

Annual Performance Plan 2023/24

March 2023

Cape Town and the Western Cape – A Leading Regional Economy





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Executive Authority Statement

As the Western Cape Government's official tourism, trade and investment promotion agency, Wesgro has an important role to play in realising the province's economic vision as set out in the Growth for Jobs Strategy.

With its proven track-record in facilitating collaboration with the private sector, the agency's experience and expertise in this respect will be valuable in enabling private-sector led economic growth.

This track-record speaks for itself. In the past year, they have recorded an impressive R3 billion in new investments facilitated, R2.5 billion in new export declarations reached, helped secure four new air routes and three new airlines to the Western Cape, and helped land 29 conference bids for the Western Cape which will attract an estimated 20 000 delegates and an economic impact of up to R393.4 million between the 2022/23 and 2024/25 financial years.

I would also like to congratulate Wesgro for winning three Loerie Awards in October 2022 for their tourism campaign and innovation efforts, which is helping keep our province top of mind in South Africa and around the world.

Looking ahead, as our national economy continues to face significant challenges, least of which is the electricity crisis, the work Wesgro is doing to attract investment, boost trade, and grow our tourism economy is more important than ever before. They have my full support in their plans for the year ahead.

A handwritten signature in black ink, appearing to read 'Mireille Wenger'. The signature is stylized and cursive.

Mireille Wenger

Western Cape Minister of Finance and Economic Opportunities



Accounting Authority Statement

Developments over the past 12-months have forced the global economy to reconsider and renavigate the way forward. From historical trading patterns and routes that have been upended by geopolitical fault lines, to new global alliances, to climate change considerations, all of which are redefining the way in which the world does - and will do - business. And all at a time when global growth prospects are increasingly uncertain, with the expectation being that 2023 will present persistent headwinds and economic turbulence.

That said, the degree to which different geographic regions are set to be impacted or indeed benefit from the realignment of these global economic activities, is still to be determined. As always there will be winners and losers, and the signs are there that the Western Cape can be a net beneficiary in terms of growth and jobs.

It can be argued that the single most important determinant of potential future growth in the short to medium term is to secure energy continuity. The announcement by the City, Province, and National Energy Crisis Committee in January 2023 of new measures including a new law to fast-track Independent Power Production initiatives together with the recent Budget incentives to support household solar are a welcome development. There are a number of additional and important steps to take, and as a Province and with Wesgro's input, we will need to accompany and where possible, influence these to ensure that the correct ones are made as rapidly as possible. The bigger picture beyond securing energy continuity is the potential within the Province to benefit from investment and job creation from the "Just Transition" towards renewable energy.

Beyond the immediate need to secure continuity of power supply, the Western Cape's recovery post-Covid continues across several sectors. Tourism offers the greatest immediate prospect of significant economic growth and job creation. This is evidenced by the bumper tourism season we have enjoyed through December 2022, fueled in a large part by the effectiveness of the Air Access program and Cruise Cape Town initiatives, which includes the four new air routes and three new airlines secured by CTIA in recent months. The return and growth in international tourism has been bolstered by the return of a number of key large events, all of which have a significant impact on spend in the province.

The region also continues to attract significant interest in the tech space, with Cape Town and surrounds home to a number of global tech giants.

As the Western Cape's official trade and investment promotion agency, Wesgro, in collaboration with partners is committed to driving inclusive and sustainable economic growth to create jobs, and to promote and position Cape Town and the Western Cape as a globally competitive regional economy. We as an Agency are committed to enabling economic competitiveness and ultimately, breakout economic growth. And it is this focus and strategic emphasis on knowledge, innovation and sustainability that has enabled Wesgro to adopt the step-change required in all aspects of global trade, investment, and business as the global economy transitions to a more innovative and sustainable trajectory.

The Agency's achievements recorded since April 2022 are testimony to this, including amongst others the ZAR3 billion of new investments facilitated by the Investment Team, the ZAR2.5 billion of export declarations reached by the Export Unit, and the 29 conference bids secured for the period FY2022/23 – FY2024/25. The Agency has also proudly been awarded three Loeries and two Creative Circle awards for its exceptional

media work, while the digital Made in the Cape platform continues to outperform expectations, in the United Kingdom in particular.

Looking to the future, the Agency is firmly committed to the Western Cape Government's Growth for Jobs (G4J) strategy, the overarching objective of which is to build a R1 trillion provincial economy by 2035. By effectively achieving this breakout growth, the local economy stands to meaningfully address the poverty, inequality and unemployment that continue to plague South Africa.

Wesgro also recognises the importance of being able to thrive in an increasingly competitive, sustainable, and digitised world. To do so, the Agency remains focused on promoting the province's value proposition, building the Western Cape's brand globally, and continually striving to boost competitiveness.

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 Wesgro's Executive and Staff with the support of the Board will continue to strive to effectively achieve both the objectives and targets set out in the Province's Growth for Job's strategy, and the Agency's mandate.

The 2023/24 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 read "David S. Green". The signature is fluid and cursive, with a long horizontal stroke at the end.

David Green

Chairperson of the Wesgro Board



Accounting Officer Statement

2023, a geopolitical setting of a world in conflict. The economic outlook globally is increasingly uncertain with the world facing its worst energy crisis since 1970's. Economic output in South Africa is likely to remain constrained given the current monetary policy conditions, ongoing rolling blackouts, and lingering policy uncertainties.

As a province the focus is firmly on achieving breakout growth. The broader economic leadership team are aligned across local and provincial government and are making the right moves to ensure that the Western Cape continues to be a globally competitive regional economy. The growth for jobs strategy; the bold steps taken to mitigate loadshedding and energy security over the medium and longer term; the significant increase in the education budget; the openness to collaborate across the public private ecosystem, as well as the focus on building an innovation ecosystem will set the province apart over time.

In the Western Cape's the tech and green value proposition is successfully driving the province's competitiveness to capture its share of global investment. Notwithstanding strict regulatory frameworks more than half of investment capex has been attracted into key future enabling sectors such as ICT and green industries over the past decade. With recent policy shifts at a national government level to deregulate the energy sector, investment into clean energy is expected to increase exponentially. Importantly, these policy shifts will open the way for the private sector to participate, thereby ensuring energy security, driving a shift to renewable energy, and unlocking new market opportunities in utility-scale renewable energy, small scale embedded generation, battery and solar manufacturing, energy efficiency, e-mobility, and green hydrogen.

The Western Cape is well positioned to capitalise on a very historic moment. The time is now for renewable manufacturing – and the Western Cape is ready.

Crisis has most certainly been the catalyst for innovation. Right now, we are seeing unique, multi-year opportunities emerging because of international shifts to clean energy; the focus on energy security because of global geopolitics; the loadshedding crisis in SA.; and importantly, policy reforms in the energy space in South Africa.

Though significant growth has been achieved in the tech sector there is still much to be done! Our focus is deliberately shifting to what needs to be done to scale up. It is time to gear up into something bigger, something new, something better and take our place as a tech powerhouse on the global stage. What do we need to do to achieve scale up success? We know that we need to scale up on complex IT skills, democratise access to the internet, attract talent, and develop new markets. We need continued investment in digital infrastructure, as well as energy security. Importantly, we need to attract a greater share of global venture capital funding.

Wesgro will continue to innovate in the way we approach trade. 2023 will see us leveraging technology to connect more exporters with more buyers, including a dedicated focus on the services sector. Wesgro's focus will also include factors influencing export competitiveness, including market access, increased climate related regulations. Preferential market access is also a key competitive advantage, and as such the Agency will actively identify new market opportunities as the African Continental Free Trade Area is implemented, and take steps to develop and implement an action plan in anticipation of the expiration of preferential access to the United States under AGOA in 2025.

Leisure 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, the sector provides substantial opportunities for employment, entrepreneurship, contribution to GDP and foreign currency spend. We are no longer talking about recovery in the sector, but instead to how we can find areas that can deliver inclusive growth.

Business tourism events will play an even greater role in economic impact, with Cape of Great Events due to create multiplier effects across the province. The Cape's value proposition as a leading knowledge economy, with a strong link to innovative industries and a renowned academic ecosystem will continue as we position the destination as one where great minds meet.

Wesgro is now ready to replicate its intellectual property in catalytic delivery models across other areas of the economy to ensure greater impact for the destination. Cape Town Air Access and Cruise Cape Town are two examples of the huge impact delivered and has uniquely enabled participation across the economic ecosystem. Opportunities that could benefit from replication of the catalytic delivery models include amongst others: Increasing the venture capital investment and increasing the number of business events landed.

Differentiating the Western Cape as a leading regional economy. Wesgro needs to be more effective, efficient, and importantly more innovative. I will continue to ensure the digital transformation of the agency; drive the concept of solutioning through public private ecosystems; ramp up and embed tech and green capabilities across the organisation; enable a central economic knowledge hub for the province and continuously engage with and benchmark Wesgro's performance relative to global Trade and Investment Promotion Agencies.

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 (TTIPA) we are committed to doing our part in making the Western Cape one of the world's leading regional economies.

For 2023/24 our strategic priorities will be to:

- Attracting investment in the energy sector to boost energy security
- Unlocking new market opportunities in the green economy (exports, green trade, renewable manufacturing, sustainable agriculture)
- Scaling up Africa's Tech Capital to its rightful place in emerging markets (services economy capital)
- Ensuring globally competitive sustainable tourism value proposition
- Identifying opportunities that could benefit from replication of the catalytic delivery models, e.g. Cape Town Air Access and Cruise Cape Town Initiatives
- Building central economic knowledge hub for stakeholders

Our performance plan is ambitious within an uncertain economic context. Wesgro believes it is achievable with the support of our funders, particularly the Western Cape Government led by the Premier, Alan Winde and the Provincial Minister of Finance and Economic Opportunities, Mireille Wenger; as well as the Mayor of the City of Cape Town, Geordin Hill-Lewis, and Alderman James Vos, Mayoral Committee Member for Economic Growth.

We look forward to responding to a new global context, driving the Western Cape's Growth for Jobs strategy, and delivering on our key objectives in the 2023/24 financial year. Our laser focus will be on achieving breakout, inclusive, economic growth in the Western Cape.



Wrenelle Stander


Chief Executive Officer, Wesgro

Official Sign-Off


It is hereby certified that the Annual Performance Plan for 2023/24:

- Was developed by the Management of Wesgro under the guidance of the Board of Directors and Minister Mireille Wenger, Western Cape MEC of Finance and Economic Opportunities; and
- Accurately reflects the impacts, outcomes and outputs which Wesgro will endeavour to achieve during the 2023/24 financial year, subject to the resources being made available.

Sandiso Gcwabe
Chief Financial Officer


Signature: 

Wrenelle Stander
Chief Executive Officer

Signature: 

Approved by:

David Green
Chairperson of the Wesgro Board

Signature: 

Minister Mireille Wenger
Executive Authority

Signature: 





Part A

Our mandate

1. Part A: Our mandate



1.1 Vision

In collaboration with partners, drive inclusive and sustainable economic growth, create jobs. Promote and facilitate Cape Town and the Western Cape to be a globally competitive regional economy.

1.2 Mission



The mission of the Agency is:

- Be instrumental in ensuring that Cape Town and the Western Cape is an investment destination of choice for global and local investors
- Be instrumental in ensuring that Cape Town and the Western Cape is a sought-after source market globally for goods and services
- Be instrumental in ensuring that the Cape Town and the Western Cape is considered a world class tourism destination
- Differentiate the Western Cape as a leading regional economy
- Lead the dialogue on and drive global economic competitiveness of Cape Town and the Western Cape together with partners
- 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

Constitution of the Republic of South Africa, 1996

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

- Consumer Protection
- Industrial Promotion
- Tourism
- Trade

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

1.4.2 Legislative mandates

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

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

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

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

- (f) “to furnish tourism, trade and investment marketing assistance and expert and specialised advice, information and guidance to any business, company or association of persons who so request it from the Agency or would assist the Agency in achieving its objects;
- (h) to act as a tourism, trade and investment promotion agent on behalf of the Province and to facilitate 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 to lodging complaints and disciplinary measures.



1.5 Policy mandates

1.5.1 National policy framework

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.

Medium Term Strategic Framework

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

National Development Plan (NDP)

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

National Evaluation Policy Framework, 2011

The National Evaluation Policy Framework (NEPF) provides both the basis for a minimum system of evaluation across government and a common language for evaluation in the public service. Its purpose is to ensure good quality evaluations that give information about what is working and what is not and, in this way, help to improve the effectiveness and impact of government's work. To improve performance, the framework underlines the need to use credible and objective evaluation-derived evidence in planning, budgeting, organisational improvement and policy review and in programme and project management.

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 which has a national, provincial and local perspective:

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

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 intervention

State of the Nation Address (SONA)

In the State of the Nation Address (SONA), held on 9 February 2023, the President highlighted the following five key areas of focus:

- Growing an inclusive economy that creates jobs and reduces poverty
- Reduce the severity of load-shedding
- Accelerate new capacity from renewables, gas and battery storage
- Ensure water security through investing in major infrastructure projects

1.5.2 Provincial policy framework

Department of Economic Development and Tourism Five-Year Strategy 2020–2025

DEDAT's 2020–2025 five-year strategy remains well-aligned with the Provincial Strategic Plan and the Western Cape Recovery Plan. It consists of five focus areas, namely:

- Investment through promotion and catalytic infrastructure
- Grow exports
- Address skills gaps
- Accelerate ease of doing business
- Resource resilience.

These Departmental focus areas and their respective outcomes form the cornerstone of the DEDAT's five-year strategy.

OneCape2040

OneCape2040 is a deliberate attempt to stimulate a transition towards a more inclusive and resilient economic future for the Western Cape region. It is a vision and strategy for society, rather than a plan of government, although all three spheres of government are essential for implementation. It does not replace any existing statutory plans required of either Province or municipalities. It is rather intended as a reference point and guide for all stakeholders in order to:

- Promote fresh thinking and critical engagement on the future
- Provide a common agenda for private, public and civil society collaboration
- Help align government action and investment decisions
- Facilitate the necessary changes we need to make to adapt to our (rapidly) changing local and global context. Address our development, sustainability, inclusion and competitiveness imperative to our (rapidly) changing local and global context.

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's programmes all contribute to the achievement of VIP2: Growth and Jobs. The Agency has developed its 5-year strategy and the achievement thereof to the creation of an enabling environment that fosters economic growth and job creation.

Wesgro also contributes to the Provincial Strategic Implementation Plan (PSIP). The existing indicators for Investment, Export and Tourism are aligned to the PSIP indicators and tracked on a quarterly basis.

SA Connect

The South African National Broadband Policy (adopted in Dec 2013) provides a framework for a robust telecommunications environment in the country. Aligned to the NDP, it asserts that the economic beneficiation for broadband infrastructure can only be implemented when the following conditions are met:

- Broadband must reach a critical mass of South Africans
- Access to broadband must be affordable
- Demand-side skills must be developed so that broadband services can be used effectively
- Supply-side skills must be developed so that the economic and innovative potential of broadband can be exploited

Other salient policies that influence the ICT sector include:

- The National Integrated ICT Policy White Paper (2016)
- National e-Strategy (2017)
- Presidential Commission on the Fourth Industrial Commission — Recommendations Report (2020)
- National Digital and Future Skills Strategy (2020)
- ICT and Digital Economy Masterplan for South Africa (2021)

State of the Province Address (SOPA)

During the State of the Province Address (SOPA), delivered on 16 February 2023, the Premier outlined the Western Cape Government's focus areas for the next year as:

- Energy resilience through renewable energy projects and the green economy
- Mitigating the effects of load-shedding
- Growing the provincial economy which creates more job opportunities
- Achieving breakout growth with 'Growth For Jobs' Strategy
- Infrastructure development as an economic lever
- Dignity and wellbeing

Tourism Blueprint 2030

The vision of the draft 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 draft 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 Broadband Strategic Framework (2012)

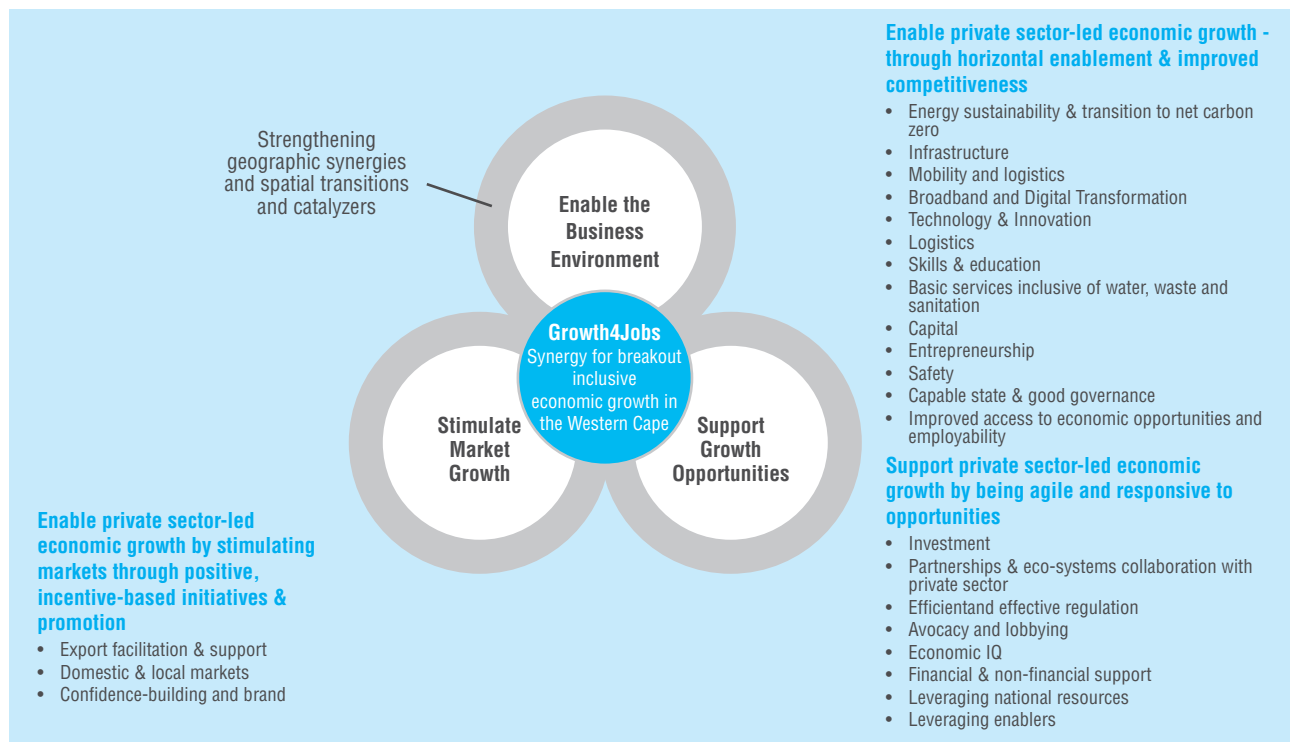
The framework sets out a holistic approach to address access (infrastructure), readiness and usage of government, citizens, and businesses to improve government service delivery, strengthen citizens’ access to opportunities and information and increasing economic competitiveness.

Western Cape Green Economy Strategy Framework

The aim of the framework is to position the Western Cape as the lowest carbon Province in South Africa and the leading green economic hub of the African continent resulting in sustainable green growth and development.

Western Cape Growth for Jobs Strategy








By 2035, the Western Cape will be a R1 trillion inclusive economy, growing at between 4 and 6% per annum. This will be achieved through enabling a competitive business environment driven by private sector-led opportunities and market growth. The Growth for Jobs Strategy is aligned to the Department of Economic Development and Tourism objectives and comprises the following:



Wesgro will continue to focus and frame its strategy on the activities that will deliver meaningful outcomes for investment, exports and tourism in order to ensure economic competitiveness of the Western Cape and achieving breakout growth. Wesgro has submitted a strategic emphasis on knowledge, innovation and sustainability in its Annual Performance Plan for 2023/24. There will be a focused on replicating successful catalytic delivery models and private sector participation as aligned to G4J.

The Growth for Jobs Strategy further identifies seven Priority Areas of Focus which will act as enablers to accelerate economic growth. Wesgro has been an early adopter of the strategy with activities already underway during the 2022/23 financial year. As indicated in the figure below, Wesgro is implementing activities in all seven of the pillars of G4J.

Priority Focus Areas for Horizon 1 (up to 2026)

 <p>Creating Growth Opportunities through Investment</p>	 <p>Stimulating Market Growth through Exports and Domestic Markets</p>	 <p>Energy Sustainability and Transition to Net Zero Carbon</p>	 <p>Water Security and Resilience</p>	 <p>Technology and Innovation</p>	 <p>Infrastructure & Connected Economy (including mobility & logistics, broadband & digital transformation)</p>	 <p>Improved Access to Economic Opportunities and Employability (skills & education, transport, housing etc)</p>
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- Investment facilitation
- Economic IQ
- Energy Investment (energy security)
- Manufacturing (green)
- Education Infrastructure
- Competitiveness dashboard
- Green investment
- Tech
- InvestSA EOB
- Investor confidence

- Export facilitation in line with exports strategy
- Tourism consideration
- Differentiating the WC
- Cape Trade Portal
- Made in the Cape brand
- Tourism dashboard
- Trade advocacy WC global market access
- Exporter advancement programme
- Services Exports Hub
- InvestSA EOB
- Investor confidence

- Economic IQ
- Energy security investment
- Manufacturing (green)
- Industry awareness
- Green Economy
- Investor confidence

- Water infrastructure and efficiency investment
- Climate mitigation investment
- Investor confidence

- Ecosystem development and support
- Advocating for competitive regulatory frameworks
- WC Venture Capital Hub
- WC as EdTech Capital
- Central WC Knowledge Hub Platform
- Creative Industries Hub
- Services Exports
- Investor confidence

- Cape Town Air Access (including air cargo)
- Cruise Cape Town
- Green Economy
- Africa's Tech Capital
- Investor confidence
- CT Cargo Container Access

- Export Advancement Programme
- EdTech Capital
- Tertiary institution Collaborations (skills pipeline)
- Investor confidence









Part B

Our strategic focus

2. Part B: Our strategic focus

2.1. Economic Environment

The global economy continues to be shaped by high inflation and weak economic growth. Prior to Russia's invasion of Ukraine, most economies were gradually bouncing back from the negative economic impact of the coronavirus pandemic. The war in Ukraine, coupled with the rise in central bank rates to fight inflation, continue to have an adverse effect on global economic growth. According to the IMF (2023), global economic growth is projected to slow to 2.9% in 2023, from an estimated 3.4% in 2022. Growth is, however, expected to increase to 3.1% in 2024. The growth forecast for Sub-Saharan Africa for 2023 and 2024 is slightly higher at 3.8% and 4.1% respectively. Tighter monetary policies, triggered by the cost-of-living crisis, and slower growth could potentially have an impact on financial and debt stability (IMF, 2023).

South Africa, an upper-middle-income country, was the second largest economy in Sub-Saharan Africa and the third largest in Africa in 2021, based on gross domestic product (GDP). Moreover, the country's real GDP per capita of US\$5,947.89 in 2021 was the 6th highest on the continent (World Bank, 2023). GDP per capita growth has averaged -0.71% between 2017 and 2021, which is below Sub-Saharan Africa's average of -0.66%. Following an economic contraction of 6.34% in 2020 due to the economic impact of the COVID-19 shock, South Africa's economic output increased by 4.91% in 2021. The reality, however, is that the country's economy was struggling prior to the start of the pandemic, with real GDP growth in the region of 0.3% in 2019. This is significantly below the required rate to address the serious challenge of unemployment, which reached 32.9% during the third quarter of 2022. Levels improved modestly in the third quarter, with 204 000 more people employed in the third quarter of 2022 relative to the previous quarter. The industries that recorded biggest job gains were manufacturing, trade, construction and transport. However, finance, private households, mining and agriculture recorded job losses during this period.

After significantly reducing the repurchase (repo) rate to 3.5% in 2020 to mitigate the impact of the coronavirus pandemic on the economy, the Monetary Policy Committee (MPC) of the South African Reserve Bank (SARB) has been increasing the rate since November 2021. The SARB has been raising the repo rate, which is currently set at 7.25%, in the context of higher inflation. According to the SARB (2023), the country's economic growth is projected to decline from an estimated 2.5% in 2022 to 0.3% in 2023, before rising slightly to 0.7% and 1.0% in 2024 and 2025 respectively. The on-going energy crisis is the main factor responsible for the anticipated lower growth in 2023. Thus, finding a solution to load-shedding would significantly improve the country's growth prospect. In the third quarter of 2022, real GDP expanded by 1.6%, supported by agriculture as well as finance, insurance, real estate and business services.

Inflationary Developments

Global inflation is expected to decline from 8.8% in 2022 to 6.6% and 4.3% in 2023 and 2024 respectively. In South Africa, headline inflation averaged 6.9% in 2022, which is higher than the upper bound of the SARB's target range of 3% to 6%. From a 16-year low of 2.1% in May 2020, headline consumer price inflation increased to a 13-year high of 7.8% in July 2022. Higher food and energy prices were the primary reasons for the high inflation. Annual consumer price inflation decreased from 7.2% in December 2022 to 6.9% in January 2023. Food and non-alcoholic beverages; housing and utilities; transport; and miscellaneous goods and services were the main contributors of to the 6.9% annual inflation rate. The SARB expects headline inflation to decline to 5.4% and 5.8% in 2023 and 2024 respectively.

Producer price inflation for final manufactured goods accelerated from 7.1% July 2021 to 18% a year later, before decreasing to 13.5% in December 2022. Coke, petroleum, chemical, rubber and plastic products; food products, beverages and tobacco products; metals, machinery, equipment and computing equipment; and paper and printed products were the main contributors to the headline producer price index in December 2022.

External Position

Trade has played a significant role in the recovery of the world economy from the devastating impact of the coronavirus, and it remains an essential driver for enhancing the global supply of goods and services, as well as for lowering the cost of getting to net-zero carbon emissions, (Director general, Ngozi Onkonjo-Iweala, WTO:2022). In late 2022 the World Trade Organization (WTO) predicted a growth in merchandise trade volume of 3.4% for 2022, slightly higher than the 3.0% forecasted in April 2022. It is anticipated however that global merchandise trade volumes will drop to 1.0% down from 3.4%, on a decline in import demand as growth slows in major economies for various reasons, including monetary policy tightening in the United States. In addition, China's economic output remains relatively subdued as the country emerges from its Zero-Covid policy, while Europe continues to face high energy prices a result of the Russia-Ukraine conflict. Disconcertingly, high import cost for food, fuels and fertilizers threatens food security and high cost of servicing debts in developing countries, (World Trade Organization).

Chart 1 below highlights the quarterly world merchandise trade volume through 2023 with error bands around the forecast period. Ceteris paribus, trade growth in 2022 is forecast to end up between 2.0% and 4.9%. If downside risks were to materialise, trade growth in 2023 could potentially fall by -2.8%. In contrast trade growth may potentially be high as 4.6% in 2023.

Chart 1: Volume of World Merchandise Trade, 2015Q1 – 2023Q4

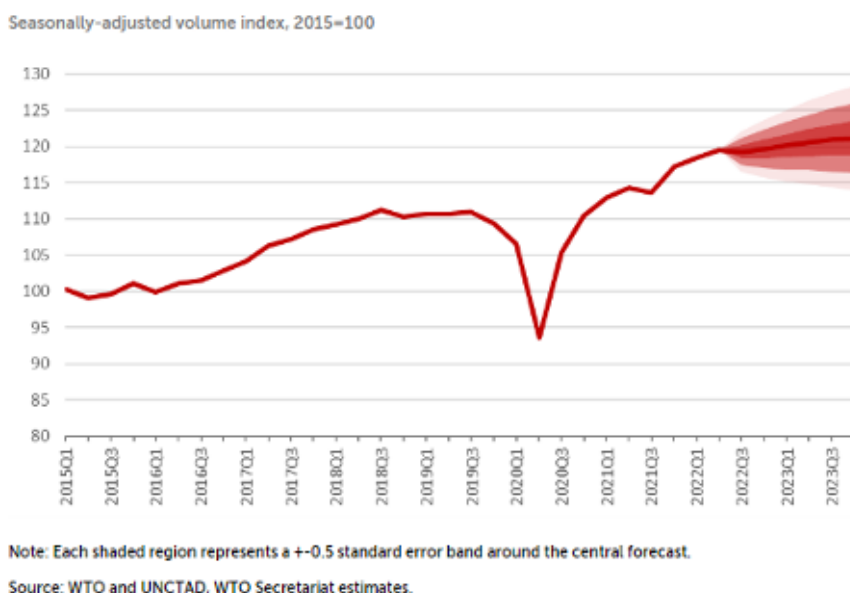
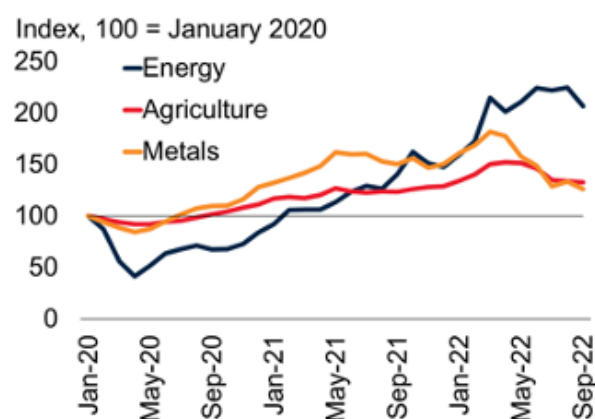


Chart 2 illustrates global price developments for select commodities between January 2020 to September 2022. Post late February 2022 commodity prices have diverged, with energy prices rising overall and non-energy prices declining. However, in many countries, most commodity prices are much higher in local currency terms because of the strength of the US dollar. Demand for metals has fallen in most regions as global economy has decelerated. The production of grains was robust in 2021-22 but is expected to decline in 2022-23. Oil prices are expected to ease in 2023-24, although this outlook is clouded by uncertainty; with a key downside risk being the possibility of a global recession.

Chart 2: Commodity Prices, January 2020 – September 2022



Source: World Bank, 2022

Provincial Trade

The province's exports totalled ZAR188.71bn in 2022, notably higher than the ZAR166.78bn earned in 2021. Similarly, imports increased to an accumulated cost of ZAR337.20bn in 2022, up from ZAR236.08bn incurred in 2021. The region's trade balance remained firmly in deficit as a result, widening to a shortfall of ZAR148.50bn in 2022, from ZAR69.30bn recorded in 2021.

When excluding petroleum activities however, the value of the province's total exports eased to ZAR175.37bn (from ZAR188.71bn when including petroleum related exports), while imports eased to a cost of ZAR168.30bn (from ZAR337.20bn when including petroleum related imports) in 2022. The net effect being a notable shift in the overall trade balance, from a deficit of ZAR148.50bn in 2022 (including petroleum products), to a surplus of ZAR7.07bn when petroleum activities were excluded.

The Western Cape's exports grew at nearly 13.15% in 2022. This impressive growth in exports can be attributed in part to notable growth in beneficiated coal product exports and refined petroleum oils exports. The export growth of beneficiated coal products was largely driven by rampant demand from the Netherlands and Mauritius, who reported year-on-year growth of 3273% and 100%, respectively.

From a regional trading perspective, Africa regained its position as the province's largest export destination region, with local exports to the (African) continent worth an estimated ZAR59.41bn in 2022. This was equivalent to 31.5% of the province's total exports in 2022. Europe placed second at a value of ZAR56.88bn (30.1% of total exports), with Asia in third position at a value of ZAR41.49bn (22%). Of interest is the fact that the Americas was the province's fastest growing export region over the period 2018 to 2022.

Exchange rate developments

In August 2022, the rand was among some of the worst performing emerging market currencies against the US dollar. The value of the rand decreased by 9.2% against the US dollar in the third quarter of 2022. However, the domestic currency appreciated against the dollar in November 2022 to R17.48 from R18.12 in the previous month. Moreover, the nominal effective exchange rate (NEER) of the rand decreased by 6.2% and 4.6%, respectively in the second and third quarters of 2022, before increasing by 3.0% between 30 September 2022 and 30 November 2022. The NEER was impacted by the negative effect of persistent electricity load-shedding on investor sentiment and economic outlook, tightening of monetary policy, especially by the US Federal Reserve and the strengthening in the US dollar (SARB, 2023).

Exchange rates of the rand (percentage change)

	31 Dec 2021 to 31 Mar 2022	31 Mar 2022 to 30 Jun 2022	30 Jun 2022 to 30 Sep 2022	30 Sep 2022 to 30 Nov 2022
Weighted average*	10.8	-6.2	-4.6	-4.6
Euro	11.6	-5.1	-3.6	-3.6
US dollar	9.8	-11.0	-9.2	-9.2
Chinese yuan	9.3	6.0	-3.8	-3.8
British pound	13.1	-3.8	-1.7	-1.7
Japanese yen	16.2	-0.5	-3.8	-3.8

* Trade-weighted exchange rate against a basket of 20 currencies (NEER); Depreciation (-) / Appreciation (+)

Source: SARB (2022)

Foreign Direct Investment (FDI)

Over the last 10 years spanning the period January 2013 to December 2022, 272 global companies invested 297 foreign direct investments (FDI) projects into the Western Cape, which reached a total capex value of ZAR106.26bn and created 17,533 domestic jobs. The United States was the leading source market for both FDI projects and capex into the Western Cape, investing a total of 68 projects with an accumulated capex value of ZAR30.61bn over the period under review. The United Kingdom followed in a close second (in terms of number of projects) with 66 projects and an estimated ZAR13.01bn in capex, while Germany was the third largest source market for capital projects (18 projects) and Mauritius ranked in third in terms of capex worth an estimated ZAR9.73bn over the reviewed period.

The top three FDI project-attracting sectors were business services (62 projects), software and IT services (58 projects) and the communications sector (32 projects), which collectively accounted for 51% of total projects invested into the Western Cape over the period 2013 to 2022. However, the Western Cape's communications sector alone accounted for 31% of total capex invested into the Western Cape over the same period, while business services accounted for about 21% of capital inflow into the province. Interestingly, investment into the Western Cape's renewable energy sector was equivalent to that made in the ICT sector, indicating the green economy's rapidly growing importance in the province.

Amazon was the leading company with the highest number of recurring projects into the Western Cape (eight projects) over the period under review, while Amazon Web Services (United States) followed in second with a total of five projects invested.

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

Entering 2020, we were ready for Brexit to be one of the major events for the year.

How wrong we were.

That is not to say that it was not a major event. In fact, it is probably only now starting to dawn on many just how major it was. What we did not foresee, however, was that global trade would come to a near standstill as a result of something entirely different.

As we now emerge from the chaos that was, and still is, 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).

Early 2021 also brought into focus post-Trump US trade policy. While this brings a reprieve from the possibility of erratic trade wars, unfortunately it will not halt the march of time towards AGOA's looming expiration date in 2025.

Back to Brexit: the UK's exit from the European Union (EU) Common Market will have lasting repercussions. From a South Africa- UK point of view, however, we managed to weather the uncertainties thanks to a dedicated team of trade negotiators that got a new separate trade agreement with the UK across the line well in advance of the eventual deadline. On 1 January this year, 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 few months, we have already seen the UK being close to completing trade agreements with New Zealand and Australia, plus the UK's planned accession to the Trans-Pacific Partnership (CPTPP). Trade negotiations with the United States are also ongoing, though a deal is likely to be some years away.

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

We will also need to see what a shift from "America First" to the Biden administration's "worker-centred" trade policy means in practice, and how US – 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. It was agreed in December 2020 however to put in place interim measures to allow for trading to commence among those countries that are ready. Thus, in theory, some trading could already take place under the AfCFTA though at the time of writing this is not yet happening.



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 services trade. This also falls under Phase 1 and will initially only include the five agreed 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 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 significantly affected the tourism sector in 2020 and 2021 with minimal international arrivals into the province. There has been a notable recovery in recent quarters however, and the data below not only shows the importance of the tourism industry and its significant economic contribution, but how the tourism sector recovered during 2022. .

Of all nine provinces, the Western Cape ranked:



2nd Highest

in the average length
of stay:

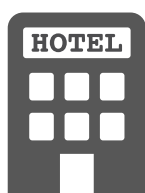
15.0 nights



2nd Highest

in Total Foreign
Direct Spend:

R17.0 billion



2nd Highest

in total bed nights:

13.7million



3rd Highest

in tourist arrivals:

911,745

PROVINCIAL TOURISM PERFORMANCE, 2021				
Province	Tourist Arrivals (millions)	Total Foreign Direct Spend (billions)	Bed nights (millions)	Length of stay (nights)
Gauteng	2 302 242	R22,4	25 926 055	12,0
Western Cape	911 745	R17,0	13 700 621	15,0
Eastern Cape	194 784	R3,1	3 034 983	16,0
KwaZulu Natal	554 156	R4,2	5 710 774	11,0
Mpumalanga	1 183 856	R5,2	9 000 618	8,0
Limpopo	423 392	R4,0	2 360 194	6,0
North West	269 896	R1,4	2 209 495	9,0
Northern Cape	112 514	R0,7	501 568	6,0
Free State	615 144	R1,6	7 023 317	12,0

Source: SA Tourism, 2023

Western Cape Tourism Performance

In 2022 the Western Cape accounted for 16.0% of all international tourist arrivals to South Africa and attained 28.5% of South Africa's total foreign spend. In addition, the Western Cape held 19.7% of South Africa's bed nights recorded in 2022.

Western Cape Tourism Performance: International Market, 2018-2022					
Western Cape Performance Indicators	2018	2019	2020	2021	2022
*Total number of tourist arrivals	1.7 million	2.0 million	0.4 million	0.3 million	0,9 million
% Share of South Africa's arrivals	16.5%	19.6%	15.8%	13.3%	16.0%
Total foreign direct spend (excl capital expenditure)	R16.3 billion	R18.6 billion	R4.7 billion	R3.7 billion	17.0 billion
Total number of bed nights spent by tourists	23.3 million	25.7 million	6.2 million	4.8 million	13.7 million
Length of stay	13.9 nights	13.4 nights	14.5 nights	16.5 nights	15.0 nights

*Total number of international tourist arrivals into the Western Cape measure arrivals by calendar year (01 January - 31 December).

Source: SA Tourism, 2022



Western Cape Tourism Performance: Domestic Market, 2018-2022					
Domestic Tourism Indicators:	2018	2019	2020	2021	2022
Domestic trips taken from WC	1 069 750	3 497 635	2 237 510	831 478	3 205 947
Domestic trips taken to WC	1 288 000	4 431 140	2 642 302	885 583	3 449 580
Total domestic spend	R1.9 billion	R7.7 billion	R6.9 billion	R6.8 billion	R12,7 million
Length of stay in the WC	3.8 nights	3.8 nights	3.1 nights	4.1 nights	3.3 nights
Total bed nights spend	4 885 441	16 647 773	6 879 072	3 416 651	10 662 847
Total number of day trips	12 059 237	34 042 053	18 337 639	4 876 446	15 495 472
Main purpose of visit to the Western Cape	VFR-582 118	VFR-1 548 499	VFR-1 203 393	VFR- 433 813	VFR- 1 483 959
	Holiday- 426 699	Holiday-1 280 137	Holiday-923 296	Holiday- 384 002	Holiday- 1 408 981
	Religious-42 359	MICE- 112 026	MICE- 44 157		Religious- 75 951

Source: SA Tourism, 2023

Top 10 Source Markets

As seen in the 2022 tourist numbers below, the Western Cape's international market is recovering remarkably well with the European region regaining its position as the Western Cape's top source for tourist arrivals, with 6 out of the top 10 markets originating from the European continent. The Western Cape's traditional top 3 source markets; the UK, Germany and the USA all recovered by over 80% against 2019. Namibia ranked as the 4th largest source market for the province and fully recovered to pre-pandemic levels. Switzerland (94% recovery) and Netherlands (91% recovery) nearly fully recovered in 2022 when compared to pre-pandemic levels (2019).

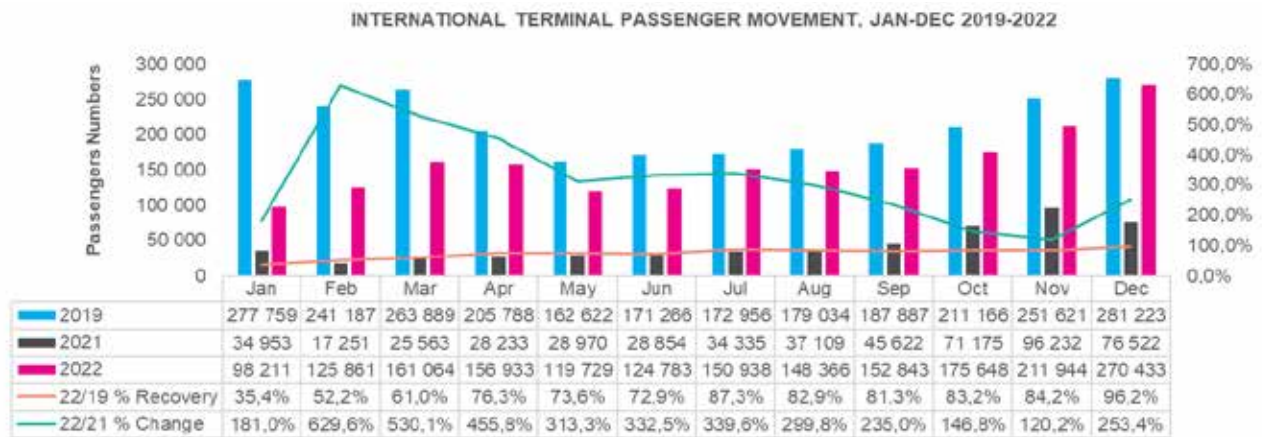
TOP 10 SOURCE MARKETS TO THE WESTERN CAPE, 2019-2022							
Ranking	Source Market	2019	2020	2021	2022	% Share of SA's arrivals in 2021	% Recovery over 2019
1	UK	194 900	79 017	36 800	167 107	354%	86%
2	USA	134 561	38 619	34 700	111 326	221%	83%
3	Germany	129 248	66 431	32 166	105 261	227%	81%
4	Namibia	74 734	28 566	48 454	87 756	81%	117%
5	Netherlands	51 480	19 011	13 934	46 747	235%	91%
6	France	62 404	24 154	13 409	41 541	210%	67%
7	Lesotho	32 077	12 378	11 133	31 556	183%	98%
8	Zimbabwe	39 166	7 963	7 283	27 892	283%	71%
9	Switzerland	24 869	10 373	8 289	23 343	182%	94%
10	Belgium	19 506	7 136	5 018	17 294	245%	89%

Source: SA Tourism, 2023

Tourism Recovery in 2022 over 2019

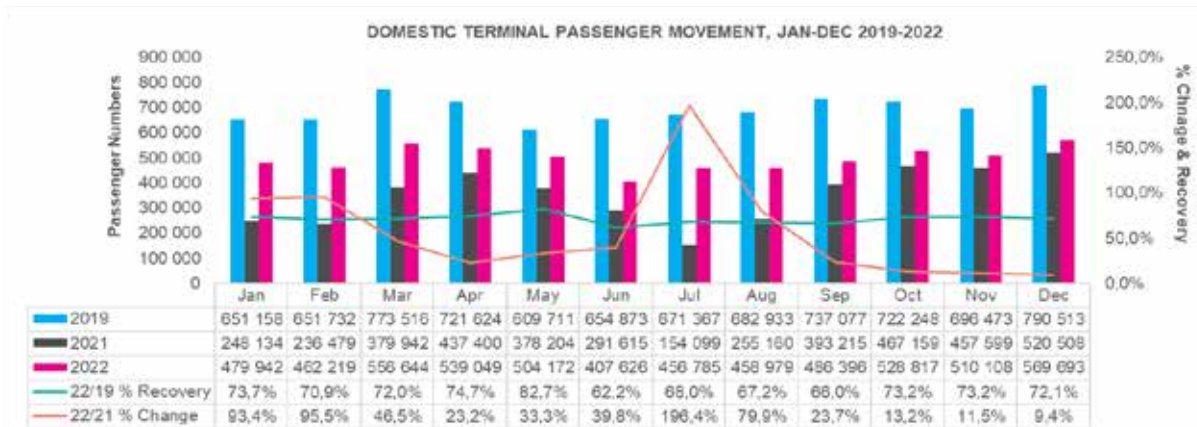
1. Cape Town International Airport (CTIA) Terminal Performance

International arrivals have increased steadily since January 2022, reaching well over 80% recovery between July and November 2022 against the same months in 2019. December 2022 nearly fully recovered (96.2%) relative to 2019. For the full year 2022, international passenger recovery reached 73% when compared to 2019.



Source: ACSA, 2023

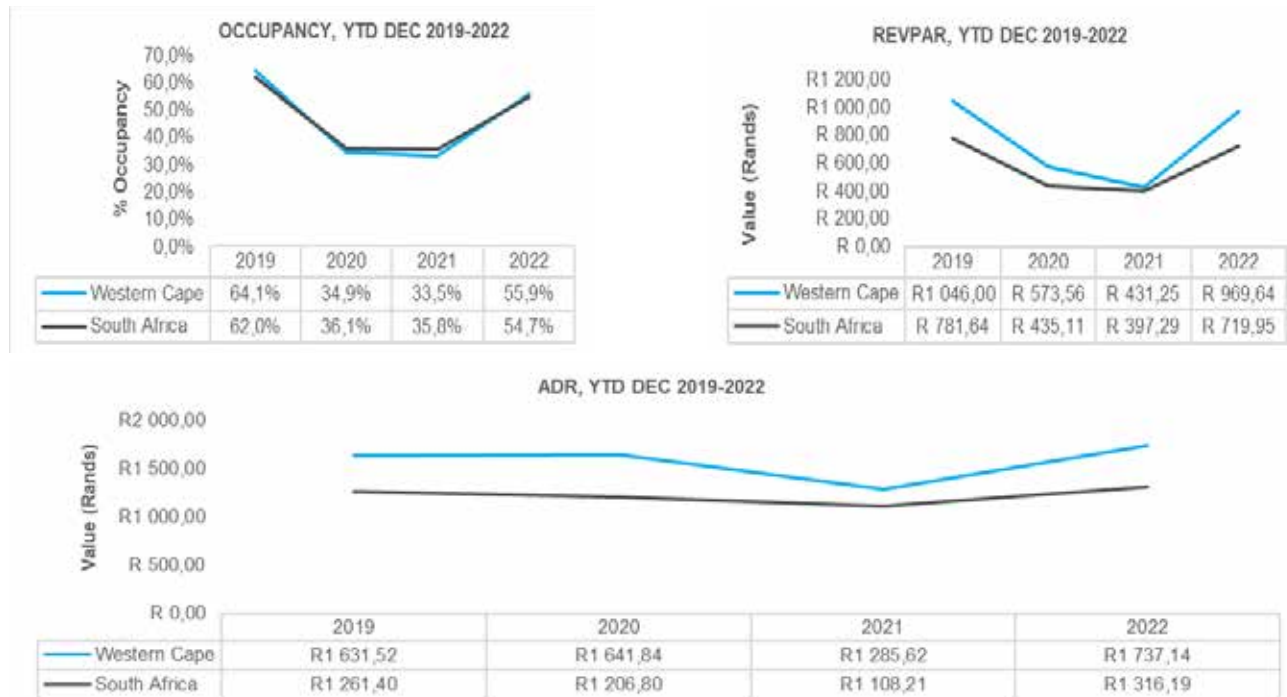
After a steady recovery in the first five months of the year, domestic arrivals contracted in June (which coincides with the closure of Comair) but picked up again for the remainder of the year, reflecting a steady recovery of over 70% between October and December 2022. Overall, YTD 2022 domestic passenger recovery is at 71% relative to 2019.



Source: ACSA, 2023

2. Hotel Occupancy

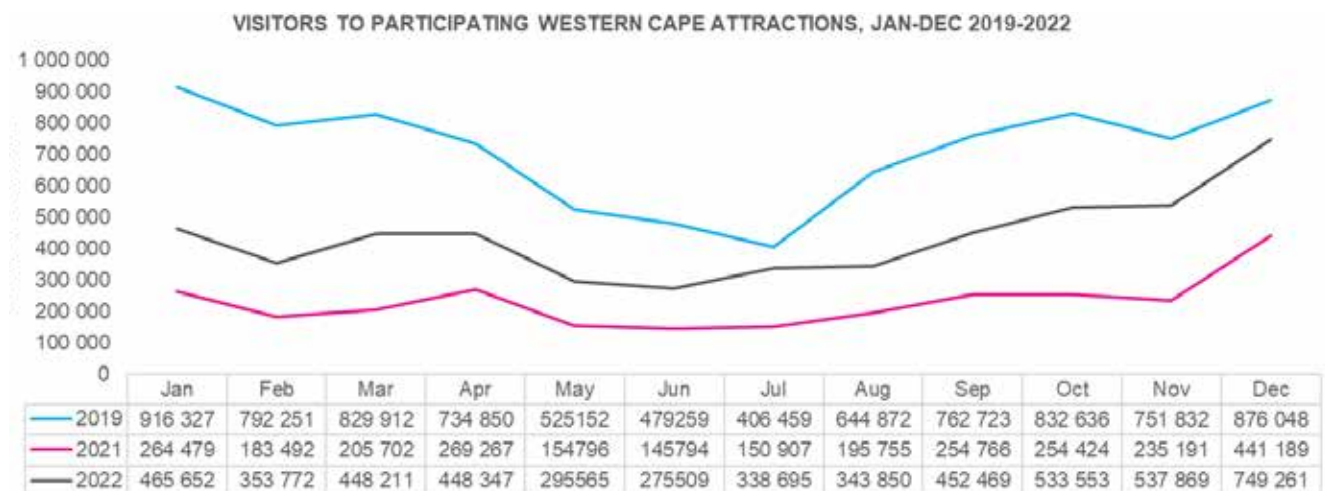
As of December 2022, the year-to-date occupancy percentage in the Western Cape reached 55.9%, compared to 64.1% over the same period in 2019, a recovery rate of 87%. Revenue per available room (RevPAR) went from R1 046.00 in 2019 to R969.64 in 2022 and nearly fully recovered by 93%. The Average Daily Rate (ADR) for the province stood at R1 737.14 in 2022 YTD and fully recovered by 107% against 2019.



Source: SA Tourism, 2023

3. Western Cape Attractions

Visitors to the 27 participating attractions across the province recorded a total of 5.2 million visitors between January and December 2022, a 90% growth in the number of visitors when compared to the same period in 2021 and 61% of what it was in 2019.



Source: SANParks, LTO's, and Attractions, 2023

2.2 Organizational environment

2.2.1 External Environmental Analysis

Political risks

As evident in the situational analysis above, South Africa's economy is intrinsically linked to and impacted by global economic developments. This has been increasingly pronounced over the past 12-months amid rising global geopolitical tensions and fault lines, the forming of new global alliances, and renewed calls for climate action commitments. Over and above the pressures inflicted by these exogenous factors on both our national and provincial economies, risks emanating from the country's political landscape pose additional challenges not only to doing business but the country's ability to attract and boost investment and grow tourism.

As the Western Cape's official trade, tourism and investment promotion agency, these risks permeate and impact virtually every aspect of what Wesgro does and strives to achieve in terms of boosting exports, facilitating and growing investment, and promoting the Province as a world-class tourism-destination.

We consider the country's current power crisis and the significant costs – both direct and indirect – on the national economy, noting that this is just one example of public infrastructure/state owned enterprises that have been neglected in recent decades as corruption has proliferated. The impact of which reaches every single business and household across the country, restricting the national economy's ability to function at any meaningful level that will grow the economy, and address pervasive unemployment and inequality. And it is these indirect costs that directly affect the Agency's ability to both boost the province's exports and attract investment.

Crime also remains a very real and prominent threat to most spheres of society, with this being a direct result of the gradual degradation of the country's physical and social infrastructure in recent decades. And while crime affects all business in general, the tourism sector is possibly of the hardest hit, with the negative perception and sentiment resulting from these statistics a significant deterrent in several foreign tourism source markets.

Further, it can be argued that the grey listing of South Africa by global financial watchdog Financial Action Task Force (FATF) on 24 February 2023 is reflective of the degree of discord at a national level. And while it is potentially hard to quantify the impact of this development, the reputational damage is significant, and the reality is that increased levels of compliance and due diligence and the possibility of increased costs and administrative burdens stand to potentially deter foreign investors. This is over and above the recent announcements by some of the international sovereign credit rating agencies who cautioned pre- the 2023 Budget that intensified power cuts could place the country at risk of credit rating downgrades. Both of which stand to materially impact the country's business climate and attractiveness as a foreign investment destination, which by inference has a direct impact on Wesgro's ability to fulfil its mandate.

Economic risks

Macroeconomic risks

Slow growth

The South African economy is faced with weak economic growth, increasing unemployment and ensuing socio-economic decline with potential social unrest and escalating crime rates. The South African economy grew by a relatively strong 1.6% in the third quarter of 2022, although the expansion was not broad-based. The South African Reserve Bank forecasts no growth in the fourth quarter. While forecasting a growth of 2.5% for the whole of 2022 (up from 1.8%), the SARB forecasts GDP growth of only 0.3% in 2023, underpinned by extensive load-shedding and other logistical constraints. The SARB assumes that power shortages, which held back growth in 2022 by 1 percentage point, will not significantly improve in 2023 and will ease only gradually in 2024. Although substantial investments in increasing generation capacity are under way, there is a risk that the power supply imbalances deteriorate further with escalating effects on growth.

Moreover, recent credit rating agencies have cited that constraints to South Africa's growth outlook emanating from a malfunctioning labour market and decaying infrastructure, persist. The latter results in an energy gap and frequent power outages as well as other disruptions which are highly disruptive for the functioning of South Africa's energy-intensive economy.

Furthermore, the Western Cape Government's Provincial Economic Review (PERO) reported that South Africa and the Western Cape are currently not progressing in attracting additional fixed investment. To solve the issue of unemployment, adequate increases in greenfield investments are required. Unemployment is therefore essentially a fixed investment crisis.

High inflation and rising interest rates

Increasing inflation gives rise to higher cost of living, which affects the poorest in South Africa the most. Although Statistics South Africa (StatsSA) reported declines in consumer inflation between January 2023 and December 2022, the food category inflation, on the other hand, continued to accelerate. The annual food and non-alcoholic beverages rate climbed to 13.4% in January, the highest reading since April 2009 when the rate was 13.6%. Notable increases were recorded for basic goods such as bread and cereals. Additionally, the already-high cost of living stands to be exacerbated by load-shedding. Against the backdrop of the risk of increasing inflation, as cited by the South African Reserve Bank (SARB), the repurchase rate was increased by 25 basis points to 7.25% per year in early 2023, heralding the eighth consecutive rate hike since it started its rate-hiking cycle in November 2021. Since then, the prime interest rate has increased by 3.75% to 10.75%, its highest level since 2009.

Rand depreciation risks

A global stock market crash, a recession and rising policy interest rates in advanced economies could potentially cause large-scale capital outflows from emerging market and developing economies with significant currency depreciation. An increase in investor risk aversion due to the Ukraine war could lead to capital outflows from South Africa, triggering the Rand depreciation, falling stock prices, and higher risk premiums in bond markets. That would create acute stress for the country's fiscal consolidation and target of R1.2 trillion in new investments over five years. While the rand appreciated in December 2022 alongside other emerging market currencies, it depreciated by approximately 1.6% against the USD in January 2023. Given deteriorated growth prospects, the risk of currency weakness has increased.

High government debt and sovereign credit rating

In November 2022, Standard & Poors warned that there were several threats to government finances, including a slowing global economy, the public sector wage bill and Eskom's crisis. The rating agency rated South Africa with a rating of BB-. The rationale for the rating considered the high and still rising government debt, low trend growth and high inequality that will continue to complicate fiscal consolidation. The National Treasury intends to take-over two-thirds of Eskom's R400 billion plus debt burden and this would be tabulated in the 2023 budget. Treasury has been requested to ensure that the transfer does not trigger defaults, ratings downgrades and other affairs entangled in Eskom's debt crisis.

Further constraints on fiscal consolidation come from socioeconomic pressures, as cited by Fitch Rating in November 2022. The agency credited this to the high-income inequality and unemployment. The risk of an increase in public sector wages was also cited as a potential risk to public finances.

Risks in international trade

According to the United Nations Conference on Trade and Development (UNCTAD), global trade should hit a record USD32 trillion for 2022, but a slowdown that began in the second half of the year is expected to worsen in 2023 as geopolitical tensions and tight financial conditions persist. Despite the war in Ukraine and the lingering impact of the pandemic, both merchandise and services trade have registered strong growth in 2022. Trade in goods grew 10% from 2021 to an estimated USD25 trillion, due in part to higher energy prices. Services were up 15% to a record USD7 trillion. But UNCTAD warns that the slowdown during the second half of 2022 points to tougher conditions in 2023.

Two other factors could affect trade patterns in 2023 as explained by UNCTAD. Namely, the evolution of global supply chains and the transition towards a greener world economy. However, uncertainties remain high for supply chain operations. Mitigation strategies such as diversification of suppliers, reshoring, near-shoring and friend-shoring will likely affect global trade patterns in 2023. Efforts towards greener global economy are expected to spur demand for environmentally sustainable products while reducing the demand for goods with high carbon content and for fossil fuels.

Closer to home, interests are on the country's trade with the European Union (EU), the United States, and the United Kingdom. Also, the implications of trade protocols such as the African Growth and Opportunity Act (AGOA) and the opportunities for possible improvements that could be negotiated or advocated for. The AGOA, which provides duty free access to about 6 500 tariff lines to the USA for select eligible countries and products, has had a significant impact on promoting sub-Saharan Africa and US bilateral trade. What lies ahead for trade relations between the USA and Africa if AGOA ends post 2025? While

there has been no formal indication from the USA that the programme will not be renewed, a view is that it may potentially 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 steppingstone 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.

Although according to the National Council of Provinces (NCOP) on Trade & Industry, Economic Development, Small Business, Tourism, Employment & Labour, Sub-Saharan countries are united, calling for the extension of AGOA beyond 2025. The US has considered comprehensive reciprocal market opening and rules through free trade agreements (FTAs) with individual African countries. It was said that concerns around the FTAs with individual countries were that it would undermine Africa's integration agenda. Furthermore, South Africa is due to host the AGOA Forum in 2023, and sub-Saharan Africa (SSA) would seek to influence the future direction and content of SSA-US trade and investment.

Social risks

Worsening economic conditions in South Africa are met with already existing social issues, including high levels of inequality, unemployment (especially among the youth), and poverty. Rising cost of living through increases in food prices affect the most vulnerable, resulting in hunger and hardship for households that spend the highest share of their income on food. These risks may result in increased pressure on limited government resources. Former South African President Thabo Mbeki warned of a crisis if the challenges of poverty, unemployment and inequality were failed to be addressed. He warned that the rising poverty and hardship, poor governance, and mounting lawlessness could see South Africa erupt into its own version of the "Arab Spring". These comments come after the July 2021 riots in parts of the country which were in part linked to worsening social conditions of poor South Africans.

Technological risks

The fourth industrial revolution is impacting on 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 in innovation in recent years, the business destination still faces significant perception risk in this area.

Legal risks

In terms of the rule of law, as noted by the Heritage Foundation in its Annual Index of Economic Freedom, "South Africa continues to benefit from strong institutions and a robust and independent legal framework", but pervasive corruption increasingly hampers the functioning of government, and enforcement of anticorruption statutes remains inadequate. Examples such as the legal proceedings against former President Jacob Zuma were seen as an ability of post-apartheid South Africa's ability to enforce the rule of law. The former Presidents' arrest following a sentence by the Constitutional Court is seen a victory for the rule of law in South Africa. Furthermore, the recommendations of the Zondo Commission of Inquiry report will need implementation. With views that South Africa's seriousness about fighting corruption would be proved if the implicated were to be criminally charged prosecuted. President Cyril Ramaphosa has committed to consider the Commission's report and is still to present a comprehensive response and implementation plan to Parliament.

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. This argument was supported by the rating agency, Moody's, in an April 2022 report, where the rating agency noted that South Africa's negative exposure to environmental risks relates to water and physical climate risks.

A quarter of South Africa's population is exposed to unsafe drinking water and significant parts of the population periodically face severe droughts as climate change intensifies. The deteriorating municipal water infrastructure is also a cause to water pollution and waste. Most municipal wastewater systems are not functional, which results in raw sewage flowing into

rivers. Examples of the effect of the climate change crisis are the frequent floodings in South Africa. The provinces of the Eastern Cape, KwaZulu-Natal and North West were struck by disastrous flooding in early 2023 and this led to a declaration of national state of disaster by the president.

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"> • Agile • Almost 40 years’ proven track record • Established global brand in economic diplomacy • Sector and market specialists in the investment, trade, film, leisure and business tourism teams • Strong capability in facilitating market access • Track record in promoting outward investment into the rest of Africa • Responsive research and thought leadership capability • Good relationships with Local, Provincial, National and Global Partners • Political support 	<ul style="list-style-type: none"> • Broad Agency mandate – financially under-resourced to deliver optimally on its mandate • Uncompetitive remuneration relative to other agencies and private sector – staff retention a challenge • Compliance culture requires improvement • Weak systems to effectively retain the Agency’s intellectual property
Opportunities	Threats
<ul style="list-style-type: none"> • Establish a better destination and economic brand hierarchy for global marketing efforts • Shifting global economic trends presenting new opportunities for innovation, investment, trade, tourism and film • Sectors geared for growth in the future are strongest in the Western Cape • Inter- and intra-Agency collaboration to drive the nation’s growth agenda • Enhancement of thought leadership capability • Strengthening relationships with stakeholders and the private sector • Increase revenue generation sources • Impact of geopolitical conflicts on trade, growth and innovation • Strong academic institutions 	<ul style="list-style-type: none"> • Lack of collaboration between role players • Negative perceptions of SA that affect confidence in the destination • The impact of climate change on the economy and long-haul travel patterns • Increasing pressure on economic infrastructure • Exchange rate fluctuations and inflationary pressures • Safety and security issues (perceived and real) • High level of youth unemployment • Skills development in line with changing industry needs • Manufacturing sector not a focus in the province • Weakening tourism ecosystem (e.g., SA Tourism, funding at local level, inability to unlock potential new travel markets) • Energy crises



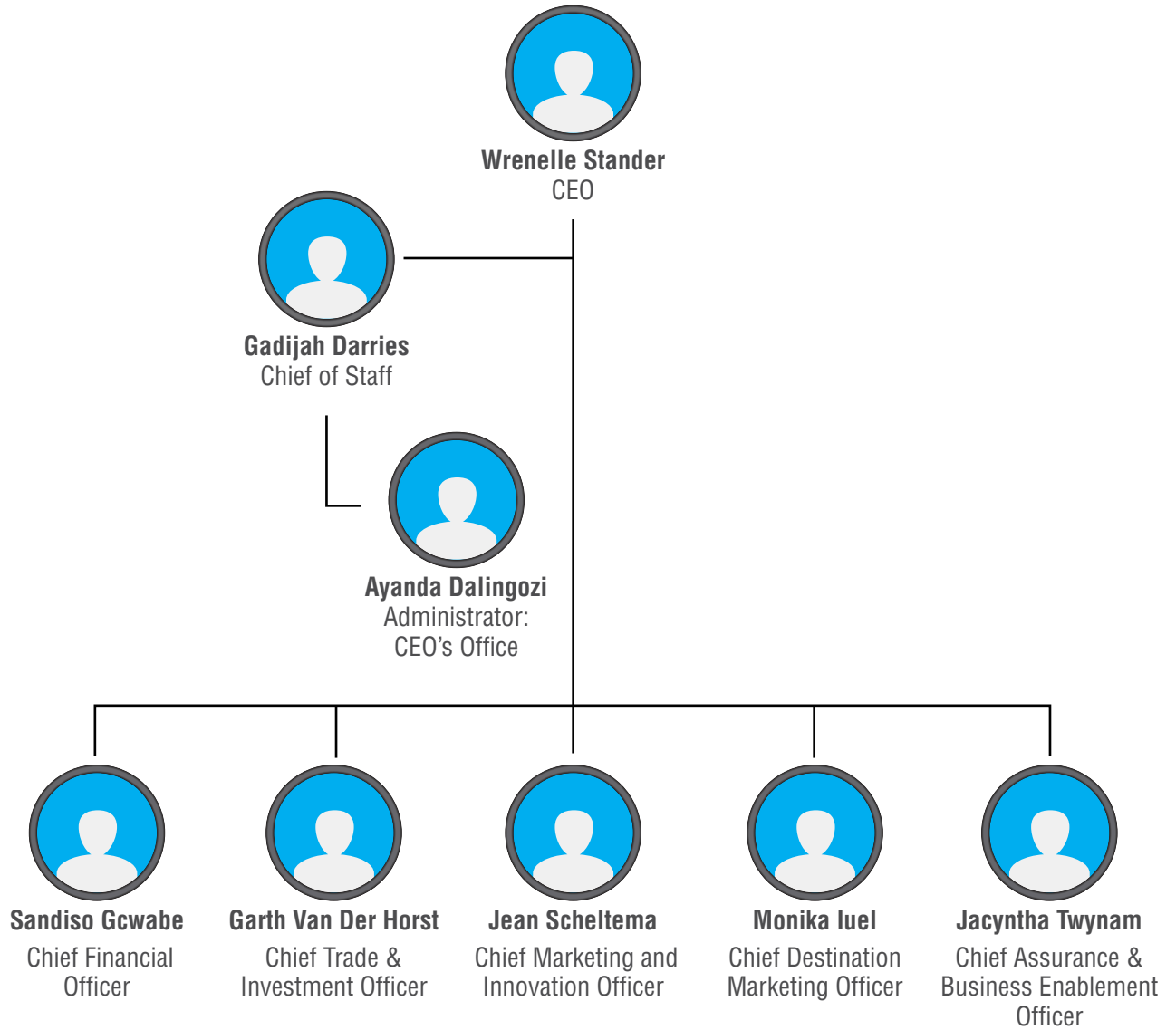
The Wesgro Board

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. David Green	Chairperson
Mr. Ian Bartes	Deputy Chairperson / Chairperson of the Audit, IT and Risk Committee
Mr. Paul Bannister	Member of the Board
Mr. David Bridgman	Member of the Board
Mr. Paul Cluver	Member of the Board
Mayor Francois Du Rand	SALGA elected member of the Board
Councillor Nicholas Louw	SALGA elected member of the Board
Mr. Simon Kaye	Ex-Officio Member of the Board representing the Western Cape Government
Mr. Lance Greyling	Ex-Officio Member of the Board representing the City of Cape Town/Chairperson of the Human Resource and Remuneration Committee
Mr. John van Rooyen	Member of the Board
Mr. Sazi Ndwandwa	Member of the Board
Mr. Geoffrey Jacobs	Member of the Board
Mr. Timothy Scholtz	Member of the Board
Ms. Wrenelle Stander	Chief Executive Officer / Ex-Officio Member



Wesgro's Organogram



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 R12,4bn committed investments into the Province, resulting in 5 698 jobs To recruit and facilitate R20.9bn trade agreements, resulting in 3278 jobs To market Cape Town and the Western Cape and support tourism destination marketing initiatives with an estimated economic value of R3.5bn. <p>Over the next five-years, the Agency will generate R36.7bn in estimated economic impact, resulting in the facilitation of 8 976 jobs, as follows:</p>		
	Programme	Estimated economic impact (R)	Jobs
	Investment	12 413 290 437	5 698
	Export (including OFDI)	20 874 316 176	3 278
	Tourism	3 450 938 277	-
	Total	36 738 544 890	8 976
	*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 2021/22 financial year, the Agency attracted, facilitated direct investment, film and media deals, export agreements and tourism initiatives with an estimated economic impact of over R8,9bn and 5039 direct jobs created.</p> <ul style="list-style-type: none"> A total of eight investment projects with an investment value of R5.99bn was committed, resulting in the creation of 4 445 direct jobs. A total of 61 export promotion business agreements were signed, with an estimated economic impact of R2.0bn, resulting in 320 direct jobs. Also, three OFDI projects were committed to the value of R330m. A total of eight film and media production declarations were secured to the value of R288m, which created a total of 274 FTE jobs. A total of 18 bids, with an estimated economic impact of R264m was generated for tourism 		
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.		

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				
<p>WHAT WE INVEST? The financial, human and material resources that are necessary for the activities to take place and the outputs to be produced.</p>	<p>WHAT WE DO? The activities are the necessary tasks undertaken by personnel to transform the inputs to outputs.</p>	<p>WHAT WE ACHIEVE? Outputs are the products and services produced. It is the results of a project. The outputs are SMART (specific, measurable, achievable, realistic and time-bound) and must be precisely and verifiably defined.</p>	<p>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.</p>	<p>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.</p>				
<p><u>Examples:</u> Staff Time Money Research base Materials Equipment Technology Partners</p>	<p><u>Examples:</u> Deliver services Develop products and resources Education and training Network with others Build partnerships Advocacy Facilitation Work with businesses</p>	<p><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.</p>	<p><u>Changes in:</u> Knowledge Attitude Skills Behaviour Decision-making Policies Social action</p>	<p><u>Changes in:</u> Conditions Economic Social (well-being) Health Civic Environmental</p>				
<p>The Wesgro Business Models contain Inputs and Activities. The detail of which is explained in the Operational Plans.</p>		<p>The APP has the OUTPUTS, PERFORMANCE INDICATORS & TARGETS</p>	<p>The APP has the OUTCOMES, OUTCOME INDICATORS & BASELINES.</p>	<p>All OUTCOMES contribute to the Impact Statement and Impact Indicators.</p>				

WESGRO				
INPUTS Annual	ACTIVITIES Annual	OUTPUTS Annual	OUTCOMES 3-5 years	IMPACT 5-10 years
Finance Resources Wesgro high-level Business Model Operational Plan	Activities Wesgro high-level Business Model Operational Plan	Positive financial viability rating Percentage achievement of annual budgeted operational expenditure	Unqualified Audit report with no material findings	Fully functional, efficient and effective Agency
Assurance and Business Enablement Resources Wesgro high-level Business Model Operational Plan	Activities Wesgro high-level Business Model Operational Plan	Number of M&E performance reports submitted Number of reports evidencing maintenance of the Agency's ICT environment	Unqualified Audit report with no material findings	Fully functional, efficient and effective Agency
Differentiated and Competitive Destination Resources Wesgro high-level Business Model Operational Plan	Activities Wesgro high-level Business Model Operational Plan	Number of strategic campaigns	Number of people reached	Growing brand awareness
Investment Resources Wesgro high-level Business Model Operational Plan	Activities Wesgro high-level Business Model 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 % Jobs (direct and indirect)
Export Resources Wesgro high-level Business Model Operational Plan	Activities Wesgro high-level Business Model Operational Plan	Number of trade agreements signed	Rand value of trade agreements signed Number of jobs facilitated from trade agreements signed	
Tourism Resources Wesgro high-level Business Model Operational Plan	Activities Wesgro high-level Business Model Operational Plan	Number of bids secured	Total estimated economic value of tourism destination marketing initiatives	

2.4 Overview of 2023/24 budget and MTEF estimates

Programme		Outcome			Estimated outcome	Medium-term estimate		
R'000		Audited	Audited	Audited		2022/23	2023/24	2024/25
		2019/20	2020/21	2021/22				
1	Finance	12 999	16 865	18 758	22 652	14 701	16 817	17 744
2	Investment	18 111	23 497	26 134	37 810	26 093	27 499	28 982
3	Export	16 239	21 068	23 432	32 447	27 634	29 084	30 612
4	Tourism	21 110	27 388	30 461	36 786	27 781	29 223	30 741
5	Differentiated and Competitive Destination	20 330	26 375	29 335	25 026	36 340	45 536	45 491
6	Assurance and Business Enablement	6 925	8 984	9 992	12 067	18 380	9 168	9 714
Total payments and estimates		95 714	124 177	138 112	166 789	150 929	157 327	163 284

Overview budget and MTEF estimates per economic classifications:

Economic classification		Outcome			Estimated outcome	Medium-term estimate		
R'000		Audited	Audited	Audited		2022/23	2023/24	2024/25
		2019/20	2020/21	2021/22				
	Expenses							
	Current expense	95 714	124 177	138 112	166 789	150 929	157 327	163 284
	Compensation of employees	60 709	60 885	57 693	64 016	70 222	74 506	79 050
	Salary & Wages	50 072	52 223	49 485	54 908	60 133	63 801	67 693
	Social Contributions (employer contributions only)	8 637	8 662	8 208	9 108	10 089	10 704	11 357
	Use of goods and services	35 005	63 292	80 419	102 773	80 707	82 821	84 234
	Advertising	12 083	20 263	25 109	31 773	23 215	28 255	23 969
	Audit Fees	2 819	4 502	5 481	6 886	3 114	3 257	3 407
	Communication	561	1 477	2 878	4 174	898	939	982
	Consultants, contractors and special services	13 363	22 808	28 436	36 071	26 539	23 596	24 965
	Inventory	726	1 257	1 574	2 001	1 544	1 577	1 733
	Operating leases	2 178	4 290	5 593	7 217	3 914	4 094	4 283
	Printing and publication	928	1 649	2 084	2 657	2 166	3 609	5 562
	Travel and Subsistence	4 555	8 136	10 297	13 139	9 592	17 531	18 338
	Total expenses	95 714	124 177	138 112	166 789	150 929	157 327	163 284

2.5 Relating expenditure trends to strategic goals

With the ever-decreasing fiscus, Management has embarked on a process of robust consultation with the Shareholders to ensure baseline funding to that it is able to deliver on its mandate and embark on new initiatives to bring about impactful change.









Part C

Measuring our performance

3. Part C: Measuring our performance

3.1. Programme 1: Finance



3.1.1 Purpose

The purpose of the Programme is to provide efficient, cost effective, transparent and responsive financial management to the Agency and ensure that the principles of good corporate governance are implemented. Effective financial management is aimed at upholding of the legislative requirements of the Agency. It also ensures that the necessary resources are provided to efficiently run core operations.

3.1.2 Programme Structure

This programme does not have sub-programmes.

3.1.3 Strategic outcome

Strategic outcome	
Strategic outcome	Enhance good governance practices through compliance with prescribed financial and non-financial regulations and guidelines.
Outcome statement	5-Year outcome: An unqualified Audit report with no material findings. 2023/24 outcome: An unqualified Audit report with no material findings.
Baseline	The Agency achieved a qualified audit for the 2021/22 financial year.
Justification	The concept of value for money is an integral part of the strategic and operational activities. The Programme identifies and implements interventions to achieve value for money that will improve service delivery, eliminate wasteful allocation of resources, enhance public confidence and ensure compliance.
Links	This objective is linked to the Public Finance Management Act (PFMA), National Treasury Regulations, Provincial Treasury Instructions, King IV in terms of good governance and integrated service delivery through partnerships and spatial alignment.



3.1.4 Outcomes, outputs, performance indicators and targets 2023/24

No.	Outcome	Outputs	Output Indicators	Annual Targets					
				Audited /Actual Performance		Estimated Performance	MTEF Period		
				2019/20	2020/21		2021/22	2023/24	2024/25
1.1	Unqualified Audit report with no material findings	Financial, SCM, IT and HR outputs	Positive financial viability rating	-	4 (Good)	4 (Good)	4 (Good)	Good	Good
			Percentage achievement of annual budgeted operational expenditure	-	98%	87%	98%	98%	98%

3.1.5 Indicators, Annual and Quarterly Targets 2023/24 (Output indicators)

No.	Output Indicators	Annual Target			
		Q1	Q2	Q3	Q4
1.1.1	Positive financial viability rating	Good	-	-	Good
1.1.2	Percentage achievement of annual budgeted operational expenditure	98%	-	-	98%

3.1.6 Explanation of planned performance over the medium-term period

The Programme ensures that the required internal controls and mitigations are in place to ensure that Wesgro complies with its fiduciary obligations and achieves an Unqualified audit opinion.

3.1.7 Reconciling performance targets with the budget and MTEF Summary of payments and estimates: Programme 1: Finance

Summary of provincial payments and estimates by economic classification:

Economic classification		Outcome			Estimated outcome	Medium-term estimate		
		Audited	Audited	Audited				
R'000		2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26
	Expenses							
	Current expense	12 999	16 865	18 758	22 652	14 701	16 817	17 744
	Compensation of employees	5 645	9 065	8 590	9 531	7 585	8 047	8 538
	Salary & Wages	4 937	7 928	7 513	8 336	6 634	7 038	7 468
	Social Contributions (employer contributions only)	708	1 137	1 077	1 195	951	1 009	1 071
	Use of goods and services	7 355	7 800	10 168	13 121	7 117	8 770	9 206
	Audit Fees	3 218	3 413	4 449	5 741	3 114	3 257	3 407
	Inventory	40	42	55	71	38	40	42
	Operating leases	4 045	4 290	5 593	7 217	3 914	4 094	4 283
	Travel and Subsistence	52	55	71	92	50	52	55
	Owned/ leasehold and property exp. (Establishment Costs)						1 326	1 420
	Total expenses	12 999	16 865	18 758	22 652	14 701	16 817	17 744

3.1.8 Programme resource considerations

This Programme has been strengthened through the review of its human resource structuring to ensure that the programme is appropriately resourced to perform and achieve the outcome target of an unqualified audit opinion. The budget allocation is aligned to this requirement.

3.1.9 Updated key risks and mitigation from the Strategic Plan

Provided under section 3.7.

3.2. Programme 2: Investment

3.2.1. Purpose

Be instrumental in ensuring that Cape Town and the Western Cape is an investment destination of choice for global and local investors.



3.2.2. Programme Structure



Sub-programme 2.1:
Core investment promotion



Sub-programme 6.2:
Ancillary investment promotion

Sub-programme 2.1: Core investment promotion

Wesgro attracts direct investment to the Western Cape from international, national and local sources.

Sub-programme 2.2: Ancillary investment promotion

- **Agribusiness Investment Desk** 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 supports local and foreign investors on behalf of InvestSA.
- **District Stakeholder Desk** manages the relationship between the various District Municipality stakeholders across all Wesgro programmes.



Investment Approach for 2023/24

Investment Programme will focus on the following deliverables:

- Develop a robust deal flow through active market participation, network development and engagement. The development of a value proposition as an internationally competitive hub will take place throughout the year and leverage off the existing propositions such as Africa’s Tech Capital, Green Economy hub and Access to Africa.
- Ensure investor orientated service delivery across the different stages of the investment lifecycle.
- Focus on Green value proposition (i.e., renewable energy, e-mobility, circular economy) to ensure that Western Cape is competitive in the future.
- Focus on Tech value proposition to ensure the continued competitiveness for Cape Town to capture its share of global investment. Deepening competitiveness of economy in the Western Cape, unblocking systemic challenges in tech (particularly acceleration of complex skills development) and tech start-up.
- Develop a targeted tech and green investment pipeline.
- Focus on key strategic sectors which contribute to the Western Cape GDP including film/creative industries, health, agri-processing (food), manufacturing, blue economy, real-estate, energy and business services, green economy, tech economy.
- Innovative lead generation.
- Deliberate private sector relationship building.
- Increase responsiveness and agility to changing environments.
- Disaggregated Reporting: Total number of companies | Pipeline: ABC pipeline | Life cycle: greenfields. brownfields | Districts and Sectors.
- Identify and leverage key investment conferences/events.

3.2.3. Strategic outcomes

Strategic outcomes	
Strategic outcomes	Facilitate investment and jobs into the Western Cape.
Outcome statements	5-year outcome: To recruit and facilitate R12.4 billion in committed investments into the Province, resulting in 3 278 jobs. 2023/24 outcome: To recruit and facilitate R2.47bn committed investment into the Province, resulting in 1 124 jobs.
Baseline	A total of R5.99bn investments was committed, resulting in 4 445 jobs during the 2021/22 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 and the Western Cape Government Growth for Jobs (G4J) strategy. The objective is also aligned to the National Development Plan and Vision 2030 in relation to economic growth and industry development.

3.2.4. Outcomes, Outputs, Performance Indicators and Targets 2023/24

No	Outcome	Outputs	Output Indicators	Annual Targets				
				Audited /Actual Performance		Estimated Performance	MTEF Period	
				2019/20	2020/21		2021/22	2023/24
2.1	Rand value of committed investments into the Province	Investment projects committed	Number of investment projects committed	18	17	8	18	18
2.2	Number of jobs facilitated from committed investments into the Province							

3.2.5 Indicators, Annual and Quarterly Targets 2023/24 (Output indicators)

No.	Output Indicators	Annual Target	Q1	Q2	Q3	Q4
2.1.1	Number of investment projects committed	18	4	4	5	5

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

The Investment Programme 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 Programme maintains a robust pipeline of investment projects that are weighted in accordance with the probability of the investment commercialising within a certain timeframe.

The devaluation of the ZAR currency against major foreign currencies places additional pressure on limited funds available.

3.2.7. Reconciling performance targets with budget and the MTEF Summary of payments and estimates: Programme 2: Investment

Summary of provincial payments and estimates by economic classification:

Economic classification	Outcome			Estimated outcome	Medium-term estimate		
	Audited	Audited	Audited				
R'000	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26
Expenses							
Current expense	18 111	23 497	26 134	37 810	26 093	27 499	28 982
Compensation of employees	8 472	13 607	12 893	14 306	13 733	14 570	15 459
Salary & Wages	7 341	11 789	11 171	12 395	11 898	12 624	13 394
Social Contributions (employer contributions only)	1 132	1 818	1 722	1 911	1 834	1 946	2 065
Use of goods and services	9 639	9 890	13 241	23 054	12 360	12 929	13 523
Advertising	1 663	1 707	2 285	4 055	2 133	2 231	2 333
Consultants, contractors and special services	4 796	4 922	6 589	11 696	6 150	2 935	3 070
Travel and Subsistence	3 179	3 262	4 367	7 753	4 077	7 763	8 120
Total expenses	18 111	23 497	26 134	37 810	26 093	27 499	28 982

3.2.8 Programme resource considerations

The current economic climate and budget restrictions have placed tremendous pressure on the Programme to achieve its targets (refer to section 3.8 for further mitigation measures), however, the Programme 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, new initiatives have been implemented to ensure that the Programme contributes to the Agency's objective of creating a stimulating environment for increased economic growth and job creation.

The Agency is aligned to the strategies of National and Provincial Government and the City of Cape Town, to achieve increased economic growth and jobs.

3.2.9 Updated key risks and mitigation from the Strategic Plan

Provided under section 3.7.

3.3. Programme 3: Export



3.3.1. Purpose

Be instrumental in ensuring that Cape Town and the Western Cape is a sought-after source market globally for goods and services.

3.3.2. Programme Structure

This programme does not have sub-programmes.

Export Approach for 2023/24

The Export Programme will focus on the following deliverables:

- Accelerate and increase access to the Wesgro export offering via digital platforms: i.e., Cape Trade Portal. Intention to accelerate digital export promotion. More, higher value trade deals.
- Prioritise African market to ensure that the province is a gateway to the rest of the continent: Africa continues to be an important market for Western Cape companies wishing to take advantage of global opportunities. Specifically with the African Continental Free Trade Agreement coming to fruition, market access and continent-wide value chains will be unlocked, particularly presenting opportunities for South African companies. Wesgro's assistance to Western Cape companies seeking to invest into key markets could provide critical first-mover advantage, particularly over European and Asian counterparts. The AfCFTA also presents opportunities to international companies seeking to access the African market.
- Ensure exporters are aware of opportunities presented by international agreements and preferential market access (AfCFTA, AGOA, EU EPA, UK EPA, SADC). Maintain a watching brief.
- Focus on key strategic products which contribute to the Western Cape export offering: Agriculture and agri-processing, manufacturing and value-added products including boat building, cosmetics, machinery.
- Focus on Green, Halal, and Organic offerings.
- Services export focus: New dedicated services support for this key Western Cape industry. Focus on technology, including health tech, agritech, fintech, spacotech, edtech, design and gaming, film, media and creative industries.
- Creative Industries exports focus supports the promotion of the City of Cape Town and Western Cape region as a creative industries location globally to enhance the export of these services.
- Ensure exporter orientated service delivery across the different stages of the exports lifecycle, including assisting firms to become export ready – Ensure that local exporters are able to have the best chance of success at competing internationally and grow their businesses through exports.
- Focus on trade support for larger companies in the Western Cape.



- Focus on key strategic markets which contribute to the Western Cape export offering: differentiated to Tier 1, Tier 2 and Tier 3 markets.
 - Africa: Cameroon, Nigeria, Ivory Coast, Ghana, Kenya, Mozambique, Zambia, Angola; Americas: USA, Canada; Asia & Middle East: China, Hong Kong, Japan, UAE, Saudi Arabia; Europe & UK: Southern Europe France, Germany, UK, Netherlands, India.
 - Tier 2: Africa: Namibia, Botswana, Mauritius, Tanzania, DRC, Senegal, Uganda, Morocco; Americas: Brazil, Chile, Mexico; Asia & Middle East: Singapore, Malaysia, Thailand, Vietnam, Australia, South Korea, Turkey, Kuwait, Qatar; Europe & UK: Ireland, Belgium, Switzerland, Greece, Scandinavia, Poland, Ethiopia.
 - Tier 3: Rest of World
- Collate exporter challenges and develop systematic plan to solve them: Wesgro will monitor and assess exporter challenges throughout the year. Along with the relevant partners, Wesgro will develop a systematic plan to escalate the solving these challenges. Some of these challenges may be solved within a year and others will require more time depending on the levels of sophistication and degree of policy or legislative changes required, or bilateral engagement with trading partners.
- Expand lead generation opportunities Supplementing traditional lead generation tactics with expanded partnerships and omnichannel approach and a focus on buyers.

3.2.3. 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 R20.9 billion in trade agreements, resulting in 3278 jobs. 2023/24 outcome: To recruit and facilitate R4.2bn in trade agreements, resulting in 655 jobs.
Baseline	A total value of R2.0bn in trade agreements were committed, resulting in 320 direct jobs.
Justification	By promoting and facilitating exports, the economy of the Western Cape will grow, and continuous job creation will be sustained. In addition, exposure to markets will increase demand for brands.
Links	The objective is aligned to VIP 2: Economy and Jobs and the Western Cape Government Growth for Jobs (G4J) strategy. The objective is also aligned to the National Development Plan and Vision 2030 in relation to economic growth and industry development.



3.3.4. Outcomes, Outputs, Performance Indicators and Targets 2023/24

No	Outcome	Outputs	Output Indicators	Annual Targets					
				Audited /Actual Performance		Estimated Performance 2022/23	MTEF Period		
				2019/20	2020/21		2021/22	2023/24	2024/25
3.1	Rand value of trade agreements signed	Trade agreements signed	Number of trade agreements signed	37	66	61	60	60	
3.2	Number of jobs facilitated from trade agreements signed								60

3.3.5. Indicators, Annual and Quarterly Targets 2023/24 (Output indicators)

No.	Output Indicators	Annual Target	Q1	Q2	Q3	Q4
3.1.1	Number of trade agreements signed	60	15	15	15	15

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

The Programme undertakes to ensure that it meets its targets of trade agreements signed and jobs created.

3.3.7. Reconciling performance targets with budget and the MTEF Summary of payments and estimates: Programme 3: Export

Summary of provincial payments and estimates by economic classification:

Economic classification	Outcome			Estimated outcome	Medium-term estimate		
	Audited	Audited	Audited				
R'000	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26
Expenses							
Current expense	16 239	21 068	23 432	32 447	27 634	29 084	30 612
Compensation of employees	5 144	8 262	7 829	8 687	11 936	12 664	13 436
Salary & Wages	4 335	6 961	6 597	7 319	10 057	10 671	11 321
Social Contributions (employer contributions only)	810	1 300	1 232	1 367	1 879	1 993	2 115
Use of goods and services	11 094	12 806	15 603	23 761	15 698	16 420	17 175
Advertising	2 020	2 332	2 842	4 327	2 859	2 990	3 128
Consultants, contractors and special services	6 637	7 661	9 335	14 215	9 392	7 824	8 184
Travel and Subsistence	2 436	2 812	3 427	5 218	3 447	5 606	5 864
Total expenses	16 239	21 068	23 432	32 447	27 634	29 084	30 612

3.3.8. Programme resource considerations

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 Programme will ensure that it delivers on its mandate and implements the initiatives aimed at an increase in exports.

3.3.9. Updated key risks and mitigation from the Strategic Plan

Provided under section 3.7.

3.4. Programme 4: Tourism

3.4.1. Purpose

Be instrumental in ensuring that Cape Town and the Western Cape is considered a world class tourism destination. Leverage the tourism ecosystem to support breakout growth.



3.4.2. Programme structure



Sub-programme 4.1:
Leisure Tourism



Sub-programme 6.2:
Convention Bureau



Sub-programme 6.3:
Cruise Cape Town

Sub-programme 4.1: Leisure Tourism

Leisure Tourism, in partnership with industry and other stakeholders, focuses on attracting leisure visitors to the province.

In order continue to attract international and domestic tourists to Cape Town and the Western Cape, the destination must ensure that it evolves to respond to the changing needs of the visitor, which have shifted since the pandemic.

Promotion activities need to attract domestic, regional and international tourists, focusing on geographic spread across the regions as well as addressing seasonality, to ensure that economic activity happens across the province and all year round. Data-led decision-making when selecting source markets is critical to ensure that investment is rewarded with maximum returns and partnering with industry to benefit from their audiences will deliver even further ROI.

Sub-programme 4.2: Convention Bureau

The Convention Bureau's primary purpose is to position, market and sell the destination to host meetings, incentives, conferences and trade exhibitions.



Sub-programme 4.3: Cruise Cape Town

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 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 works with public and private sector partners.

Tourism Approach for 2023/24

The Tourism Programme will focus on the following deliverables:

- Grow international travel market. Unlock potential new markets through travel trade activities (SA Tourism & trade partnering) in Brazil (requires airlift); Canada, India; Nordics, Ireland, Belgium.
- Focus on high-value international travellers. Traditional core markets (US, UK, Germany, Holland, France) through international marketing campaigns. Growth of cruise tourism industry to beyond pre-pandemic levels.
- Expand African market reach (SA Tourism & trade partnering). East Africa. West Africa (requires airlift).
- Retain domestic travel market: Increase domestic market within Western Cape citizenry (low season opportunity and regional spread). Attract South Africans from other provinces to travel to Cape Town and the Western Cape through local marketing campaigns.
- Focus on Western Cape Business Events growth. Ensure the Western Cape is recognised as a knowledge hub on the African Continent. Collaborate with the Wesgro Trade & Investment ecosystem to attract business events to the province. Collaborate with Western Cape Government to build a 10-year pipeline of bidding for major events.
- Play a facilitating role in growing the tourism economy into underprivileged areas of the province.
- Lobby Air Access team to recover and grow direct connectivity to South America; Ireland; West Africa.
- Promote the Western Cape as a global cruise destination.

3.4.3. 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 and generate an estimated economic value of R3.4 billion in tourism marketing initiatives. 2023/24 outcome: To market Cape Town and the Western Cape and generate an estimated economic value of R689m in tourism marketing initiatives.
Baseline	An estimated value of R264m was generated from tourism marketing initiatives for the 2021/22 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 aligned to VIP 2: Economy and Jobs and the Western Cape Government Growth for Jobs (G4J) strategy. The objective is also aligned to the National Development Plan and Vision 2030 in relation to economic growth and industry development.



3.4.4. Outcomes, Performance Indicators and Targets 2023/24

No	Outcome	Outputs	Output Indicators	Annual Targets					
				Audited/Actual Performance			Estimated Performance 2022/23	MTEF Period	
				2019/20	2020/21	2021/22		2023/24	2024/25
4.1	Total estimated economic value of tourism destination marketing initiatives	Bids secured	Number of bids secured	52	15	18	15	20	23

3.4.5. Indicators, Annual and Quarterly Targets 2023/24 (Output indicators)

No.	Output Indicators	Annual Target	Q1	Q2	Q3	Q4
4.1.3	Number of bids secured	20	5	6	6	3

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

The programme supports the Agency's core functions through the promotion of the Western Cape internationally and domestically. Securing bids for business tourism is highly competitive and increasingly so as cities and regions across the world are promoting and incentivising aggressively to land the economic value from business tourism delegates. Continued effective and impactful, promotion of the attractiveness as well as enhancing awareness and accessibility of the Western Cape is critical to securing bids. As the typical bid cycle is three- to five years, the programme will have to ensure that remains focused on ensuring that the Western Cape is considered a world class tourism destination.

The programme aims to achieve its targets in this financial year.

3.4.7. Reconciling performance targets with the budget and MTEF Summary of payments and estimates: Programme 4: Tourism

Summary of provincial payments and estimates by economic classification:

Economic classification	Outcome			Estimated outcome	Medium-term estimate		
	Audited	Audited	Audited				
R'000	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26
Expenses							
Current expense	21 110	27 388	30 461	36 786	27 781	29 223	30 741
Compensation of employees	6 110	9 813	9 299	10 318	10 923	11 589	12 296
Salary & Wages	4 986	8 008	7 588	8 420	8 913	9 457	10 034
Social Contributions (employer contributions only)	1 124	1 805	1 710	1 898	2 009	2 132	2 262
Use of goods and services	15 000	17 575	21 163	26 468	16 859	17 634	18 446
Advertising	7 434	8 710	10 488	13 118	8 355	8 740	9 142
Consultants, contractors and special services	5 863	6 870	8 272	10 346	6 590	5 893	6 164
Inventory	216	253	304	380	242	253	265
Travel and Subsistence	1 487	1 742	2 098	2 624	1 671	2 748	2 874
Total expenses	21 110	27 388	30 461	36 786	27 781	29 223	30 741

3.4.8. Programme Resource Considerations

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

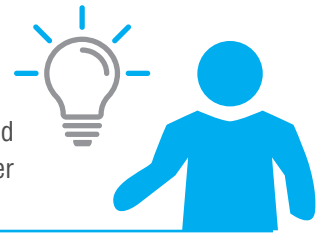
3.4.9. Updated key risks and mitigation from the Strategic Plan

Provided under section 3.7.

3.5. Programme 5: Differentiated and Competitive Destination

3.5.1. Purpose

Differentiate the Western Cape as a leading regional economy. Lead the dialogue on and drive international economic competitiveness of Cape Town and the Western Cape together with partners.



This programme will focus on:

- Shifting the dial on destination perception beyond local. A shift to international coverage and platforms. Infiltrating high impact areas for reputation management.
- Ensuring the Western Cape remains a world-class tourism destination, sought after source market globally and investment destination of choice. A move to affinity group marketing – from recovery to growth. Diversifying Made in the Cape – B2B entrenched yearly event in the WC calendar – industry awareness and adoption. Reinvigorated efforts across investor confidence – energy security – sustainability lens.
- Rigorous involvement in sustainability and digitisation areas. Leading the dialogue on green, convening on green, directing the Western Cape story. Stepping up involvement in research, edtech, VC awareness and ecosystem partnerships for positioning Africa’s Tech Capital. Strategic media partnership development – pushing the conversation further – opinion.
- Ramped up innovation to ensure we remain a globally competitive, data-led TIPAs. A move to AI integration and central data repository – digital transformation and global destination displacement. Benchmarking against leading TIPAs – assets – information overhaul – central knowledge hub for stakeholders. Leading the conversation on innovation, convening for smarter outcomes.
- Engaging strategic business leaders to drive Cape Confidence, ensure brand advocacy and generate leads. Stepping up CEO/business leveraging – ensuring we circle back the effects of CEO roundtables, second layer business engagements, increased focus on lead gen activity through the programmes.
- Excellent recognition as a leading Marketing Agency. Competing globally for awards, particularly in the trade and investment areas.
- Excellent recognition as a trusted, leading source and house of innovation and data amongst our key stakeholders.

3.5.2 Programme Structure

The programme is divided into the following sub-programmes:



Sub-programme 5.1:
**Marketing and
Communications**



Sub-programme 5.2:
Research



Sub-programme 5.3:
Advocacy and Advisory



Sub-programme 5.4:
Catalytic Projects

Sub-programme 5.1: Marketing and Communications

The sub-programme conducts the marketing and communication for Wesgro across investment, export, and tourism areas. The sub-programme's objective is to build the brand of Cape Town and the Western Cape. In order to do this, Wesgro makes use of earned media communication and digital media to promote the competitiveness value proposition of the destination into key markets.

Marketing and Communications Approach for 2023/24

The Unit will focus on the following deliverables:

- Create awareness around the Western Cape's competitiveness in line with the strategic objectives of the trade and investment mandates.
- Market the Western Cape's value proposition to end users e.g., investors, buyers, tourists, filmmakers and local business.
- Brand differentiation. Differentiate the Agency (Wesgro) and Western Cape brand, through international and local marketing campaigns.
- Shift the dial on destination perception. Management of media sentiment, as well as reputation management for the destination – including crisis management.
- Credible voice – thought leadership communication and amplification. This includes landing strategic op-eds, profiling private sector pioneers of industry, international platform showcasing of key members of the ecosystem as well as convening of strategic events for business-to-business engagements.
- Building the analytics capability within Wesgro (analytics dashboard, sentiment analysis). Digital innovation, maximizing all avenues of channel marketing.
- Development of innovative channel use in line with best practice and changing global environments and consumer mindsets.

Sub-programme 5.2: Research

The sub-programme provides 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.

Research Approach for 2023/24

- A more strategic research competency to better support the thought leadership and advocacy role of Wesgro.
- Digitisation of Research sub-programme's output to create a central knowledge hub for stakeholders.
- Collaboration with key stakeholders to integrate diverse databases; mine and analyse to provide rich provincial economic data for decision makers.
- Bespoke research on selected structural issues impeding economic growth.

Sub-programme 5.3: Advocacy and Advisory

The Sub-programme provides support to ensure effective advocacy and advisory services through knowledge management. The unit supports the gathering, synthesis and diffusion of information both internally to align knowledge and information across the Agency and to inform internal strategy, and externally to support Wesgro's objectives of being a thought leader and advocate for a competitive Western Cape economy. This includes ensuring that Wesgro's voice is heard in public policy processes, whether at local, provincial or national levels as well being seen as a trusted advisor in the business community.

Advocacy and Advisory Approach for 2023/24

The Sub-programme will focus on supporting a more structured approach to knowledge management to inform various activities across the Agency. This includes the development of bespoke information guides to inform both internal alignment

of knowledge and external publications or communications. The focus includes advocacy in relation to particular identified challenges to the business environment, export competitiveness and tourism. This includes -

- Better reflection of the Western Cape’s interests in national trade policies and negotiations.
- Improve market access and lower barriers to trade.
- Establishment of Western Cape as a regional hub for services trade.
- Efficient, cost effective and sustainable logistics infrastructure.
- Advocating for investment-enabling environment: e.g., visas
- Bespoke information booklets, factsheets and communications to exporters and investors regarding the trade and investment landscape.

Sub-programme 5.4: Catalytic Projects

To support and enhance Wesgro’s mandate, the catalytic projects team works on externally funded, multi-stakeholder projects that are aimed at significantly improving competitiveness of Cape Town and the Western Cape.

Catalytic Projects Approach for 2023/24

- Cape Town Air Access (CTAA) project is a co-funded, public-private effort to secure more non-stop flights to Cape Town International. Improved air connectivity is significant to tourists, exporters and investors.
- Green hydrogen project is an ecosystem development project to position the Western Cape as a green hydrogen opportunity.
- Future Catalytic Projects can be developed throughout the year to address fundamental elements affecting competitiveness.

3.5.3. Strategic objectives

Strategic outcome	
Strategic outcome	Drive the economic competitiveness of the destination through strategic campaigns.
Outcome statement	5-year outcome: To reach 20 million people through strategic campaigns focused on driving the economic competitiveness of the destination. 2023/24 outcome: To reach 10 million people through strategic campaigns focused on driving the economic competitiveness of the destination.
Baseline	Baseline needs to be established.
Justification	By focusing on driving the economic competitiveness of the destination, we will attract more interest in the Cape and help improve economic growth and job creation.
Links	The objective is aligned to VIP 2: Economy and Jobs and the Western Cape Government Growth for Jobs (G4J) strategy. The programme is aligned to the sector competitiveness, investment, and trade focus areas of the PISP.



3.5.4. Outcomes, Performance Indicators and Targets 2023/24

No	Outcome	Outputs	Output Indicators	Annual Targets					
				Audited/Actual Performance		Estimated Performance 2022/23	MTEF Period		
				2019/20	2020/21		2021/22	2023/24	2024/25
5.1	Number of people reached	Strategic campaigns	Number of strategic campaigns	New Indicator	New Indicator	New Indicator	New Indicator	4	4

3.5.5. Indicators, Annual and Quarterly Targets 2023/24 (Output indicators)

No.	Output Indicators	Annual Target	Q1	Q2	Q3	Q4
5.1.1	Number of strategic campaigns	4	-	-	-	4

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

The Programme's objective is to build the brand of Cape Town and the Western Cape locally and globally and creates bespoke research, subsequent targeted awareness and conversion campaigns, industry toolkits and collateral across the mandates of Wesgro in both B2B (business to business) and B2C (business to consumer) efforts. The Programme aims to achieve its target in this financial year.

3.5.7. Reconciling performance targets with budget and the MTEF Summary of payments and estimates: Programme 5: Differentiated and Competitive Destination

Summary of provincial payments and estimates by economic classification:

Economic classification	Outcome			Estimated outcome	Medium-term estimate			
	R'000	Audited	Audited		Audited	2022/23	2023/24	2024/25
		2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26
Expenses								
Current expense	20 330	26 375	29 335	25 026	36 340	45 536	45 491	
Compensation of employees	7 865	12 630	11 968	13 280	18 290	19 406	20 590	
Salary & Wages	6 773	10 878	10 308	11 437	15 752	16 713	17 733	
Social Contributions (employer contributions only)	1 091	1 752	1 661	1 843	2 538	2 693	2 857	
Use of goods and services	12 465	13 745	17 367	11 746	18 050	26 130	24 901	
Advertising	6 814	7 514	9 494	6 422	9 868	14 294	9 366	
Consultants, contractors and special services	3 043	3 356	4 240	2 868	4 407	6 944	7 547	
Inventory	872	962	1 215	822	1263	1283	1 426	
Printing and publication	1 495	1 649	2 084	1 409	2 166	3 609	5 562	
Travel and Subsistence	239	264	333	225	346	1362	1425	
Total expenses	20 330	26 375	29 335	25 026	36 340	45 536	45 491	

3.5.8. Programme resource considerations

The Programme faces enormous strain particularly due to the depreciating exchange rate significantly increasing the cost of international databases. These databases are at the epicentre of investment intelligence and global sector intelligence. The Programme relies heavily on the sourcing of information for their research in supporting the Agency through subscriptions based outside South Africa, which is impacted on due to the fluctuations of the South African Rand to major currencies.

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

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

3.5.9. Updated key risks and mitigation from the Strategic Plan

Provided under section 3.7.

3.6. Programme 6: Assurance and Business Enablement

3.6.1. Purpose

The Assurance and Business Enablement 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, corporate governance, board compliance, IT and Human Resource Management and the requisite support to the CEO.



3.6.2 Programme Structure



Sub-programme 6.1:
**Human Resource
Management; IT & Office
Management**



Sub-programme 6.2:
**Assurance, Governance,
Monitoring and Evaluation**

Sub-programme 6.1: Human Resource Management; IT & Office Management

The IT team 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.

The Human Resources team 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 legislative compliance with regard to human resource management.

Business Enablement Approach for 2023/24

- Drive high performance and collaborative culture: Insight driven decision making, business centric, engaged staff, strengthen leadership across the organisation.
- Engaged staff: Build a high performing culture, with a competent, visible and trusted Executive Team; Inspirational leadership.
- Succession Planning, Diversity, Inclusion and Retention.
- Strong and efficient Office Management.
- Capable, Compliant and Effective Information Technology.

Sub-programme 6.2: Assurance, Governance, Monitoring and Evaluation

The sub-programme provides direction, analysis and reporting about Monitoring and Evaluation of Wesgro's performance. The sub-programme focuses on ensuring that all strategies, annual performance plans and reports, business plans, operational plans and standard operating procedures are line with the relevant provincial and national policy and legal frameworks. The sub-programme 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 sub-programme 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).

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

Assurance, Governance, Monitoring and Evaluation Approach for 2023/24

- Ensure that predetermined objectives are compliant and that the Agency complies with relevant laws.
- Provides assurance in relation to Wesgro performance.
- Ensures that all strategies, annual performance plans and reports, business plans, operational plans and standard operating procedures are compliant with the relevant provincial and national policy and legal frameworks; that all performance reporting deadlines are met.
- Board and Executive Management meeting governance.
- Board succession.

3.6.3. 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. 2023/24 outcome: An unqualified Audit report with no material findings.
Baseline	The Agency achieved a qualified audit for the 2021/22 financial year.
Justification	The concept of value for money is an integral part of the strategic and operational activities. The Programme 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.

3.6.4. Outcomes, outputs, performance indicators and targets 2023/24

No	Outcome	Outputs	Output Indicators	Annual Targets						
				Audited/Actual Performance			Estimated Performance	MTEF Period		
				2019/20	2020/21	2021/22		2022/23	2023/24	2024/25
6.1	Unqualified Audit report with no material findings	M&E performance reports	Number of M&E performance reports submitted	5	8	8	8	8	8	8
6.2		Maintenance of the Agency's ICT environment	Number of reports evidencing the maintenance of the Agency's ICT environment	-	4	4	4	4	4	4

3.6.5. Indicators, annual and quarterly Targets 2023/24 (Output indicators)

No	Output Indicators	Annual Target	Q1	Q2	Q3	Q4
6.1.1	Number of M&E performance reports submitted	8	2	2	2	2
6.1.2	Number of reports evidencing the maintenance of the Agency's ICT environment	4	1	1	1	1

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

The Programme supports the Agency's core functions through the provision of IT, Human Resources and governance support. The Programme provides support through strategy, monitoring and evaluation to ensure that there is effective performance management against legislative requirements. The Programme also ensures good governance practises are implemented through the provision of support to the Wesgro board and ensuring the effective running of the Board and its sub-committees. The Programme aims to achieve its targets in this financial year.

3.6.7. Reconciling performance targets with the budget and MTEF Summary of payments and estimates: Programme 6: Assurance and Business Enablement

Summary of provincial payments and estimates by economic classification:

Economic classification R'000	Outcome			Estimated outcome	Medium-term estimate		
	Audited	Audited	Audited		2022/23	2023/24	2024/25
	2019/20	2020/21	2021/22				
Expenses							
Current expense	6 925	8 984	9 992	12 067	18 380	9 168	9 714
Compensation of employees	4 675	7 508	7 114	7 894	7 756	8 229	8 731
Salary & Wages	4 146	6 658	6 309	7 000	6 878	7 298	7 743
Social Contributions (employer contributions only)	529	850	805	893	878	931	988
Use of goods and services	2 250	1 477	2 878	4 174	10 624	939	982
Communication	2 250	1 477	2 878	4 174	898	939	982
Owned/ leasehold and property exp. (Establishment Costs)					9726		
Total expenses	6 925	8 984	9 992	12 067	18 380	9 168	9 714

3.6.8. Programme resource considerations

The Programme undertakes to ensure that Wesgro can meet its required legislative deadlines as pertains to good governance and performance management.

3.6.9. Updated key risks and mitigation from the Strategic Plan

Provided under section 3.7.

3.7. Updated key risks and mitigation from the Strategic Plan

Strategic Objectives	Key Risk	Mitigation measures
<p>Be instrumental in ensuring that Cape Town and the Western Cape is an investment destination of choice for global and local investors.</p>	<ul style="list-style-type: none"> • Capability to drive the implementation of a focused Tech and Green value proposition for the Western Cape. • The Green Cape is at risk of being unfunded which will impact Wesgro. • Ability to attract Green skills and capabilities within the region. • Ability for Wesgro and the Province to scale (Embedded generation, electrical vehicles, green hydro, batteries, circular economy, water) • Ability for the Province to scale up in the Tech space/industry <p>The sustainability of investment and funding within the Western Cape and South Africa, as a result of: Increased poverty and unemployment rates, increased youth unemployment; unstable energy supply (e.g. load shedding); water risk (e.g. water-shedding); food security (e.g. SCM and logistic disruptions); safety risks (e.g. increased crime rates).</p> <p>The impact of climate change on the economy.</p> <ul style="list-style-type: none"> • Resource constraints • International presence • No international presence/ scouts in key foreign markets and industries. <p>Lack of collaboration between key stakeholders and uncoordinated focus on key strategic priorities to contribute significantly to the Western Cape.</p> <ul style="list-style-type: none"> • The manufacturing capabilities of the emerging and future economies are not a focus in the province which impacts future investments within the region. • Resource constraints within Wesgro to enable value adding services • Key strategic products not prioritised • Diversification of exports products and services. • Western Cape exporter readiness for the implications of the Green transition. • Lack of consistent affordable energy and water constraints. Costly alternative sources of energy. 	<p>Tech Unit has been established at Wesgro to drive the tech proposition. Commissioned research on international benchmark for Green investment value proposition to feed into green investment value proposition of the Western Cape.</p> <p>Working in close collaboration with the entire investment support system across national. Provincial and local government to ensure a competitive investment environment.</p> <p>Understanding the risks that climate change pose to the Western Cape economy and ensuring that Wesgro's Investment strategy is aligned to support mitigation and adaptation.</p> <p>Strengthen relationships with key international networks including diplomatic corps, international buyers, international business support organisations, tourism industry.</p> <p>Increased collaboration, sector knowledge on key strategic sectors.</p> <p>Enhancing capabilities to promote and facilitate investment into manufacturing.</p> <p>Alignment with Western Cape export strategy implementation plan to strengthen prioritisation of key strategic products and markets.</p> <p>Alignment with Western Cape export strategy implementation plan to systematically address market access challenges in collaboration with the export ecosystem.</p> <p>Strengthening of relationships with key strategic stakeholders across the logistics value chain to assist in unblocking challenges.</p> <p>Collaborate with other stakeholders like DTIC, other provincial TIPA's, DOA, to pool resources to make a bigger or wider impact.</p> <p>Focus on markets where our animal products are allowed. Advocate for national improvement to controls and a provincial solution.</p>
<p>Be instrumental in Ensuring that Cape Town and the Western Cape is a sought after source market globally for goods and services.</p>	<p>Limited market access inhibits the expansion of export industries (including markets with preferential access agreements) as well as an uncoordinated approach to tier 1, 2, and 3 markets inhibiting opportunities and growth.</p> <p>Challenges in cross border logistics and route to market (harbour, rail, road and air and land border crossings).</p> <p>Resource constraints for widely and regularly promoting trade of goods and services. Increasing cost of cost of promotion due to weakening Rand vs international currencies,</p> <p>Weak animal health capacity and controls (nationally)</p>	<p>Increased collaboration, sector knowledge on key strategic sectors.</p> <p>Enhancing capabilities to promote and facilitate investment into manufacturing.</p> <p>Alignment with Western Cape export strategy implementation plan to strengthen prioritisation of key strategic products and markets.</p> <p>Alignment with Western Cape export strategy implementation plan to systematically address market access challenges in collaboration with the export ecosystem.</p> <p>Strengthening of relationships with key strategic stakeholders across the logistics value chain to assist in unblocking challenges.</p> <p>Collaborate with other stakeholders like DTIC, other provincial TIPA's, DOA, to pool resources to make a bigger or wider impact.</p> <p>Focus on markets where our animal products are allowed. Advocate for national improvement to controls and a provincial solution.</p>

<p>Be instrumental in ensuring that Cape Town and the Western Cape is considered a world class tourism destination. Leverage the tourism ecosystem to support breakout growth.</p>	<p>Weakening ecosystem in the tourism industry due to the performance of other entities as well as the lack of funding.</p> <p>In the absence of strong national tourism brand effort, there is a gap to fill the tourism pipeline to the province. This will impact long term tourism growth strategy.</p> <p>Inability to unlock potential new travel markets due to identified limitations.</p> <p>Instability across the public sector ecosystem (i.e. local and district municipalities) which results in a lack of funding.</p> <p>Ability to implement evolving technology in an agile manner at speed. (e.g. AI solutions, and digital strategies).</p>	<p>Ensure to maintain Wesgro's private sector association partnerships.</p> <p>Maintain the tourism value chain to Business to Business (B2B) as a strategic imperative.</p> <p>Data research to increase the understanding of the tourism value chain in the secondary and new resource markets.</p> <p>Continuous collaborative efforts between LTOs, RTOs and DEDAT.</p>
<p>A competitive and differentiated Western Cape.</p>	<p>Negative perceptions of SA that affect confidence in the destination.</p> <p>Inadequate collaboration of key stakeholders to inform a central knowledge hub for the destination.</p> <p>Western Cape as a province benchmarked against global players that have significant investment and diverse data sets and market intelligence.</p> <p>Financial loss and reputational damage due to personal information, privacy breaches, and Cyber security attacks.</p>	<p>Competitiveness programme created and data science adopted to implement data analytics and evolving technologies.</p> <p>A dedicated marketing and communications unit tracking destination perception and sentiment tools introduced.</p> <p>Plan for economic dashboard developed. Regular engagements with local, provincial and national government bodies relevant to knowledge needs.</p> <p>Rearranged the research team to strengthen focus on collaborative research, digital innovation and ability to benchmark against key competitors.</p> <p>Enhanced IT security in line with the digital transformation.</p> <p>Increased cyber-crime training.</p>
<p>Ensure Wesgro is a leading sub-national TIPA globally.</p>	<p>Inadequate succession plan addressing components of diversity, inclusion and retention.</p> <p>Loss of key staff and talent.</p> <p>Lack of a high performance and collaborative culture.</p> <p>Not obtaining a clean audit opinion.</p>	<p>Training and career coaching.</p> <p>Succession planning.</p> <p>Strategy to get the right people into the right role timeously.</p> <p>Competitive remuneration.</p> <p>Clear roles and responsibilities.</p> <p>Additional controls implemented and capacity recruited.</p> <p>Approved reviewed policies in affected areas</p>





Part D

Technical performance
indicator descriptions

4. Part D: Technical performance indicator descriptions

Programme 1: Finance

Indicator number	1.1.1
Indicator title	Positive financial viability rating
Short definition	To determine the viability of the Agency's financial systems, and the efficacy of the internal controls. This is determined from the assessment results of the management report of the Auditor-General for the 2022/23 financial year.
Purpose	To ensure compliance with the relevant financial legislation.
Key Beneficiaries	Stakeholders
Source of data	Final Management report provided by the Auditor-General.
Data limitations	N/A
Assumptions	N/A
Means of verification	Final Management report provided by the Auditor-General.
Method of calculation	The financial viability rating is determined by a financial viability assessment conducted by the external auditors as provided in the final management report. The assessment focuses on the following key areas: expenditure management, revenue management, assets and liability management, and cash management.
Calculation type	Cumulative <input type="checkbox"/> Year-end <input type="checkbox"/> Year-to-date <input checked="" type="checkbox"/> Non-cumulative
Reporting cycle	<input type="checkbox"/> Quarterly <input type="checkbox"/> Bi-annually <input checked="" type="checkbox"/> Annually <input type="checkbox"/> Biennially
Desired performance	<input type="checkbox"/> Higher than target <input checked="" type="checkbox"/> On target <input type="checkbox"/> Lower than target
Type of indicator	Is this a Service Delivery Indicator? <input type="checkbox"/> YES <input checked="" type="checkbox"/> NO
	Is this a Demand Driven Indicator? <input type="checkbox"/> YES <input checked="" type="checkbox"/> NO
	Is this a Standardised Indicator? <input type="checkbox"/> YES <input checked="" type="checkbox"/> NO
Spatial Location of indicator	Number of locations: <input checked="" type="checkbox"/> Single Location <input type="checkbox"/> 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: N/A For multiple delivery locations, will this be shared in the Annual Operational Plan (AOP) <input checked="" type="checkbox"/> YES <input type="checkbox"/> NO
Indicator responsibility	Chief Financial Officer or relevant executive responsible for this programme
Spatial Transformation	Spatial transformation priorities: Description of spatial impact: Western Cape
Disaggregation of beneficiaries -Human Rights Groups	Target for women: Target for youth: Target for people with disabilities: Target for older persons: <input checked="" type="checkbox"/> "None of the above"
Provincial Strategic Implementation Plan (PSIP)	<input checked="" type="checkbox"/> Jobs <input type="checkbox"/> Safety <input type="checkbox"/> Wellbeing <input type="checkbox"/> Innovation, Culture and Governance <input type="checkbox"/> "None of the above"
State of disaster	<input type="checkbox"/> YES <input checked="" type="checkbox"/> NO If yes, provide a description of the identified disaster:
Implementation Data (Key deliverables measured)	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 approved budgeted, with the approved budget reflected in the Western Cape Estimates of Provincial Revenue and Expenditure (blue book).
Purpose	To enhance effective expenditure management.
Key Beneficiaries	Stakeholders.
Source of data	The total actual expenditure is determined from the annual financial statements. The approved budget is determined from the budget provided for Wesgro in Western Cape Estimates of Provincial Revenue and Expenditure (blue book).
Data limitations	N/A
Assumptions	N/A
Means of verification	The total actual expenditure is determined from the annual financial statements. The approved budget is determined from the budget provided for Wesgro in Western Cape Estimates of Provincial Revenue and Expenditure (blue book).
Method of calculation	Total actual expenditure divided by the total budget. The numerator is the total actual expenditure, the denominator is the approved budget provided for Wesgro in Western Cape Estimates of Provincial Revenue and Expenditure (blue book).
Calculation type	Cumulative <input type="checkbox"/> Year-end <input type="checkbox"/> Year-to-date <input checked="" type="checkbox"/> Non-cumulative
Reporting cycle	<input type="checkbox"/> Quarterly <input type="checkbox"/> Bi-annually <input checked="" type="checkbox"/> Annually <input type="checkbox"/> Biennially
Desired performance	<input type="checkbox"/> Higher than target <input checked="" type="checkbox"/> On target <input type="checkbox"/> Lower than target
Type of indicator	Is this a Service Delivery Indicator? <input type="checkbox"/> YES <input checked="" type="checkbox"/> NO
	Is this a Demand Driven Indicator? <input type="checkbox"/> YES <input checked="" type="checkbox"/> NO
	Is this a Standardised Indicator? <input type="checkbox"/> YES <input checked="" type="checkbox"/> NO
Spatial Location of indicator	Number of locations: <input checked="" type="checkbox"/> Single Location <input type="checkbox"/> 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: N/A For multiple delivery locations, will this be shared in the Annual Operational Plan (AOP) <input checked="" type="checkbox"/> YES <input type="checkbox"/> NO
Indicator responsibility	Chief Financial Officer or relevant executive responsible for this programme
Spatial Transformation	Spatial transformation priorities: Description of spatial impact: Western Cape
Disaggregation of beneficiaries -Human Rights Groups	Target for women: Target for youth: Target for people with disabilities: Target for older persons: <input checked="" type="checkbox"/> "None of the above"
Provincial Strategic Implementation Plan (PSIP)	<input checked="" type="checkbox"/> Jobs <input type="checkbox"/> Safety <input type="checkbox"/> Wellbeing <input type="checkbox"/> Innovation, Culture and Governance <input type="checkbox"/> "None of the above"
State of disaster	<input type="checkbox"/> YES <input checked="" type="checkbox"/> NO If yes, provide a description of the identified disaster:
Implementation Data (Key deliverables measured)	Key deliverables outlined in AOP.

Programme 2: Investment

Indicator number	2.1.1
Indicator title	Number of investment projects committed.
Short definition	<p>Refers to the number of committed direct investment projects in productive assets by a foreign or local company, as opposed to investments in shares.</p> <p>A committed investment is defined as a project where the investor has already incurred expenditure towards the implementation of the investment project in the Western Cape. A committed investment can either be a new investment or an expansion of an existing business venture.</p> <p>The value of our committed direct investments and jobs is determined from the investment expenditure of the first five years of the business venture. In addition, both operational and capital investment expenditure are included in the valuation of the investment. These definitions are provided to the investor in the investor declaration, which is completed and signed by the investor.</p>
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.
Key Beneficiaries	Companies and stakeholders
Source of data	Signed investor declaration.
Data limitations	Non-disclosure of third-party information.
Assumptions	N/A
Means of verification	Signed investor declaration.
Method of calculation	The number of signed investor declarations is calculated to determine the number of investment projects committed
Calculation type	Cumulative <input checked="" type="checkbox"/> Year-end <input type="checkbox"/> Year-to-date <input type="checkbox"/> Non-cumulative
Reporting cycle	<input checked="" type="checkbox"/> Quarterly <input type="checkbox"/> Bi-annually <input type="checkbox"/> Annually <input type="checkbox"/> Biennially
Desired performance	<input checked="" type="checkbox"/> Higher than target <input type="checkbox"/> On target <input type="checkbox"/> Lower than target
Type of indicator	<p>Is this a Service Delivery Indicator? <input type="checkbox"/> YES <input checked="" type="checkbox"/> NO</p> <p>Is this a Demand Driven Indicator? <input type="checkbox"/> YES <input checked="" type="checkbox"/> NO</p> <p>Is this a Standardised Indicator? <input type="checkbox"/> YES <input checked="" type="checkbox"/> NO</p>
Spatial Location of indicator	<p>Number of locations: <input type="checkbox"/> Single Location <input checked="" type="checkbox"/> Multiple Locations</p> <p>Extent: <input checked="" type="checkbox"/> Provincial <input type="checkbox"/> District <input type="checkbox"/> Local Municipality <input type="checkbox"/> Ward <input type="checkbox"/> Address</p> <p>Detail / Address / Coordinates: N/A</p> <p>For multiple delivery locations, will this be shared in the Annual Operational Plan (AOP) <input checked="" type="checkbox"/> YES <input type="checkbox"/> NO</p>
Indicator responsibility	Chief Trade and Investment Officer or relevant executive responsible for this programme
Spatial Transformation	<p>Spatial transformation priorities:</p> <p>Description of spatial impact: Western Cape</p>
Disaggregation of beneficiaries -Human Rights Groups	<p>Target for women:</p> <p>Target for youth:</p> <p>Target for people with disabilities:</p> <p>Target for older persons: <input checked="" type="checkbox"/> "None of the above"</p>
Provincial Strategic Implementation Plan (PSIP)	<input checked="" type="checkbox"/> Jobs <input type="checkbox"/> Safety <input type="checkbox"/> Wellbeing <input type="checkbox"/> Innovation, Culture and Governance <input type="checkbox"/> "None of the above"
State of disaster	<input type="checkbox"/> YES <input checked="" type="checkbox"/> NO If yes, provide a description of the identified disaster:
Implementation Data (Key deliverables measured)	Key deliverables outlined in AOP

Programme 3: Export

Indicator number	3.1.1
Indicator title	Number of trade agreements signed.
Short definition	Refers to the number of export declarations signed indicating confirmed trade transactions. Trade transactions are provided and confirmed by the exporter in the trade agreement signed (i.e., export declaration), where export value for the products or services exported are provided as well as the jobs created as a result thereof. The exporter indicates the assistance provided by Wesgro in relation to the confirmed trade transactions. An exporter provides a signed export declaration for transactions for goods and services related to a specific buyer as a representation of the trade agreement.
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.
Key Beneficiaries	Companies and stakeholders
Source of data	Signed export declarations
Data limitations	Non-disclosure of third-party information.
Assumptions	N/A
Means of verification	Signed export declarations
Method of calculation	The number of signed export declarations is calculated to determine the number of trade agreements signed.
Calculation type	Cumulative <input checked="" type="checkbox"/> Year-end <input type="checkbox"/> Year-to-date <input type="checkbox"/> Non-cumulative
Reporting cycle	<input checked="" type="checkbox"/> 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"/> On target <input type="checkbox"/> Lower than target
Type of indicator	Is this a Service Delivery Indicator? <input type="checkbox"/> YES <input checked="" type="checkbox"/> NO
	Is this a Demand Driven Indicator? <input type="checkbox"/> YES <input checked="" type="checkbox"/> NO
	Is this a Standardised Indicator? <input type="checkbox"/> YES <input checked="" type="checkbox"/> NO
Spatial Location of indicator	Number of locations: <input type="checkbox"/> Single Location <input checked="" type="checkbox"/> 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: N/A For multiple delivery locations, will this be shared in the Annual Operational Plan (AOP) <input checked="" type="checkbox"/> YES <input type="checkbox"/> NO
Indicator responsibility	Chief Trade and Investment Officer or relevant executive responsible for this programme
Spatial Transformation	Spatial transformation priorities: Description of spatial impact: Western Cape
Disaggregation of beneficiaries -Human Rights Groups	Target for women: Target for youth: Target for people with disabilities: Target for older persons: <input checked="" type="checkbox"/> None of the above”
Provincial Strategic Implementation Plan (PSIP)	<input checked="" type="checkbox"/> Jobs <input type="checkbox"/> Safety <input type="checkbox"/> Wellbeing <input type="checkbox"/> Innovation, Culture and Governance <input type="checkbox"/> “None of the above”
State of disaster	<input type="checkbox"/> YES <input checked="" type="checkbox"/> NO
Implementation Data (Key deliverables measured)	If yes, provide a description of the identified disaster: Key deliverables outlined in AOP

Programme 4: Tourism

Indicator number	4.1.3
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. Written confirmation is received from the host organisation, indicating the number of delegates as well as whether the bid is domestic or international. Wesgro receives the values for delegate spend from South African Tourism to calculate the economic value of each bid.
Purpose	To attract international and domestic attendees who contribute towards the economic impact of the destination.
Key Beneficiaries	Western Cape companies and stakeholders
Source of data	Written confirmation from the host organisation through either a 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. Non-disclosure of third-party information.
Assumptions	N/A
Means of verification	Written confirmation from the host organisation through either a 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 signed confirmation letter or email confirmation per bid will be added to calculate the total number of conference bids secured.
Calculation type	Cumulative <input checked="" type="checkbox"/> Year-end <input type="checkbox"/> Year-to-date <input type="checkbox"/> Non-cumulative
Reporting cycle	<input checked="" type="checkbox"/> 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"/> On target <input type="checkbox"/> Lower than target
Type of indicator	Is this a Service Delivery Indicator? <input type="checkbox"/> YES <input checked="" type="checkbox"/> NO
	Is this a Demand Driven Indicator? <input type="checkbox"/> YES <input checked="" type="checkbox"/> NO
	Is this a Standardised Indicator? <input type="checkbox"/> YES <input checked="" type="checkbox"/> NO
Spatial Location of indicator	Number of locations: <input type="checkbox"/> Single Location <input checked="" type="checkbox"/> 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: N/A For multiple delivery locations, will this be shared in the Annual Operational Plan (AOP) <input checked="" type="checkbox"/> YES <input type="checkbox"/> NO
Indicator responsibility	Chief Destination Marketing Officer or relevant executive responsible for this programme
Spatial Transformation	Spatial transformation priorities: Description of spatial impact: Western Cape
Disaggregation of beneficiaries -Human Rights Groups	Target for women: Target for youth: Target for people with disabilities: Target for older persons: <input checked="" type="checkbox"/> "None of the above"
Provincial Strategic Implementation Plan (PSIP)	<input checked="" type="checkbox"/> Jobs <input type="checkbox"/> Safety <input type="checkbox"/> Wellbeing <input type="checkbox"/> Innovation, Culture and Governance <input type="checkbox"/> "None of the above"
State of disaster	<input type="checkbox"/> YES <input checked="" type="checkbox"/> NO If yes, provide a description of the identified disaster:
Implementation Data (Key deliverables measured)	Key deliverables outlined in AOP

Programme 5: Differentiated and Competitive Destination

Indicator number	5.1.1
Indicator title	Number of strategic campaigns
Short definition	Campaigns that are conceptualised to support the mandate of the Agency. A Post Campaign Analysis (PCA) Report will be provided per campaign to determine the number of people reached through the implementation of the relevant campaign.
Purpose	To promote the brand of the destination into key source markets, focused on driving the economic competitiveness of the destination.
Key Beneficiaries	Companies and stakeholders
Source of data	Campaign reports
Data limitations	Dependency on third part data.
Assumptions	N/A
Means of verification	Externally provided Post Campaign Analysis (PCA) Reports per strategic campaign.
Method of calculation	The post campaign analysis reports will be added to calculate the number of strategic campaigns.
Calculation type	Cumulative <input checked="" type="checkbox"/> Year-end <input type="checkbox"/> Year-to-date <input type="checkbox"/> Non-cumulative
Reporting cycle	<input type="checkbox"/> Quarterly <input type="checkbox"/> Bi-annually <input checked="" type="checkbox"/> Annually <input type="checkbox"/> Biennially
Desired performance	<input type="checkbox"/> Higher than target <input checked="" type="checkbox"/> On target <input type="checkbox"/> Lower than target
Type of indicator	Is this a Service Delivery Indicator? <input type="checkbox"/> YES <input checked="" type="checkbox"/> NO
	Is this a Demand Driven Indicator? <input type="checkbox"/> YES <input checked="" type="checkbox"/> NO
	Is this a Standardised Indicator? <input type="checkbox"/> YES <input checked="" type="checkbox"/> NO
Spatial Location of indicator	Number of locations: <input type="checkbox"/> Single Location <input checked="" type="checkbox"/> 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: N/A For multiple delivery locations, will this be shared in the Annual Operational Plan (AOP) <input checked="" type="checkbox"/> YES <input type="checkbox"/> NO
Indicator responsibility	Chief Marketing and Innovation Officer or relevant Executive responsible for this programme
Spatial Transformation	Spatial transformation priorities: Description of spatial impact: Western Cape
Disaggregation of beneficiaries -Human Rights Groups	Target for women: Target for youth: Target for people with disabilities: Target for older persons: <input checked="" type="checkbox"/> "None of the above"
Provincial Strategic Implementation Plan (PSIP)	<input checked="" type="checkbox"/> Jobs <input type="checkbox"/> Safety <input type="checkbox"/> Wellbeing <input type="checkbox"/> Innovation, Culture and Governance <input type="checkbox"/> "None of the above"
State of disaster	<input type="checkbox"/> YES <input checked="" type="checkbox"/> NO If yes, provide a description of the identified disaster:
Implementation Data (Key deliverables measured)	Key deliverables outlined in AOP

Programme 6: Assurance and Business Enablement

Indicator number	6.1.1
Indicator title	Number of M&E performance reports submitted.
Short definition	The delivery of M&E performance reports quarterly to stakeholders..
Purpose	To make specific information available to internal and external stakeholders, including the public.
Key Beneficiaries	Stakeholders
Source of data	Acknowledgements of receipt/email of the submission of the performance report as per the prescribed deadlines.
Data limitations	N/A
Assumptions	N/A
Means of verification	Quarterly performance reports
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	Cumulative <input checked="" type="checkbox"/> Year-end <input type="checkbox"/> Year-to-date <input type="checkbox"/> Non-cumulative
Reporting cycle	<input checked="" type="checkbox"/> 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"/> On target <input type="checkbox"/> Lower than target
Type of indicator	Is this a Service Delivery Indicator? <input type="checkbox"/> YES <input checked="" type="checkbox"/> NO
	Is this a Demand Driven Indicator? <input type="checkbox"/> YES <input checked="" type="checkbox"/> NO
	Is this a Standardised Indicator? <input type="checkbox"/> YES <input checked="" type="checkbox"/> NO
Spatial Location of indicator	Number of locations: <input type="checkbox"/> Single Location <input checked="" type="checkbox"/> 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: N/A For multiple delivery locations, will this be shared in the Annual Operational Plan (AOP) <input checked="" type="checkbox"/> YES <input type="checkbox"/> NO
Indicator responsibility	Chief Assurance & Business Enablement Officer or relevant Executive responsible for this programme
Spatial Transformation	Spatial transformation priorities: Description of spatial impact: Western Cape
Disaggregation of beneficiaries -Human Rights Groups	Target for women: Target for youth: Target for people with disabilities: Target for older persons: <input checked="" type="checkbox"/> “None of the above”
Provincial Strategic Implementation Plan (PSIP)	<input checked="" type="checkbox"/> Jobs <input type="checkbox"/> Safety <input type="checkbox"/> Wellbeing <input type="checkbox"/> Innovation, Culture and Governance <input type="checkbox"/> “None of the above”
State of disaster	<input type="checkbox"/> YES <input checked="" type="checkbox"/> NO If yes, provide a description of the identified disaster:
Implementation Data (Key deliverables measured)	Key deliverables outlined in AOP

Indicator number	6.1.2
Indicator title	Number of reports evidencing the maintenance of the Agency's ICT environment.
Short definition	Approved quarterly reports evidencing the maintenance of Wesgro's ICT environment.
Purpose	To ensure a high level of productivity and performance for Wesgro by ensuring that the ICT environment is stable.
Key Beneficiaries	Stakeholders
Source of data	Quarterly report approved by the CEO (or its delegate) providing an overview of the status of the Agency's ICT environment.
Data limitations	N/A
Assumptions	N/A
Means of verification	Approved 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	Cumulative <input checked="" type="checkbox"/> Year-end <input type="checkbox"/> Year-to-date <input type="checkbox"/> Non-cumulative
Reporting cycle	<input checked="" type="checkbox"/> 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"/> On target <input type="checkbox"/> Lower than target
Type of indicator	Is this a Service Delivery Indicator? <input type="checkbox"/> YES <input checked="" type="checkbox"/> NO
	Is this a Demand Driven Indicator? <input type="checkbox"/> YES <input checked="" type="checkbox"/> NO
	Is this a Standardised Indicator? <input type="checkbox"/> YES <input checked="" type="checkbox"/> NO
Spatial Location of indicator	Number of locations: <input type="checkbox"/> Single Location <input checked="" type="checkbox"/> 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: N/A For multiple delivery locations, will this be shared in the Annual Operational Plan (AOP) <input checked="" type="checkbox"/> YES <input type="checkbox"/> NO
Indicator responsibility	Chief Assurance & Business Enablement Officer or relevant executive responsible for this programme
Spatial Transformation	Spatial transformation priorities: Description of spatial impact: Western Cape
Disaggregation of beneficiaries -Human Rights Groups	Target for women: Target for youth: Target for people with disabilities: Target for older persons: <input checked="" type="checkbox"/> "None of the above"
Provincial Strategic Implementation Plan (PSIP)	<input checked="" type="checkbox"/> Jobs <input type="checkbox"/> Safety <input type="checkbox"/> Wellbeing <input type="checkbox"/> Innovation, Culture and Governance <input type="checkbox"/> "None of the above"
State of disaster	<input type="checkbox"/> YES <input checked="" type="checkbox"/> NO If yes, provide a description of the identified disaster:
Implementation Data (Key deliverables measured)	Key deliverables outlined in AOP

