Expansion

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

4.4 Programme 4: Research

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

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

4.5 Programme 5: Marketing and Communication

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

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

Programme 5: Marketing and Communication

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

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

4.6 Programme 6: Destination Marketing

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

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

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

Indicator number	6.3			
Indicator title	Number of leisure events supported.			
Short definition	Supporting leisure events with the aim of increasing awareness of and the number of visitor arrivals to the destination.			
Purpose	To drive geographic spread and reduce the impact of seasonality.			
Strategic link	VIP# 2	Focus Area(s): Growing the economy through export	Output(s): N/A	Intervention(s): N/A
Source of data	A copy of the signed Events Marketing Agreement (EMA).			
Method of calculation	The number of events supported is added to calculate the total.			
Data limitations	Lack of funding to support events.			
Type of indicator	Input:	Activities:	Output: x	Outcome:
	Service Delivery Indicator:		Direct Service Delivery:	
			Indirect Service Delivery: x	
	Demand Driven Indicator:		Yes, demand driven:	
			No, not demand driven: x	

Calculation type	Cumulative Year-end:	Cumulative Year-to-date:	Non-cumulative: x	
Reporting cycle	Quarterly: x	Bi-annually:	Annually:	Bi-annually:
Desired performance	Higher than target:	On target: x	Lower than target:	
Indicator responsibility	Chief Marketing Officer			
Spatial transformation (where applicable)	N/A			
Disaggregation of beneficiaries (where applicable)	Target for women:		N/A	
	Target for youth:		N/A	
	Target for people with disabilities:		N/A	
Assumptions	N/A			
Means of verification	A copy of the signed Events Marketing Agreement (EMA).			

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

4.7 Programme 7: Film and Media Promotion

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

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

