

Annual Performance Plan 2022/23



Submission date:
11 March 2022

An inspiring place to do business

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

Table of Contents

Executive Authority Statement.....	5
Accounting Authority Statement.....	6
Accounting Officer Statement.....	8
Official Sign-Off	10
1. Part A: Our mandate.....	13
1.1 Vision.....	13
1.2 Mission	13
1.3 Values.....	13
1.4 Constitutional, legislative and other mandates.....	13
2. Part B: Our strategic focus.....	21
2.1 Economic environment.....	21
2.2 Organisational environment.....	34
2.3. Wesgro's Strategic Outcomes, Outputs as captured in the Logic Model Framework.....	44
2.4. Overview of 2022/23 budget and MTEF estimates	48
2.5 Relating expenditure trends to strategic goals	51
3. Part C: Measuring our performance	55
3.1 Programme 1: Corporate Services	55
3.2 Programme 2: Investment Promotion	64
3.3 Programme 3: Export Promotion.....	75
3.4. Programme 4: Research	85
3.5. Programme 5: Strategy and Governance.....	93
3.6. Programme 6: Marketing and Communication.....	103
3.7. Programme 7: Destination Marketing Organisation (DMO).....	112
3.8. Programme 8: Film and Media Promotion	122

4. Part D: Technical performance indicator descriptions	133
4.1 Programme 1: Corporate Services	133
4.2. Programme 2: Investment Promotion	139
4.3. Programme 3: Export Promotion.....	140
4.4. Programme 4: Research	142
4.5. Programme 5: Strategy and Governance.....	143
4.6. Programme 6: Marketing and Communication.....	147
4.7. Programme 7: Destination Marketing Organisation	149
4.8. Programme 8: Film and Media Promotion	152

Executive Authority Statement

As the official destination, trade, and investment agency of the Western Cape Government, Wesgro plays a key role in fulfilling our vision of a Western Cape that has a vibrant, innovative and sustainable economy.

In setting out Wesgro Annual Performance Plan for 2022/23 guidance was taken from the vision of the Western Cape Provincial Strategic Plan, 2019-2024 which seeks to create “A safe Western Cape where everyone prospers”.

The plan includes five Vision-inspired Priorities or “VIPs”:

1. Safe and cohesive communities
2. Growth and jobs
3. Empowering people
4. Mobility and spatial transformation
5. Innovation and culture

Wesgro has my support as they set about implementing the 2022/23 Annual Performance Plan and ensuring maximum impact and the delivery of services that provide dignity, opportunity and hope to all who live in the Western Cape.

A handwritten signature in black ink, appearing to read 'David Maynier', with a stylized, cursive script.

Mr David Maynier

Minister of Finance and Economic Opportunities

Accounting Authority Statement

The global step change experienced over the past two years has redefined the way in which the world does business, with a state of flux seemingly central to this new normal. And by all accounts, the global economy's ability to adapt and be agile within these new parameters continues. However, the reality is that economic uncertainties remain and disruptions to livelihoods continue with restrictions still in place for millions around the world as COVID-19 continues to surge in many countries as new variants, such as Omicron, appear.

That said, at the time of writing, a growing number of European countries were relaxing and/or lifting COVID-19 restrictions despite the WHO cautioning against this. The rationale for this being a combination of successful vaccination campaigns and the fact that the Omicron variant's repercussions are far lighter than previous variants.

Closer to home, the announcement by President Ramaphosa in late January 2022 of the changes to COVID-19 regulations and restrictions - as South Africa exited the fourth wave nationally - were a welcome development. Today, there are certainly glimmers of hope that the country is returning to some sense of normality. Testimony to this is the return of direct flights to Cape Town by a number of international airlines, and the expectation that the increase in inbound international travellers seen in November 2021 will resume in coming months as travel restrictions ease in a number of key source markets. One must also not underestimate the role that the domestic tourist has played and will hopefully continue to play in buoying the country's tourism sector.

Further we must not lose sight of the fact that the global economy today is possibly the strongest that it has been over the past two years. The hope is that this will translate into rising investment and trade opportunities for our local economy. Encouragingly, we are already seeing evidence of this, with the Western Cape's global exports surging by 22.1% y-o-y to a record-high value of R166,92bn in 2021 as global trade flows resumed. Inward foreign direct investment into the Western Cape was equally notable in 2021 despite global economic uncertainties, and this is reflective of the province's value proposition which spans across a number of traditional *and new*, future sectors.

Looking to the future, we are encouraged by the ongoing economic recovery evident across the globe and are committed to tapping into and harnessing opportunities to grow the Western Cape economy. We are equally encouraged by the Western Cape Government's strategic plan for the next 5 years, which identifies growing exports as a fundamental component to economic recovery. The recent launch by Wesgro of the *Cape Trade Portal* for exporters – a first of its kind that “matchmakes” marketplace and resources for buyers and sellers – and the *Made in the Cape* brand campaign speak directly to this, and Wesgro is strategically positioned and aligned to positively contribute to this objective. In successfully doing so, the Agency stands to significantly contribute to economic recovery and job creation in the Western Cape.

We also remain resolute in our commitment to facilitating inward investment into the Province, and accordingly, the Agency continues to work relentlessly to position Cape Town and the Western Cape at the top of global investors consideration list.

Wesgro will continue to build on the knowledge gleaned and processes and skills adopted over the past two years, which enabled the Agency to adapt its own operations, and to provide guidance and support to an entire business community facing unprecedented challenges and uncertainties. The Agency's seamless adaptation to a virtual and more recently hybrid environment over the past 21-months remains key to the successful way in which it continues to adapt to promote and facilitate tourism, exports, and investment for the Western Cape.

This Annual Performance Plan outlines the outputs that will be delivered for the financial year under review and presents a set of targets for the financial year, which is calculated against the achievements of previous years. 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.

To conclude, I am confident that the Board, Management and Staff of Wesgro will continue to strive for the effective implementation of the Agency's priorities and will do so with exceptional purpose and a commitment to excellence, as has been unequivocally demonstrated over the past two years,

The 2022/23 Annual Performance Plan (APP) is aligned to Wesgro's 5-year Strategic Plan for the period 2020/21 to 2024/25.

A handwritten signature in black ink, appearing to be 'M. Spicer', with a small square mark above the 'i'.

Michael Spicer

Chairperson of the Wesgro Board

Accounting Officer Statement

It is with a sense of pride and responsibility that I have taken up the helm at Wesgro. I feel privileged to have joined the Western Cape's broader leadership team entrusted with driving economic growth in the province.

As a province, we are at an inflection point. The lasting impact of Covid on our country, inequality, ageing infrastructure, joblessness, and the climate crisis requires the Western Cape to forge a new growth story to successfully compete on the world stage. To succeed in a changing world, Cape Town and the Western Cape will be benchmarked against global competitors. This will be a competition – for new markets, new investments, new skills, and technological advantage. We cannot be complacent and pat ourselves on the back for what we have achieved so far. Our competitors are choosing to attract and unlock investment in the new engines of economic growth. Digital transformation and green transition are two non-negotiable catalytic trends that will ensure competitiveness and sustainable growth. The deepening of the tech and green value proposition is critical for Western Cape competitiveness to capture its share of global investment focus.

The Western Cape already has solid foundations for competitiveness in the new global economy. The Tech Economy is transforming many industries in the Western Cape's traditional sectors. The leaders are here. As Africa's Tech Capital, Cape Town attracts world-leading tech giants like Amazon, Google, Microsoft, Construct and is home to local leader, Naspers. In addition, we are increasingly seeing an emergence of thematic tech ecosystems. In the health tech space, we are seeing the emergence of companies with capabilities spanning the spectrum from scientific research to manufacturing. In the agri tech space we are seeing a convergence between agriculture and technology, resulting in increased adoption of smart and drone technologies, precision farming, and increased energy self-sufficiency. We are also seeing strong growth in fin tech companies. Similarly, Cape Town's status as a green economy hub is already attracting world-leading green industry giants like JUWI, Gestamp, Scatec. Interesting sub-sector opportunities are presenting including, however, not limited to - Green tech, utility scale renewable energy, small scale embedded generation, storage, lithium ion battery manufacturing, and electric mobility.

Exciting opportunities are also arising across the rest of the African continent. Western Cape companies are well positioned to take advantage of trade liberalisation under the African Continental Free Trade Area (AfCFTA). If effectively implemented, the AfCFTA will unlock new markets in East and West Africa. Africa is the biggest investment destination for Western Cape FDI, with over R47bn invested from the province into the rest of Africa over the past decade. In addition, the Western Cape provides a unique value proposition for global businesses wishing to headquarter in Cape Town to access the growing African market, which is set to reach 2.5 billion people by 2050.

Tourism continues to be a key job creation sector for the Western Cape. A highly agile sector with innovative human capital and best in class globally, provides substantial opportunities for employment, entrepreneurship, contribution to GDP and foreign currency spend.

Wesgro's mandate is clear and uncontested. In collaboration with partners, we will continue to drive inclusive and sustainable economic growth to enable job creation. In addition, as a sub national Trade, Tourism, and Investment Promotion Agency (TIPA) we are committed to doing our part in making the Western Cape one of the world's leading regional economies.

For 2022/23 our strategic priorities will be to:

- Differentiate the Western Cape as a leading regional economy
- Develop robust deal flow through active market participation, network development and engagement
- Create market linkages and network effects in the Technology and Green economy sectors for a more competitive and attractive environment for investors
- Create awareness and communication around the Western Cape's attractiveness for all customers; investors (inclusive of film) and tourists (business and leisure)
- Facilitate increased accessibility to the province by air and water, both for passengers and goods
- Be the central point of contact for business within the ecosystem
- Advocate credibly on key issues, particularly those that impact economic growth

Our goals are big, and to differentiate the Western Cape as a leading regional economy, Wesgro needs to be more effective and efficient. This requires us to be more focussed, more digital, and more innovative. I will drive operational efficiency and digital transformation of the agency, reinvigorate business relationships, ramp up and embed tech and green capabilities across the organisation and continuously engage with and benchmark Wesgro's performance relative to global TIPAs.

Our performance plan is ambitious within an uncertain economic context. Wesgro, however, believes it is achievable with the backing of our funding stakeholders the Western Cape Government and the City of Cape Town. I would like to thank the dedicated team at Wesgro, and the Wesgro Board of Directors. I am grateful to Minister of Finance and Economic Opportunities, David Maynier, the Mayor of Cape Town, Geordin Hill-Lewis, Mayoral Member for Economic Growth and Tourism at the City of Cape Town, Alderman James Vos, Michael Spicer, Chair of the Wesgro Board, and David Green, Vice Chair of the Wesgro Board.

We look forward to delivering on our key objectives in the 2022/23 financial year and helping to drive economic growth and job creation in the Western Cape.



Wrenelle Stander

Chief Executive Officer

Official Sign-Off

It is hereby certified that the Annual Performance Plan for 2022/23:


- 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 2022/23 financial year, subject to the resources being made available.



Kholeka Zama

Signature: _____

Chief Financial Officer



Wrenelle Stander

Signature: _____

Chief Executive Officer

Approved by:



Michael Spicer

Signature: _____

Chairperson of the Wesgro Board



Minister David Maynier

Signature: _____

Executive Authority





1. Part A: Our mandate

1.1 Vision

In collaboration with partners, drive inclusive and sustainable economic growth, create jobs. Help the Western Cape become one of the world's leading regional economies.

1.2 Mission

The mission of the Agency is:

- Be instrumental in ensuring that the Western Cape is an investment destination of choice for global and local investors
- Be instrumental in ensuring that the Western Cape is a sought-after source market globally for goods and services
- Lead the dialogue on, and drive international economic competitiveness of the Western Cape together with partners
- Be instrumental in ensuring that the Western Cape is considered a world class tourism destination
- Ensure Wesgro is a leading sub-national TIPA globally.

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

The 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

Although 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, with effect from 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 coordinated 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.

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 for 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 10 February 2022, the President emphasized a focus on the following five priorities:

- 1) Overcoming the COVID-19 pandemic;
- 2) A massive rollout of infrastructure;
- 3) A substantial increase in local production;
- 4) An employment stimulus to create jobs and support livelihoods; and
- 5) The rapid expansion of South Africa's energy generation capacity.

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 intends to 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) presents 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 Recovery Plan (TSRP)

In response to the COVID-19 pandemic, the National Department of Tourism initiated the development of a Tourism Sector Recovery Plan (TSRP) to facilitate the recovery of the sector to preserve jobs and livelihoods, facilitate new job opportunities, match demand and supply, and strengthen transformation. The Plan is aligned with the Economic Reconstruction and Recovery Plan which identifies tourism as one of the priority areas of intervention, particularly related to infrastructure development; mass public employment; green economy interventions; the inclusion of women and youth; and skills development.

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 with 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

South African Economic Reconstruction and Recovery Plan (ERRP)

The South African Economic Reconstruction and Recovery Plan, launched in November 2020, is aimed at stimulating equitable and inclusive growth. The Plan has three phases:

- 1) Engage and Preserve - which includes a comprehensive health response to save lives and curb the spread of the pandemic;
- 2) Recovery and Reform - which includes interventions to restore the economy while controlling the health risks; and lastly,
- 3) Reconstruct and Transform - which entails building a sustainable, resilient and inclusive economy.

In terms of the Plan, the following priority interventions are highlighted:

- Aggressive infrastructure investment;
- Employment orientated strategic localization, reindustrialization and export promotion;
- Energy security;
- Support for tourism recovery and growth;

- Gender equality and economic inclusion of women and youth;
- Green economy interventions;
- Mass public employment interventions;
- Strengthening food security; and
- Macro-economic interventions.

1.4.3.2 Provincial policy framework

State of the Province Address (SOPA)

During the State of the Province Address (SOPA), delivered on 15 February 2022, the Premier outlined the Western Cape Government's main focus areas for the next year as:

- Jobs and the economy
- Infrastructure-led growth
- Safety and violence prevention
- Dignity

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 which fosters economic growth and job creation. In terms of the current COVID-19 environment and economic climate, Wesgro has doubled down on its effort to economic and export growth.

Tourism Blueprint 2030

The vision of the Tourism Blueprint 2030, is a body of work that has been co-created by a broad range of tourism stakeholders to provide a roadmap for the Western Cape's long term tourism vision, goals, objectives, policies and potential investment opportunities. The BluePrint has identified four main barriers to tourism such as those related to air access, visa regimes, safety and security as well as small business ability to respond to technological innovation. The Tourism Blueprint 2030 aims to:

- Renew focus on domestic markets
- Improve the ease of doing business for tourism businesses
- Raise the global profile of Destination Western Cape
- Identify and develop tourism infrastructure
- Drive geographic spread of tourism benefits throughout the province
- Grow visitor numbers and yield
- Prioritise tourism development growth within each district across the province
- Improve customer experiences (quality and service excellence)
- Develop industry partnership programmes through action platforms

Western Cape Recovery Plan

The Recovery Plan is built on four themes:

1. COVID-19 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.
 2. Jobs: The economic impact of COVID-19 has been severe. We can only recover if our economy grows and our citizens generate income.
 3. Well-being: Government must ensure that the basic human needs of our citizens are realised, as guaranteed in the Constitution.
- Safety: This is the overarching theme for the Provincial Strategic Plan, and it is equally relevant going forward. It is inextricably linked with well-being, as Safety cannot be achieved if basic human needs are not met.

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

Wesgro contributes to the Western Cape Recovery Plan in the above areas of 1. COVID-19 Recovery and 2. Jobs in the execution of its legislative mandate by:

- recruiting and facilitating committed investments into the Western Cape, resulting in jobs;
- recruiting and facilitating export agreements by Western Cape companies, resulting in jobs;
- supporting tourism destination marketing, resulting in economic value to the Western Cape economy.





2. Part B: Our strategic focus

2.1 Economic environment

South Africa, an upper-middle-income country, was the second largest economy in Sub-Saharan Africa in 2020, based on gross domestic product (GDP). Moreover, the country's real GDP per capita of US\$6 748 in 2020 was the 6th highest in the subregion. GDP per capita growth averaged -2.2% between 2016 and 2020, which is below Sub-Saharan Africa's average of -1.4%. Due to the economic impact of the COVID-19 shock, South Africa's economy contracted by 7% in 2020. After a 1.1% increase in the second quarter of 2021, the country's GDP declined by 1.5% in the third quarter of 2021. Trade, manufacturing and agriculture were the industries that recorded the largest negative contribution to growth in GDP during this period. The reality, however, is that the country's economy was already struggling prior to the start of the pandemic, with real GDP growth in the region of 0.1% in 2019. This is far below the rate required to address the serious challenge of unemployment, which reached 34.9%¹ during the third quarter of 2021. 660 000 fewer people were employed in the third quarter of 2021 relative to the previous quarter. All industries, except finance, experienced decreases in employment during this period. The largest number of job losses were observed in trade, followed by community and social services.

As part of its fiscal policy response to the COVID-19 pandemic, Government implemented large scale recovery programmes in 2020 (valued at ZAR500bn; 10% of GDP) to support the unemployed, the poor and struggling companies. In terms of monetary policy, the South African Reserve Bank (SARB) decreased the repo rate by 300 base points to mitigate the impact of the COVID-19 pandemic on the economy. While this serves as a further stimulus to consumption, it will no doubt also entice more appetite for consumer debt. The repo rate was, however, increased by 25 basis points to 3.75% from 19th of November 2021 onwards. A positive economic outlook has been forecast for the South African economy in the coming years. Growth is projected to rebound to 5.2% and 1.7% in 2021 and 2022, respectively. The recovery process depends to a significant extent on how the country manages the impact of subsequent waves of infections and on the speed of vaccine deployment. In recent months, the ZAR has weakened against the US\$, depreciating from ZAR13.92 per US\$ in June 2021 to ZAR15.51 per US\$ in November 2021.

Inflationary developments

South Africa's headline inflation averaged 3.3% in 2020, closer to the lower bound of the Central Bank's target range of 3% to 6%. In recent months, domestic inflation pressures have increased, with consumer price inflation accelerating beyond the midpoint of the inflation target range. Annual headline consumer price inflation increased from 5% in October 2021 to 5.5% in November 2021. Food and non-alcoholic beverages; housing and utilities; transport; and miscellaneous goods and services were the main drivers of the increase in the consumer price index. Moreover, the annual inflation for goods was 7.9% in November 2021 whereas that of services was 3.1%. The prices of international crude oil, which results in higher fuel prices, have increased markedly in recent months. In October 2021, the average monthly price of crude Brent crude oil increased by 348% to US\$83.70 per barrel. From US\$51.80 at the beginning of January 2021, the price of Brent crude was about US\$86.71 per barrel on 17 January 2022, which is nearly close to a seven-year high. The surge in international crude oil prices is contributing to inflationary pressure on the domestic economy.

South Africa's consumer price inflation increased from 3.2% in March 2021 to 5.5% in November 2021, following a notable rise in goods price inflation, which is partly due to the marked acceleration in fuel price inflation.

External position

It is of global consensus that trade has played a significant role in the recovery of the world economy from the devastating impact of COVID-19, with world trade beating growth projections and reaching record highs in

¹ According to the narrow definition.

the second quarter of 2021. To this end, in late 2021 the World Trade Organisation (WTO) revised its growth estimates upwards, predicting a growth in merchandise trade volume of 10.8% for 2021, 2.8 percentage points higher than its 8% estimate in March 2021. This large annual growth projection reflects sluggish growth in the previous year, and reached its nadir in the second quarter of 2020. Although year-on-year growth for the second quarter of 2021 reached an impressive 22%, growth fell by 0.8% in the third quarter of 2021 on the back of supply chain disruptions, shortages of production inputs and rising COVID-19 cases. The WTO recently affirmed the 2021 global growth projections, given that fourth quarter data saw a pick-up in volume growth.

Chart 1: World merchandise trade volume, 2015Q1-2022Q4

Index, 2015=100



Sources: WTO and UNCTAD for trade volume data; WTO for forecasts.

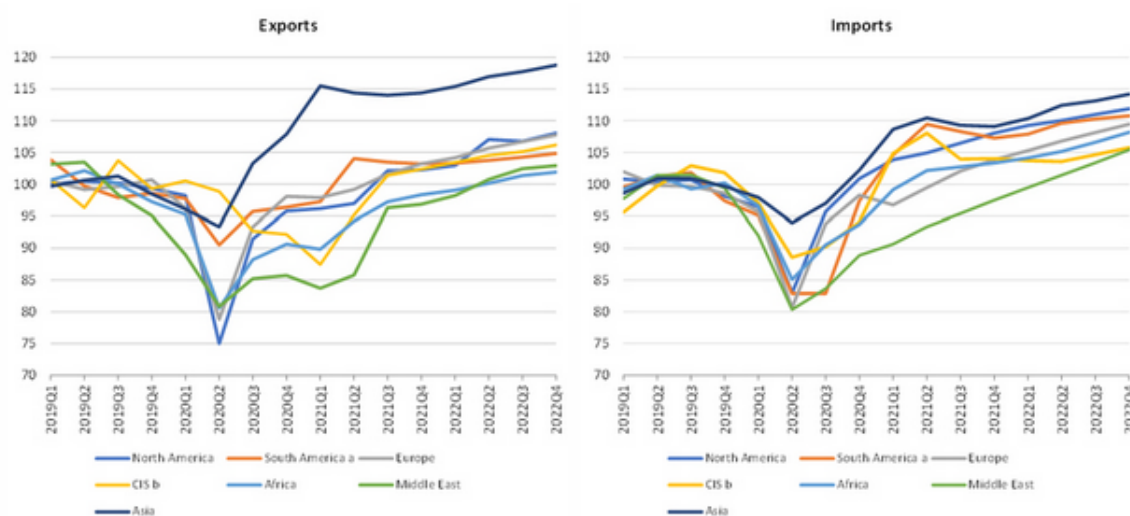
This strong recovery in economic activity is corroborated in the value of global merchandise trade, which reached a record high in the second quarter of 2021. In contrast, the third quarter of 2021 recorded a dip in merchandise trade volumes, due in part to weaker-than-projected imports by North America and Europe. This resulted in shrinking exports from the said regions and Asia. In parallel, Asian imports declined in the third quarter as had been projected by the WTO.

To contextualise the regional contributions to the global decline in the merchandise trade volumes recorded in the third quarter of 2021, seasonally adjusted exports were down quarter-on-quarter in the third quarter in North America (-1.9%), South and Central America (-2.5%), Europe (-1.0%), Africa (-3.8%) and Asia (-1.2%). On a more positive note, exports were up in the Commonwealth of Independent States (CIS) including certain former and associate members (3.8%) and in the Middle East (2.6%).

It is vital to note that in contrast to trade volumes, the value of world merchandise trade rose sharply by 24% year-on-year in the third quarter of 2021, measured by the global exports and imports. Trade values were mainly boosted by primary commodities including fuels, prices of which more than doubled between the third quarter of 2020 and the third quarter of 2021.

Chart 2: Merchandise exports and imports by region, 2019Q1-2022Q4

Volume index, 2019=100



a Refers to South and Central America and the Caribbean.

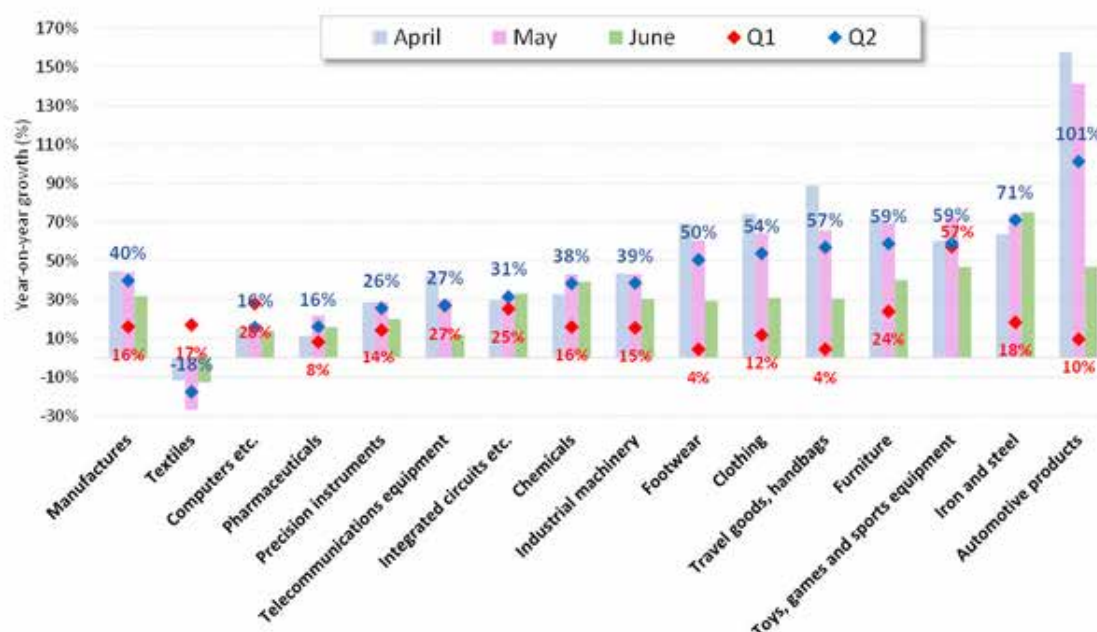
b Refers to Commonwealth of Independent States, including certain associate and former member States.

Source: WTO and UNCTAD.

In turn, trade in services such as tourism remained below pre-pandemic levels at US\$6 trillion in 2021. In contrast the constraints in shipping continued to bolster trade in transport services across the majority of countries, while trade in telecommunication and ICT (Information and Communications Technology) services remained robust. However, travel services remained low in the third quarter of 2021, albeit showing signs of a recovery as global economies started to gradually reopen their borders following large scale population vaccination efforts.

Chart 3: Year-on-year growth in world manufactured goods trade by product, 2021Q2

% change in USD values



Source: WTO estimates.

Notwithstanding the global recovery seen in recent quarters and the relatively optimistic economic outlook, one of the biggest cautions to consider is whether global supply chains can meet the explosive demand for input materials. A key example is the current shortage of semiconductors, which has caused cutbacks in the automotive industry. To illustrate this point, the chart above shows year-on-year growth rates for several manufacturing goods traded through to the second quarter of 2021. Automotive products in the first quarter of 2021 were unusually low. This outcome seems highly correlated with the global shortage of semiconductors, which is a fundamental component in the manufacturing of automobiles.

As highlighted above, y-o-y growth trade values for certain manufactured goods recorded strong increases in the second quarter of 2021 while others resembled some weaknesses. Sectors such as iron and steel recorded a (71%) growth, furniture (59%), clothing (57%) and footwear (50%) were examples where strong increases were recorded.

Trade source and destination markets

Annual

The province's exports totalled ZAR136.80bn in 2020, modestly higher than the ZAR127.41bn earned in 2019. Imports in turn continued on a downward trend, declining to an accumulated cost of ZAR195.89bn in 2020, from ZAR228.04bn incurred in 2019. The region's trade balance remained firmly in deficit as a result, albeit narrowing to a shortfall of ZAR59.09bn in 2020, from ZAR100.63bn recorded in 2019.

All told, when excluding petroleum activities, the value of the province's total exports eased to ZAR127.42bn (from ZAR136.80bn when including petroleum related exports), while imports eased to a cost of ZAR125.87bn (from ZAR195.89bn when including petroleum related imports) in 2020. The net effect being a notable shift in

the overall trade balance, from a deficit of ZAR59.09bn in 2020 (including petroleum products), to a surplus of ZAR1.55bn when petroleum activities were excluded. Of interest is that the province's trade balance (excl. petroleum activities) recorded a surplus in both 2020 compared to a deficit in the previous year.

From a regional trading perspective, Europe overtook Africa as the lead export destination for the province's exports, with local exports to the (European) continent worth an estimated ZAR47.07bn in 2020. This was equivalent to 34.41% of the province's total exports in 2020. Africa placed second at a value of ZAR39.26bn (28.70% of total exports), with Asia in third position at a value of ZAR22.48bn (20.76%). Of interest is the fact that Asia was the province's fastest growing export region over the period 2016 to 2020.

Quarterly

From a quarterly perspective, the province's exports totalled ZAR44.29bn in the third quarter of 2021, marginally lower than the ZAR46.42bn earned in the second quarter of 2021. In turn, imports increased from a cost of ZAR58.75bn in the second quarter of 2021 to ZAR59.45bn in the third quarter of 2021. As a result, the region's trade balance remained firmly in deficit, albeit widening from a shortfall of ZAR12.33bn in the second quarter of 2021 to a shortfall of ZAR15.16bn in the third quarter of 2021.

Further, when excluding petroleum activities, the value of the province's total exports eased to ZAR40.28bn (from ZAR44.29bn when including petroleum related exports), while imports eased to a cost of ZAR38.13bn (from ZAR59.45bn when including petroleum related imports) in the third quarter of 2021. The net effect being a notable shift in the overall trade balance, from a deficit of ZAR15.16bn in the third quarter of 2021 (including petroleum products), to a surplus of ZAR2.15bn when petroleum activities were excluded. Of interest is the province's significant trade of oil, with exports of refined petroleum oil demand increasing by 14% from the second to the third quarter of 2021.

From a regional trading perspective, Europe overtook Asia as the lead export destination for the province's exports, with local exports to the (European) continent worth an estimated ZAR13.66bn in the third quarter of 2021. This was equivalent to 30.85% of the province's total exports in the third quarter of 2021. Africa placed in a close second at a value of ZAR11.30bn (25.51% of total exports), with Asia in third position at a value of ZAR10.89bn (24.59%). Of interest is the fact that Oceania was the province's fastest growing export region over the period, growing at an average quarterly rate of 11.78% from the second to the third quarter of 2021, while Asia experienced the highest regressive growth of -24.69% over the same period.

Exchange rate developments

The local currency came under significant pressure in 2020, especially during the second half of the year. Both global and domestic factors contributed to the depreciation of the ZAR. These factors included the disruption to supply chains caused by the COVID-19 pandemic; the apparent lack of movement on key growth-enhancing policy reforms; the significant and increasing burden of the public power utility; the downward credit rating by major credit rating agencies; and the country's deteriorating fiscal position. However, the ZAR appreciated by 6.2% in the third quarter of 2020 compared to the previous quarter (from ZAR17.95 to ZAR16.91 per US\$). Turning to 2021, overall, there was a 4.5% decrease in the nominal effective exchange rate (NEER) of the domestic currency in the third quarter of 2021, after a significant increase in the previous quarter. Factors such as the civil unrest in July, decline in international commodity prices and concerns about the ongoing pandemic negatively affected the NEER. There was a further decrease in the NEER by 5.4% in October and November 2021.

Foreign Direct Investment (FDI)

Between January 2021 and November 2021, 15 012 FDI projects were recorded globally. These projects represented a total capital investment of US\$769.38bn with an average capital investment of US\$51.30m per project. During the period, 9 093 jobs were created through FDI. The USA (United States of America) was the

dominant source market for global FDI over the period under review, accounting for 37.42% of all projects, followed by the United Kingdom (8.21%) and Germany (7.71%). The USA and Germany were the largest source markets in terms of global capex over the period, investing 44.09% and 5.60% of total capex.

From a regional perspective, 23 FDI projects were invested into the Western Cape over the period of January 2021 to November 2021. These projects represented a total capital investment of US\$646.8m, which is an average investment of US\$28.1m per project. During this period 2 901 jobs were created. 12 of these investment projects originated from Western Europe (53% projects and 31% capex), followed by North America (22% projects and 56% capex) and Asia-Pacific (18% projects and 7% capex). The emerging Europe and Middle East regions invested one project each into the Western Cape over this period. Furthermore, FDI projects by source markets into the Western Cape were notably diverse in 2021, with the highest number of FDI projects originating from the UK (four projects accounting for 18%), while the USA (three projects accounting for 13%) ranked as the second largest source market. Canada, India and Norway each invested two projects into the Western Cape in 2021, while the remainder of the list (including Australia and Spain) invested one project each.

To this end, the top five markets (including the UK, USA, Canada, India and Norway) collectively commanded more than half of all investment projects (56.5% of projects) into the province over the said period. Lysaker clinched first place as the top source city for FDI in terms of projects and capex into the Western Cape in 2021, investing two projects totalling US\$91.1m into the region over the considered period.

In terms of outward FDI by the Western Cape, between January 2021 and November 2021, 18 outward FDI projects were recorded. These projects represented a total capital investment of US\$89.40m, which equates to an average investment of US\$5m per project. During the period, 516 jobs were created. Africa was the largest destination for outward FDI (OFDI) from the province in 2021, accounting for 10 projects (equivalent to 56% of all OFDI projects and 53% of capex in 2021). Interestingly, Latin America and the Caribbean region accounted for the second largest proportion of FDI from the Western Cape (three projects at 17%), while zero projects were invested in North America over the period under review.

The province's largest destination markets in terms of projects were Nigeria (five projects) and Kenya (three projects), which accounted for 45% of all projects in 2021. The real estate sector dominated OFDI, with seven invested projects accounting for 39% of all projects in 2021. The business services and software and IT services followed, each attracting four projects and accounting for 23% of all FDI projects from the Western Cape over the period of January 2021 to November 2021.

Update on Brexit, the African Continental Free Trade Area (AfCFTA) and other Trade Agreements and Relations

As we emerge from the COVID-19 pandemic, we find ourselves in a vastly different trade landscape.

1 January 2021 ushered in not only the post-Brexit global order, but also marked, in theory, the first day of trading under the African Continental Free Trade Area (AfCFTA).

2021 also brought into focus the post-Trump USA trade policy. While this brings a reprieve from the possibility of erratic trade wars, South Africa still needs to prepare for AGOA's looming expiration date in 2025 (AGOA is the African Growth and Opportunity Act).

Back to Brexit: the UK's exit from the European Union (EU) Common Market will have lasting repercussions. From a SA – UK point of view, however, we managed to weather the uncertainties thanks to a dedicated team of trade negotiators that secured a new separate trade agreement with the UK across the line, well in advance of the eventual deadline. On 1 January 2021, we were therefore able to shift relatively easily from trading with the UK under the EU Economic Partnership Agreement (EPA) to trading under the UK EPA.

Having a dedicated agreement with the UK brings new opportunities, for example, additional market access and an export market that largely does not compete with Western Cape products.

That is, however, only the beginning of the story, not the end. One now needs to keep a close eye on British global trade aspirations and how this may impact upon the competitiveness of Western Cape goods and services in the UK market. Just in the first year, we have already seen the UK securing trade agreements with New Zealand and Australia, as well as the UK's application for accession to the Trans-Pacific Partnership (CPTPP).

Across the Atlantic, the expiration of AGOA in 2025 is a reason to start planning. AGOA is USA legislation that provides for duty free access to goods from qualifying African countries, including South Africa. South African and USA businesses will need to start putting their heads together on a plan for USA – SA (SACU) trade relations post-2025, whether that be the extension of AGOA or something different.

We will also need to see what the shift from “America First” to the Biden administration’s “worker-centred” trade policy means in practice, and how USA – China trade relations impact on Africa.

Staying with Africa, we eagerly await completion and implementation of the AfCFTA. The AfCFTA aims to establish a free trade area spanning the 55 Member States of the African Union (AU). The AfCFTA includes undertakings by Member States to progressively eliminate tariffs and non-tariff barriers and to liberalise trade in services; cooperate on investment, intellectual property rights, competition policy, customs matters; and to establish a dispute settlement system.

Trading under Phase 1 of the AfCFTA was meant to commence on 1 January 2021. Unfortunately, the COVID-19 pandemic slowed negotiations and there are still a number of crucial annexes outstanding.

In the short term, the greatest impact for Western Cape exporters will be the opening of markets beyond the SADC (South African Development Community). Under the AfCFTA we will for the first time see liberalisation between South Africa and markets in East, West, and North Africa. While this will bring exciting new opportunities, it will be of equal importance that adequate trade facilitation measures are implemented to increase efficiencies and reduce the costs of transport and logistics.

Another aspect of the AfCFTA that has significance is the liberalisation of the services trade. This also falls under Phase 1 and will initially only include the five agreed-upon priority sectors, i.e., business services, communications, financial services, transport, and tourism. This is of particular interest for services companies in the Western Cape looking to expand their market reach into the rest of Africa.

In conclusion, the next few years bring the promise of new markets on the African Continent, new opportunities in post-Brexit Britain, and looming uncertainties in the United States. Wesgro will be working around the clock to ensure that Western Cape exporters are able to make the most of the opportunities that arise, whether in new markets, old markets, or emerging markets.

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 to show the importance of the industry based on the performance in 2020. Of all nine provinces, the Western Cape ranked:

- TOP in the average length of stay: 14.5 nights
- 2nd Highest in Total Foreign Direct Spend: ZAR4.5bn
- 2nd Highest in total bed nights: 6.2 million
- 4th Highest in tourist arrivals: 0.4 million

Provincial Tourism Performance, 2020				
Province	International Tourist Arrivals (millions)	Total Foreign Direct Spend (billions)	Bed nights (millions)	Length of stay (nights)
Gauteng	920 874	R6.8	9 412 568	10.5
Western Cape	442 437	R4.5	6 224 650	14.5
Eastern Cape	110 231	R0.9	1 311 242	12.3
KwaZulu-Natal	223 127	R1.5	2 034 157	9.4
Mpumalanga	465 508	R3.2	4 426 471	9.8
Limpopo	609 516	R1.2	1 713 332	2.9
North West	144 950	R0.7	980 276	7.0
Northern Cape	47 887	R0.2	230 375	5.0
Free State	310 965	R2.5	3 500 453	11.6

Source: SA Tourism, 2021

Western Cape tourism performance

In 2020 the Western Cape accounted for 15.8% of all international tourist arrivals to South Africa and received 20.2% of South Africa's tourist spend. In addition, the Western Cape held 17.8% of South Africa's bed nights recorded during the period.

Western Cape Performance Indicators	2016	2017	2018	2019	2020
International					
Total number of tourist arrivals	1.6 million	1.7 million	1.7 million	2.0 million	0.4 million
% Share of South Africa's arrivals	15.6%	16.8%	16.5%	19.6%	15.8%
Total foreign direct spend (excl capital expenditure)	R18.1bn	R23.1bn	R16.3bn	R18.6bn	R4.5bn
% Share of South Africa's spend	23.9%	28.6%	19.8%	22.9%	20.2%
Total number of bed nights spent by tourists	16.7 million	23.3 million	23.3 million	25.7 million	6.2 million
% Share of South Africa's bed nights	18.9%	19.3%	19.7%	22.9%	17.8%
Length of stay	11.1 nights	14.1 nights	13.9 nights	13.4 nights	14.5 nights

Western Cape Performance Indicators	2016	2017	2018	2019	2020
Domestic					
Total domestic trips	2 139 000	1 587 000	1 288 000	4 431 140	2 642 302
Total direct domestic spend	R2.5bn	R1.6bn	R1.9bn	R7.7bn	R6.9bn
Total annual domestic bed nights	10 160 600	5 270 516	4 885 441	16 647 773	6 879 072
Length of stay	4.9 nights	3.4 nights	3.8 nights	3.8 nights	3.1 nights

Source: SA Tourism, 2021

Top 10 source markets

As tabled below, in 2020, the Western Cape's international tourist market was hit hard by the effects of the global COVID-19 pandemic. Declines were recorded amongst all top markets to the province. However, in 2021, the tourism sector started to regain momentum, albeit at a slow pace. International travel advice and restrictions have also played a key role in the confidence of tourists to travel abroad.

That said, recovery is set to continue with the incremental addition of flight frequencies and the re-introduction of carrier routes as travel restrictions are relaxed in major source markets. Improvement will further be seen as both domestic and international markets' vaccination rates increase together with the return of international carriers to Cape Town.

Top 10 Source Markets to the Western Cape, 2017-2020						
Ranking	Markets	2017	2018	2019	2020	19/20 % Change
1	United Kingdom	259 188	173 847	194 900	76 646	-73.5%
2	Germany	210 699	129 630	129 248	64 438	-72.0%
3	United States	192 465	122 579	134 561	37 460	-83.2%
4	Namibia	120 477	90 070	74 734	27 709	-73.4%
5	France	98 978	64 258	62 404	23 429	-74.8%
6	Netherlands	86 527	50 401	51 480	18 440	-78.7%
7	Brazil	42 281	45 446	25 843	12 872	-80.1%
8	Lesotho	23 876	28 987	32 077	12 006	-75.0%
9	Switzerland	42 910	36 493	24 869	10 061	-78.8%
10	Canada	43 584	37 774	24 368	10 074	-79.0%

Source: SA Tourism, 2021

Tourism recovery 2020/21

Cape Town International Airport (CTIA) passenger movement

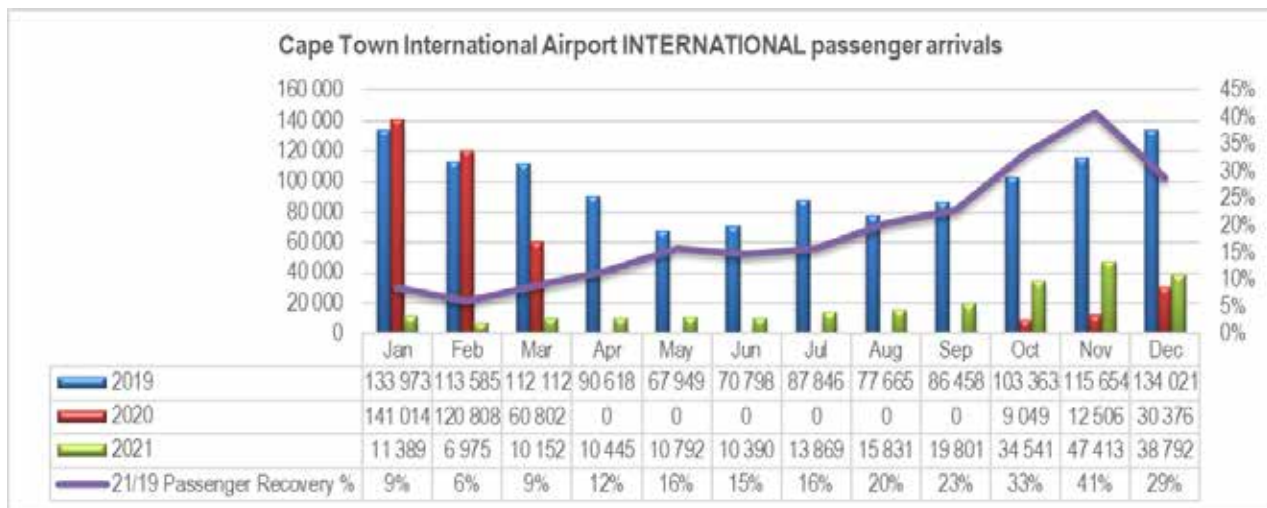
Since the onset of the global pandemic, passenger arrivals through Cape Town International Airport (CTIA) domestic terminal were highest in December 2021 with 270 408 passengers, representing a 66% recovery rate when compared to the same period in 2019. Recovery peaked in December 2020 and again in April 2021 but slowed in June 2021 and continued declining in July as the third wave of COVID-19 infections hit the country. A recovery followed thereafter, with arrivals doubling in August and continuing on an upward trajectory in September through to December 2021.

In contrast, the international recovery has been slower, reaching its peak in November 2021 with a 41% recovery rate.

In terms of key source markets, Germany has remained one of the province's top international source markets, while other European markets have declined significantly. To this end, the UK and Germany have seen sharp declines since the start of the pandemic and these remained low until August 2021, except for high volumes over the November 2020 to January 2021 festive period. However, as international travel restrictions eased, UK and Germany passenger arrivals have recovered and grown, and the two countries were the top international source markets in November 2021.



Source: Airports Company South Africa, 2021



Source: Airports Company South Africa, 2021

Top International Source Countries Through Cape Town International Airport					
RANK	SOURCE COUNTRY	JAN - NOV 2019	JAN - NOV 2020	JAN - NOV 2021	RECOVERY %
1	Namibia	74 766	32 700	34 133	46%
2	Germany	205 940	117 545	24 046	12%
3	Zimbabwe	38 311	18 391	22 850	60%
4	USA	136 849	57 960	19 350	14%
5	United Kingdom	236 836	144 900	16 228	7%
6	Angola	40 419	20 540	14 695	36%
7	Netherlands	73 057	39 537	11 835	16%
8	United Arab Emirates	21 171	9 414	9 684	46%
9	Kenya	29 585	11 654	9 594	32%
10	Ethiopia	5 394	3 767	8 438	156%
11	France	69 733	27 394	8 431	12%
12	Botswana	19 831	8 227	7 457	38%
13	Philippines	5 956	3 588	7 303	123%
14	Russian Federation	9 941	5 641	6 493	65%
15	Zambia	16 723	8 394	6 373	38%

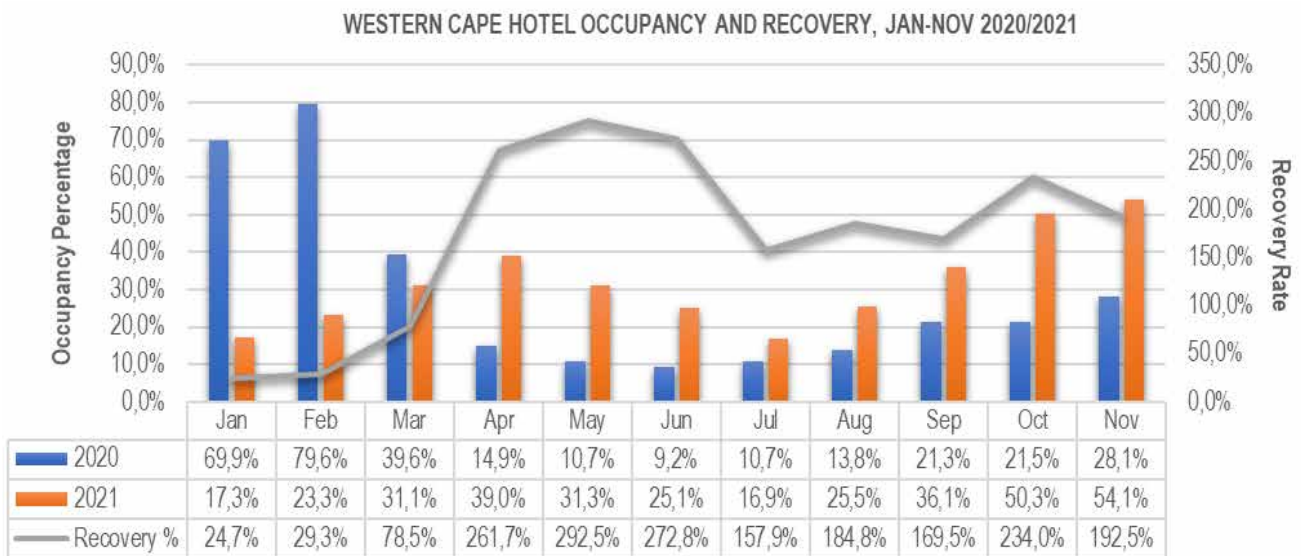
Source: OAG Traffic Analyser, 2021

Hotel occupancy

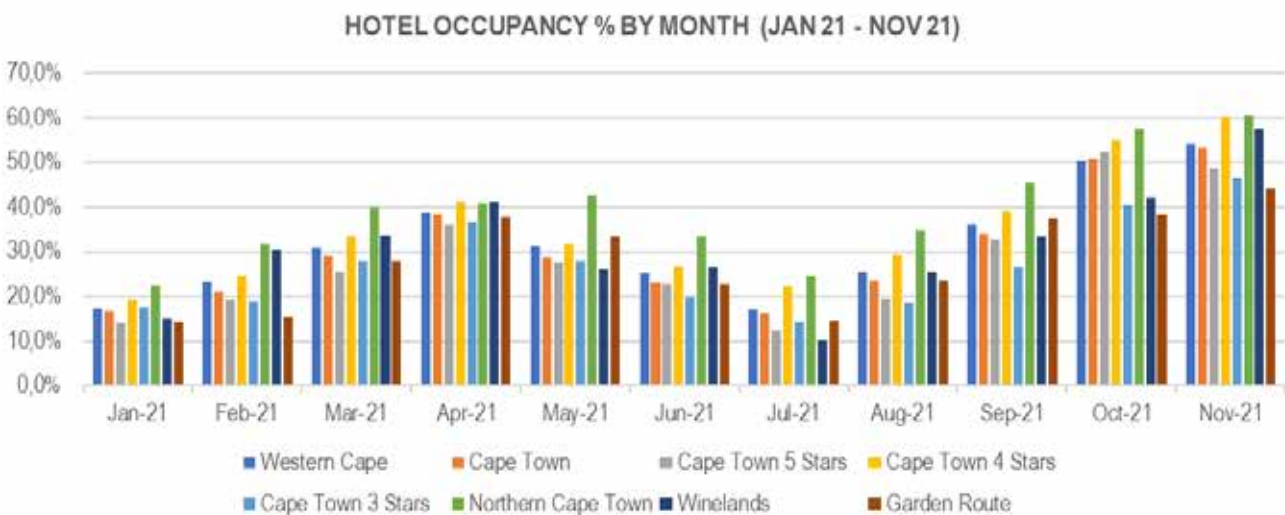
Hotel occupancy in the Western Cape reached its peak at 54.1% in November 2021, as compared to that of 2020 (28.1%).

As of July 2021, the year-to-date occupancy levels in the Western Cape reflected a consecutive month-on-month growth, rising from 16.9% in July to 54.1% in November.

When compared to 2020, occupancy rates in 2021 have shown a strong recovery as from April and remained at a steady pace through to November 2021.



Source: STR Global, 2021



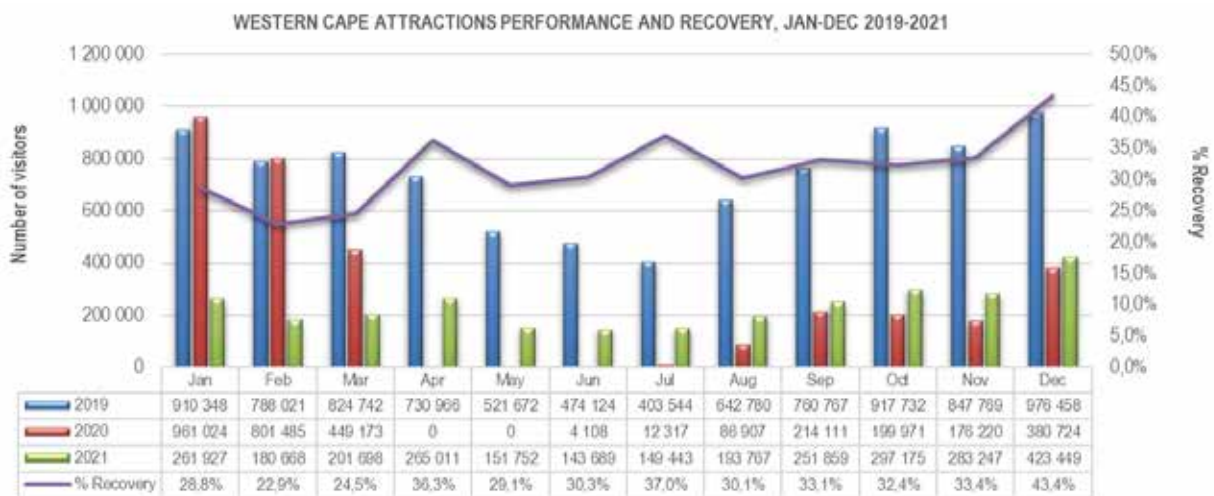
Source: STR Global, 2021

Western Cape attractions

Visitors to the participating Western Cape Attractions reached a total of 2 803 685 between January and December 2021, a 39.1% recovery rate when compared to the same period in 2019.

Outdoor attractions such as Harold Porter Botanical Gardens, De Mond Nature Reserve, Kogelberg Nature Reserve, Bontebok National Park, De Hoop Nature Reserve, Knysna National Park, Wilderness National Park, West Coast National Park and Karoo National Park were popular with many having already exceeded 2019 visitor numbers in some months since July 2020.

The increased number of visitors to outdoor attractions can be attributed to warmer weather in the summer months as well as the desire among locals for open spaces that facilitates physical distancing.



Source: SANParks, LTO's, and Attractions, 2022

2.2 Organisational environment

2.2.1 External Environmental Analysis

COVID-19 related risks

The national state of disaster under Section 27(1) and Section 27(2) of the Disaster Management Act was declared on 5 March 2020 and was set to lapse on 15 June 2020. President Cyril Ramaphosa expressed hesitancy in lifting South Africa's national state of disaster as the government is dependent on the legislation to respond to potential COVID-19 waves in South Africa going forward. As such, another extension of the national state of disaster came into effect on 12 September 2021 and continued until 15 October 2021. On 30 September 2020, President Ramaphosa announced South Africa's move to Alert Level 1 lockdown from an adjusted Level 2 lockdown on 13 September. The decision was taken because of a decline in COVID-19 cases, including sustained decreases in COVID-19 hospitalisations and deaths in all provinces. Another lockdown came into effect by the end of the year, and the cabinet approved new adjusted Level 1 lockdown rules. The new regulations included the lifting of the country's evening curfew, which had been in place since March 2020. President Ramaphosa said the new regulations were based on evidence which showed that the country may have passed the peak of the fourth wave at a national level, with an overall decline in cases across the country, including declines in hospital admissions in most provinces. The new regulations came during the time of the Omicron outbreak, designated by WHO as the variant B.1.1.529 a variant in November 2021.

Vaccination rollout

South Africa's COVID-19 vaccination rollout started at a slow pace in February 2021. Initial supply constraints, the Beta variant's evasiveness, and regulatory issues kept vaccination numbers low until July 2021. Between February and July 2021, less than 2% of the South African population of about 59 million had been fully vaccinated. To counter the slow rollout issue, the government purchased additional vaccine doses from Johnson & Johnson (J&J) and Pfizer in the second half of 2021. By January 2022, an estimated 27.7% of South Africans had been fully vaccinated, with 28.8 million vaccine doses administered. At the time of writing, the Western Cape has administered more than 4 million doses, with 53.75% of the adult population vaccinated in the province.

On the African front, the target for achieving full vaccination rates of 40% in every country by the end of December 2021 had been missed across most of Africa. The WHO put forward the goal earlier in 2021, but only about 9% of people on the continent had been fully vaccinated against COVID-19 by January 2022. These low rates of vaccination have been of particular concern following the identification of the Omicron variant in South Africa, and the rapid global spread of this unknown variant. Poor health infrastructure, a lack of funding for training and deploying medical staff, and vaccine storage issues all contributed to the problem. This has become more of an issue because although global supply has improved, distribution and administration of vaccines in some parts of the world are lagging behind.

Political risks

There has been a massive shift in public opinion on the negative impact of corruption, with increased outrage at the way the South African Government's 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, increasing 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.

The July 2021 riots in South Africa following the arrest of former president Jacob Zuma had negative economic impacts. According to the Allianz Risk Barometer 2021, political risks and violence are now ranked as the fifth business risk in South Africa, demonstrating the significant risk for companies in the current environment, following major losses in July from physical damage, business interruption, loss of revenue, looting and vandalism caused by civil commotion, protests, and riots. The riots resulted in about US\$3.4bn in lost output and placed 150 000 jobs at risk.

Moreover, the November local government elections were marked by a lower voter turnout, signalling a frustrated voter base – and mostly in townships. This was referenced as a referendum on social delivery. That was quite a clear signal to the government that they need to up their game in terms of social delivery, because it is now impacting voter turnout. The elections stood out for their historic low attendance, with only about 12 million of about 26 million (46%) registered voters casting their ballot on 1 November. This low voter turnout is worrying because if the ‘disillusioned youth’ are not using the formal channels to voice their frustration, they are likely to pick other modes in trying to express their frustration, including social delivery protests, which have been on an upward trend in the last decade.

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 and global 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.

South Africa’s economy expanded by 1.5 percent in the third quarter of 2021 and is forecasted to have grown at an overall 5.1 percent for 2021. This forecast is at risk, however, considering how more than 90 nations imposed travel bans on the country right before its summer holiday season in late 2021 due to the discovery of the COVID-19 Omicron variant. The economy grew 5.8% in the nine months through September, which placed the nation on track to exceed the government’s growth forecast of 5.1% for 2021 and the central bank’s 5.2%. Still, the travel bans, and the emergence of the new COVID-19 strain will likely temper the recovery as spending on tourism drops. It is also anticipated that household spending will be squeezed by surging gasoline prices and rising interest rates, while fading base effects are also projected to weigh on the data in the last three months of 2022.

Moreover, electricity-supply constraints and the slow pace of structural reforms could further weigh on output for the second half of the year. It could also hinder job creation in a nation where more than a third of the workforce is unemployed. The second quarter outcome translates to annualised growth of nearly 5%. The National Development Plan, the government’s economic blueprint co-authored by President Cyril Ramaphosa, targeted an annual growth rate of more than 5% for sustainable job creation. The reality is, however, that South Africa’s economy is stuck in its longest downward cycle since World War II and has not grown by more than 3% annually since 2012. That is as a policy paralysis and weak business sentiment weigh on fixed investment spending, with private-sector companies wary of committing large sums of money to domestic projects.

Moreover, continuing increases in government debt remain of concern, as does the sustainability of public finances given large contingent liabilities of state-owned enterprises and guarantees for independent power producers. The highly indebted (almost US\$35bn) state-owned energy utility Eskom is a particularly major contingent liability. If the fiscal consolidation process goes off track or public debt turns out much higher than expected, South Africa risks further credit rating downgrades by the large rating agencies, which would make external borrowing more expensive.

As South Africa and the Western Cape are competing against emerging and developed economies in the foreign direct investment arena, lower economic growth prospects negatively impact competitiveness, making the work of investment promotion challenging.

Risks in international trade

The trading environment presents a complex picture, with issues such as the COVID-19 pandemic, trade rivalry between the USA and China, and increased demands for services being amongst the myriad of variables. One impact of the pandemic which is particularly damaging to emerging economies is volatility in the prices of raw materials as demand has declined in the face of the lockdown. 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.

Moreover, the value of world imports and exports of goods hit US\$5.6 trillion in the third quarter of 2021, setting a new quarterly record, according to a United Nations Conference on Trade and Development (UNCTAD) report published on 30 November. New projections show trade in goods and services reaching US\$28 trillion for the year – an increase of 23% on 2020 and 11% compared with pre-COVID-19 levels. But trade's overall strong performance masks that the recovery has been uneven across countries and sectors. The positive trend for international trade in 2021 is largely the result of the strong recovery in demand due to subsiding pandemic restrictions, economic stimulus packages and increases in commodity prices," it reports. The organisation also warns that the forecast for 2022 remains very uncertain. Although the services sector picked up in line with the overall growth, trade in services such as tourism will remain below pre-pandemic levels in 2021. Amongst the manufacturing sectors, trade in energy-related products grew the most, buoyed by high demand for and increases in the price of fossil fuels. Meanwhile, trade was more muted during the third quarter of 2021 in some sectors, affected by the global shortage of semiconductors, such as the automotive industry and electronics.

Amongst the factors contributing to uncertainty in 2022 are China's "below expectations" growth in the third quarter of 2021. UNCTAD notes that lower-than-expected economic growth rates are generally reflected in more downcast global trade trends, while inflationary pressures may also negatively impact national economies and international trade flows. The UNCTAD Global Trade Outlook also noted that "many economies, including those in the European Union", continue to face COVID-19-related disruptions that could affect consumer demand in 2022. In addition, the report warns that the large and unpredictable swings in demand which marked 2021 and led to increased stress on supply chains and spiralling shipping costs could continue into the next year. In particular, "the backlogs across major supply chain hubs that have characterised most of 2021 could continue into 2022 and therefore negatively affect trade and reshape trade flows across the world". Geopolitical factors could play a role in changing trade patterns, as regional trade within Africa and within the Asia-Pacific area increases, "diverting trade away from other routes".

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 USA bilateral trade. Yet, 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 USA 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. The COVID-19 pandemic has worsened the situation. Job losses have sharply increased (a 34.9% unemployment rate in 2021 Q3), the number of employed persons decreasing by 660 000 to 14.3 million. Further, household incomes deteriorated, hitting a country that already recorded high levels of inequality, unemployment, and poverty before the COVID-19 outbreak.

Technological risks

The fourth industrial revolution is impacting economic growth and investment for the future. Companies that can 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 of 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 anti-corruption statutes remains inadequate." It is believed that the legal proceedings against former President Jacob Zuma will be a test of post-apartheid South Africa's ability to enforce the rule of law. The former President's arrest in July 2021 following a sentence by the Constitutional Court is seen as a victory for the rule of law in South Africa. A triumph for constitutionalism, including establishing the independence of the Judiciary.

Environmental risks

The greatest environmental risk at present is the scarcity of water. The World Bank's 2030 Water Resources Group warned that a gap between the demand and supply of water is developing in South Africa. South Africa will have to resolve tough trade-offs between agriculture, key industrial activities such as mining and power generation, and large and growing urban centres. It is, however, not only the gap between demand and supply which is of concern. Municipal water infrastructure is deteriorating, and South Africa's water resources are polluted and wasted. Most municipal wastewater systems are not functional, which results in raw sewage flowing into rivers.

Exchange rate risks (and impacts)

South Africa is closely intertwined with the global economy and, as an emerging market, is more vulnerable to international economic shocks than its developed market counterparts are. Although the domestic currency fared relatively well in the second quarter of 2021, partly due to the current account surplus recorded, certain exogenous factors remain a risk to these gains. Factors such as trade conflicts between the USA and China pose an immediate risk to the domestic currency as trade tensions erode global risk appetites and drive investors away from riskier emerging currencies such as the ZAR.

Other events, such as uncertainty around the USA's federal reserve monetary policy, also pose a risk to the rand. High consumer inflation and low economic growth could result in an upward revision of USA interest rates. This, coupled with an exacerbated budget deficit, could see a weakening of the rand in the months to come. And finally, local issues which erode investor confidence – such as persistent electricity outages, weak vaccination uptakes, and political instability and unrest continue to pose notable risks to the local exchange rate.

The exchange rate impacts on Wesgro in a few ways, as exchange rate fluctuations impact on export competitiveness of Western Cape export products, especially commodities. Additionally, higher exchange rates erode Wesgro's available budget as spending on areas in foreign currency such as data subscriptions, travel, international conferences and exhibitions, and IT tools become more expensive.

Inflation risks (and impacts)

The greatest risk to upside inflationary pressure in South Africa is the rapid rise in the cost of imports. Global commodity prices have been rising steadily in recent months, due primarily to global supply chain disruptions. The recent rise in global oil prices speaks directly to this. Further, rising producer prices are also putting upward pressure on inflation. The rise in the cost of raw material, intermediary goods and final products is reflective of both global supply shortages and strong demand, which in turn is passed through to consumer prices. The end result could well be that the South African Reserve Bank (SARB) could further hike interest rates in a bid to keep inflation within its targeted 3%-6% inflationary band.

Inflation and increased oil prices have an impact on exporters who are, as a result, producing their products at a higher price which ultimately affects their international price competitiveness. Annual consumer inflation accelerated to its highest reading in more than four-and-a-half years in November 2021, driven mostly by rising transport costs. The annual change in the consumer price index (CPI) was 5.5% – up from 5.0% in October and September. This is the biggest annual increase since March 2017 when the rate was 6.1%. The transport category continues to be a major factor behind inflation, recording an annual increase of 15.0% in November. This makes it the only major group in the inflation basket with an annual rate above the 6.0% upper limit of the SARB's monetary policy target range. The transport category was the only contributor to the monthly increase in the CPI and was the largest factor driving the annual change in the index, contributing 2.1 percentage points to the 5.5% annual inflation rate. Fuel prices increased by 7.1% between October and November 2021, taking the annual rate to 34.5%. Public transport tariffs recorded a monthly increase of 1.7% and an annual rise of 8.3%. On average, vehicles are 5.6% more expensive than they were in November 2020.

Global supply chain risks (and impacts)

Economies across the globe continue to experience various shocks and costs associated with the global COVID-19 pandemic, with many businesses still hampered by supply chain constraints and bottleneck issues. Global supply chain disruptions such as shipment delays, logistic hurdles and input shortages have dire effects on revenue and growth for corporations. If supply constraints persist, businesses will not be able to operate at full capacity, which will put further upward pressure on inflation. Closer to home, the recent economic rioting and looting pose major risks to local supply chains, as these types of situations usually lead to changes in ordinary demand and supply patterns (such as panic buying in fear of food shortages), which adversely impacts supply chain management.

These global supply chain risks have had and will continue to have a negative impact, in the form of delays and price increases, on Western Cape exporters who require inputs sourced from foreign suppliers. The consequence of this is reduced competitiveness and lost export orders. Additionally, foreign companies who have invested in the Western Cape, or those looking to invest, would require importation of inputs in the manufacturing and production of their goods, and would consider the environment as unattractive and/or a price risk.

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 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 Leveraging technology to sell the destination 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 Solid governance and financial controls 	<ul style="list-style-type: none"> 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, especially with the shrinking public fiscus Onerous compliance requirements and reporting that can impact on efficiencies Employees are regularly able to obtain higher remuneration at other agencies or in 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 present 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 	<ul style="list-style-type: none"> The COVID-19 pandemic impacting on all activities particularly those requiring physical international engagement Limited ability to coordinate effectively with some national government departments (e.g., Department of Trade, Industry and Competition, Department of Transport) Negative perceptions of SA, which affect confidence in the destination 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 Capacity of the Cape Town port infrastructure and the railways that service the ports South Africa's future energy security is uncertain due to Eskom and uncertainties regarding renewable energy procurement

Impact of COVID-19 on delivery and value proposition

The fiscal pressures on national, provincial and local government due to the COVID-19 pandemic has placed emphasis on the risk of financial headwinds, resulting in decreased availability of funds for areas other than the provision of healthcare and vaccinations.

Wesgro considers these risks as severe, but manageable as we aim to deliver on our mandate in a more digitised manner and opting for a more integrated approach to fulfilling our mandate. The value proposition of Wesgro as defined in legislation and the delivery thereof is of critical importance in the recovery of the Western Cape's economy to ensure increased exports, attracting foreign direct investment and tourists. To ensure that Wesgro delivers on these areas, the Agency will seek to undertake our activities in alignment with global trends of conducting business, and innovate as the world navigates the new normal.

Wesgro will continuously rationalise delivery and resources to ensure that there is both optimisation of resources (including internal capacity) and delivery on targets.

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 under our current economic constraints.

Wesgro will not undertake a process of evaluating its programmes to determine whether there could be any policy trade-offs given the current operating environment. In fact, Wesgro is taking the opposite approach and doubling down on its efforts in all areas in the aggressive approach needed for economic recovery and growth. Wesgro's position as a legislated entity established for the promotion of the economy for tourism, exports and investment is that the entity is required at this critical time to follow an aggressive approach to its mandate. Wesgro has, however, assessed its operations internally in order to ensure that there are increased efficiencies, digital agility and effective utilisation of resources.

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

- Investment – 80% of effort to support local businesses in Cape Town and the Western Cape and to develop a business support pipeline that focusses 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 defending domestic tourism market share and reigniting regional and international demand. 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 focussed on key source markets
- to ensure competitive advantage.
- Enhance our international presence through investment and export, and promote business expansion into the Western Cape within South Africa and internationally.
- 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 efforts to achieve maximum impact.
- Harnessing technology and digital capabilities to 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. David Green	Vice Chairperson
Mr. Ian Bartes	Director/Chairperson of the Audit, IT and Risk Committee
Mr. Paul Bannister	Director
Ms. Andrea Böhmert	Director
Mr. John Copelyn	Director
Mr. Goeffrey Jacobs	Director
Mr Sazi Ndwandwa	Director
Mr. John van Rooyen	Director
Mr. Solly Fourie	Ex-Officio Member of the Board representing the Provincial Government of the Western Cape
Mr. Lance Greyling	Ex-Officio Member of the Board representing the City of Cape Town/Chairperson of the Human Resource and Remuneration Committee
Councilor Nicholas Louw	SALGA Representative to the Board
Mayor Francois Du Rand	SALGA Representative to the Board
Ms. Wrenelle Stander	Chief Executive Officer

The current organisational structure is adequate to deliver on the current mandate.

Chief Executive Officer
Whynelle Stander



2.3. Wesgro's Strategic Outcomes, Outputs as captured in the Logic Model Framework

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 716 jobs, and between 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 between 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 and 18 472 FTE jobs. To build a strong regional economic brand with an estimated rand value of R398.1m AVE. 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: 			
	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
	Export promotion (including OFDI)	16 707 850 394	25 040 781 957	2 840
	Destination Marketing	2 654 567 905	4 247 308 648	
	Film and media promotion	10 131 489 646	17 823 207 056	15 246
	Total	39 610 466 231	61 821 320 250	21 791
	29 879			
	*The 5-Year Achievement targets are cumulative and take into consideration the current context of the South African economy and the international economic climate.			
Baseline	<p>During the 2020/21 financial year, the Agency attracted and facilitated direct investment, film and media deals, export agreements and tourism initiatives with an estimated economic impact of over R9.6bn and 2 600 direct jobs created.</p> <ul style="list-style-type: none"> A total of 17 investment projects with an investment value of R4.37bn was committed, resulting in the creation of 1 830 direct jobs. A total of 66 export promotion business agreements were signed, with an estimated economic impact of R4.66bn, resulting in 357 direct jobs. Also, seven OFDI projects were committed to the value of R727.75m. A total of seven film and media production declarations were secured, to the value of R612m, which created a total of 413 FTE jobs. A total of 15 tourism destination marketing initiatives, with an estimated economic impact of R487.24m and R121m of advertising value equivalent (AVE) was generated for corporate communication and tourism. 			
Justification	<p>The facilitation of investment projects into the Western Cape is a core function of Wesgro and it is imperative that the Agency remains consistent and a leader in investment generation. The Agency also promotes and facilitates exports to grow the economy of the Western Cape and sustain job creation. In addition, Wesgro's strategic mandate is to conduct tourism marketing and promotion for Cape Town and the Western Cape.</p> <p>Wesgro's performance is specifically measured against the lower band targets for investment, export, film, tourism and marketing. Upper band targets are stretch targets set to inspire heightened performance and are not an indication of underperformance should they not be met.</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. The Agency's five-year deliverables are aligned to the Provincial Strategy Plan 2019 – 2024 and the Recovery Plan in terms of creating jobs.			

Wesgro's Operating Environment was aligned to the Logic Model Framework to ensure that outputs translate into outcome, which translate into impact, as follows:

Logic Model Framework – Definitions								
Results Chain								
IF	THEN	IF	THEN	IF	THEN	IF	THEN	
INPUTS Annual	→	ACTIVITIES Annual	→	OUTPUTS Annual	→	OUTCOMES 3-5 years	→	IMPACT 5-10 years
INPUTS Annual	ACTIVITIES Annual	OUTPUTS Annual	OUTCOMES 3-5 years	IMPACT 5-10 years				
WHAT WE INVEST? The financial, human and material resources that are necessary for the activities to take place and the outputs to be produced.	WHAT WE DO? The activities are the necessary tasks undertaken by personnel to transform the inputs to outputs.	WHAT WE ACHIEVE? Outputs are the products and services produced. They are the results of a project. The outputs are SMART (specific, measurable, achievable, realistic and time-bound) and must be precisely and verifiably defined.	WHAT CHANGES? Outcomes (first step in an impact evaluation) are the effects of outputs. An outcome is the benefit of whatever it is that you want to do (shift, change, movement, benefit). What is the changed situation you want to achieve by the end of your project? Outcomes must be SMART.	WHAT CONSEQUENCES? The consequences of the programme/project. Impacts tend to be longer-term and so may be equated with goals. Impact indicator: Expression or indication of impact. Evidence that the impact has been achieved. Impact must be SMART.				
<u>Examples:</u> Staff; Time; Money; Research base; Materials; Equipment; Technology; Partners.	<u>Examples:</u> Deliver services; Develop products and resources; Education and training; Network with others; Build partnerships; Advocacy; Facilitation; Work with businesses.	<u>Examples:</u> Number of businesses reached; Number of people trained; Number and type of services delivered; Number of projects delivered; Number of research projects undertaken.	<u>Changes in:</u> Knowledge; Attitude; Skills; Behaviour; Decision-making; Policies; Social action.	<u>Changes in:</u> Conditions; Economy; Social (well-being); Health; Civic; Environmental.				
The Wesgro Business Models contain Inputs and Activities, the details of which are explained in the Operational Plans.		The APP has the OUTPUTS, PERFORMANCE INDICATORS and TARGETS.	The APP has the OUTCOMES, OUTCOME INDICATORS and BASELINES.	All OUTCOMES contribute to the Impact Statement and Impact Indicators.				

WESGRO				
INPUTS Annual	ACTIVITIES Annual	OUTPUTS Annual	OUTCOMES 3-5 years	IMPACT 05-10 years
Financial Management, SCM, IT and Administrative Services and HRM Resources Wesgro high-level Business Model. Unit Operational Plan.	Activities Wesgro high-level Business Model. Unit Operational Plan.	Financial Management: Positive financial viability assessment results. Percentage achievement of annual budgeted operational expenditure. Supply Chain Management: Achieve maximum B-BBEE spend. Submission of the annual Procurement Plan. IT and Administrative Services: Number of reports evidencing maintenance of the Agency's ICT environment. HRM: Percentage of employee satisfaction surveys.	Unqualified Audit report with no material findings.	Fully functional, efficient and effective Agency.
Research Resources Wesgro high-level Business Model. Unit Operational Plan.	Activities Wesgro high-level Business Model. Unit Operational Plan.	Number of research reports produced.	Number of research reports downloaded	Fully functional, efficient and effective Agency.
Strategy and Governance Resources Unit Business Model and Operational Plan.	Activities Wesgro high-level Business Model. Unit Operational Plan.	Number of M&E performance reports submitted. Number of quarterly board minutes to implement good governance. Number of quarterly board sub-committee minutes to implement good governance. Quarterly reports evidencing number of strategic projects	Unqualified Audit report with no material findings. Strategic projects managed that support the Agency's mandate.	Fully functional, efficient and effective Agency.

Marketing and Communication Resources Wesgro high-level Business Model. Unit Operational Plan.	Activities Wesgro high-level Business Model. Unit Operational Plan.	Number of corporate events. Quarterly reports evidencing content management of the Agency's collateral.	Rand value of the advertising value equivalent (AVE) generated by the Agency.	% Brand awareness.
Investment Resources Investment Promotion Business Model and Operational Plan.	Activities Investment Promotion Business Model and Operational Plan.	Number of investment projects committed.	Rand value of committed investments into the Province. Number of jobs facilitated from committed investments into the Province.	To contribute to the expansion of the economy and the facilitation of jobs within the Province: % Economic growth.
Export Resources Export Promotion Business Model and Operational Plan.	Activities Export Promotion Business Model and Operational Plan.	Number of trade agreements signed. Number of outward foreign direct investment (OFDI) declarations signed.	Rand value of trade agreements signed. Number of jobs facilitated from trade agreements signed. Rand value of committed outward foreign direct investment (OFDI) declarations signed.	% Jobs (direct and indirect).
Tourism Destination Marketing Resources Leisure Tourism Promotion Business Model and Operational Plan. Convention Bureau Business Model and Operational Plan.	Activities Leisure Tourism Promotion Business Model and Operational Plan. Convention Bureau Business Model and Operational Plan.	Number of joint marketing agreements secured. Number of leisure event marketing agreements secured. Number of bids secured.	Total estimated economic value of tourism destination marketing initiatives.	
Film and Media Promotion Resources Film and Media Promotion Business Model and Operational Plan.	Activities Film and Media Promotion Business Model and Operational Plan.	Number of film and media declarations signed.	Rand value of film and media productions brought into the Province. Number of FTE jobs facilitated through the productions brought into the Province.	

2.4 Overview of 2022/23 budget and MTEF estimates

Budget overview

HIGH LEVEL BUDGET						
DESCRIPTION	BUDGET	ADJUSTMENT BUDGET 2021/22	2022/23	OUTER MTEF YEARS		
	2021/22			2023/24	2024/25	2025/26
	R'000	R'000	R'000	R'000	R'000	R'000
STAFF REMUNERATION	52 628	52 628	54 816	58 392	60 796	64 139
DEPARTMENTAL EXPENSES (A+B)	138 931	138 931	80 514	76 118	79 707	76 474
Overheads (A)	73 192	73 192	9 628	9 747	29 479	30 011
Programmes (B)	65 739	65 739	70 886	66 371	50 228	46 463
Capital Expenditure	2029	2029	2 397	2610	2610	2 610
TOTAL EXPENSES	193 588	193 588	137 727	137 120	143 113	143 223
Staff Complement	133	130	125	125	125	125
Wesgro Staff including Projects	120	117	112	112	112	112
Wesgro Board	13	13	13	13	13	13

High level budget: Export and Investment Promotion

HIGH LEVEL BUDGET						
DESCRIPTION	BUDGET	ADJUSTMENT BUDGET 2021/22	2022/23	OUTER MTEF YEARS		
	2021/22			2023/24	2024/25	2025/26
	R'000	R'000	R'000	R'000	R'000	R'000
STAFF REMUNERATION	30 049	30 049	30 236	31 876	33 605	35 452
DEPARTMENTAL EXPENSES (A+B)	31 436	31 436	23 481	26 996	29 460	27 722
Overheads (A)	10 932	10 932	8 463	9 206	11 620	12 631
Programmes (B)	20 504	20 504	15 018	17 790	17 840	15 091
Capital Expenditure	2 029	2 029	2 397	2610	2610	2 610
TOTAL EXPENSES	63 514	63 514	56 114	61 482	65 675	65 784
Staff Complement	92	93	88	88	88	88

High level budget for tourism destination marketing

HIGH LEVEL BUDGET						
DESCRIPTION	BUDGET	ADJUSTMENT BUDGET 2021/22	2022/23	OUTER MTEF YEARS		
	2021/22			2023/24	2024/25	2025/26
	R'000	R'000	R'000	R'000	R'000	R'000
STAFF REMUNERATION	19 929	19 929	21 597	22 769	24 006	25 326
DEPARTMENTAL EXPENSES (A+B)	38 468	38 468	38 376	32 129	31 892	30 572
Overheads (A)	3 033	3 033	1 165	541	304	0
Programmes (B)	35 435	35 435	37 211	31 588	31 588	30 572
Capital Expenditure	0	0				
TOTAL EXPENSES	58 397	58 397	59 973	54 898	55 898	55 898
		0				
Staff Complement	14	14	17	17	17	17

High level budget for other projects

HIGH LEVEL BUDGET						
DESCRIPTION	BUDGET	ADJUSTMENT BUDGET 2021/22	2022/23	OUTER MTEF YEARS		
	2021/22			2023/24	2024/25	2025/26
	R'000	R'000	R'000	R'000	R'000	R'000
STAFF REMUNERATION	2 650	2 650	2 983	3 747	3 185	3 360
DEPARTMENTAL EXPENSES (A+B)	69 027	69 027	18 657	16 993	18 355	18 180
Trade and Investment	59 227	59 227	13 671	12 807	17 555	17 380
DMO	9 800	9 800	4 986	4 186	800	800
Capital Expenditure	0	0		0	0	0
TOTAL EXPENSES	71 677	71 677	21 640	20 740	21 540	21 540
Staff Complement	14	10	7	7	7	7

Summary of payments and estimates

Programme R'000		Outcome			Estimated outcome 2021/22	Medium-term estimate		
		Audited 2018/19	Audited 2019/20	Audited 2020/21		2022/23	2023/24	2024/25
	Administration	3 990	4 379	4 059	2 892			
1	Corporate Services	11 826	13 402	19 379	18 048	14 975	16 152	18 798
2	Investment	5 601	6 115	6 203	19 405	18 366	19 769	20 921
3	Exports	8 027	8 810	12 442	21 455	14 897	16 928	17 333
4	Wesgro Research	3 394	4 055	2 586	4 002	3 702	3 715	3 823
5	Strategy & Governance					6 181	6 716	7 083
6	Marketing and Communication	5 823	6 036	6 156	10 583	10 493	11 902	12 217
7	DMO: Integrated Marketing	17 781	19 026	44 889	58 398	65 573	58 398	59 398
8	Film Media					3 540	3 540	3 540
Total payments and estimates		56 442	61 823	95 714	134 783	137 727	137 120	143 113

Summary of provincial payments and estimates by economic classification

Summary of provincial payments and estimates by economic classification: Western Cape Investments and Trade Promotion Agency								
Economic classification R'000		Outcome			Estimated outcome 2021/22	Medium-term estimate		
		Audited 2018/19	Audited 2019/20	Audited 2020/21		2022/23	2023/24	2024/25
	Expenses							
	Current expense	56 442	61 823	95 714	134 783	137 727	136 545	142 487
	Compensation of employees	34 914	38 002	43 085	54 266	57 238	60 562	62 580
	Salary & Wages	33 153	33 792	37 911	45 177	50 138	52 945	54 680
	Basic salary	31 338	32 054	37 911	45 177	50 138	52 945	54 680
	Performance rewards	1 815	1 738					
	Social Contributions (employer contributions only)	1 761	4 210	5 174	9 089	7 100	7 617	7 900
	Pension	1 265	3 564	4 475	7 906	6 111	6 616	6 884
	Medical	374	515	563	1 017	597	598	597
	UIF	122	131	133	166	350	359	373

	Salary related expenses			3		36	38	40
	Use of goods and services	20 137	22 818	50 009	78 723	80 069	75 408	79 281
	Advertising	1 764	2 062	23 950	21 907	22 758	24 448	22 032
	Advertising of posts	59	171	196	71		120	53
	Gifts and Promotional items	200	200		50			
	Advertising (marketing)	1 505	1 691	23 754	21 786	22 758	24 328	21 979
	Audit Fees	1 947	2 069	3 346	3 262	2 976	3 170	3 561
	Internal	1 024	1 034	728	967	651	380	681
	External	923	1 035	2 618	2 295	2 325	2 790	2 880
	Bank charges	85	134	83	147	150	150	150
	Board Costs	443	440	671	546	677	715	754
	Board - Remuneration	443	440	671	546	617	651	687
	Board - Subsistence					60	64	67
	Catering services	87	263	32	68	48	50	40
	Communication	728	1 165	1 160	495	479	600	800
	Telephone	720	1 157	1 159	495	479	600	800
	Cellphones	7	7					
	Postage & Courier	1	1	1				
	Other							
	Computer services	742	463	450	388	333	330	400
	External service providers	742	463	450	388	333	330	400
	Consultants, contractors and special services	3 969	4 146	12 005	32 252	32 909	26 753	30 198
	Consultants	1 972	2 113	1 808	11 240	18 293	10 156	11 416
	Contractors and special services	1 997	2 033	10 197	21 012	14 616	16 597	18 782
	General Expenses	1 218	562	1 743	383	964	1 100	1 395
	Conference Expenditure	400	612	2 369	7 273	3 507	5 000	4 692
	Donations paid				3 420	3 362	2 794	3 243
	Photographic services	60	44		153	150	200	1 200
	Venues and facilities	319	815	3 152	5 971	3 625	4 046	4 977
	Agency Administrative and Support Staff			2 933	3 812	3 008	3 457	3 275
	Equipment less than Capitalisation threshold	6	10		10	16	16	26
	Inventory	2 144	2 484	2 165	4 475	2 917	2 971	3 202
	Fuel, oil and gas	56	53	88	98	80	120	220
	Stationery and printing	154	121	47	63	110	120	180
	Subscriptions	1 934	2 310	1 180	4 314	2 727	2 731	2 802
	Restoration and fittings			850				
	Legal fees	127	98	104	54	75	96	90
	Losses / (Profits)	1	2		2	2	2	2
	Forex	1	2		2	2	2	2
	Maintenance and repairs	66	78	71	240	116	220	200
	Buildings	44	56	58	116	45	120	100
	Infrastructure Assets							
	Equipment	22	22	13	124	71	100	100
	Operating leases	3 361	4 386	5 372	7 269	6 164	5 542	7 587
	Rent-buildings	2 758	3 899	4 869	7 011	5 836	5 253	7 237
	Rent-equipment	603	487	503	258	328	289	350

	Printing and publication	190	184	113	587	600	610	620
	Professional bodies and membership fees			22				
	Travel and Subsistence	4 043	4 356	44	6 665	9 173	9 345	9 539
	Air Travel - Air Tickets (Domestic)	337	296	26	607	644	682	640
	Air Travel - Air Tickets (International)	2 585	2 386	88	3 410	5 104	5 001	4 851
	Accommodation - Domestic	486	607	8	103	406	309	291
	Accommodation - International	531	922	(48)	2 153	2 661	2 969	3 370
	Other	104	145	(30)	392	358	384	387
	Training and staff development	434	478	421	356	377	390	80
	Depreciation and amortisation	1 391	1 003	2 620	1 794	719	575	626
	Leasehold Improvements	490	400	439	723	223	223	223
	Computer equipment	152	176	613	466	166	86	88
	Furniture and Office equipment	310	157	947	305	105	85	85
	Other Machinery and equipment	124	75	2	96	96	90	96
	Transport Assets	157	79	313	79	79	79	79
	Computer Software	158	116	306	125	50	12	55
	Total expenses	56 442	61 823	95 714	134 783	137 727	137 120	143 113

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 so 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-19 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 to ensure that the principles of good corporate governance are implemented.

3.1.1 Programme structure

Sub-programme 1.1: Financial management

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

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 regards to human resource management is adhered to.

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 to ensure that modernisation of systems of management within the public sector is achieved, and that transparency and accountability are maintained. The Agency is compelled to ensure that high ethical standards are promoted and maintained, resources are efficiently utilised, and that 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. 2022/23 outcome: An unqualified Audit report with no material findings.
Baseline	The Agency achieved an unqualified audit for the 2020/21 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 Report in terms of good governance and integrated service delivery through partnerships and spatial alignment.

3.1.3 Outcomes, outputs, performance indicators and targets 2022/23

No.	Outcome	Outputs	Output indicators	Annual targets					
				Audited/actual performance		Estimated performance 2021/22	MTEF period		
				2018/19	2019/20		2022/23	2023/24	2024/25
1.1	Unqualified Audit report with no material findings	Financial, SCM, IT and HR outputs	Positive financial viability assessment results	-	-	4	4 (Good)	4 (Good)	4 (Good)
			Percentage achievement of annual budgeted operational expenditure	-	-	98%	98%	98%	98%
			Achieve maximum Broad-Based Black Economic Empowerment (B-BBEE) spend	-	-	70%	70%	70%	70%
			Submission of the annual Procurement Plan	-	-	1	1	1	1
			Number of reports evidencing the maintenance of the Agency's ICT environment	-	-	4	4	4	4
			Percentage of employee satisfaction	-	80%	80%	80%	80%	80%

Indicators, annual and quarterly targets 2022/23 (output indicators)

No.	Output indicators	Annual target	Q1	Q2	Q3	Q4
1.1.1	Positive financial viability assessment results	4	-	-	-	4
1.1.2	Percentage achievement of annual budgeted operational expenditure	98%	-	-	-	98%
1.1.3	Achieve maximum B-BBEE spend	70%	-	-	-	70%
1.1.4	Submission of the annual Procurement Plan	1	1	-	-	-
1.1.5	Number of reports evidencing the maintenance of the Agency's ICT environment	4	1	1	1	1
1.1.6	Percentage of employee satisfaction	80%	-	-	-	80%

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 can meet the required legislative deadlines. Management ensures that the required internal controls and mitigations are in place to ensure that it complies to 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 1: Corporate Services

Programme R'000		Outcome			Estimated outcome 2021/22	Medium-term estimate		
		Audited 2018/19	Audited 2019/20	Audited 2020/21		2022/23	2023/24	2024/25
1	Corporate Services	11 826	13 402	19 379	18 048	14 975	16 152	18 798
	Total payments and estimates	11 826	13 402	19 379	18 048	14 975	16 152	18 798

Summary of provincial payments and estimates by economic classification:

Programme 1: Corporate Services

Economic classification R'000		Outcome			Estimated outcome 2021/22	Medium-term estimate		
		Audited 2018/19	Audited 2019/20	Audited 2020/21		2022/23	2023/24	2024/25
	Expenses							
	Current expense	11 826	13 402	19 379	18 048	14 975	15 577	18 172
	Compensation of employees	3 436	4 094	4 854	5 700	4 115	4 336	4 568
	Salary & Wages	3 277	3 592	4 509	4 699	3 599	3 790	3 990
	Basic salary	3 068	3 434	4 509	4 699	3 599	3 790	3 990
	Performance rewards	209	158					
	Social Contributions (employer contributions only)	159	502	345	1 001	516	546	578
	Pension	90	420	254	868	516	546	578
	Medical	56	66	70	110			
	UIF	13	16	18	23			
	Salary related expenses			3				
	Use of goods and services	7 411	8 305	11 915	10 554	10 141	10 666	12 978
	Advertising	59	71		71			
	Advertising of posts	59	71		71			
	Advertising (marketing)							
	Audit Fees	1 427	1 035	2 918	2 422	2 976	3 170	3 561
	Internal	624	338	653	565	651	380	681
	Forensic							
	External	803	697	2 265	1 857	2 325	2 790	2 880
	Bank charges	85	134	83	147	150	150	150
	Board Costs			577				
	Board - Remuneration			577				
	Bursaries (employees)							

Catering services	30	188	32	68	48	50	40
Communication	728	678	1 120	495	479	600	800
Telephone	720	670	1 119	495	479	600	800
Cellphones	7	7					
Postage & Courier	1	1	1				
Other							
Computer services	742	463	450	388	333	330	400
SITA services							
External service providers	742	463	450	388	333	330	400
Consultants, contractors and special services	1 835	2 348	1 373	628	320	336	477
Consultants	917	1 786	204	245	140	150	200
Contractors and special services	918	562	1 169	383	180	186	277
General Expenses	918	562	1 164	383	180	186	277
Venues and facilities			5				
Equipment less than Capitalisation threshold	6	10		10	16	16	26
Inventory	336	252	177	214	250	305	565
Fuel, oil and gas	56	53	88	98	80	120	220
Stationery and printing	154	121	43	63	110	120	180
Subscriptions	126	78	46	53	60	65	165
Legal fees	127	98	104	54	75	96	90
Losses / (Profits)	1	2		2	2	2	2
Forex	1	2		2	2	2	2
Maintenance and repairs	66	78	71	240	116	220	200
Buildings	44	56	58	116	45	120	100
Equipment	22	22	13	124	71	100	100
Operating leases	1 553	2 508	4 574	5 713	4 999	5 001	6 587
Rent-buildings	950	2 021	4 071	5 455	4 671	4 712	6 237
Rent-equipment	603	487	503	258	328	289	350
Travel and Subsistence	33	29	15				
Air Travel - Air Tickets (Domestic)	26	19	4				
Air Travel - Air Tickets (International)			11				
Accommodation - Domestic	5	5					
Other	2	5					
Training and staff development	383	411	421	102	377	390	80
Depreciation and amortisation	979	1 003	2 610	1 794	719	575	626
Leasehold Improvements	490	400	439	723	223	223	223
Computer equipment	76	176	611	466	166	86	88
Furniture and Office equipment	219	157	945	305	105	85	85
Other Machinery and equipment	75	75		96	96	90	96
Transport Assets	56	79	311	79	79	79	79
Computer Software	63	116	304	125	50	12	55
Total expenses	11 826	13 402	19 379	18 048	14 975	16 152	18 798

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 is 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 reduced space utilisation due to COVID-19, since the lease re-negotiation engagements have not been concluded. An annual inflationary increase is applied in line with the fixed cost of support services required. The conclusion of the organisational design action plans is also required in order to support effective staff retention while additional economic recovery plans are implemented by the entity.

The measures in place include regular staff feedback meetings and regular reporting on performance against targets to relevant stakeholders. Moreover, strategic objectives are directly linked to the performance agreements with staff.

3.1.7 Key risks

Project risk statement	Inherent risk		Project risk mitigation	Residual risk rating	
	Impact	Likelihood		Impact	Likelihood
Perception of international market re Cape Town and the broader Western Cape, as a destination for Tourism and Investment.	5	5	<ul style="list-style-type: none"> A dedicated communications unit has been developed Capacity to coordinate responses e.g. Waterwise Tourism Communication A destination marketing unit has been established Current positive relationships with National Government departments and Ministers Regular interactions with National Government departments and Ministers Access to supporting data / facts when engaging with Government Ability to distinguish the Western Cape investment environment from other regions An investment pipeline is being developed to increase the number of future investments Align communication across Provincial and Local government to ensure investors remain confident (as part of Project Good Hope) Cape Investor Centre to bridge the gap between Wesgro and National government Capacity to coordinate responses International Investor Campaign International Tourism Campaign Have an increasingly pro-active mindset Board Strategy confirmed the planned actions Approved 5-year Wesgro Strategic Framework implemented Wesgro SWOT analysis updated accordingly 	5	2
The sustainable funding of Wesgro	5	5	<ul style="list-style-type: none"> Strong relationships with key stakeholders Intensive interventions with funders Enhanced collaboration and communication processes Validating the performance of Wesgro Increasing the value of Wesgro – enhancing the profile and authority of the agency Other government project management income around infrastructure Increasing funding sources – Adding contracts with municipalities Existing cost containment measures to limit exposure to foreign exchange. Continuous monitoring of the exchange rates Continued lobbying for additional funding 	5	2

Project risk statement	Inherent risk		Project risk mitigation	Residual risk rating	
	Impact	Likelihood		Impact	Likelihood
Collection, storage, retention, sharing and use of intellectual property	3	5	<ul style="list-style-type: none"> • Senior management engagements/interactions • Staff and management forums • Consolidated travel plans • Enhanced utilisation of SharePoint • Shared debriefs on economic growth focussed trips • Implement IT systems in support of virtual working arrangements • Adoption, implementation and use of CRM • Effective handover process 	3	2
Reduced effectiveness of Wesgro because of unclear roles and responsibilities	3	5	<ul style="list-style-type: none"> • Clarifying and communicating the definition of Wesgro's mandate • Increased collaboration with the City and the Provincial Government • Confirmation of technical amendments on mandates and KPI's • Ensure that contracting with the City and Province for funding is robust in terms of detail and Wesgro responsibilities • District Unit • Implement the Wesgro 5-year strategy developed in consultation with the Wesgro key funders 	3	2
Attraction and retention of Specialist Staff Capacity	5	4	<ul style="list-style-type: none"> • Clearly stipulated (focussed) mandate • Use of current staff skills in an effective and efficient manner • Training available to current staff members • Staff succession planning • Clearly established KPI's • Talent Retention Plan • Retention of key personnel is at risk due to reduced net pay (manage) • Implement employee health education activities that address steps to prevent transmission, respiratory etiquette, hand hygiene, emotional self-care, etc. • Implement procedures for monitoring and managing employee health at the workplace and readiness to support business operations • Free internship • Employee wellness programme implemented • Structured career development plans to be implemented into performance assessments 	5	1.6
Reputational risk (Wesgro)	5	5	<ul style="list-style-type: none"> • Effective Communications Department Implemented • Staff communication responsibilities incorporated into employment contracts • Social media policy and interaction with media (Wesgro staff) • Sustained engagement with National Government departments and Ministers 	5	2

Project risk statement	Inherent risk		Project risk mitigation	Residual risk rating	
	Impact	Likelihood		Impact	Likelihood
Delayed response to exogenous events (e.g. pandemic)	5	5	<ul style="list-style-type: none"> National Government's response to the pandemic COVID-19 support communication centre caused policy uncertainty between provincial and national departments 	5	2
Non-compliance to key regulatory requirements	4	3	<ul style="list-style-type: none"> Annual B-BBEE monitoring conducted in the Agency Incorporate POPI requirements into the policy reviews by the IT Steering Committee Regular update and approval of the Cost Containment Plan Training and Awareness Standardised Agreement templates to be developed 	4	1.2
Wesgro's inability to continuously respond to Digital Transformation in its processes and ways of working	4	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 Effective hybrid operational platforms within Wesgro 	4	1.2
Clear articulation of the Executive Authority and the Board reserved matters in our DOA	4	4	<ul style="list-style-type: none"> Communication plan to be defined Analysis of the PFMA to be done to identify specific provisions which do not align to the Wesgro Act, to reposition on these elements (PFMA requirements are more recent than provisions of the Wesgro Act) 	4	2.8
Payment and procurement fraud events	4	2	<ul style="list-style-type: none"> Additional controls implemented for payments and payment releases Consider leveraging the use of the Provincial Treasury tip-off line for Wesgro – establish communication and protocols for this Increased cyber-crime training and awareness 	4	0.8
Unclear rules to facilitate access to Wesgro competency and funds	4	3	<ul style="list-style-type: none"> Strategic frameworks in place to guide business decisions e.g. airlines Steering Committee oversight Some rules of engagement are established to assist in prioritisation 	4	2.8

3.2 Programme 2: Investment Promotion

Purpose

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

3.2.1 Programme structure

Sub-programme 2.1: Core investment promotion

Sub-programme 2.2: Ancillary investment promotion

- Agribusiness Investment Unit (AIU)
- Invest SA One Stop Shop
- District Unit

Sub-programme 2.1: Core investment promotion

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
- Professional referral service
- Policy advocacy, leveraging the support of the InvestSA One Stop Shop Western Cape
- Strategic matchmaking
- Sector-specific research via the Wesgro Research Unit
- Intergovernmental linkages

The Unit will encourage local business located outside of the Western Cape to expand into the region. Other provinces and municipalities within South Africa facing service delivery challenges 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 sectors: hotel and retail estate, green economy, technology and 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.

Business Growth Services Unit

Through the Business Growth Unit, Wesgro aims to source increased investments from businesses already invested in the Western Cape. The Unit's focus will be split between post FDI aftercare and the identification and facilitation of local Greenfield and Brownfield investments. The commitment to business retention and expansion also implies a dedication to current investors in the ambit of facilitation and advocacy, with support from the InvestSA One Stop Shop.

Advocacy

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

Sub-programme 2.2: Ancillary investment promotion

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 and raw materials, works permits, etc.);
 - Access to incentives;
 - Participation in regulatory reform; and
 - Collaborative interface between senior-level government agents and investors.
- 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.

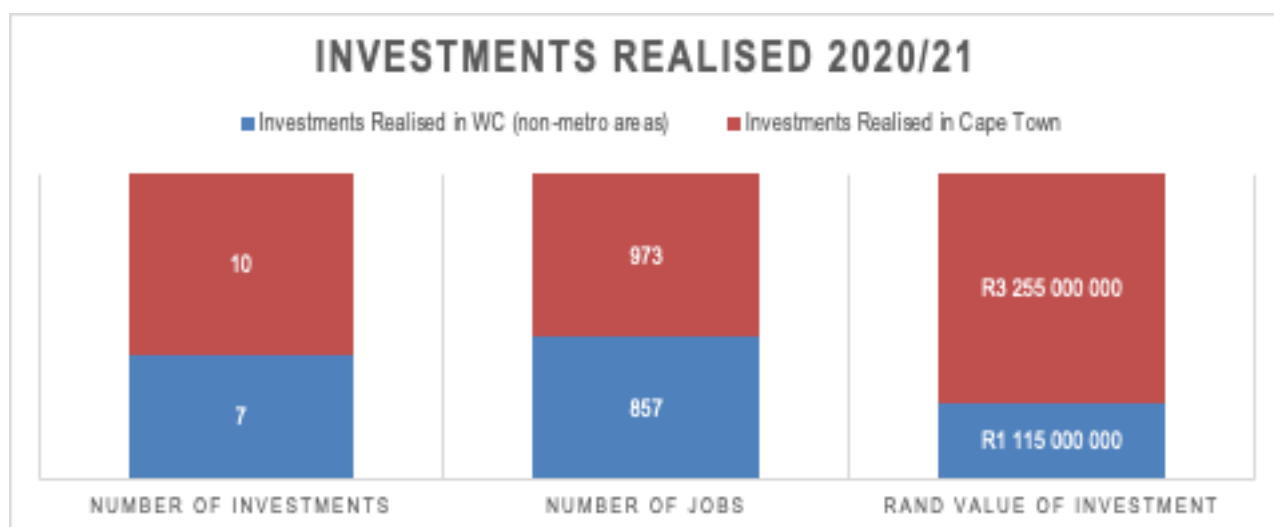
District Unit

The District Unit promotes the Western Cape Districts as business destinations to create employment and stimulate economic growth in the five districts of the Western Cape, namely: West Coast, Overberg, Central Karoo, Garden Route and Winelands. It provides economic promotion support to these municipalities aligned to investment, export and film and media promotion.

Key activities undertaken in these districts 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;
- Capacity Building – assist municipalities in strengthening their investment facilitation services
- Link to the Export Advancement Programme (EAP) 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.

In the 2020/21 financial year, investments realised across Western Cape municipalities and the City of Cape Town were as follows:



Wesgro holds the following partnerships and collaborations across the Western Cape:

- Garden Route: Wesgro's District Unit has entered into a formal 3-year partnership agreement spanning tourism, export and investment promotion until 30 November 2024.
- George Municipality: a multi-year partnership agreement.
- In partnership with the Garden Route and West Coast Districts, Wesgro has successfully rolled out Investment Promotion training workshops designed to upskill municipal officials on economic promotion. These have taken place in Q1 and Q2 of the 2021/22 financial year.
- In collaboration with all 5 non metro districts. Wesgro have successfully hosted 6 Export Advancement Programmes in the 2020/21 and 2021/22 financial years designed to develop new exporter competence amongst district-based businesses

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.
- Effects of the pandemic has resulted in many MNC’s re-evaluating their current global value chains with a view of centralising operations closer to domestic operations, giving rise to the opportunity for BGS to formally map these companies per sector across the Cape
- Climate change has had an impact on the global economy and the focus on attracting more investment into the green economy is of critical importance to ensure that more companies are present in this sector and that there is technological spill-over from international companies

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 to address 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 Western Cape’s Provincial Strategic Plan and the Department of Economic Development’s 5-year strategy, Wesgro’s investment promotion activities are focussed in the following sectors (subject to change following the finalisation of the investment strategy):

- Agribusiness (i.e. Agri-processing & Agriculture)
- Oil and Gas (transitioning to sustainable energy)
- Manufacturing
- Green economy
- Hotel and real estate development (incl. tourism)
- Strategic projects (i.e., Healthcare and infrastructure)
- Technology

Markets

A detailed methodology has been applied, and the following markets were selected (subject to change following the finalisation of the investment strategy):

- United Kingdom
- United States of America
- China
- Hong Kong
- France
- The Netherlands
- Germany
- United Arab Emirates
- India
- Saudi Arabia
- Sweden
- Denmark
- Thailand
- Norway
- Spain
- Singapore

The markets mentioned above 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	5-year outcome: To recruit and facilitate between R10.11bn and R14.71bn committed investments into the Province, resulting in between 3 705 and 7 691 jobs. 2022/23 outcome: To recruit and facilitate between R2.02bn and R2.93bn committed investment into the Province, resulting in between 719 and 1 530 jobs.
Baseline	A total of R4.37bn investments was committed, resulting in 1 830 jobs during the 2020/21 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 2022/23

No	Outcome	Outputs	Output Indicators	Annual Targets				
				Audited/Actual Performance		Estimated Performance	MTEF Period	
				2018/19	2019/20	2020/21	2021/22	2022/23
2.1	Rand value of committed investments into the Province	Investment projects committed	Number of investment projects committed	15	18	17	14-18	15-20
2.2	Number of jobs facilitated from committed investments into the Province							15-20

Indicators, Annual and Quarterly Targets 2022/23 (Output indicators)

No.	Output Indicators	Annual Target	Q1	Q2	Q3	Q4
2.1.1	Number of investment projects committed	15-20	3-5	4-5	4-5	4-5

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 2021/22	Medium-term estimate		
		Audited 2019/20	Audited 2019/20	Audited 2020/21		2022/23	2023/24	2024/25
2	Investment	5 601	6 115	6 203	19 405	18 366	19 769	20 921
	Total payments and estimates	5 601	6 115	6 203	19 405	18 366	19 769	20 921

Summary of provincial payments and estimates by economic classification:

Programme 2: Investment Promotion

Economic classification R'000		Audited 2019/20	Outcome			Estimated outcome 2021/22 2022/23	Medium-term estimate		
			Audited 2019/20	Audited 2020/21			2023/24	2024/25	
	Expenses								
	Current expense		5 601	6 115	6 203	19 405	18 366	19 769	20 921
	Compensation of employees		4 177	3 798	3 698	8 287	8 277	8 791	8 431
	Salary & Wages		3 786	3 271	3 159	7 180	7 523	8 001	7 602
	Basic salary		3 601	3 106	3 159	7 180	7 523	8 001	7 602
	Performance rewards		185	165					
	Social Contributions (employer contributions only)		391	527	539	1 107	754	790	829
	Pension		316	438	464	966	613	649	688
	Medical		60	72	63	120	120	120	120
	UIF		15	17	12	21	21	21	21
	Salary related expenses								
	Use of goods and services		1 424	2 317	2 505	11 118	10 089	10 978	12 490
	Advertising			190	136	1 718	1 620	1 500	1 568
	Advertising (marketing)			190	136	1 718	1 620	1 500	1 568
	Consultants, contractors and special services		383	412	2 419	5 257	5 372	6 163	7 700
	Consultants		383		539	2 070	2 105	2 338	2 915
	Contractors and special services			412	1 880	3 187	3 267	3 825	4 785
	General Expenses				28		784	914	1 118
	Conference Expenditure			202	1 304	976	1 095	1 390	1 656
	Venues and facilities			210	548	2 211	1 388	1 521	2 011
	Inventory					1 680			

	Subscriptions				1 680			
	Travel and Subsistence	1 041	1 715	(50)	2 233	3 097	3 315	3 222
	Air Travel - Air Tickets (Domestic)	101	117	9	51	51	51	51
	Air Travel - Air Tickets (International)	645	924	5	1 162	1 965	2 087	1 985
	Accommodation - Domestic	132	251	25	30	130	120	110
	Accommodation - International	118	390	(69)	892	892	992	1 010
	Other	45	33	(20)	98	59	65	66
	Training and staff development				230			
	Total expenses	5 601	6 115	6 203	19 405	18 366	19 769	20 921

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. Several 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 risk statement	Inherent risk		Project risk mitigation	Residual risk rating	
	Impact	Likelihood		Impact	Likelihood
Perception of international market re Cape Town and the broader Western Cape, as a destination for Tourism and Investment.	5	5	<ul style="list-style-type: none"> A dedicated communications unit has been developed Capacity to coordinate responses e.g. Waterwise Tourism Communication A destination marketing unit has been established Current positive relationships with National Government departments and Ministers Regular interactions with National Government departments and Ministers Access to supporting data / facts when engaging with Government Ability to distinguish the Western Cape investment environment from other regions An investment pipeline is being developed to increase the number of future investments Align communication across Provincial and Local government to ensure investors remain confident (as part of Project Good Hope) Cape Investor Centre to bridge the gap between Wesgro and National government Capacity to coordinate responses International Investor Campaign International Tourism Campaign Have an increasingly pro-active mindset Board Strategy confirmed the planned actions Approved 5-year Wesgro Strategic Framework implemented Wesgro SWOT analysis updated accordingly 	5	2
The sustainable funding of Wesgro	5	5	<ul style="list-style-type: none"> Strong relationships with key stakeholders Intensive interventions with funders Enhanced collaboration and communication processes Validating the performance of Wesgro Increasing the value of Wesgro – enhancing the profile and authority of the agency Other government project management income around infrastructure Increasing funding sources – Adding contracts with municipalities Existing cost containment measures to limit exposure to foreign exchange. Continuous monitoring of the exchange rates Continued lobbying for additional funding 	5	2

Project risk statement	Inherent risk		Project risk mitigation	Residual risk rating	
	Impact	Likelihood		Impact	Likelihood
Collection, storage, retention, sharing and use of intellectual property	3	5	<ul style="list-style-type: none"> • Senior management engagements/interactions • Staff and management forums • Consolidated travel plans • Enhanced utilisation of SharePoint • Shared debriefs on economic growth focussed trips • Implement IT systems in support of virtual working arrangements • Adoption, implementation and use of CRM • Effective handover process 	3	2
Reduced effectiveness of Wesgro because of unclear roles and responsibilities	3	5	<ul style="list-style-type: none"> • Clarifying and communicating the definition of Wesgro's mandate • Increased collaboration with the City and the Provincial Government • Confirmation of technical amendments on mandates and KPI's • Ensure that contracting with the City and Province for funding is robust in terms of detail and Wesgro responsibilities • District Unit • Implement the Wesgro 5-year strategy developed in consultation with the Wesgro key funders 	3	2
Attraction and retention of Specialist Staff Capacity	5	4	<ul style="list-style-type: none"> • Clearly stipulated (focussed) mandate • Use of current staff skills in an effective and efficient manner • Training available to current staff members • Staff succession planning • Clearly established KPI's • Talent Retention Plan • Retention of key personnel is at risk due to reduced net pay (manage) • Implement employee health education activities that address steps to prevent transmission, respiratory etiquette, hand hygiene, emotional self-care, etc. • Implement procedures for monitoring and managing employee health at the workplace and readiness to support business operations • Free internship • Employee wellness programme implemented • Structured career development plans to be implemented into performance assessments 	5	1.6
Reputational risk (Wesgro)	5	5	<ul style="list-style-type: none"> • Effective Communications Department Implemented • Staff communication responsibilities incorporated into employment contracts • Social media policy and interaction with media (Wesgro staff) • Sustained engagement with National Government departments and Ministers 	5	2

Project risk statement	Inherent risk		Project risk mitigation	Residual risk rating	
	Impact	Likelihood		Impact	Likelihood
Delayed response to exogenous events (e.g. pandemic)	5	5	<ul style="list-style-type: none"> National Government's response to the pandemic COVID-19 support communication centre caused policy uncertainty between provincial and national departments 	5	2
Non-compliance to key regulatory requirements	4	3	<ul style="list-style-type: none"> Annual B-BBEE monitoring conducted in the Agency Incorporate POPI requirements into the policy reviews by the IT Steering Committee Regular update and approval of the Cost Containment Plan Training and Awareness Standardised Agreement templates to be developed 	4	1.2
Wesgro's inability to continuously respond to Digital Transformation in its processes and ways of working	4	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 Effective hybrid operational platforms within Wesgro 	4	1.2
Clear articulation of the Executive Authority and the Board reserved matters in our DOA	4	4	<ul style="list-style-type: none"> Communication plan to be defined Analysis of the PFMA to be done to identify specific provisions which do not align to the Wesgro Act, to reposition on these elements (PFMA requirements are more recent than provisions of the Wesgro Act) 	4	2.8
Payment and procurement fraud events	4	2	<ul style="list-style-type: none"> Additional controls implemented for payments and payment releases Consider leveraging the use of the Provincial Treasury tip-off line for Wesgro – establish communication and protocols for this Increased cyber-crime training and awareness 	4	0.8
Unclear rules to facilitate access to Wesgro competency and funds	4	3	<ul style="list-style-type: none"> Strategic frameworks in place to guide business decisions e.g. airlines Steering Committee oversight Some rules of engagement are established to assist in prioritisation 	4	2.8

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.
- Expansion of qualified Western Cape companies into the rest of Africa through outward foreign direct investment (OFDI).
- Increase the export capacity of companies in the Western Cape through export training facilitated through the Export Advancement Programme (EAP).

3.3.1 Programme structure

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

Sub-programme 3.1:

Export Promotion focusses 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 (OFDI) focusses on Western Cape companies with the capacity to expand their operations into the rest of the African market.

The following services are offered:

The Unit's business facilitation services include:

- Business agreements and operating business agreement facilitation.
- Accessing finance.
- Investor and company matching.
- Market research and information.
- Forging strategic collaboration and partnerships.
- Support exporters in addressing non-tariff barriers.

The Unit's export promotion services include:

- Trade exhibitions and fairs.
- Outward Selling Missions (OSMs) and Inward Buying Missions (IBMs).
- Study tours.
- Virtual and hybrid export missions.
- Advocacy and specialised advisory services.
- Access to strategic markets and networks.
- Global market positioning.
- Working with the investment promotion team to support and promote the local tech and digital ecosystems.

The Unit's export development services facilitated through the EAP include:

- Technical export development training, including orientation to export, export marketing plan, financial risk management, export costings and logistics and Incoterms.
- Export, market and sector awareness seminars.
- Business one-on-one mentoring services from international and local experts.

Situational analysis

With exports forming an integral part in South Africa's 2021 economic recovery, the Western Cape is embarking on an export-led growth approach. Wesgro's export team will play a central role in this vision and will be expanding current activities and implementing new initiatives to help scale the support already provided to Western Cape exporters.

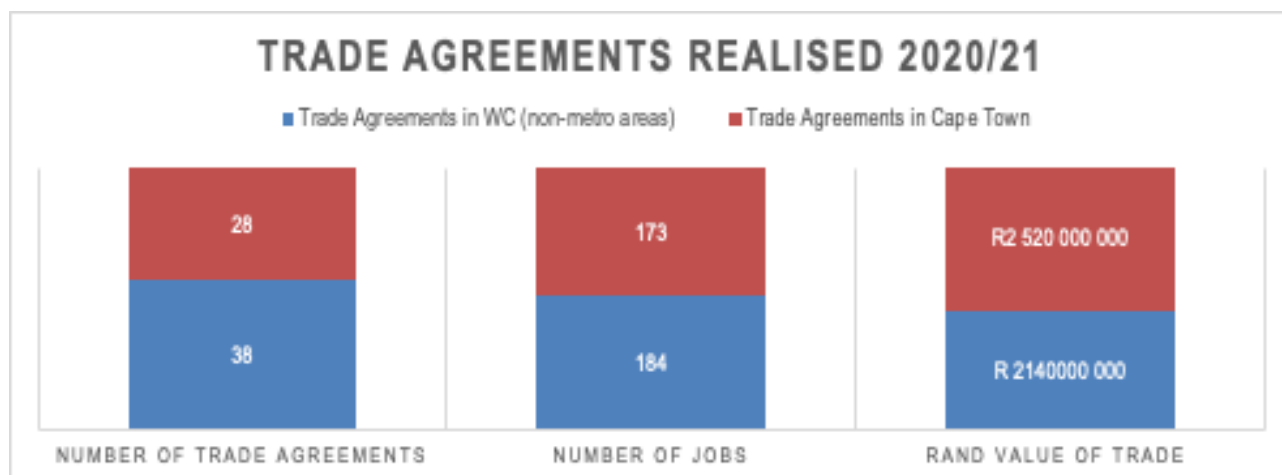
On a national level, the South African economic reconstruction and recovery plan published in September 2020 highlights the importance of exports to help push South Africa back into strong, positive economic growth. To support economic reconstruction and recovery, Government indicated the following structural reforms would be implemented:

1. Re-orienting trade policies and pursuing greater regional integration to boost exports, employment and innovation;
2. Reduce the proportion of imported intermediate and finished goods; and
3. Develop export-competitive sectors that can expand the sales of South African made products on the continent and beyond.

Wesgro sees the above reforms as critical to the success of export growth and also Wesgro's ability to increase export deals. Should these reforms be implemented speedily, the impacts to exporters will be significant and positive.

The Export Promotion unit works closely with the District Unit, housed in the Investment Promotion unit, to ensure that there is a flow of opportunities for companies in the districts of the Western Cape as they become export-ready or require assistance with export promotion. As indicated in the graph below, the districts of the Western Cape (outside of the City of Cape Town) are benefitting from Wesgro's services and it is the intention that, given the Western Cape's export basket being primarily food and beverages, that more and more companies in the other five districts will realise trade agreements through the use of Wesgro's services.

In the 2020/21 financial year, trade agreements realised across Western Cape municipalities and the City of Cape Town were as follows:



Markets and sectors:

To inform this vision and the focus of the Province's future exporter development and export promotion efforts, an independent study (done by TRADE Research Advisory) was commissioned in 2021 to identify economic diversification opportunities or frontier products for the Western Cape Province.

The study, through a Product Complexity Mapping tool, served to identify immediate opportunities to explore new markets for 'existing' products produced and exported from the Western Cape Province; while also highlighting longer-term opportunities for new products, which are currently not exported.

The study identified three categories of opportunities, each of which will require a different response and approach as part of the newly developed Western Cape Export Strategy 2030:

- i. shorter-term, lower hanging export promotion opportunities (largely Wesgro responsibility)
- ii. medium-term export development and possible investment opportunities that will require more effort and a longer time frame to yield results (largely DEDAT responsibility)
- iii. new investment opportunities aimed at exports that may require major new product or sector developments and will probably take the longest to yield results (largely DEDAT responsibility)

Wesgro's focus will largely be on the shorter-term opportunities linked to the export promotion activities. These are opportunities to existing and new markets for existing export ready products produced and exported from the Western Cape Province. This allows the Wesgro export unit to be focused on key markets and opportunities, based on data-led intelligence.

Markets

The following markets have been identified (subject to the finalisation of the research outlined above) :

- **Africa:** Angola, Botswana, Namibia, Mozambique, Zambia, Nigeria, Ghana, Senegal, Cameroon, Ivory Coast, Kenya, Tanzania, Ethiopia, Mauritius, Uganda, Morocco, Egypt, Guinea
- **Asia:** China, India, Malaysia, Japan, Singapore, Australia, Hong Kong
- **Middle East:** UAE, Saudi Arabia, Qatar, Kuwait, Bahrain
- **Americas:** USA, Canada, Brazil, Mexico
- **Europe:** United Kingdom, Germany, France, Russia, Poland, Spain, Italy, Netherlands

Sectors

The following sectors have been identified (subject to the finalisation of the research outlined above):

- Agribusiness (i.e. agriculture, agri-processing)
- Manufactured and value-added products
- Green industries
- Cosmetics, natural ingredients, organic, medicinal cannabis
- Services
- Clothing, textiles, leather, footwear
- Boatbuilding and auxiliary services
- Aerospace and defence
- Health tech
- Infrastructure development (OFDI) in Africa

New sectors Wesgro will be exploring given COVID-19's impact: health tech, business process outsourcing (with Cape BPO) and wider trade-in-services given automation and digitisation of several business. Considering the challenges brought by climate change, the unit will continue to deepen its focus on green industries to positively contribute towards reducing the negative effects of climate change.

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	5-year outcome: 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). 2022/23 outcome: To recruit and facilitate between R3.06bn and R5.38bn export agreements, resulting in between 567 and 743 jobs, and R273m and ZAR625m in Outward Foreign Direct Investment (OFDI).
Baseline	A total value of R4.66bn export agreements were committed, resulting in 357 direct jobs. A total value of R727.75m foreign direct investment was committed for the 2020/21 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 2022/23

Sub-programme 3.1: Export Promotion

No	Outcome	Outputs	Output Indicators	Annual Targets					
				Audited/Actual Performance		Estimated Performance	MTEF Period		
				2018/19	2019/20	2020/21	2022/23	2023/24	2024/25
3.1.1	Rand value of trade agreements signed	Trade agreements signed	Number of trade agreements signed	79	40	66	50-70	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	MTEF Period		
				2018/19	2019/20	2020/21	2022/23	2023/24	2024/25
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	9	7	7	7	7	7

Indicators, annual and quarterly targets 2022/23 (output indicators)

No.	Output Indicators		Annual Target	Q1	Q2	Q3	Q4
3.1.1.1	Number of trade agreements signed		50-70	10-15	15-20	10-15	15-20
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 export and OFDI 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: Export Promotion

Programme R'000 Audited 2019/20		Outcome			Estimated outcome 2022/23	Medium-term estimate		
		Audited	Audited					
		2019/20	2020/21	2021/22		2023/24	2024/25	
3	Export Promotion	8 027	8 810	12 442	21 455	14 897	16 928	17 333
	Total payments and estimates	8 027	8 810	12 442	21 455	14 897	16 928	17 333

Summary of provincial payments and estimates by economic classification:

Programme 3: Export Promotion

Economic classification R'000 Audited 2019/20		Outcome			Estimated outcome 2022/23	Medium-term estimate		
		Audited	Audited					
		2019/20	2020/21	2021/22		2023/24	2024/25	
	Expenses							
	Current expense	8 027	8 810	12 442	21 455	14 897	16 928	17 333
	Compensation of employees	5 440	6 585	7 908	8 595	8 451	9 104	9 579
	Salary & Wages	5 122	5 948	6 923	7 356	7 077	7 460	7 864
	Basic salary	4 834	5 629	6 923	7 356	7 077	7 460	7 864
	Performance rewards	288	319					
	Social Contributions (employer contributions only)	318	637	985	1 239	1 374	1 644	1 715
	Pension	254	558	879	1 074	1 209	1 479	1 550
	Medical	48	59	84	144	144	144	144
	UIF	16	20	22	21	21	21	21
	Salary related expenses							
	Use of goods and services	2 587	2 225	4 534	12 860	6 446	7 824	7 754
	Advertising	50		500	446	480	598	668
	Advertising (marketing)	50		500	446	480	598	668
	Consultants, contractors and special services	240	480	4 052	10 459	3 834	5 314	5 192
	Consultants	180	200	668	1 400	250	343	350
	Contractors and special services	60	280	3 384	9 059	3 584	4 971	4 842
	General Expenses			540				
	Conference Expenditure	40	90	882	5 599	1 732	2 900	2 306

Venues and facilities	20	190	1 962	3 460	1 852	2 071	2 536
Travel and Subsistence	2 297	1 745	(18)	1 955	2 132	1 912	1 894
Air Travel - Air Tickets (Domestic)	115	27	6	66	46	46	46
Air Travel - Air Tickets (International)	1 424	856	(8)	1 185	1 515	1 295	1 275
Accommodation - Domestic	340	346		16	16	16	16
Accommodation - International	373	416	(3)	635	505	505	505
Other	45	100	(13)	53	50	50	52
Training and staff development							
Total expenses	8 027	8 810	12 442	21 455	14 897	16 928	17 333

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 risk statement	Inherent risk		Project risk mitigation	Residual risk rating	
	Impact	Likelihood		Impact	Likelihood
Perception of international market re Cape Town and the broader Western Cape, as a destination for Tourism and Investment.	5	5	<ul style="list-style-type: none"> A dedicated communications unit has been developed Capacity to coordinate responses e.g. Waterwise Tourism Communication A destination marketing unit has been established Current positive relationships with National Government departments and Ministers Regular interactions with National Government departments and Ministers Access to supporting data / facts when engaging with Government Ability to distinguish the Western Cape investment environment from other regions An investment pipeline is being developed to increase the number of future investments Align communication across Provincial and Local government to ensure investors remain confident (as part of Project Good Hope) Cape Investor Centre to bridge the gap between Wesgro and National government Capacity to coordinate responses International Investor Campaign International Tourism Campaign Have an increasingly pro-active mindset Board Strategy confirmed the planned actions Approved 5-year Wesgro Strategic Framework implemented Wesgro SWOT analysis updated accordingly 	5	2
The sustainable funding of Wesgro	5	5	<ul style="list-style-type: none"> Strong relationships with key stakeholders Intensive interventions with funders Enhanced collaboration and communication processes Validating the performance of Wesgro Increasing the value of Wesgro – enhancing the profile and authority of the agency Other government project management income around infrastructure Increasing funding sources – Adding contracts with municipalities Existing cost containment measures to limit exposure to foreign exchange. Continuous monitoring of the exchange rates Continued lobbying for additional funding 	5	2

Project risk statement	Inherent risk		Project risk mitigation	Residual risk rating	
	Impact	Likelihood		Impact	Likelihood
Collection, storage, retention, sharing and use of intellectual property	3	5	<ul style="list-style-type: none"> • Senior management engagements/interactions • Staff and management forums • Consolidated travel plans • Enhanced utilisation of SharePoint • Shared debriefs on economic growth focussed trips • Implement IT systems in support of virtual working arrangements • Adoption, implementation and use of CRM • Effective handover process 	3	2
Reduced effectiveness of Wesgro because of unclear roles and responsibilities	3	5	<ul style="list-style-type: none"> • Clarifying and communicating the definition of Wesgro's mandate • Increased collaboration with the City and the Provincial Government • Confirmation of technical amendments on mandates and KPI's • Ensure that contracting with the City and Province for funding is robust in terms of detail and Wesgro responsibilities • District Unit • Implement the Wesgro 5-year strategy developed in consultation with the Wesgro key funders 	3	2
Attraction and retention of Specialist Staff Capacity	5	4	<ul style="list-style-type: none"> • Clearly stipulated (focussed) mandate • Use of current staff skills in an effective and efficient manner • Training available to current staff members • Staff succession planning • Clearly established KPI's • Talent Retention Plan • Retention of key personnel is at risk due to reduced net pay (manage) • Implement employee health education activities that address steps to prevent transmission, respiratory etiquette, hand hygiene, emotional self-care, etc. • Implement procedures for monitoring and managing employee health at the workplace and readiness to support business operations • Free internship • Employee wellness programme implemented • Structured career development plans to be implemented into performance assessments 	5	1.6
Reputational risk (Wesgro)	5	5	<ul style="list-style-type: none"> • Effective Communications Department Implemented • Staff communication responsibilities incorporated into employment contracts • Social media policy and interaction with media (Wesgro staff) • Sustained engagement with National Government departments and Ministers 	5	2

Project risk statement	Inherent risk		Project risk mitigation	Residual risk rating	
	Impact	Likelihood		Impact	Likelihood
Delayed response to exogenous events (e.g. pandemic)	5	5	<ul style="list-style-type: none"> National Government's response to the pandemic COVID-19 support communication centre caused policy uncertainty between provincial and national departments 	5	2
Non-compliance to key regulatory requirements	4	3	<ul style="list-style-type: none"> Annual B-BBEE monitoring conducted in the Agency Incorporate POPI requirements into the policy reviews by the IT Steering Committee Regular update and approval of the Cost Containment Plan Training and Awareness Standardised Agreement templates to be developed 	4	1.2
Wesgro's inability to continuously respond to Digital Transformation in its processes and ways of working	4	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 Effective hybrid operational platforms within Wesgro 	4	1.2
Clear articulation of the Executive Authority and the Board reserved matters in our DOA	4	4	<input type="checkbox"/> Communication plan to be defined <input type="checkbox"/> Analysis of the PFMA to be done to identify specific provisions which do not align to the Wesgro Act, to reposition on these elements (PFMA requirements are more recent than provisions of the Wesgro Act)	4	2.8
Payment and procurement fraud events	4	2	<input type="checkbox"/> Additional controls implemented for payments and payment releases <input type="checkbox"/> Consider leveraging the use of the Provincial Treasury tip-off line for Wesgro – establish communication and protocols for this <input type="checkbox"/> Increased cyber-crime training and awareness	4	0.8
Unclear rules to facilitate access to Wesgro competency and funds	4	3	<input type="checkbox"/> Strategic frameworks in place to guide business decisions e.g. airlines <input type="checkbox"/> Steering Committee oversight <input type="checkbox"/> Some rules of engagement are established to assist in prioritisation	4	2.8

3.4 Programme 4: Research

Purpose

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

3.4.1 Programme: Research

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.

Informing the strategy of the Agency

Wesgro's Research 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 regards to its activities. Opportunities identified and deemed significant to the Agency are presented to the relevant Units (within the Agency) via internal workshops.

The Unit aims to provide an enabling environment for the development of the Agency's strategy by providing the necessary research to both meet the Agency's goals and to support its vision. In addition, research undertaken by the Unit informs the Agency's Annual Performance Plans, as insights identified and presented in these strategic publications potentially provide a sound base for identifying key sectors and markets for investment, trade, tourism and film promotional activities.

Augmenting the promotional activities of the Agency through evidence-based research

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 regular basis to ensure that the Unit remains responsive to the changing needs of the Agency. It is also important that the Unit's research is positively received by Wesgro's stakeholders and clients, and that the said stakeholders benefit from the research provided. Surveys are conducted to determine the effectiveness of the Unit's 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. 2022/23 outcome: To download 100 research reports.
Baseline	110 publications were produced during the 2020/21 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 2022/23

No	Outcome	Outputs	Output Indicators	Annual Targets					
				Audited/Actual Performance			Estimated Performance 2021/22	MTEF Period	
				2018/19	2019/20	2020/21		2022/23	2023/24
4.1	Number of research reports downloaded	Research reports produced	Number of research reports developed to support and assist Wesgro in delivering its mandate	105	104	110	50	50	50

Indicators, Annual and Quarterly Targets 2022/23 (Output indicators)

No	Output Indicators	Annual Target	Q1	Q2	Q3	Q4
4.1.1	Number of research reports developed to support and assist Wesgro in delivering its mandate	50	-	25	-	25

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 various sectors and markets. The Unit also provides the Agency with intelligence that forms the foundation of its strategy aimed at achieving its mandatory requirements.

3.4.5. Reconciling performance targets with budget and the MTEF Summary of payments and estimates:

Programme 4: Research

Programme R'000		Outcome			Estimated outcome	Medium-term estimate		
		Audited	Audited	Audited				
		2019/20	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25
4	Research	3 394	4 055	2 586	4 002	3 702	3 715	3 823
	Total payments and estimates	3 394	4 055	2 586	4 002	3 702	3 715	3 823

Summary of provincial payments and estimates by economic classification:

Programme 4: Research

Economic classification R'000		Outcome			Estimated outcome	Medium-term estimate		
		Audited	Audited	Audited				
		2019/20	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25
	Expenses							
	Current expense	3 394	4 055	2 586	4 002	3 702	3 715	3 823
	Compensation of employees	1 672	1 883	1 477	2 202	1 914	2 005	2 114
	Salary & Wages	1 495	1 757	1 379	1 843	1 690	1 793	1 892
	Basic salary	1 414	1 661	1 379	1 843	1 690	1 793	1 892
	Performance rewards	81	96					
	Social Contributions (employer contributions only)	177	126	98	359	224	212	222
	Pension	130	101	94	296	158	145	155
	Medical	39	18	(3)	54	54	55	54
	UIF	8	7	7	9	12	12	13
	Salary related expenses							
	Use of goods and services	1 722	2 172	1 109	1 800	1 788	1 710	1 709
	Consultants, contractors and special services		5					
	Consultants		5					
	Inventory	1 668	2 122	1 109	1 800	1 788	1 710	1 709
	Subscriptions	1 668	2 122	1 109	1 800	1 788	1 710	1 709
	Travel and Subsistence	54	45					
	Air Travel - Air Tickets (Domestic)	48	35					
	Accommodation - Domestic	4	4					
	Other	2	6					
	Total expenses	3 394	4 055	2 586	4 002	3 702	3 715	3 823

3.4.6 Performance and expenditure trends

The Unit subscribes to a number of foreign subscriptions/databases for the sourcing of information required to undertake relevant research for the Agency. Accordingly, exchange rate developments continue to place significant upward pressure on the Unit's budget, as the combination of a generally weaker rand against major currencies plus rising foreign subscription costs increasingly consume a growing and significant portion of the Unit's programme budget. (These foreign 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.

3.4.7. Key risks

Project risk statement	Inherent risk		Project risk mitigation	Residual risk rating	
	Impact	Likelihood		Impact	Likelihood
Perception of international market re Cape Town and the broader Western Cape, as a destination for Tourism and Investment.	5	5	<ul style="list-style-type: none"> A dedicated communications unit has been developed Capacity to coordinate responses e.g. Waterwise Tourism Communication A destination marketing unit has been established Current positive relationships with National Government departments and Ministers Regular interactions with National Government departments and Ministers Access to supporting data / facts when engaging with Government Ability to distinguish the Western Cape investment environment from other regions An investment pipeline is being developed to increase the number of future investments Align communication across Provincial and Local government to ensure investors remain confident (as part of Project Good Hope) Cape Investor Centre to bridge the gap between Wesgro and National government Capacity to coordinate responses International Investor Campaign International Tourism Campaign Have an increasingly pro-active mindset Board Strategy confirmed the planned actions Approved 5-year Wesgro Strategic Framework implemented Wesgro SWOT analysis updated accordingly 	5	2
The sustainable funding of Wesgro	5	5	<ul style="list-style-type: none"> Strong relationships with key stakeholders Intensive interventions with funders Enhanced collaboration and communication processes Validating the performance of Wesgro Increasing the value of Wesgro – enhancing the profile and authority of the agency Other government project management income around infrastructure Increasing funding sources – Adding contracts with municipalities Existing cost containment measures to limit exposure to foreign exchange. Continuous monitoring of the exchange rates Continued lobbying for additional funding 	5	2
Collection, storage, retention, sharing and use of intellectual property	3	5	<ul style="list-style-type: none"> Senior management engagements/interactions Staff and management forums Consolidated travel plans Enhanced utilisation of SharePoint Shared debriefs on economic growth focussed trips Implement IT systems in support of virtual working arrangements Adoption, implementation and use of CRM Effective handover process 	3	2

Project risk statement	Inherent risk		Project risk mitigation	Residual risk rating	
	Impact	Likelihood		Impact	Likelihood
Reduced effectiveness of Wesgro because of unclear roles and responsibilities	3	5	<ul style="list-style-type: none"> Clarifying and communicating the definition of Wesgro's mandate Increased collaboration with the City and the Provincial Government Confirmation of technical amendments on mandates and KPI's Ensure that contracting with the City and Province for funding is robust in terms of detail and Wesgro responsibilities District Unit Implement the Wesgro 5-year strategy developed in consultation with the Wesgro key funders 	3	2
Attraction and retention of Specialist Staff Capacity	5	4	<ul style="list-style-type: none"> Clearly stipulated (focussed) mandate Use of current staff skills in an effective and efficient manner Training available to current staff members Staff succession planning Clearly established KPI's Talent Retention Plan Retention of key personnel is at risk due to reduced net pay (manage) Implement employee health education activities that address steps to prevent transmission, respiratory etiquette, hand hygiene, emotional self-care, etc. Implement procedures for monitoring and managing employee health at the workplace and readiness to support business operations Free internship Employee wellness programme implemented Structured career development plans to be implemented into performance assessments 	5	1.6
Reputational risk (Wesgro)	5	5	<ul style="list-style-type: none"> Effective Communications Department Implemented Staff communication responsibilities incorporated into employment contracts Social media policy and interaction with media (Wesgro staff) Sustained engagement with National Government departments and Ministers 	5	2
Delayed response to exogenous events (e.g. pandemic)	5	5	<ul style="list-style-type: none"> National Government's response to the pandemic COVID-19 support communication centre caused policy uncertainty between provincial and national departments 	5	2
Non-compliance to key regulatory requirements	4	3	<ul style="list-style-type: none"> Annual B-BBEE monitoring conducted in the Agency Incorporate POPI requirements into the policy reviews by the IT Steering Committee Regular update and approval of the Cost Containment Plan Training and Awareness Standardised Agreement templates to be developed 	4	1.2

Project risk statement	Inherent risk		Project risk mitigation	Residual risk rating	
	Impact	Likelihood		Impact	Likelihood
Wesgro's inability to continuously respond to Digital Transformation in its processes and ways of working	4	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 Effective hybrid operational platforms within Wesgro 	4	1.2
Clear articulation of the Executive Authority and the Board reserved matters in our DOA	4	4	<ul style="list-style-type: none"> Communication plan to be defined Analysis of the PFMA to be done to identify specific provisions which do not align to the Wesgro Act, to reposition on these elements (PFMA requirements are more recent than provisions of the Wesgro Act) 	4	2.8
Payment and procurement fraud events	4	2	<ul style="list-style-type: none"> Additional controls implemented for payments and payment releases Consider leveraging the use of the Provincial Treasury tip-off line for Wesgro – establish communication and protocols for this Increased cyber-crime training and awareness 	4	0.8
Unclear rules to facilitate access to Wesgro competency and funds	4	3	<ul style="list-style-type: none"> Strategic frameworks in place to guide business decisions e.g. airlines Steering Committee oversight Some rules of engagement are established to assist in prioritisation 	4	2.8

3.5. Programme 5: Strategy and Governance

Purpose

The Strategy and Governance Programme is responsible for the implementation of an integrated approach, which considers results-based implementation and direct alignment to Wesgro's strategic direction, monitoring and evaluation, strategic projects, corporate governance, board compliance and the requisite support to the CEO.

3.5.1 Programme structure

Sub-programme 5.1: Strategy, Monitoring and Evaluation

The Unit provides direction, analysis and reporting with regards to Monitoring and Evaluation of Wesgro's performance. The Unit focusses on ensuring that all strategies, annual performance plans and reports, business plans, operational plans and standard operating procedures are in line with the relevant provincial and national policy and legal frameworks. The Unit also ensures that all performance reporting deadlines are met and works closely with the internal and external auditors to ensure that predetermined objectives are compliant. The Unit is also responsible for ensuring that the Agency is compliant with relevant laws such as the Protection of Private Information Act (POPIA) and the Promotion of Access to Information Act (PAIA). In the 2022/23 financial year, the Unit will work with the DMO, Investment and Export Units on conducting client surveys to evaluate Wesgro's service offering.

Sub-programme 5.2: Board Secretariat

The Unit provides a secretariat function to the Board. It includes board administration and advisement on governance, legal and regulatory matters.

The Unit's functions include:

- Coordination of Board and Committee meeting documents
- Board correspondence
- Maintenance of all statutory requirements for all governance activities
- Maintenance of Board of Directors' information (e.g., business and home addresses, and telephone numbers).

Sub-programme 5.3: Strategic Projects

To support and enhance Wesgro's mandate, the strategic projects team works on externally funded, multi-stakeholder projects as well as critical internal projects. The primary focus is the strategic alignment of the projects to the Wesgro mandate to result in key outputs contributing to the achievement of Wesgro's targets or certain objectives, which will have a positive impact on Wesgro's core deliverables.

The following projects will be managed during this financial year:

- Cape Town Air Access
- Cruise Cape Town
- Cape Health Tech Initiative

The **Cape Town Air Access project** is aimed at improving air connectivity to the Western Cape to increase the number of international passengers and air freight capacity, thereby achieving improved business competitiveness by having a destination with greater global access through air connectivity, and to grow air cargo.

The project's main focus areas during this financial year are strongly influenced by the COVID-19 pandemic, namely: retaining airlines flying directly to Cape Town International Airport and the resumption of their services; attracting new routes; developing air cargo routes; and lobbying national government.

The Cape Town Air Access project has well established collaboration across Wesgro, particularly the DMO unit as well as the Export Unit. The Cape Town Air Access project is governed, guided, and enabled by the Air Access Steering Committee comprised of six public sector partners. Furthermore, the private sector has participation in the project through the Advisory Committee.

The **Cruise Cape Town project** is aimed at growing the cruise economy in Cape Town and the Western Cape. The objectives of the project are to: retain cruise visits to Cape Town Port, improve cruise excursion offerings, facilitate the reduction of constraints to the cruise economy, improve the Cape Town and the Western Cape's competitiveness in the cruise industry, and support growth and job creation in the tourism and other industries associated with the cruise economy.

Cruise Cape Town is governed, guided and enabled by a Steering Committee consisting of six public and private sector partners.

The **Cape Health Tech Initiative** is aimed at developing Cape Town and the Western Cape as the health tech hub of Africa. The objectives of the project are promotion and awareness of Cape Town and the Western Cape as the health tech hub of Africa for investment and business, investment and infrastructure support, business support and development of health tech companies to foster an ecosystem of health innovation in the Cape, and build partnerships with local, national and international partners to identify, fund or leverage opportunities in health tech.

The Cape Health Tech Initiative has a strong relationship with the trade and investment teams specifically for exports and FDI attraction purposes. These linkages are also particularly strong with respect to pharmaceuticals, medical devices and cannabis where there have been significant collaboration and cross-selling.

3.5.2 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. 2022/23 outcome: An unqualified Audit report with no material findings.
Baseline	The Agency achieved an unqualified audit for the 2020/21 financial year.
Justification	The concept of value for money is an integral part of the strategic and operational activities. Strategy and Governance identifies and implements to 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 Report in terms of good governance and integrated service delivery through partnerships and spatial alignment.

Strategic outcome	
Strategic outcome	Managing, monitoring and control of strategic projects that support Wesgro's mandate of investment, exports and tourism, ultimately contributing to a fully functional, efficient and effective Agency.
Outcome statement	Strategic projects managed that support the Agency's mandate 2022/23 outcome: Strategic projects managed that support the Agency's mandate
Baseline	None.
Justification	The unit undertakes to support Wesgro in achieving its targets and execute on its mandate through the implementation of strategic projects. These projects are either catalytic in nature or seek to address economic challenges impeding investment, exports or tourism.
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.

3.5.3. Outcomes, outputs, performance indicators and targets 2022/23

No	Outcome	Outputs	Output Indicators	Annual Targets					
				Audited/Actual Performance			Estimated Performance 2021/22	MTEF Period	
				2018/19	2019/20	2020/21		2022/23	2023/24
5.1	Unqualified Audit report with no material findings	M&E outputs	Number of M&E performance reports submitted	5	5	8	8	8	8
		Quarterly board minutes	Number of quarterly board minutes to implement good governance	-	-	-	4	4	4
		Quarterly Board sub-committee minutes	Number of quarterly board sub-committee minutes to implement good governance			8	8	8	8
5.2	Strategic projects managed that support the Agency's mandate	Strategic projects	Quarterly reports evidencing strategic projects	-	-	-	4	4	4

Indicators, annual and quarterly Targets 2022/23 (Output indicators)

No	Output Indicators	Annual Target	Q1	Q2	Q3	Q4
5.1.1	Number of M&E performance reports submitted	8	2	2	2	2
5.1.2	Number of quarterly board minutes to implement good governance	4	1	1	1	1
5.1.3	Number of quarterly board sub-committee minutes to implement good governance	8	2	2	2	2

No	Output Indicators	Annual Target	Q1	Q2	Q3	Q4
5.2.1	Quarterly reports evidencing strategic projects	4	1	1	1	1

3.5.4. 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 governance support to ensure effective governance of the Agency. The unit provide support through strategy, monitoring and evaluation to ensure that there is effective performance management against legislative requirements.

The unit undertakes to support Wesgro's mandate through projects are either catalytic in nature or seek to address economic challenges impeding investment, exports or tourism.

3.5.5. Reconciling performance targets with the budget and MTEF Summary of payments and estimates:

Programme 5: Strategy and Governance

Programme R'000		Outcome			Estimated outcome	Medium-term estimate		
		Audited	Audited	Audited				
		2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25
	Administration	3 990	4 379	4 059	2 892			
5	Strategy & Governance					6 181	6 716	7 083
	Total payments and estimates	3 990	4 379	4 059	2 892	6 181	6 716	7 083

Summary of provincial payments and estimates by economic classification:

Programme 5: Strategy and Governance

Economic classification R'000		Outcome			Estimated outcome	Medium-term estimate		
		Audited	Audited	Audited				
		2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25
	Expenses							
	Current expense	3 990	4 379	4 059	2 892	6 181	6 607	6 859
	Compensation of employees	2 415	2 291	3 578	2 115	5 504	5 733	5 975
	Salary & Wages	2 363	2 156	3 259	1 843	4 878	5 075	5 283
	Basic salary	2 208	2 048	3 259	1 843	4 878	5 075	5 283
	Performance rewards	155	108			1 289	1 289	1 289
	Social Contributions (employer contribu- tions only)	52	135	319	272	1 892	1 924	1 958
	Pension	29	112	300	251	1 826	1 857	1 888
	Medical	18	18	14	18	1 313	1 313	1 313
	UIF	5	5	5	3	1 295	1 294	1 295
	Salary related expenses					1 325	1 327	1 329
	Use of goods and services	1 575	2 088	481	777	677	874	884
	Advertising	4	155	220	30	677	797	730
	Advertising of posts		100	196			120	53
	Advertising (marketing)	4	55	24	30			
	Board Costs	443	440	94	546	677	677	677
	Board - Remuneration	443	440	94	546	617	617	617
	Catering services	57	75			60	60	60
	Consultants, contractors and special services	440	540	145	98			65
	Consultants	50	80					65
	Contractors and special services	390	460	145	98			

Conference Expenditure	250	220		98			
Venues and facilities	140	240	145				
Travel and Subsistence	604	811	22	79		77	89
Air Travel - Air Tickets (Domestic)	38	89	(9)	13		13	6
Air Travel - Air Tickets (International)	516	606	15	30		46	52
Accommodation - Domestic	5			2		2	2
Accommodation - International	40	116	16	14		14	29
Other	5			20		2	
Training and staff development	27	67		24			
Total expenses	3 990	4 379	4 059	2 892	6 181	6 716	7 083

3.5.6 Performance and expenditure trends

The Unit ensures that good governance practices are implemented through the provision of support to the Wesgro Board and ensuring the effective running of the Board and its sub-committees. Wesgro supports through management, providing the required internal controls and mitigations are in place to ensure that the Board is able to undertake its fiduciary duties and ultimately achieve a clean external audit opinion. The unit undertakes to ensure that Wesgro can meet the required legislative deadlines as pertains to good governance and performance management.

The unit undertakes to support Wesgro in achieving its targets and execute on its mandate through the implementation of strategic projects. These projects are either catalytic in nature or seek to address economic challenges impeding investment, exports or tourism.

3.5.7. Key risks

Project risk statement	Inherent risk		Project risk mitigation	Residual risk rating	
	Impact	Likelihood		Impact	Likelihood
Perception of international market re Cape Town and the broader Western Cape, as a destination for Tourism and Investment.	5	5	<ul style="list-style-type: none"> A dedicated communications unit has been developed Capacity to coordinate responses e.g. Waterwise Tourism Communication A destination marketing unit has been established Current positive relationships with National Government departments and Ministers Regular interactions with National Government departments and Ministers Access to supporting data / facts when engaging with Government Ability to distinguish the Western Cape investment environment from other regions An investment pipeline is being developed to increase the number of future investments Align communication across Provincial and Local government to ensure investors remain confident (as part of Project Good Hope) Cape Investor Centre to bridge the gap between Wesgro and National government Capacity to coordinate responses International Investor Campaign International Tourism Campaign Have an increasingly pro-active mindset Board Strategy confirmed the planned actions Approved 5-year Wesgro Strategic Framework implemented Wesgro SWOT analysis updated accordingly 	5	2
The sustainable funding of Wesgro	5	5	<ul style="list-style-type: none"> Strong relationships with key stakeholders Intensive interventions with funders Enhanced collaboration and communication processes Validating the performance of Wesgro Increasing the value of Wesgro – enhancing the profile and authority of the agency Other government project management income around infrastructure Increasing funding sources – Adding contracts with municipalities Existing cost containment measures to limit exposure to foreign exchange. Continuous monitoring of the exchange rates Continued lobbying for additional funding 	5	2

Project risk statement	Inherent risk		Project risk mitigation	Residual risk rating	
	Impact	Likelihood		Impact	Likelihood
Collection, storage, retention, sharing and use of intellectual property	3	5	<ul style="list-style-type: none"> • Senior management engagements/interactions • Staff and management forums • Consolidated travel plans • Enhanced utilisation of SharePoint • Shared debriefs on economic growth focussed trips • Implement IT systems in support of virtual working arrangements • Adoption, implementation and use of CRM • Effective handover process 	3	2
Reduced effectiveness of Wesgro because of unclear roles and responsibilities	3	5	<ul style="list-style-type: none"> • Clarifying and communicating the definition of Wesgro's mandate • Increased collaboration with the City and the Provincial Government • Confirmation of technical amendments on mandates and KPI's • Ensure that contracting with the City and Province for funding is robust in terms of detail and Wesgro responsibilities • District Unit • Implement the Wesgro 5-year strategy developed in consultation with the Wesgro key funders 	3	2
Attraction and retention of Specialist Staff Capacity	5	4	<ul style="list-style-type: none"> • Clearly stipulated (focussed) mandate • Use of current staff skills in an effective and efficient manner • Training available to current staff members • Staff succession planning • Clearly established KPI's • Talent Retention Plan • Retention of key personnel is at risk due to reduced net pay (manage) • Implement employee health education activities that address steps to prevent transmission, respiratory etiquette, hand hygiene, emotional self-care, etc. • Implement procedures for monitoring and managing employee health at the workplace and readiness to support business operations • Free internship • Employee wellness programme implemented • Structured career development plans to be implemented into performance assessments 	5	1.6
Reputational risk (Wesgro)	5	5	<ul style="list-style-type: none"> • Effective Communications Department Implemented • Staff communication responsibilities incorporated into employment contracts • Social media policy and interaction with media (Wesgro staff) • Sustained engagement with National Government departments and Ministers 	5	2

Project risk statement	Inherent risk		Project risk mitigation	Residual risk rating	
	Impact	Likelihood		Impact	Likelihood
Delayed response to exogenous events (e.g. pandemic)	5	5	<ul style="list-style-type: none"> National Government's response to the pandemic COVID-19 support communication centre caused policy uncertainty between provincial and national departments 	5	2
Non-compliance to key regulatory requirements	4	3	<ul style="list-style-type: none"> Annual B-BBEE monitoring conducted in the Agency Incorporate POPI requirements into the policy reviews by the IT Steering Committee Regular update and approval of the Cost Containment Plan Training and Awareness Standardised Agreement templates to be developed 	4	1.2
Wesgro's inability to continuously respond to Digital Transformation in its processes and ways of working	4	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 Effective hybrid operational platforms within Wesgro 	4	1.2
Clear articulation of the Executive Authority and the Board reserved matters in our DOA	4	4	<ul style="list-style-type: none"> Communication plan to be defined Analysis of the PFMA to be done to identify specific provisions which do not align to the Wesgro Act, to reposition on these elements (PFMA requirements are more recent than provisions of the Wesgro Act) 	4	2.8
Payment and procurement fraud events	4	2	<ul style="list-style-type: none"> Additional controls implemented for payments and payment releases Consider leveraging the use of the Provincial Treasury tip-off line for Wesgro – establish communication and protocols for this Increased cyber-crime training and awareness 	4	0.8
Unclear rules to facilitate access to Wesgro competency and funds	4	3	<ul style="list-style-type: none"> Strategic frameworks in place to guide business decisions e.g. airlines Steering Committee oversight Some rules of engagement are established to assist in prioritisation 	4	2.8

3.6. Programme 6: Marketing and Communication

Purpose

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

3.6.1 Programme structure

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

Sub-programme 6.1: 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 – physical and virtual formats
- 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 6.2: 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
- Crisis communication and reactive interventions
- Tracking of traditional and arising threats to the destination

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 marketing projects

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

Project Good Hope – Exports Campaign

The objective of the Export Campaign “Why Buy” is to package and promote the export offering of Cape Town and the Western Cape. This is done through digital marketing in key source markets, aligned to the strategic goals of the Wesgro Export team and considering the COVID-19 trading landscape. It will also see the development of designed digital collateral which 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, 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 already 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.

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, which include:

- Reach (How many opportunities to see the campaign, including source market's 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 – this will align with the Trade team's efforts on the Cape Trade Portal.

Deepening efforts from 2020/21 and 2021/22, the continuation of the campaign will see a second burst of media spend behind the exports brand collateral previously developed. The UK audience identified in the first burst will be retargeted online, driving buyers to the Cape Trade Portal. New market consideration, including the USA, will be applied and researched to attract key future audiences. An online "push-pull" method will be applied in driving a unified message into market, whilst drawing international buyers through the consideration funnel to the portal for conversion by the Wesgro trade team. To remain competitive, significant spend is required to reach the likes of USA audiences online in 2022/2023, working to position the destination as a high value, competitive and export-orientated economy.

Situational analysis

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

Internally, the teams have undergone significant changes in the way they work. Adopting digital routes to market has meant that the Unit has had to adapt to a changing business environment. This is particularly relevant to the Exports and Investment Promotion teams, that pivoted to virtual missions during 2020/21 and 2021/22. The Unit requires digital infrastructure for best-in-class exhibitions, B2B sessions and virtual engagements.

COVID-19 has further reduced the impact of traditional media such as radio, TV and print. Globally, a rapidly accelerated digital world has meant that brands need to innovate to reach audiences in a meaningful way going forward. Online and digital platforms have also increased. New channel exploration, machine learning and programmatic marketing require specialist application and additional spend in order for the Western Cape to remain competitive, particularly when trying to reach younger audiences where they are online. The Unit has evolved into omni-channel marketing approached when confronted with new briefs and industry-led responses.

The Marketing and Communication Unit uses both traditional and new media routes, ensuring reach in key source markets. In terms of digital marketing, we are bidding for online space against other international tourism, investment, export 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 Unit has won multiple, global awards for its innovative, smart campaigns that ensure that the destination retains its place on the global stage and remains top of mind for audiences.

The overall perception of the country has a direct impact on the business brand of Cape Town and the Western Cape. Other regional factors, such as the vaccination roll-outs, 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, and the systemic capabilities of the public and private sector response, impact these perceptions. It is vital that we show how resilient we are, which sectors have shown considerable growth despite the pandemic, that the future still holds opportunities for business stakeholders locally and globally, and that key sectors offer a range of opportunities. Our role as the Agency for the destination is to counteract negative perceptions with the positive economic stories that exist, underpinned by our research and private sector profiling.

3.6.2. Strategic objectives

Strategic outcome	
Strategic outcome	Profile and position the Agency through its core mandates of investment, export, tourism and film.
Outcome statement	5-year outcome: To build a strong regional economic brand with an estimated rand value of R398.1m AVE. 2022/23 outcome: To build a strong regional economic brand with an estimated rand value of R79.5m AVE.
Baseline	A total of R121m in AVE was generated during the 2020/21 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.

3.6.3. Outcomes, performance indicators and targets 2022/23

No	Outcome	Outputs	Output Indicators	Annual Targets					
				Audited/Actual Performance		Estimated Performance 2021/22	MTEF Period		
				2018/19	2019/20	2020/21	2022/23	2023/24	2024/25
6.1	Rand value of the advertising value equivalent (AVE) generated for the Agency	Corporate events	Number of corporate events	51	57	99	45-55	45-55	45-55
		Content management	Quarterly reports evidencing content management of Agency collateral	-	-	4	4	4	4

Indicators, Annual and Quarterly Targets 2022/23 (Output indicators)

No.	Output Indicators	Annual Target	Q1	Q2	Q3	Q4
6.1.1	Number of corporate events	45-55	5-10	10-15	10-15	15-15
6.1.2	Quarterly reports evidencing content management of Agency collateral	4	1	1	1	1

3.6.4 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. To do this, Wesgro makes use of both earned media communication (resulting in print, broadcast and digital coverage) and social media (such as Facebook, Twitter, Instagram, YouTube, TikTok and LinkedIn). It also makes use of direct marketing efforts (such as CRM) and paid strategic media campaigns to promote stories that create a positive perception of the destination. This is measured in AVE and campaign-specific digital metrics.

As a cross-cutting support to the other units within Wesgro, the Unit develops both B2B and B2C campaigns as a response to industry and in support of the mandates across tourism, trade, investment and film.

The Unit builds the brand of the destination through multi-channel marketing efforts, by creating campaigns and collateral for the Agency and partners to use when they promote the destination. Collateral such as videos, images, online brochures, sector information, digital banners and designed strategic research collateral are disseminated at webinars, exhibitions, conferences, on missions and in partner marketing efforts across various channels.

3.6.5 Reconciling performance targets with the budget and MTEF Summary of payments and estimates:

Programme 6: Marketing and Communication

Programme R'000		Outcome			Estimated outcome	Medium-term estimate		
		Audited	Audited	Audited				
		2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25
6	Marketing and Communication	5 823	6 036	6 156	10 583	10 493	11 902	12 217
	Total payments and estimates	5 823	6 036	6 156	10 583	10 493	11 902	12 217

Summary of provincial payments and estimates by economic classification:

Programme 6: Marketing and Communication

Economic classification R'000		Outcome			Estimated outcome	Medium-term estimate		
		Audited	Audited	Audited				
		2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25
	Expenses							
	Current expense	5 823	6 036	6 156	10 583	10 493	11 902	12 217
	Compensation of employees	3 457	3 724	4 146	5 583	5 492	5 792	6 107
	Salary & Wages	3 298	3 278	3 663	4 479	4 730	4 991	5 265
	Basic salary	3 134	3 095	3 663	4 479	4 730	4 991	5 265
	Performance rewards	164	183					
	Social Contributions (employer contributions only)	159	446	483	1 104	762	801	842
	Pension	112	397	432	938	705	744	785
	Medical	36	36	36	145	36	36	36
	UIF	11	13	15	21	21	21	21
	Use of goods and services	2 366	2 312	2 010	5 000	5 001	6 110	6 110
	Advertising	1 651	1 646	1 118	2 897	2 734	3 810	2 750
	Gifts and Promotional items	200	200		50			
	Advertising (marketing)	1 451	1 446	1 118	2 847	2 734	3 810	2 750
	Consultants, contractors and special services	371	361	749	1 113	1 221	1 390	2 395

Consultants	42	42	74	60	61	80	90
Contractors and special services	329	319	675	1 053	1 160	1 310	2 305
Conference Expenditure	110	100	183	600	650	680	700
Photographic services	60	44		153	150	200	1 200
Venues and facilities	159	175	492	300	360	430	405
Inventory	140	110	20	300	350	300	345
Subscriptions	140	110	20	300	350	300	345
Printing and publication	190	184	113	587	600	610	620
Professional bodies and membership fees							
Travel and Subsistence	14	11	10	103	96		
Air Travel - Air Tickets (Domestic)	9	9	5	44	25		
Air Travel - Air Tickets (International)			2	43	40		
Accommodation - Domestic		1		3	3		
Accommodation - International				12	24		
Other	5	1	3	1	4		
Total expenses	5 823	6 036	6 156	10 583	10 493	11 902	12 217

3.6.6. Performance and expenditure trends

Aimed at promoting the business and destination brand, the Unit has embarked on several 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.

3.6.7 Key risks

Project risk statement	Inherent risk		Project risk mitigation	Residual risk rating	
	Impact	Likelihood		Impact	Likelihood
Perception of international market re Cape Town and the broader Western Cape, as a destination for Tourism and Investment.	5	5	<ul style="list-style-type: none"> A dedicated communications unit has been developed Capacity to coordinate responses e.g. Waterwise Tourism Communication A destination marketing unit has been established Current positive relationships with National Government departments and Ministers Regular interactions with National Government departments and Ministers Access to supporting data / facts when engaging with Government Ability to distinguish the Western Cape investment environment from other regions An investment pipeline is being developed to increase the number of future investments Align communication across Provincial and Local government to ensure investors remain confident (as part of Project Good Hope) Cape Investor Centre to bridge the gap between Wesgro and National government Capacity to coordinate responses International Investor Campaign International Tourism Campaign Have an increasingly pro-active mindset Board Strategy confirmed the planned actions Approved 5-year Wesgro Strategic Framework implemented Wesgro SWOT analysis updated accordingly 	5	2
The sustainable funding of Wesgro	5	5	<ul style="list-style-type: none"> Strong relationships with key stakeholders Intensive interventions with funders Enhanced collaboration and communication processes Validating the performance of Wesgro Increasing the value of Wesgro – enhancing the profile and authority of the agency Other government project management income around infrastructure Increasing funding sources – Adding contracts with municipalities Existing cost containment measures to limit exposure to foreign exchange. Continuous monitoring of the exchange rates Continued lobbying for additional funding 	5	2

Project risk statement	Inherent risk		Project risk mitigation	Residual risk rating	
	Impact	Likelihood		Impact	Likelihood
Collection, storage, retention, sharing and use of intellectual property	3	5	Senior management engagements/interactions Staff and management forums Consolidated travel plans Enhanced utilisation of SharePoint Shared debriefs on economic growth focussed trips Implement IT systems in support of virtual working arrangements Adoption, implementation and use of CRM Effective handover process	3	2
Reduced effectiveness of Wesgro because of unclear roles and responsibilities	3	5	Clarifying and communicating the definition of Wesgro's mandate Increased collaboration with the City and the Provincial Government Confirmation of technical amendments on mandates and KPI's Ensure that contracting with the City and Province for funding is robust in terms of detail and Wesgro responsibilities District Unit Wesgro key funders Implement the Wesgro 5-year strategy developed in consultation with the	3	2
Attraction and retention of Specialist Staff Capacity	5	4	Clearly stipulated (focussed) mandate Use of current staff skills in an effective and efficient manner Training available to current staff members Staff succession planning Clearly established KPI's Talent Retention Plan Retention of key personnel is at risk due to reduced net pay (manage) Implement employee health education activities that address steps to prevent transmission, respiratory etiquette, hand hygiene, emotional self-care, etc. Implement procedures for monitoring and managing employee health at the workplace and readiness to support business operations Free internship Employee wellness programme implemented Structured career development plans to be implemented into performance assessments	5	1.6

Project risk statement	Inherent risk		Project risk mitigation	Residual risk rating	
	Impact	Likelihood		Impact	Likelihood
Reputational risk (Wesgro)	5	5	Effective Communications Department Implemented Staff communication responsibilities incorporated into employment contracts Social media policy and interaction with media (Wesgro staff) Sustained engagement with National Government departments and Ministers	5	2
Delayed response to exogenous events (e.g. pandemic)	5	5	National Government's response to the pandemic COVID-19 support communication centre caused policy uncertainty between provincial and national departments	5	2
Non-compliance to key regulatory requirements	4	3	Annual B-BBEE monitoring conducted in the Agency Incorporate POPI requirements into the policy reviews by the IT Steering Committee Regular update and approval of the Cost Containment Plan Training and Awareness Standardised Agreement templates to be developed	4	1.2
Wesgro's inability to continuously respond to Digital Transformation in its processes and ways of working	4	3	Incorporation of the IT risks into the IT Steering Committee report Enhanced IT security in line with the digital transformation Effective hybrid operational platforms within Wesgro	4	1.2
Clear articulation of the Executive Authority and the Board reserved matters in our DOA	4	4	<input type="checkbox"/> Communication plan to be defined <input type="checkbox"/> Analysis of the PFMA to be done to identify specific provisions which do not align to the Wesgro Act, to reposition on these elements (PFMA requirements are more recent than provisions of the Wesgro Act)	4	2.8
Payment and procurement fraud events	4	2	<input type="checkbox"/> Additional controls implemented for payments and payment releases <input type="checkbox"/> Consider leveraging the use of the Provincial Treasury tip-off line for Wesgro – establish communication and protocols for this <input type="checkbox"/> Increased cyber-crime training and awareness	4	0.8
Unclear rules to facilitate access to Wesgro competency and funds	4	3	<input type="checkbox"/> Strategic frameworks in place to guide business decisions e.g. airlines <input type="checkbox"/> Steering Committee oversight <input type="checkbox"/> Some rules of engagement are established to assist in prioritisation	4	2.8

3.7. Programme 7: 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 events (through its Convention Bureau team), tourism trade, traditional and digital media, 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.

3.7.1 Programme structure

The Programme also aligns the Provincial Tourism Master Plan with the National Department of Tourism's five-year strategy as well as the Western Cape Tourism Blueprint 2030. The Programme is structured to create demand and awareness of the Western Cape as a tourism destination.

The Programme is divided into two sub-programmes:

Sub-programme 7.1: 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 (meetings, conferences, incentive travel and exhibitions)
- Stakeholder management and engagements

Sub-programme 7.2: 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
- Cruises, through the Cruise Cape Town project

The Leisure Unit places emphasis on:

- The creation of demand through marketing activities, with a key focus on domestic and international tourism marketing campaigns (supported through Programme 6: Marketing and Communication)
- The acquisition and generation of data and intelligence
- Collaboration with various provincial (e.g., regional and local tourism offices), national (e.g. SATSA, 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 programmes)
- Focussed sector approach and cross-selling with other Wesgro Units (e.g., trade team)

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 and retention.

COVID-19 and the resultant travel bans and restrictions in gathering sizes 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 in the long term, and how long recovery will take. It is essential for Wesgro's DMO to respond in a strategic manner to ensure that demand is reignited and sustained in key international markets, and that the domestic consumer market is retained as the world opens up again. This will require:

- Actively demonstrating the safety and travel readiness of the destination in a post-COVID-19 world.
- Assisting tourism partners with the necessary tools to rebuild their businesses.
- Continuing with the collaborative approach between government and the tourism industry for recovery.
- Focussed and impactful domestic and international marketing campaigns to stimulate demand (see below).

Leisure Tourism

Domestic and international marketing campaigns continue to be 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 takes into consideration the following:

- Continuation of tourism campaigns that position the depth and breadth of experiences available throughout Cape Town and the Western Cape, ensuring that geographic spread and seasonality issues are addressed. The campaigns put Cape Town and the Western Cape onto the consideration list of selected source markets and inspire travel to the destination. The creative includes the destination value proposition as well as a unique reason to believe, which differentiates the destination in a cluttered marketing space to remain top of mind.
- Building familiarity, inspiration through information and the demonstration of a safe travel space, will ultimately lead to conversion.
- Digital channel selection will be based on the preferred channels of the targeted market. This will be supported by in-market partnerships, including strategic media, print and radio, as well as tourism industry partners with digital marketing capabilities and audiences.

- Given the competitive landscape of the online bidding space and the budget, our efforts need to be prioritised in order to get maximum ROI and impact. This includes partnering with players along the tourism value chain to ensure that campaigns benefit from maximum ROI, maximum exposure and maximum conversion opportunities. To this end we are emphasising Joint Marketing Agreements in the roll-out of international and domestic campaigns.
- Similarly, we continue to sweat the content by using the white label mechanisms, enabling Municipalities and the tourism industry to use campaign collateral.

We continue to deepen our partnerships and collaboration with both the private and public sector so that we can maximise the effect of our effort and spend. Partnering with Municipalities and the development of public-private partnerships to package and promote key regions within the province will deliver an accessible value proposition to the potential traveller in a highly cost-effective way.

The domestic traveller has been the lifeblood of an incredibly constrained industry throughout the pandemic, and the DMO will focus on retaining the market share and the positivity of the domestic traveller even after the world opens up for the South African tourist. Key interventions include engagements with product to ensure retention of a domestic pricing strategy, seasonal leisure tourism campaigns to stimulate demand for the destination (again choosing channels specific to this market and including local tourism players for maximum ROI) and robust education of South African travel trade in order to sell the destination with confidence.

Underpinning all efforts of the Wesgro DMO is the strategic alignment with SA Tourism's brand positioning and the leveraging of benefits for Cape Town and the Western Cape delivered by the global brand investment. Similarly, a coordinated effort with Cape Town Tourism is imperative to ensure smart investment across City and Province, with coordinated and interlocked efforts both domestically, regionally and internationally.

We are emphasising Business Events, although it is a brief on its own, so that it can be built into the leisure marketing efforts for added leverage and conversion from leisure to business and business to leisure. Tourism from the rest of Africa presents an opportunity here, and the DMO will engage with prioritised markets via the travel trade, emphasising Cape Town and the Western Cape's possibilities as a leisure destination to the business traveller.

Regional Tourism Forums are an essential part of the work of the DMO and are undertaken quarterly with the six tourism regions of the Western Cape, namely: Cape West Coast, Cape Overberg, City of Cape Town, Cape Winelands, Garden Route and Klein Karoo, and the Cape Karoo. These forums engage on the various tourism areas, seek collaboration and alignment, and share information.

Convention Bureau (Business Tourism)

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

- Promoting local knowledge economy: encourage 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: implement joint sales lead development projects with key private sector, public sector and internal stakeholders to drive forward bookings and regional spread of meetings, conferences and incentive travel.

- Driving marketing campaigns to strengthen the destination position of leader 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, ICCA, 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.

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. Focusing on economic sectors that are priority align to international conference bidding best practice and have a higher rate of success.

3.7.2 Strategic outcomes

Strategic outcome	
Strategic outcome	Enhance the attractiveness, awareness and accessibility of the of region and drive conversion.
Outcome statement	5-year outcome: To market Cape Town and the Western Cape with an estimated economic value of R2.65bn – R4.24bn in tourism marketing initiatives. 2022/23 outcome: To market Cape Town and the Western Cape with an estimated economic value of R530m and R848m in tourism marketing initiatives.
Baseline	An estimated value of R487.24m was generated from tourism marketing initiatives for the 2020/21 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.

3.7.3 Outcomes, Performance Indicators and Targets 2022/23

No	Outcome	Outputs	Output Indicators	Annual Targets					
				Audited/Actual Performance			Estimated Performance 2021/22	MTEF Period	
				2018/19	2019/20	2020/21		2022/23	2023/24
7.1	Total estimated economic value of tourism destination marketing initiatives	Joint marketing agreements secured	Number of joint marketing agreements secured	19	26	16	15	15	15
		Leisure event marketing agreements secured	Number of leisure event marketing agreements secured	50	49	34	35	35	35
		Bids secured	Number of bids secured	30	52	15	15	15	15

Indicators, Annual and Quarterly Targets 2022/23 (Output indicators)

No.	Output Indicators	Annual Target	Q1	Q2	Q3	Q4
7.1.1	Number of joint marketing agreements secured	15	-	--	-	15
7.1.2	Number of leisure event marketing agreements secured	35	5	10	10	10
7.1.3	Number of bids secured	15	4	5	4	2

3.7.4. 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:

- Joint marketing agreements.
- Leisure event marketing agreements.
- Bids secured.

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

3.7.5 Reconciling performance targets with the budget and MTEF Summary of payments and estimates:

Programme 7: Destination Marketing Organisation

Sub-programme R'000 Audited		Outcome			Estimated outcome	Medium-term estimate		
		Audited	Audited	Audited				
		2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25
7	Organisational Support	10 987	11 667	11 987	12 915	14 661	14 768	15 303
	Integrated Marketing	6 794	7 359	32 902	45 483	50 912	43 630	44 095
	Total payments and estimates	17 781	19 026	44 889	58 398	65 573	58 398	59 398

Summary of provincial payments and estimates by economic classification:

Programme 7: Destination Marketing Organisation

Economic classification R'000		Outcome			Estimated outcome	Medium-term estimate		
		Audited	Audited	Audited				
		2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25
	Expenses							
	Current expense	17 369	19 026	44 879	58 398	65 573	58 398	59 398
	Compensation of employees	14 317	15 627	17 424	21 784	21 597	22 769	23 610
	Salary & Wages	13 812	13 790	15 019	17 777	18 900	19 945	20 737
	Basic salary	13 079	13 081	15 019	17 777	18 900	19 945	20 737
	Performance rewards	733	709					
	Social Contributions (employer contributions only)	505	1 837	2 405	4 007	2 697	2 824	2 873
	Pension	334	1 538	2 052	3 513	2 231	2 348	2 386
	Medical	117	246	299	426	214	214	214
	UIF	54	53	54	68	252	262	273
	Salary related expenses							
	Use of goods and services	3 052	3 399	27 455	36 614	43 976	35 629	35 788
	Advertising			21 976	16 745	17 074	17 530	16 273
	Advertising of posts							
	Advertising (marketing)			21 976	16 745	17 074	17 530	16 273
	Audit Fees	520	1 034	428	840			
	Internal	400	696	75	402			

Economic classification R'000		Outcome			Estimated outcome	Medium-term estimate		
		Audited	Audited	Audited				
		2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25
	Forensic							
	External	120	338	353	438			
	Communication		487	40				
	Telephone		487	40				
	Consultants, contractors and special services	700		3 267	14 697	21 560	13 071	13 826
	Consultants	400		323	7 465	15 190	6 820	7 308
	Contractors and special services	300		2 944	7 232	6 370	6 251	6 518
	General Expenses	300		11				
	Donations paid				3 420	3 362	2 794	3 243
Staff	Agency Administrative and Support			2 933	3 812	3 008	3 457	3 275
	Inventory			859	481	529	656	583
	Stationery and printing			4				
	Subscriptions			5	481	529	656	583
	Restoration and fittings			850				
	Operating leases	1 808	1 878	798	1 556	1 165	541	1 000
	Rent-buildings	1 808	1 878	798	1 556	1 165	541	1 000
	Owned/ leasehold and property exp. (Establishment Costs)			22				
	Printing and publication							
	Professional bodies and membership fees			22				
	Travel and Subsistence			65	2 295	3 648	3 831	4 106
	Air Travel - Air Tickets (Domestic)			11	433	510	560	525
	Air Travel - Air Tickets (International)			63	990	1 479	1 463	1 424
	Accommodation - Domestic			(17)	52	257	171	163
	Accommodation - International			8	600	1 160	1 373	1 728
	Other				220	242	264	266
	Training and staff development	24						
	Depreciation and amortisation	412		10				
	Land							
	Computer equipment	76		2				
	Furniture and Office equipment	91		2				
	Other Machinery and equipment	49		2				
	Crockery and Cutlery							
	Transport Assets	101		2				
	Computer Software	95		2				
	Total expenses	17 781	19 026	44 889	58 398	65 573	58 398	59 398

3.7.6. Performance and expenditure trends

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

3.7.7 Key risks

Project risk statement	Inherent risk		Project risk mitigation	Residual risk rating	
	Impact	Likelihood		Impact	Likelihood
Perception of international market re Cape Town and the broader Western Cape, as a destination for Tourism and Investment.	5	5	<ul style="list-style-type: none"> A dedicated communications unit has been developed Capacity to coordinate responses e.g. Waterwise Tourism Communication A destination marketing unit has been established Current positive relationships with National Government departments and Ministers Regular interactions with National Government departments and Ministers Access to supporting data / facts when engaging with Government Ability to distinguish the Western Cape investment environment from other regions An investment pipeline is being developed to increase the number of future investments Align communication across Provincial and Local government to ensure investors remain confident (as part of Project Good Hope) Cape Investor Centre to bridge the gap between Wesgro and National government Capacity to coordinate responses International Investor Campaign International Tourism Campaign Have an increasingly pro-active mindset Board Strategy confirmed the planned actions Approved 5-year Wesgro Strategic Framework implemented Wesgro SWOT analysis updated accordingly 	5	2
The sustainable funding of Wesgro	5	5	<ul style="list-style-type: none"> Strong relationships with key stakeholders Intensive interventions with funders Enhanced collaboration and communication processes Validating the performance of Wesgro Increasing the value of Wesgro – enhancing the profile and authority of the agency Other government project management income around infrastructure Increasing funding sources – Adding contracts with municipalities Existing cost containment measures to limit exposure to foreign exchange. Continuous monitoring of the exchange rates Continued lobbying for additional funding 	5	2

Project risk statement	Inherent risk		Project risk mitigation	Residual risk rating	
	Impact	Likelihood		Impact	Likelihood
Collection, storage, retention, sharing and use of intellectual property	3	5	<ul style="list-style-type: none"> • Senior management engagements/interactions • Staff and management forums • Consolidated travel plans • Enhanced utilisation of SharePoint • Shared debriefs on economic growth focussed trips • Implement IT systems in support of virtual working arrangements • Adoption, implementation and use of CRM • Effective handover process 	3	2
Reduced effectiveness of Wesgro because of unclear roles and responsibilities	3	5	<ul style="list-style-type: none"> • Clarifying and communicating the definition of Wesgro's mandate • Increased collaboration with the City and the Provincial Government • Confirmation of technical amendments on mandates and KPI's • Ensure that contracting with the City and Province for funding is robust in terms of detail and Wesgro responsibilities • District Unit • Implement the Wesgro 5-year strategy developed in consultation with the Wesgro key funders 	3	2
Attraction and retention of Specialist Staff Capacity	5	4	<ul style="list-style-type: none"> • Clearly stipulated (focussed) mandate • Use of current staff skills in an effective and efficient manner • Training available to current staff members • Staff succession planning • Clearly established KPI's • Talent Retention Plan • Retention of key personnel is at risk due to reduced net pay (manage) • Implement employee health education activities that address steps to prevent transmission, respiratory etiquette, hand hygiene, emotional self-care, etc. • Implement procedures for monitoring and managing employee health at the workplace and readiness to support business operations • Free internship • Employee wellness programme implemented • Structured career development plans to be implemented into performance assessments 	5	1.6
Reputational risk (Wesgro)	5	5	<ul style="list-style-type: none"> • Effective Communications Department Implemented • Staff communication responsibilities incorporated into employment contracts • Social media policy and interaction with media (Wesgro staff) • Sustained engagement with National Government departments and Ministers 	5	2

Project risk statement	Inherent risk		Project risk mitigation	Residual risk rating	
	Impact	Likelihood		Impact	Likelihood
Delayed response to exogenous events (e.g. pandemic)	5	5	<ul style="list-style-type: none"> National Government's response to the pandemic COVID-19 support communication centre caused policy uncertainty between provincial and national departments 	5	2
Non-compliance to key regulatory requirements	4	3	<ul style="list-style-type: none"> Annual B-BBEE monitoring conducted in the Agency Incorporate POPI requirements into the policy reviews by the IT Steering Committee Regular update and approval of the Cost Containment Plan Training and Awareness Standardised Agreement templates to be developed 	4	1.2
Wesgro's inability to continuously respond to Digital Transformation in its processes and ways of working	4	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 Effective hybrid operational platforms within Wesgro 	4	1.2
Clear articulation of the Executive Authority and the Board reserved matters in our DOA	4	4	<ul style="list-style-type: none"> Communication plan to be defined Analysis of the PFMA to be done to identify specific provisions which do not align to the Wesgro Act, to reposition on these elements (PFMA requirements are more recent than provisions of the Wesgro Act) 	4	2.8
Payment and procurement fraud events	4	2	<ul style="list-style-type: none"> Additional controls implemented for payments and payment releases Consider leveraging the use of the Provincial Treasury tip-off line for Wesgro – establish communication and protocols for this Increased cyber-crime training and awareness 	4	0.8
Unclear rules to facilitate access to Wesgro competency and funds	4	3	<ul style="list-style-type: none"> Strategic frameworks in place to guide business decisions e.g. airlines Steering Committee oversight Some rules of engagement are established to assist in prioritisation 	4	2.8

3.8. Programme 8: Film and Media Promotion

Purpose

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

3.8.1. Programme structure

The Film and Media Promotion Unit represents the City of Cape Town and Western Cape region as a film location.

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 medial 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.

Annual film and media markets are the established major market events attached to festivals at Annecy, Berlin, Cannes, South By Southwest (SXSW) and Toronto, and for the emerging BRICS areas at the Rio Content Market, Beijing and Hong Kong markets. The unit represents the City of Cape Town and the Western Cape region as a film location at the above.

An important intervention for the next five years is supporting outward missions in collaboration with partners to activate the exporter growth of companies in the Western Cape. 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 Department of Trade, Industry and Competition (dtic) and its Export Marketing Investment Assistance (EMIA) and/or its Sector Specific Assistance schemes (SSAS), 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. Much of this activity is now done on virtual platforms and/or in a hybrid format as an adaptive response to the changing business climate.

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 the Western Cape and South Africa. These include NFVF, the dtic 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 the 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.

A number of inward missions could possibly be in person, but this may continue to be virtual – such as the virtual attendance of the country's producers at the 2021 Encounters International Documentary Film Festival and hybrid at the 2021 Cape Town Animation Film Festival. The Unit will participate in the physical film festivals, however, virtual participation in a hybrid format on international platforms will most likely continue, including virtual stands. There is also an expansion plan to the Film and Media units e-pamphlet, the update to the manual, "Creative Locations Cape Town and Western Cape" on the website as well as the new Filmmakers Guide to the Western Cape (pivoted from the Filmmakers Guide to Africa) which will hold an industry directory.

Research is always seminal to the Unit's work and Wesgro will continue to participate in projects such as the benchmark NFVF Economic Impact Assessment Study published in July (Wesgro was a partner panellist at the launch and took part in the focus group process). There is also a gaming research project (Wesgro is a junior supporter) and the ongoing animation research (in focus group stage) are helping to bring awareness to the industry's opportunities. Wesgro is driving awareness of the industry, which is quick to start and create jobs, into the districts through focus groups and the DEDAT Film Action plan.

The ongoing interventions to drive recovery are as follows:

- Pivot some of the travel budgets to do more on-line and hybrid trade shows (festivals and markets).
- Pivot the region to be recorded and streamed online for those who want to see skills and locations of the Cape.
- Market the region via new and updated publications and SOPs.
- Help to lobby for ease of doing business across the national, regional and local departments affecting film and media businesses.
- Continue to take part in research and publicise aligned investment opportunities .
- Continue to cross sell via all the units in Wesgro.

Film sectors

The priority sectors are long form TV series, such as attracting another "Homeland" or "Black Sails" or "Raised by Wolves" to the region along with supporting local industry to create their own TV series such as "Suidooster", now the most watched soapy on kykNET and shooting at the new Atlantic Film Studios. TV series with the new streamers, such as "Blood and Water", is an example of leveraging both service expertise and local intellectual property. 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 are focussed on:

- Independent feature films and TV series;
- Expanding and increasing the amount of studios;
- The intangible asset manufacturing of animations (TV, feature, games, e-sports);
- Postproduction and visual effects, augmented reality and virtual reality.

Markets

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

- Any co-production country (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 facilitated via trade and investment missions into the continent.

3.8.2 Strategic objectives

Strategic outcome	
Strategic Outcome	To firmly establish a globally competitive film sector.
Outcome statements	5-year outcome: To recruit and facilitate between R10.13bn and R17.82bn film and media productions brought into the Province, with between 15 246 FTE and 18 472 FTE jobs. 2022/23 outcome: To recruit and facilitate between R1.85bn and R283bn film and media productions brought into the Province, resulting in between 2 850 and 3 453 FTE jobs.
Baseline	A total value of R612m was committed in the film and media sector, resulting in 413 FTE jobs during the 2020/21 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.

3.8.3. Outcomes, Outputs, Performance Indicators and Targets 2022/23

No.	Outcome	Outputs	Output Indicators	Annual Targets					
				Audited/Actual Performance		Estimated Performance 2021/22	MTEF Period		
				2018/19	2019/20		2020/21	2022/23	2024/25
8.1	Rand value of film and media productions brought into the Province	Film and media declarations signed	Number of film and media declarations signed	5	5	2-5	7	2-5	2-5
8.2	Number of jobs facilitated through the productions brought into the Province								

Indicators, Annual and Quarterly Targets 2022/23 (Output indicators):

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

3.8.4. Explanation of planned performance over the medium-term period

The planned performance and expenditure of this programme is aligned to the current trends of the film industry alongside the current and future policy framework of the industry.

3.8.5. Reconciling performance targets with the budget and MTEF Summary of payments and estimates:

Programme 8: Film and Media Promotion

Programme R'000		Outcome			Estimated outcome 2021/22	Medium-term estimate		
		Audited 2018/19	Audited 2019/20	Audited 2020/21		2022/23	2023/24	2024/25
8	Film and Media Promotion					3 540	3 540	3 540
	Total payments and estimates					3 540	3 540	3 540

Summary of provincial payments and estimates by economic classification:

Programme 8: Film and Media Promotion

Economic classification R'000		Outcome			Estimated outcome 2021/22	Medium-term estimate		
		Audited	Audited	Audited				
		2018/19	2019/20	2020/21		2022/23	2023/24	2024/25
	Expenses							
	Current expense					3 540	3 540	3 540
	Compensation of employees					1 888	1 961	2 049
	Salary & Wages					1 741	1 819	1 901
	Basic salary					1 741	1 819	1 901
	Performance rewards							
	Social Contributions (employer contributions only)					147	142	148
	Pension					142	137	143
	Medical					2	2	2
	UIF					3	3	3
	Salary related expenses							
	Use of goods and services					1 652	1 579	1 491
	Advertising					850	890	720
	Advertising (marketing)					850	890	720
	Consultants, contractors and special services					602	479	543
	Consultants					547	425	488
	Contractors and special services					55	54	55
	Conference Expenditure					30	30	30
	Venues and facilities					25	24	25
	Travel and Subsistence					200	210	228
	Air Travel - Air Tickets (Domestic)					12	12	12
	Air Travel - Air Tickets (International)					105	110	115
	Accommodation - Domestic							
	Accommodation - International					80	85	98
	transport: Governmeny Garage							
	Motor Finance: Claim above 500 km							
	Entertainment							
	Other					3	3	3
	Total expenses					3 540	3 540	3 540

3.8.6. Key risks

Project risk statement	Inherent risk		Project risk mitigation	Residual risk rating	
	Impact	Likelihood		Impact	Likelihood
Perception of international market re Cape Town and the broader Western Cape, as a destination for Tourism and Investment.	5	5	<ul style="list-style-type: none"> A dedicated communications unit has been developed Capacity to coordinate responses e.g. Waterwise Tourism Communication A destination marketing unit has been established Current positive relationships with National Government departments and Ministers Regular interactions with National Government departments and Ministers Access to supporting data / facts when engaging with Government Ability to distinguish the Western Cape investment environment from other regions An investment pipeline is being developed to increase the number of future investments Align communication across Provincial and Local government to ensure investors remain confident (as part of Project Good Hope) Cape Investor Centre to bridge the gap between Wesgro and National government Capacity to coordinate responses International Investor Campaign International Tourism Campaign Have an increasingly pro-active mindset Board Strategy confirmed the planned actions Approved 5-year Wesgro Strategic Framework implemented Wesgro SWOT analysis updated accordingly 	5	2
The sustainable funding of Wesgro	5	5	<ul style="list-style-type: none"> Strong relationships with key stakeholders Intensive interventions with funders Enhanced collaboration and communication processes Validating the performance of Wesgro Increasing the value of Wesgro – enhancing the profile and authority of the agency Other government project management income around infrastructure Increasing funding sources – Adding contracts with municipalities Existing cost containment measures to limit exposure to foreign exchange. Continuous monitoring of the exchange rates Continued lobbying for additional funding 	5	2

Project risk statement	Inherent risk		Project risk mitigation	Residual risk rating	
	Impact	Likelihood		Impact	Likelihood
Collection, storage, retention, sharing and use of intellectual property	3	5	<ul style="list-style-type: none"> • Senior management engagements/interactions • Staff and management forums • Consolidated travel plans • Enhanced utilisation of SharePoint • Shared debriefs on economic growth focussed trips • Implement IT systems in support of virtual working arrangements • Adoption, implementation and use of CRM • Effective handover process 	3	2
Reduced effectiveness of Wesgro because of unclear roles and responsibilities	3	5	<ul style="list-style-type: none"> • Clarifying and communicating the definition of Wesgro's mandate • Increased collaboration with the City and the Provincial Government • Confirmation of technical amendments on mandates and KPI's • Ensure that contracting with the City and Province for funding is robust in terms of detail and Wesgro responsibilities • District Unit • Implement the Wesgro 5-year strategy developed in consultation with the Wesgro key funders 	3	2
Attraction and retention of Specialist Staff Capacity	5	4	<ul style="list-style-type: none"> • Clearly stipulated (focussed) mandate • Use of current staff skills in an effective and efficient manner • Training available to current staff members • Staff succession planning • Clearly established KPI's • Talent Retention Plan • Retention of key personnel is at risk due to reduced net pay (manage) • Implement employee health education activities that address steps to prevent transmission, respiratory etiquette, hand hygiene, emotional self-care, etc. • Implement procedures for monitoring and managing employee health at the workplace and readiness to support business operations • Free internship • Employee wellness programme implemented • Structured career development plans to be implemented into performance assessments 	5	1.6
Reputational risk (Wesgro)	5	5	<ul style="list-style-type: none"> • Effective Communications Department Implemented • Staff communication responsibilities incorporated into employment contracts • Social media policy and interaction with media (Wesgro staff) • Sustained engagement with National Government departments and Ministers 	5	2

Project risk statement	Inherent risk		Project risk mitigation	Residual risk rating	
	Impact	Likelihood		Impact	Likelihood
Delayed response to exogenous events (e.g. pandemic)	5	5	<ul style="list-style-type: none"> National Government's response to the pandemic COVID-19 support communication centre caused policy uncertainty between provincial and national departments 	5	2
Non-compliance to key regulatory requirements	4	3	<ul style="list-style-type: none"> Annual B-BBEE monitoring conducted in the Agency Incorporate POPI requirements into the policy reviews by the IT Steering Committee Regular update and approval of the Cost Containment Plan Training and Awareness Standardised Agreement templates to be developed 	4	1.2
Wesgro's inability to continuously respond to Digital Transformation in its processes and ways of working	4	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 Effective hybrid operational platforms within Wesgro 	4	1.2
Clear articulation of the Executive Authority and the Board reserved matters in our DOA	4	4	<ul style="list-style-type: none"> Communication plan to be defined Analysis of the PFMA to be done to identify specific provisions which do not align to the Wesgro Act, to reposition on these elements (PFMA requirements are more recent than provisions of the Wesgro Act) 	4	2.8
Payment and procurement fraud events	4	2	<ul style="list-style-type: none"> Additional controls implemented for payments and payment releases Consider leveraging the use of the Provincial Treasury tip-off line for Wesgro – establish communication and protocols for this Increased cyber-crime training and awareness 	4	0.8
Unclear rules to facilitate access to Wesgro competency and funds	4	3	<ul style="list-style-type: none"> Strategic frameworks in place to guide business decisions e.g. airlines Steering Committee oversight Some rules of engagement are established to assist in prioritisation 	4	2.8







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

Sub-programme 1.1: Financial management

Indicator Number	1.1.1
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
Key Beneficiaries	Stakeholders
Purpose	To ensure compliance with the relevant financial legislation
Source of Data	Auditor-General's Final Management Report
Method of Calculation	The financial viability rating is determined by a financial discipline assessment conducted by the auditors.
Calculation type	<input type="checkbox"/> Cumulative <input type="checkbox"/> Year-end <input type="checkbox"/> Year-to-date <input checked="" type="checkbox"/> X Non-cumulative
Reporting cycle	<input type="checkbox"/> Quarterly <input type="checkbox"/> Bi-annually <input checked="" type="checkbox"/> X Annually <input type="checkbox"/> Biennially
Desired performance	<input type="checkbox"/> Higher than target <input checked="" type="checkbox"/> X On target <input type="checkbox"/> Lower than target
Indicator Responsibility	Chief Financial Officer
Spatial Transformation	Spatial transformation priorities: Description of spatial impact:Western Cape.....
Spatial Context (Relevant where products and services are delivered, specifically to the public)	Number of locations: <input type="checkbox"/> Single Location <input checked="" type="checkbox"/> X Multiple Locations Extent: <input checked="" type="checkbox"/> X Provincial <input type="checkbox"/> District <input type="checkbox"/> Local Municipality <input type="checkbox"/> Ward <input type="checkbox"/> Address Detail / Address / Coordinates: For multiple delivery locations , will this be shared in the Annual Operational Plan (AOP) <input type="checkbox"/> No <input checked="" type="checkbox"/> X Yes
Disaggregation of beneficiaries (Human Rights groups, where applicable)	Target for women:N/A..... Target for youth:N/A..... Target for people with disabilities:N/A..... Target for older persons:.....N/A.....
Recovery Plan Focus Areas	<input checked="" type="checkbox"/> X Jobs <input type="checkbox"/> Safety <input type="checkbox"/> Wellbeing <input type="checkbox"/> New Way of Work
Assumptions	N/A
Means of Verification	Financial viability assessment included in the Auditor-General's Final Management Report
Data Limitations	None
Type of Indicator	Is this a Service Delivery Indicator? <input checked="" type="checkbox"/> X No <input type="checkbox"/> Yes, Direct Service Delivery Is this a Demand Driven Indicator? <input type="checkbox"/> Yes, demand driven <input checked="" type="checkbox"/> X No, not demand driven
COVID-19 linkage	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> X No
Implementation Data – AOP (Key deliverables and actions)	Key deliverables outlined in AOP.

Indicator Number	1.1.2
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.
Key Beneficiaries	Stakeholders
Purpose	To enhance effective expenditure management.
Source of Data	Expenditure reports from the accounting system.
Method of Calculation	Total actual expenditure over the total budget divided by the total budget.
Calculation type	Cumulative <input type="checkbox"/> Year-end <input type="checkbox"/> Year-to-date <input checked="" type="checkbox"/> X Non-cumulative
Reporting cycle	<input type="checkbox"/> Quarterly <input type="checkbox"/> Bi-annually <input checked="" type="checkbox"/> X Annually <input type="checkbox"/> Biennially
Desired performance	<input type="checkbox"/> Higher than target <input checked="" type="checkbox"/> X On target <input type="checkbox"/> Lower than target
Indicator Responsibility	Chief Financial Officer
Spatial Transformation	Spatial transformation priorities: Description of spatial impact:Western Cape.....
Spatial Context (Relevant where products and services are delivered, specifically to the public)	Number of locations: <input type="checkbox"/> Single Location <input checked="" type="checkbox"/> X Multiple Locations Extent: <input checked="" type="checkbox"/> X Provincial <input type="checkbox"/> District <input type="checkbox"/> Local Municipality <input type="checkbox"/> Ward <input type="checkbox"/> Address Detail / Address / Coordinates: For multiple delivery locations , will this be shared in the Annual Operational Plan (AOP) <input type="checkbox"/> No <input checked="" type="checkbox"/> X Yes
Disaggregation of beneficiaries (Human Rights groups, where applicable)	Target for women:N/A..... Target for youth:N/A..... Target for people with disabilities:N/A..... Target for older persons:.....N/A.....
Recovery Plan Focus Areas	<input checked="" type="checkbox"/> X Jobs <input type="checkbox"/> Safety <input type="checkbox"/> Wellbeing <input checked="" type="checkbox"/> New Way of Work
Assumptions	N/A
Means of Verification	Expenditure reports from the accounting system used.
Data Limitations	None.
Type of Indicator	Is this a Service Delivery Indicator? <input checked="" type="checkbox"/> X No <input type="checkbox"/> Yes, Direct Service Delivery Is this a Demand Driven Indicator? <input type="checkbox"/> Yes, demand driven <input checked="" type="checkbox"/> X No, not demand driven
COVID-19 linkage	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> X No
Implementation Data – AOP (Key deliverables and actions)	Key deliverables outlined in AOP.

Sub-programme 1.2: Supply Chain Management

Indicator Number	1.1.3
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.
Key Beneficiaries	Stakeholders
Purpose	To comply with B-BBEE regulations.
Source of Data	Expenditure reports from the accounting system.
Method of Calculation	Total actual expenditure over the total budget divided by the total budget.
Calculation type	Cumulative <input type="checkbox"/> Year-end <input type="checkbox"/> Year-to-date <input checked="" type="checkbox"/> X Non-cumulative
Reporting cycle	<input type="checkbox"/> Quarterly <input type="checkbox"/> Bi-annually <input checked="" type="checkbox"/> X Annually <input type="checkbox"/> Biennially
Desired performance	<input type="checkbox"/> Higher than target <input type="checkbox"/> X On target <input type="checkbox"/> Lower than target
Indicator Responsibility	Chief Financial Officer
Spatial Transformation	Spatial transformation priorities: Description of spatial impact: Western Cape
Spatial Context (Relevant where products and services are delivered, specifically to the public)	Number of locations: <input type="checkbox"/> Single Location <input checked="" type="checkbox"/> X Multiple Locations Extent: <input checked="" type="checkbox"/> X Provincial <input type="checkbox"/> District <input type="checkbox"/> Local Municipality <input type="checkbox"/> Ward <input type="checkbox"/> Address Detail / Address / Coordinates: For multiple delivery locations , will this be shared in the Annual Operational Plan (AOP) <input type="checkbox"/> No <input checked="" type="checkbox"/> X Yes
Disaggregation of beneficiaries (Human Rights groups, where applicable)	Target for women: Yes..... Target for youth: Yes..... Target for people with disabilities: Yes..... Target for older persons: Yes.....
Recovery Plan Focus Areas	<input checked="" type="checkbox"/> X Jobs <input type="checkbox"/> Safety <input type="checkbox"/> Wellbeing <input checked="" type="checkbox"/> New Way of Work
Assumptions	N/A
Means of Verification	Expenditure reports from the accounting system used.
Data Limitations	None.
Type of Indicator	Is this a Service Delivery Indicator? <input checked="" type="checkbox"/> X No <input type="checkbox"/> Yes, Direct Service Delivery Is this a Demand Driven Indicator? <input type="checkbox"/> Yes, demand driven <input checked="" type="checkbox"/> X No, not demand driven
COVID-19 linkage	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> X No
Implementation Data – AOP (Key deliverables and actions)	Key deliverables outlined in AOP.

Sub-programme 1.2: Supply Chain Management

Indicator Number	1.1.4
Indicator Title	Submission of the annual procurement plan.
Short Definition	The submission of the annual procurement plan as legislatively required.
Key Beneficiaries	Stakeholders
Purpose	To ensure compliance to all legislation pertaining to SCM.
Source of Data	Acknowledgement of receipt for submission of procurement plan.
Method of Calculation	NA
Calculation type	Cumulative <input type="checkbox"/> Year-end <input type="checkbox"/> Year-to-date <input checked="" type="checkbox"/> X Non-cumulative
Reporting cycle	<input type="checkbox"/> Quarterly <input type="checkbox"/> Bi-annually <input checked="" type="checkbox"/> X Annually <input type="checkbox"/> Biennially
Desired performance	<input type="checkbox"/> Higher than target <input checked="" type="checkbox"/> X On target <input type="checkbox"/> Lower than target
Indicator Responsibility	Chief Financial Officer
Spatial Transformation	Spatial transformation priorities: Description of spatial impact:Western Cape.....
Spatial Context (Relevant where products and services are delivered, specifically to the public)	Number of locations: <input type="checkbox"/> Single Location <input checked="" type="checkbox"/> X Multiple Locations Extent: <input checked="" type="checkbox"/> X Provincial <input type="checkbox"/> District <input type="checkbox"/> Local Municipality <input type="checkbox"/> Ward <input type="checkbox"/> Address Detail / Address / Coordinates: For multiple delivery locations , will this be shared in the Annual Operational Plan (AOP) <input type="checkbox"/> No <input checked="" type="checkbox"/> X Yes
Disaggregation of beneficiaries (Human Rights groups, where applicable)	Target for women:Yes..... Target for youth:Yes..... Target for people with disabilities:Yes..... Target for older persons:.....Yes.....
Recovery Plan Focus Areas	<input checked="" type="checkbox"/> X Jobs <input type="checkbox"/> Safety <input type="checkbox"/> Wellbeing <input checked="" type="checkbox"/> New Way of Work
Assumptions	N/A
Means of Verification	Acknowledgement of receipt for submission of procurement plan.
Data Limitations	None.
Type of Indicator	Is this a Service Delivery Indicator? <input checked="" type="checkbox"/> X No <input type="checkbox"/> Yes, Direct Service Delivery Is this a Demand Driven Indicator? <input type="checkbox"/> Yes, demand driven <input checked="" type="checkbox"/> X No, not demand driven
COVID-19 linkage	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> X No
Implementation Data – AOP (Key deliverables and actions)	Key deliverables outlined in AOP.

Sub-programme 1.3: IT and Administration Services

Indicator Number	1.1.5
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.
Key Beneficiaries	Stakeholders
Purpose	To ensure a high level of productivity and performance
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.
Calculation type	<input type="checkbox"/> Cumulative <input checked="" type="checkbox"/> X Year-end <input type="checkbox"/> Year-to-date <input type="checkbox"/> Non-cumulative
Reporting cycle	<input type="checkbox"/> X Quarterly <input type="checkbox"/> Bi-annually <input type="checkbox"/> Annually <input type="checkbox"/> Biennially
Desired performance	<input type="checkbox"/> Higher than target <input checked="" type="checkbox"/> X On target <input type="checkbox"/> Lower than target
Indicator Responsibility	Chief Financial Officer
Spatial Transformation	Spatial transformation priorities: Description of spatial impact:Western Cape.....
Spatial Context (Relevant where products and services are delivered, specifically to the public)	Number of locations: <input type="checkbox"/> Single Location <input checked="" type="checkbox"/> X Multiple Locations Extent: <input checked="" type="checkbox"/> X Provincial <input type="checkbox"/> District <input type="checkbox"/> Local Municipality <input type="checkbox"/> Ward <input type="checkbox"/> Address Detail / Address / Coordinates: For multiple delivery locations , will this be shared in the Annual Operational Plan (AOP) <input type="checkbox"/> No <input checked="" type="checkbox"/> X Yes
Disaggregation of beneficiaries (Human Rights groups, where applicable)	Target for women:Yes..... Target for youth:Yes..... Target for people with disabilities:Yes..... Target for older persons:Yes.....
Recovery Plan Focus Areas	<input checked="" type="checkbox"/> X Jobs <input type="checkbox"/> Safety <input type="checkbox"/> Wellbeing <input type="checkbox"/> New Way of Work
Assumptions	N/A
Means of Verification	Comprehensive signed quarterly report providing an overview of the status of the Agency's ICT environment.
Data Limitations	None.
Type of Indicator	Is this a Service Delivery Indicator? <input checked="" type="checkbox"/> X No <input type="checkbox"/> Yes, Direct Service Delivery Is this a Demand Driven Indicator? <input type="checkbox"/> Yes, demand driven <input checked="" type="checkbox"/> X No, not demand driven
COVID-19 linkage	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> X No
Implementation Data – AOP (Key deliverables and actions)	Key deliverables outlined in AOP.

Sub-programme 1.4: Human Resource Management

Indicator Number	1.1.6
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.
Key Beneficiaries	Employees of Wesgro
Purpose	To enhance employee satisfaction.
Source of Data	Internal climate survey report, signed by the Chief Executive Officer.
Method of Calculation	The results are derived from the surveys conducted.
Calculation type	<input type="checkbox"/> Cumulative <input type="checkbox"/> Year-end <input type="checkbox"/> Year-to-date <input checked="" type="checkbox"/> X Non-cumulative
Reporting cycle	<input type="checkbox"/> Quarterly <input type="checkbox"/> Bi-annually <input checked="" type="checkbox"/> X Annually <input type="checkbox"/> Biennially
Desired performance	<input type="checkbox"/> Higher than target <input type="checkbox"/> X On target <input type="checkbox"/> Lower than target
Indicator Responsibility	Chief Financial Officer
Spatial Transformation	Spatial transformation priorities: Description of spatial impact: Western Cape
Spatial Context (Relevant where products and services are delivered, specifically to the public)	Number of locations: <input type="checkbox"/> Single Location <input checked="" type="checkbox"/> X Multiple Locations Extent: <input checked="" type="checkbox"/> X Provincial <input type="checkbox"/> District <input type="checkbox"/> Local Municipality <input type="checkbox"/> Ward <input type="checkbox"/> Address Detail / Address / Coordinates: For multiple delivery locations , will this be shared in the Annual Operational Plan (AOP) <input type="checkbox"/> No <input checked="" type="checkbox"/> X Yes
Disaggregation of beneficiaries (Human Rights groups, where applicable)	Target for women: Yes..... Target for youth: Yes..... Target for people with disabilities: Yes..... Target for older persons: Yes.....
Recovery Plan Focus Areas	<input checked="" type="checkbox"/> X Jobs <input type="checkbox"/> Safety <input type="checkbox"/> Wellbeing <input type="checkbox"/> New Way of Work
Assumptions	N/A
Means of Verification	Internal climate survey report, signed by the Chief Executive Officer.
Data Limitations	Staff not completing surveys as requested
Type of Indicator	Is this a Service Delivery Indicator? <input checked="" type="checkbox"/> X No <input type="checkbox"/> Yes, Direct Service Delivery Is this a Demand Driven Indicator? <input type="checkbox"/> Yes, demand driven <input checked="" type="checkbox"/> X No, not demand driven
COVID-19 linkage	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> X No
Implementation Data – AOP (Key deliverables and actions)	Key deliverables outlined in AOP.

4.2. Programme 2: Investment Promotion

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

Indicator Number	2.1.1
Indicator Title	Number of investment projects committed.
Short Definition	Refers to the number of confirmed direct 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. The value of our committed direct investments is calculated based on the investment expenditure of the first five years of the business venture. In addition, both operational and capital investment expenditure are included in our valuation of the investment. Investment projects in the services sector typically have lower capital expenditure as compared to manufacturing and resource-based sectors. Hence, a uniform methodology is applied to include the operational expenditure in our investment values in order to provide a fair reflection of investment activity across sectors.
Key Beneficiaries	Companies and stakeholders.
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.
Source of Data	Signed investor declaration. Signed and verified summary report.
Method of Calculation	The number of signed investor declarations is calculated to determine the number of projects committed for investment, agribusiness and the One Stop Shop
Calculation type	Cumulative <input type="checkbox"/> X Year-end <input type="checkbox"/> Year-to-date <input type="checkbox"/> Non-cumulative
Reporting cycle	<input type="checkbox"/> X Quarterly <input type="checkbox"/> Bi-annually <input type="checkbox"/> Annually <input type="checkbox"/> Biennially
Desired performance	<input type="checkbox"/> Higher than target <input type="checkbox"/> X On target <input type="checkbox"/> Lower than target
Indicator Responsibility	Chief Business Officer (or relevant Executive responsible for this programme)
Spatial Transformation	Spatial transformation priorities: Description of spatial impact: Western Cape
Spatial Context (Relevant where products and services are delivered, specifically to the public)	Number of locations: <input type="checkbox"/> Single Location <input type="checkbox"/> X Multiple Locations Extent: <input type="checkbox"/> X Provincial <input type="checkbox"/> District <input type="checkbox"/> Local Municipality <input type="checkbox"/> Ward <input type="checkbox"/> Address Detail / Address / Coordinates: For multiple delivery locations , will this be shared in the Annual Operational Plan (AOP) <input type="checkbox"/> No <input type="checkbox"/> X Yes
Disaggregation of beneficiaries (Human Rights groups, where applicable)	Target for women:N/A..... Target for youth:N/A..... Target for people with disabilities:N/A..... Target for older persons:.....N/A.....
Recovery Plan Focus Areas	<input type="checkbox"/> X Jobs <input type="checkbox"/> Safety <input type="checkbox"/> Wellbeing <input type="checkbox"/> New Way of Work
Assumptions	N/A
Means of Verification	Signed investor declaration Signed and verified summary report.
Data Limitations	None.
Type of Indicator	Is this a Service Delivery Indicator? <input type="checkbox"/> X No <input type="checkbox"/> Yes, Direct Service Delivery Is this a Demand Driven Indicator? <input type="checkbox"/> Yes, demand driven <input type="checkbox"/> X No, not demand driven
COVID-19 linkage	<input type="checkbox"/> Yes <input type="checkbox"/> X No
Implementation Data – AOP (Key deliverables and actions)	Key deliverables outlined in AOP.

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: Export Promotion

Indicator Number	3.1.1.1
Indicator Title	Number of trade agreements signed.
Short Definition	Refers to the number of confirmed trade transactions facilitated.
Key Beneficiaries	Companies and stakeholders
Purpose	For the business that receives revenue from sales (i.e. exports), it can provide a source of new technologies, capital, processes, products, organisational technologies and management skills, and as such can provide a strong impetus to economic development.
Source of Data	Signed trade declarations. Signed and verified trade declaration summary report.
Method of Calculation	The number of signed trade declarations is calculated to determine the number of trade agreements signed.
Calculation type	Cumulative <input checked="" type="checkbox"/> X Year-end <input type="checkbox"/> Year-to-date <input type="checkbox"/> Non-cumulative
Reporting cycle	<input type="checkbox"/> X Quarterly <input type="checkbox"/> Bi-annually <input type="checkbox"/> Annually <input type="checkbox"/> Biennially
Desired performance	<input type="checkbox"/> Higher than target <input checked="" type="checkbox"/> X On target <input type="checkbox"/> Lower than target
Indicator Responsibility	Chief Business Officer (or relevant Executive responsible for this programme)
Spatial Transformation	Spatial transformation priorities: Description of spatial impact:Western Cape.....
Spatial Context (Relevant where products and services are delivered, specifically to the public)	Number of locations: <input type="checkbox"/> Single Location <input checked="" type="checkbox"/> X Multiple Locations Extent: <input checked="" type="checkbox"/> X Provincial <input type="checkbox"/> District <input type="checkbox"/> Local Municipality <input type="checkbox"/> Ward <input type="checkbox"/> Address Detail / Address / Coordinates: For multiple delivery locations , will this be shared in the Annual Operational Plan (AOP) <input type="checkbox"/> No <input checked="" type="checkbox"/> X Yes
Disaggregation of beneficiaries (Human Rights groups, where applicable)	Target for women:N/A..... Target for youth:N/A..... Target for people with disabilities:N/A..... Target for older persons:.....N/A.....
Recovery Plan Focus Areas	<input checked="" type="checkbox"/> X Jobs <input type="checkbox"/> Safety <input type="checkbox"/> Wellbeing <input type="checkbox"/> New Way of Work
Assumptions	N/A
Means of Verification	Signed trade declarations Signed and verified trade declaration summary report.
Data Limitations	None.
Type of Indicator	Is this a Service Delivery Indicator? <input checked="" type="checkbox"/> X No <input type="checkbox"/> Yes, Direct Service Delivery Is this a Demand Driven Indicator? <input type="checkbox"/> Yes, demand driven <input checked="" type="checkbox"/> X No, not demand driven
COVID-19 linkage	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> X No
Implementation Data – AOP (Key deliverables and actions)	Key deliverables outlined in AOP.

Sub-programme 3.2: African Expansion

Indicator Number	3.2.1.1
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.
Key Beneficiaries	Companies and stakeholders
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, management skills and an expanded export market, and as such can provide a strong impetus to economic development
Source of Data	Signed OFDI declarations signed. Signed and verified OFDI summary report.
Method of Calculation	The number of signed OFDI declarations is calculated to determine the total number of OFDI declarations signed.
Calculation type	<input type="checkbox"/> Cumulative <input checked="" type="checkbox"/> X Year-end <input type="checkbox"/> Year-to-date <input type="checkbox"/> Non-cumulative
Reporting cycle	<input type="checkbox"/> X Quarterly <input type="checkbox"/> Bi-annually <input type="checkbox"/> Annually <input type="checkbox"/> Biennially
Desired performance	<input type="checkbox"/> Higher than target <input checked="" type="checkbox"/> X On target <input type="checkbox"/> Lower than target
Indicator Responsibility	Chief Business Officer (or relevant Executive responsible for this programme)
Spatial Transformation	Spatial transformation priorities: Description of spatial impact:Western Cape.....
Spatial Context (Relevant where products and services are delivered, specifically to the public)	Number of locations: <input type="checkbox"/> Single Location <input checked="" type="checkbox"/> X Multiple Locations Extent: <input checked="" type="checkbox"/> X Provincial <input type="checkbox"/> District <input type="checkbox"/> Local Municipality <input type="checkbox"/> Ward <input type="checkbox"/> Address Detail / Address / Coordinates: For multiple delivery locations , will this be shared in the Annual Operational Plan (AOP) <input type="checkbox"/> No <input checked="" type="checkbox"/> X Yes
Disaggregation of beneficiaries (Human Rights groups, where applicable)	Target for women:N/A..... Target for youth:N/A..... Target for people with disabilities:N/A..... Target for older persons:.....N/A.....
Recovery Plan Focus Areas	<input type="checkbox"/> X Jobs <input type="checkbox"/> Safety <input type="checkbox"/> Wellbeing <input checked="" type="checkbox"/> New Way of Work
Assumptions	N/A
Means of Verification	Signed OFDI declarations signed Signed and verified OFDI summary report.
Data Limitations	Non-disclosure of third-party information.
Type of Indicator	Is this a Service Delivery Indicator? <input type="checkbox"/> X No <input type="checkbox"/> Yes, Direct Service Delivery Is this a Demand Driven Indicator? <input type="checkbox"/> Yes, demand driven <input checked="" type="checkbox"/> X No, not demand driven
COVID-19 linkage	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> X No
Implementation Data – AOP (Key deliverables and actions)	Key deliverables outlined in AOP.

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	4.1.1
Indicator Title	Number of research reports developed to support and assist Wesgro in delivering its mandate
Short Definition	Publications refer to research and information products, which are developed both internally and externally.
Key Beneficiaries	Companies and stakeholders.
Purpose	To make specific information available to internal and external stakeholders, including the public.
Source of Data	Publication control sheet signed by the researcher and approved by the Head of Research.
Method of Calculation	The number of publications produced is used to determine the number of reports developed.
Calculation type	<input type="checkbox"/> Cumulative <input type="checkbox"/> Year-end <input checked="" type="checkbox"/> X Year-to-date <input type="checkbox"/> Non-cumulative
Reporting cycle	<input type="checkbox"/> Quarterly <input checked="" type="checkbox"/> X Bi-annually <input type="checkbox"/> Annually <input type="checkbox"/> Biennially
Desired performance	<input type="checkbox"/> Higher than target <input checked="" type="checkbox"/> X On target <input type="checkbox"/> Lower than target
Indicator Responsibility	Head: Research (or relevant Executive responsible for this programme)
Spatial Transformation	Spatial transformation priorities: Description of spatial impact:Western Cape.....
Spatial Context (Relevant where products and services are delivered, specifically to the public)	Number of locations: <input type="checkbox"/> Single Location <input checked="" type="checkbox"/> X Multiple Locations Extent: <input checked="" type="checkbox"/> X Provincial <input type="checkbox"/> District <input type="checkbox"/> Local Municipality <input type="checkbox"/> Ward <input type="checkbox"/> Address Detail / Address / Coordinates: For multiple delivery locations , will this be shared in the Annual Operational Plan (AOP) <input type="checkbox"/> No <input checked="" type="checkbox"/> X Yes
Disaggregation of beneficiaries (Human Rights groups, where applicable)	Target for women:N/A..... Target for youth:N/A..... Target for people with disabilities:N/A..... Target for older persons:.....N/A.....
Recovery Plan Focus Areas	<input checked="" type="checkbox"/> X Jobs <input type="checkbox"/> Safety <input type="checkbox"/> Wellbeing <input type="checkbox"/> New Way of Work
Assumptions	N/A
Means of Verification	Publication control sheet signed by the researcher and approved by the Head of Research.
Data Limitations	Information requested may not be freely available.
Type of Indicator	Is this a Service Delivery Indicator? <input type="checkbox"/> X No <input type="checkbox"/> Yes, Direct Service Delivery Is this a Demand Driven Indicator? <input type="checkbox"/> Yes, demand driven <input checked="" type="checkbox"/> X No, not demand driven
COVID-19 linkage	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> X No
Implementation Data – AOP (Key deliverables and actions)	Key deliverables outlined in AOP.

4.5. Programme 5: Strategy and Governance

Strategic outcome: Enhance good governance practices through compliance with prescribed financial and non-financial regulations and guidelines.

Sub-programme: Monitoring and Evaluation

Indicator Number	5.1.1
Indicator Title	Number of M&E performance reports submitted.
Short Definition	The delivery of quarterly reports to stakeholders.
Key Beneficiaries	Stakeholders
Purpose	To ensure compliance to all legislature pertaining to performance management.
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 M&E reports submitted each quarter is added to determine the total number of reports submitted for the year.
Calculation type	<input checked="" type="checkbox"/> Cumulative <input type="checkbox"/> X Year-end <input type="checkbox"/> Year-to-date <input type="checkbox"/> Non-cumulative
Reporting cycle	<input type="checkbox"/> X Quarterly <input type="checkbox"/> Bi-annually <input type="checkbox"/> Annually <input type="checkbox"/> Biennially
Desired performance	<input type="checkbox"/> Higher than target <input checked="" type="checkbox"/> X On target <input type="checkbox"/> Lower than target
Indicator Responsibility	Chief Strategy Officer (or relevant Executive responsible for this programme)
Spatial Transformation	Spatial transformation priorities: Description of spatial impact:Western Cape.....
Spatial Context (Relevant where products and services are delivered, specifically to the public)	Number of locations: <input type="checkbox"/> X Single Location <input type="checkbox"/> Multiple Locations Extent: <input checked="" type="checkbox"/> X Provincial <input type="checkbox"/> District <input type="checkbox"/> Local Municipality <input type="checkbox"/> Ward <input type="checkbox"/> Address Detail / Address / Coordinates: For multiple delivery locations , will this be shared in the Annual Operational Plan (AOP) <input type="checkbox"/> No <input type="checkbox"/> Yes
Disaggregation of beneficiaries (Human Rights groups, where applicable)	Target for women:N/A Target for youth:N/A..... Target for people with disabilities:N/A..... Target for older persons:.....N/A.....
Recovery Plan Focus Areas	<input type="checkbox"/> X Jobs <input type="checkbox"/> Safety <input type="checkbox"/> Wellbeing <input type="checkbox"/> New Way of Work
Assumptions	N/A
Means of Verification	Quarterly performance reports
Data Limitations	None.
Type of Indicator	Is this a Service Delivery Indicator? <input checked="" type="checkbox"/> X No <input type="checkbox"/> Yes, Direct Service Delivery Is this a Demand Driven Indicator? <input type="checkbox"/> Yes, demand driven <input checked="" type="checkbox"/> X No, not demand driven
COVID-19 linkage	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> X No
Implementation Data – AOP (Key deliverables and actions)	Key deliverables outlined in AOP.

Sub-programme: Governance

Indicator Number	5.1.2
Indicator Title	Number of quarterly board minutes to implement good governance
Short Definition	Quarterly board meetings are held, and minutes are taken on resolutions taken.
Key Beneficiaries	Companies and stakeholders
Purpose	To ensure that regulatory compliance and good governance is upheld.
Source of Data	Minutes of the meetings.
Method of Calculation	The number of board meetings held, will determine the number of minutes taken.
Calculation type	<input type="checkbox"/> Cumulative <input checked="" type="checkbox"/> X Year-end <input type="checkbox"/> Year-to-date <input type="checkbox"/> Non-cumulative
Reporting cycle	<input checked="" type="checkbox"/> X Quarterly <input type="checkbox"/> Bi-annually <input type="checkbox"/> Annually <input type="checkbox"/> Biennially
Desired performance	<input type="checkbox"/> Higher than target <input checked="" type="checkbox"/> X On target <input type="checkbox"/> Lower than target
Indicator Responsibility	Chief Strategy Officer (or relevant Executive responsible for this programme)
Spatial Transformation	Spatial transformation priorities: Description of spatial impact:Western Cape.....
Spatial Context (Relevant where products and services are delivered, specifically to the public)	Number of locations: <input type="checkbox"/> Single Location <input checked="" type="checkbox"/> X Multiple Locations Extent: <input type="checkbox"/> Provincial <input type="checkbox"/> District <input type="checkbox"/> Local Municipality <input type="checkbox"/> Ward <input type="checkbox"/> Address Detail / Address / Coordinates: For multiple delivery locations , will this be shared in the Annual Operational Plan (AOP) <input type="checkbox"/> No <input type="checkbox"/> Yes
Disaggregation of beneficiaries (Human Rights groups, where applicable)	Target for women:N/A..... Target for youth:N/A..... Target for people with disabilities:N/A..... Target for older persons:.....N/A.....
Recovery Plan Focus Areas	<input checked="" type="checkbox"/> X Jobs <input type="checkbox"/> Safety <input type="checkbox"/> Wellbeing <input type="checkbox"/> New Way of Work
Assumptions	N/A
Means of Verification	Minutes of the meetings.
Data Limitations	None.
Type of Indicator	Is this a Service Delivery Indicator? <input type="checkbox"/> X No <input type="checkbox"/> Yes, Direct Service Delivery Is this a Demand Driven Indicator? <input type="checkbox"/> Yes, demand driven <input checked="" type="checkbox"/> X No, not demand driven
COVID-19 linkage	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> X No
Implementation Data – AOP (Key deliverables and actions)	Key deliverables outlined in AOP.

Sub-programme: Governance

Indicator Number	5.1.3
Indicator Title	Number of quarterly board sub-committee minutes to implement good governance
Short Definition	Quarterly board sub-committee meetings are held, and minutes are taken on resolutions taken.
Key Beneficiaries	Companies and stakeholders
Purpose	To ensure that regulatory compliance and good governance is upheld.
Source of Data	Minutes of the meetings.
Method of Calculation	The number of board sub-committee meetings held, will determine the number of minutes taken.
Calculation type	<input type="checkbox"/> Cumulative <input checked="" type="checkbox"/> X Year-end <input type="checkbox"/> Year-to-date <input type="checkbox"/> Non-cumulative
Reporting cycle	<input type="checkbox"/> X Quarterly <input type="checkbox"/> Bi-annually <input type="checkbox"/> Annually <input type="checkbox"/> Biennially
Desired performance	<input type="checkbox"/> Higher than target <input checked="" type="checkbox"/> X On target <input type="checkbox"/> Lower than target
Indicator Responsibility	Chief Strategy Officer (or relevant Executive responsible for this programme)
Spatial Transformation	Spatial transformation priorities: Description of spatial impact:Western Cape.....
Spatial Context (Relevant where products and services are delivered, specifically to the public)	Number of locations: <input type="checkbox"/> Single Location <input checked="" type="checkbox"/> X Multiple Locations Extent: <input type="checkbox"/> Provincial <input type="checkbox"/> District <input type="checkbox"/> Local Municipality <input type="checkbox"/> Ward <input type="checkbox"/> Address Detail / Address / Coordinates: For multiple delivery locations , will this be shared in the Annual Operational Plan (AOP) <input type="checkbox"/> No <input type="checkbox"/> Yes
Disaggregation of beneficiaries (Human Rights groups, where applicable)	Target for women:N/A..... Target for youth:N/A..... Target for people with disabilities:N/A..... Target for older persons:.....N/A.....
Recovery Plan Focus Areas	<input checked="" type="checkbox"/> X Jobs <input type="checkbox"/> Safety <input type="checkbox"/> Wellbeing <input type="checkbox"/> New Way of Work
Assumptions	N/A
Means of Verification	Minutes of the meetings.
Data Limitations	None.
Type of Indicator	Is this a Service Delivery Indicator? <input type="checkbox"/> X No <input type="checkbox"/> Yes, Direct Service Delivery Is this a Demand Driven Indicator? <input type="checkbox"/> Yes, demand driven <input checked="" type="checkbox"/> X No, not demand driven
COVID-19 linkage	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> X No
Implementation Data – AOP (Key deliverables and actions)	Key deliverables outlined in AOP.

Sub-programme: Strategic Projects

Indicator Number	5.2.1
Indicator Title	Quarterly reports evidencing strategic projects
Short Definition	Strategic projects managed according to the deliverables as set out by funders and/or Steering Committees and/or Wesgro's Accounting Officer for the financial year.
Key Beneficiaries	Companies and stakeholders
Purpose	To ensure effective management and implementation of strategic projects.
Source of Data	Quarterly report evidencing reporting on the strategic projects
Method of Calculation	The number of quarterly reports submitted is added to determine the amount of reports submitted for the year.
Calculation type	<input type="checkbox"/> Cumulative <input checked="" type="checkbox"/> X Year-end <input type="checkbox"/> Year-to-date <input type="checkbox"/> Non-cumulative
Reporting cycle	<input type="checkbox"/> X Quarterly <input type="checkbox"/> Bi-annually <input type="checkbox"/> Annually <input type="checkbox"/> Biennially
Desired performance	<input type="checkbox"/> Higher than target <input checked="" type="checkbox"/> X On target <input type="checkbox"/> Lower than target
Indicator Responsibility	Chief Strategy Officer (or relevant Executive responsible for this programme)
Spatial Transformation	Spatial transformation priorities: Description of spatial impact: Western Cape.....
Spatial Context (Relevant where products and services are delivered, specifically to the public)	Number of locations: <input type="checkbox"/> Single Location <input checked="" type="checkbox"/> X Multiple Locations Extent: <input type="checkbox"/> Provincial <input type="checkbox"/> District <input type="checkbox"/> Local Municipality <input type="checkbox"/> Ward <input type="checkbox"/> Address Detail / Address / Coordinates: For multiple delivery locations , will this be shared in the Annual Operational Plan (AOP) <input type="checkbox"/> No <input checked="" type="checkbox"/> X Yes
Disaggregation of beneficiaries (Human Rights groups, where applicable)	Target for women:N/A..... Target for youth:N/A..... Target for people with disabilities:N/A..... Target for older persons:.....N/A.....
Recovery Plan Focus Areas	<input checked="" type="checkbox"/> X Jobs <input type="checkbox"/> Safety <input type="checkbox"/> Wellbeing <input checked="" type="checkbox"/> New Way of Work
Assumptions	N/A
Means of Verification	Quarterly reports for strategic projects.
Data Limitations	None.
Type of Indicator	Is this a Service Delivery Indicator? <input checked="" type="checkbox"/> X No <input type="checkbox"/> Yes, Direct Service Delivery Is this a Demand Driven Indicator? <input type="checkbox"/> Yes, demand driven <input checked="" type="checkbox"/> X No, not demand driven
COVID-19 linkage	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> X No
Implementation Data – AOP (Key deliverables and actions)	Key deliverables outlined in AOP.

4.6. Programme 6: 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	6.1.1
Indicator Title	Number of corporate events.
Short Definition	Engagements with corporate stakeholders (via physical and virtual events, interviews, engagements, meetings, emails, telephone or social media) that assist in positioning Wesgro and/or the destination.
Key Beneficiaries	Companies and stakeholders
Purpose	To improve the position of the Agency and the destination with shareholders, citizens and domestic and international businesses.
Source of Data	Invitations to events, proof of meeting requests, emails, articles published, social media coverage received.
Method of Calculation	The number of corporate engagements will be added to calculate the total.
Calculation type	<input type="checkbox"/> Cumulative <input checked="" type="checkbox"/> X Year-end <input type="checkbox"/> Year-to-date <input type="checkbox"/> Non-cumulative
Reporting cycle	<input type="checkbox"/> X Quarterly <input type="checkbox"/> Bi-annually <input type="checkbox"/> Annually <input type="checkbox"/> Biennially
Desired performance	<input type="checkbox"/> Higher than target <input checked="" type="checkbox"/> X On target <input type="checkbox"/> Lower than target
Indicator Responsibility	Head of Marketing and Communication (or relevant Executive responsible for this programme)
Spatial Transformation	Spatial transformation priorities: Description of spatial impact:Western Cape.....
Spatial Context (Relevant where products and services are delivered, specifically to the public)	Number of locations: <input type="checkbox"/> Single Location <input checked="" type="checkbox"/> X Multiple Locations Extent: <input type="checkbox"/> Provincial <input type="checkbox"/> District <input type="checkbox"/> Local Municipality <input type="checkbox"/> Ward <input type="checkbox"/> Address Detail / Address / Coordinates: For multiple delivery locations , will this be shared in the Annual Operational Plan (AOP) <input type="checkbox"/> No <input type="checkbox"/> Yes
Disaggregation of beneficiaries (Human Rights groups, where applicable)	Target for women:N/A..... Target for youth:N/A..... Target for people with disabilities:N/A..... Target for older persons:.....N/A.....
Recovery Plan Focus Areas	<input checked="" type="checkbox"/> X Jobs <input type="checkbox"/> Safety <input type="checkbox"/> Wellbeing <input type="checkbox"/> New Way of Work
Assumptions	N/A
Means of Verification	Invitations to webinars and events, proof of meeting requests, emails, articles published, social media coverage received.
Data Limitations	None
Type of Indicator	Is this a Service Delivery Indicator? <input type="checkbox"/> X No <input type="checkbox"/> Yes, Direct Service Delivery Is this a Demand Driven Indicator? <input type="checkbox"/> Yes, demand driven <input checked="" type="checkbox"/> X No, not demand driven
COVID-19 linkage	<input type="checkbox"/> Yes <input type="checkbox"/> No
Implementation Data – AOP (Key deliverables and actions)	Key deliverables outlined in AOP.

Indicator Number	6.1.2
Indicator Title	Quarterly reports evidencing content management of Agency collateral.
Short Definition	Content creation for the Tourism, Film, Investment and Trade within Wesgro.
Key Beneficiaries	Companies and stakeholders
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.
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.
Calculation type	<input type="checkbox"/> Cumulative <input checked="" type="checkbox"/> X Year-end <input type="checkbox"/> Year-to-date <input type="checkbox"/> Non-cumulative
Reporting cycle	<input type="checkbox"/> X Quarterly <input type="checkbox"/> Bi-annually <input type="checkbox"/> Annually <input type="checkbox"/> Biennially
Desired performance	<input type="checkbox"/> Higher than target <input checked="" type="checkbox"/> X On target <input type="checkbox"/> Lower than target
Indicator Responsibility	Head of Marketing and Communications (or relevant Executive responsible for this programme)
Spatial Transformation	Spatial transformation priorities: Description of spatial impact:Western Cape.....
Spatial Context (Relevant where products and services are delivered, specifically to the public)	Number of locations: <input type="checkbox"/> Single Location <input checked="" type="checkbox"/> X Multiple Locations Extent: <input type="checkbox"/> Provincial <input type="checkbox"/> District <input type="checkbox"/> Local Municipality <input type="checkbox"/> Ward <input type="checkbox"/> Address Detail / Address / Coordinates: For multiple delivery locations , will this be shared in the Annual Operational Plan (AOP) <input type="checkbox"/> No <input type="checkbox"/> Yes
Disaggregation of beneficiaries (Human Rights groups, where applicable)	Target for women:N/A..... Target for youth:N/A..... Target for people with disabilities:N/A..... Target for older persons:.....N/A.....
Recovery Plan Focus Areas	<input checked="" type="checkbox"/> X Jobs <input type="checkbox"/> Safety <input type="checkbox"/> Wellbeing <input type="checkbox"/> New Way of Work
Assumptions	None.
Means of Verification	Quarterly report to highlight the marketing initiatives embarked upon.
Data Limitations	None.
Type of Indicator	Is this a Service Delivery Indicator? <input checked="" type="checkbox"/> X No <input type="checkbox"/> Yes, Direct Service Delivery Is this a Demand Driven Indicator? <input type="checkbox"/> Yes, demand driven <input checked="" type="checkbox"/> X No, not demand driven
COVID-19 linkage	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> X No
Implementation Data – AOP (Key deliverables and actions)	Key deliverables outlined in AOP.

4.7 Programme 7: Destination Marketing Organisation

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

Indicator Number	7.1.1
Indicator Title	Number of Joint Marketing Agreements (JMAs) secured.
Short Definition	Collaborating with various stakeholders to market Cape Town and the Western Cape.
Key Beneficiaries	Western Cape companies and stakeholders.
Purpose	To minimise the cost of marketing for Wesgro.
Source of Data	Signed JMA and/or signed close-out report.
Method of Calculation	The number of JMAs and/or close-out reports will be added to get to the total.
Calculation type	<input type="checkbox"/> Cumulative <input type="checkbox"/> Year-end <input type="checkbox"/> Year-to-date <input checked="" type="checkbox"/> X Non-cumulative
Reporting cycle	<input type="checkbox"/> Quarterly <input type="checkbox"/> Bi-annually <input checked="" type="checkbox"/> X Annually <input type="checkbox"/> Biennially
Desired performance	<input type="checkbox"/> Higher than target <input checked="" type="checkbox"/> X On target <input type="checkbox"/> Lower than target
Indicator Responsibility	Chief Marketing Officer (or relevant Executive responsible for this programme)
Spatial Transformation	Spatial transformation priorities: Description of spatial impact:Western Cape.....
Spatial Context (Relevant where products and services are delivered, specifically to the public)	Number of locations: <input type="checkbox"/> Single Location <input checked="" type="checkbox"/> X Multiple Locations Extent: <input checked="" type="checkbox"/> X Provincial <input type="checkbox"/> District <input type="checkbox"/> Local Municipality <input type="checkbox"/> Ward <input type="checkbox"/> Address Detail / Address / Coordinates: For multiple delivery locations , will this be shared in the Annual Operational Plan (AOP) <input type="checkbox"/> No <input checked="" type="checkbox"/> X Yes
Disaggregation of beneficiaries (Human Rights groups, where applicable)	Target for women:N/A..... Target for youth:N/A..... Target for people with disabilities:N/A..... Target for older persons:.....N/A.....
Recovery Plan Focus Areas	<input checked="" type="checkbox"/> X Jobs <input type="checkbox"/> Safety <input type="checkbox"/> Wellbeing <input type="checkbox"/> New Way of Work
Assumptions	N/A
Means of Verification	A signed JMA and/or signed close-out report.
Data Limitations	Dependency on relevant marketing opportunities
Type of Indicator	Is this a Service Delivery Indicator? <input checked="" type="checkbox"/> X No <input type="checkbox"/> Yes, Direct Service Delivery Is this a Demand Driven Indicator? <input type="checkbox"/> Yes, demand driven <input checked="" type="checkbox"/> X No, not demand driven
COVID-19 linkage	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> X No
Implementation Data – AOP (Key deliverables and actions)	Key deliverables outlined in AOP.

Indicator Number	7.1.2
Indicator Title	Number of leisure event marketing agreements secured.
Short Definition	Leisure events with the aim of increasing awareness to Cape Town and the Western Cape.
Key Beneficiaries	Western Cape companies and stakeholders.
Purpose	To drive regional spread.
Source of Data	A copy of the signed Events Marketing Agreement (EMA) and/or signed close-out report.
Method of Calculation	The number of events and/or signed close-out report is added to calculate the total.
Calculation type	<input type="checkbox"/> Cumulative <input checked="" type="checkbox"/> X Year-end <input type="checkbox"/> Year-to-date <input type="checkbox"/> Non-cumulative
Reporting cycle	<input type="checkbox"/> X Quarterly <input type="checkbox"/> Bi-annually <input type="checkbox"/> Annually <input type="checkbox"/> Biennially
Desired performance	<input type="checkbox"/> Higher than target <input checked="" type="checkbox"/> X On target <input type="checkbox"/> Lower than target
Indicator Responsibility	Chief Marketing Officer (or relevant Executive responsible for this programme)
Spatial Transformation	Spatial transformation priorities: Description of spatial impact: Western Cape.....
Spatial Context (Relevant where products and services are delivered, specifically to the public)	Number of locations: <input type="checkbox"/> Single Location <input checked="" type="checkbox"/> X Multiple Locations Extent: <input checked="" type="checkbox"/> X Provincial <input type="checkbox"/> District <input type="checkbox"/> Local Municipality <input type="checkbox"/> Ward <input type="checkbox"/> Address Detail / Address / Coordinates: For multiple delivery locations , will this be shared in the Annual Operational Plan (AOP) <input type="checkbox"/> No <input checked="" type="checkbox"/> X Yes
Disaggregation of beneficiaries (Human Rights groups, where applicable)	Target for women:N/A..... Target for youth:N/A..... Target for people with disabilities:N/A..... Target for older persons:.....N/A.....
Recovery Plan Focus Areas	<input checked="" type="checkbox"/> X Jobs <input type="checkbox"/> Safety <input type="checkbox"/> Wellbeing <input type="checkbox"/> New Way of Work
Assumptions	N/A
Means of Verification	A copy of the signed Event Marketing Agreement (EMA) and/or signed close-out report.
Data Limitations	Lack of funding to support events.
Type of Indicator	Is this a Service Delivery Indicator? <input checked="" type="checkbox"/> X No <input type="checkbox"/> Yes, Direct Service Delivery Is this a Demand Driven Indicator? <input type="checkbox"/> Yes, demand driven <input checked="" type="checkbox"/> X No, not demand driven
COVID-19 linkage	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> X No
Implementation Data – AOP (Key deliverables and actions)	Key deliverables outlined in AOP.

Indicator Number	7.1.3
Indicator Title	Number of bids secured.
Short Definition	Number of bids secured by the Convention Bureau to host meetings, incentives, conferences or exhibitions in Cape Town and the Western Cape.
Key Beneficiaries	Western Cape companies and stakeholders.
Purpose	To attract international and domestic attendees who contribute towards the economic impact of the destination.
Source of Data	Copy of signed confirmation letter from host organisation 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.
Calculation type	<input checked="" type="checkbox"/> Cumulative <input type="checkbox"/> Year-end <input type="checkbox"/> Year-to-date <input type="checkbox"/> Non-cumulative
Reporting cycle	<input type="checkbox"/> X Quarterly <input type="checkbox"/> Bi-annually <input type="checkbox"/> Annually <input type="checkbox"/> Biennially
Desired performance	<input type="checkbox"/> Higher than target <input type="checkbox"/> X On target <input type="checkbox"/> Lower than target
Indicator Responsibility	Chief Marketing Officer (or relevant Executive responsible for this programme)
Spatial Transformation	Spatial transformation priorities: Description of spatial impact:Western Cape
Spatial Context (Relevant where products and services are delivered, specifically to the public)	Number of locations: <input type="checkbox"/> Single Location <input type="checkbox"/> X Multiple Locations Extent: <input type="checkbox"/> X Provincial <input type="checkbox"/> District <input type="checkbox"/> Local Municipality <input type="checkbox"/> Ward <input type="checkbox"/> Address Detail / Address / Coordinates: For multiple delivery locations , will this be shared in the Annual Operational Plan (AOP) <input type="checkbox"/> No <input type="checkbox"/> X Yes
Disaggregation of beneficiaries (Human Rights groups, where applicable)	Target for women:N/A..... Target for youth:N/A..... Target for people with disabilities:N/A..... Target for older persons:.....N/A.....
Recovery Plan Focus Areas	<input type="checkbox"/> X Jobs <input type="checkbox"/> Safety <input type="checkbox"/> Wellbeing <input type="checkbox"/> New Way of Work
Assumptions	N/A
Means of Verification	Copy of signed confirmation letter from host organisation or an email confirming the decision and first two pages of the bid book or presentation.
Data Limitations	Dependency on partnerships
Type of Indicator	Is this a Service Delivery Indicator? <input type="checkbox"/> No <input type="checkbox"/> Yes, Direct Service Delivery Is this a Demand Driven Indicator? <input type="checkbox"/> Yes, demand driven <input type="checkbox"/> X No, not demand driven
COVID-19 linkage	<input type="checkbox"/> Yes <input type="checkbox"/> X No
Implementation Data – AOP (Key deliverables and actions)	Key deliverables outlined in AOP.

4.8 Programme 8: Film and Media Promotion

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

Indicator Number	8.1.1
Indicator Title	Number of film and media declarations signed.
Short Definition	Refers to the number of confirmed investments in film and media productions by a company.
Key Beneficiaries	Film and Media companies and stakeholders.
Purpose	Full Time Equivalent (FTE) jobs are sustained and the transfer of skills and experience, leads to economic growth for creative firms working regionally.
Source of Data	Signed film and media declarations.
Method of Calculation	The total number of signed film and media declarations is calculated to determine the total number of film and media declarations signed.
Calculation type	<input type="checkbox"/> Cumulative <input type="checkbox"/> Year-end <input type="checkbox"/> Year-to-date <input checked="" type="checkbox"/> X Non-cumulative
Reporting cycle	<input type="checkbox"/> Quarterly <input type="checkbox"/> Bi-annually <input checked="" type="checkbox"/> X Annually <input type="checkbox"/> Biennially
Desired performance	<input type="checkbox"/> Higher than target <input checked="" type="checkbox"/> X On target <input type="checkbox"/> Lower than target
Indicator Responsibility	Chief Business Officer (or relevant Executive responsible for this programme)
Spatial Transformation	Spatial transformation priorities: Description of spatial impact:Western Cape.....
Spatial Context (Relevant where products and services are delivered, specifically to the public)	Number of locations: <input type="checkbox"/> Single Location <input checked="" type="checkbox"/> X Multiple Locations Extent: <input checked="" type="checkbox"/> Provincial <input type="checkbox"/> District <input type="checkbox"/> Local Municipality <input type="checkbox"/> Ward <input type="checkbox"/> Address Detail / Address / Coordinates: For multiple delivery locations , will this be shared in the Annual Operational Plan (AOP) <input type="checkbox"/> No <input checked="" type="checkbox"/> X Yes
Disaggregation of beneficiaries (Human Rights groups, where applicable)	Target for women:N/A..... Target for youth:N/A..... Target for people with disabilities:N/A..... Target for older persons:.....N/A.....
Recovery Plan Focus Areas	<input checked="" type="checkbox"/> X Jobs <input type="checkbox"/> Safety <input type="checkbox"/> Wellbeing <input type="checkbox"/> New Way of Work
Assumptions	N/A
Means of Verification	Signed film and media declarations.
Data Limitations	None.
Type of Indicator	Is this a Service Delivery Indicator? <input checked="" type="checkbox"/> X No <input type="checkbox"/> Yes, Direct Service Delivery Is this a Demand Driven Indicator? <input type="checkbox"/> Yes, demand driven <input checked="" type="checkbox"/> X No, not demand driven
COVID-19 linkage	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> X No
Implementation Data – AOP (Key deliverables and actions)	Key deliverables outlined in AOP.

