

**DEPARTMENT OF  
TRADE, INDUSTRY AND  
COMPETITION**

**Strategic Plan  
for  
2020 – 2025**

# Contents

1.	Abbreviations and Acronyms .....	4
2.	Organisational Structure .....	8
3.	Foreword by the Minister .....	9
4.	Overview by the Director-General .....	10
5.	Official Sign-Off.....	11
<b>PART A: Our Mandate .....</b>		<b>13</b>
6.	Constitutional Mandate .....	13
7.	Legislative and Policy Mandates .....	13
8.	Institutional Policies and Strategies over the Five year planning period.....	18
<b>Part B: Our Strategic Focus.....</b>		<b>20</b>
9.	Vision .....	20
10.	Mission.....	20
11.	Values .....	20
12.	Situational Analysis .....	21
1.	Global Economic Context .....	21
<b>Part C: Measuring Our Performance.....</b>		<b>37</b>
13.	Institutional Performance Information .....	37
14.1	Programme 1: Administration .....	37
14.2	Programme 2: Trade Policy, Negotiations and Cooperation .....	40
14.3	Programme 3: Spatial Industrial Development and Economic Transformation ....	41
14.4	Programme 4: Industrial Competitiveness and Growth.....	43
14.5	Programme 5: Consumer and Corporate Regulation.....	45
14.6	Programme 6: Industrial Financing .....	46
14.7	Programme 7: Export Development, Promotion and Outward Investments.....	47
14.8	Programme 8: Inward Investment Attraction, Facilitation and Aftercare .....	49
14.9	Programme 9: Competition Policy and Economic Planning .....	50
14.10	Programme 10: Economic Research and Coordination .....	52
15.	Strategic Key Risks .....	53
16.	Public Entities .....	53
<b>Part D: Technical Indicator Descriptions (TIDs) .....</b>		<b>57</b>
<b>Programme 1: Administration .....</b>		<b>57</b>
<b>Programme 2: Trade Policy, Negotiations and Cooperation.....</b>		<b>59</b>
<b>Programme 3: Spatial Industrial Development and Economic Transformation .....</b>		<b>60</b>

<b>Programme 4: Industrial Competitiveness and Growth</b> .....	61
<b>Programme 5: Consumer and Corporate Regulation</b> .....	63
<b>Programme 6: Industrial Financing</b> .....	64
<b>Programme 7: Export Development, Promotion and Outward Investments</b> .....	66
<b>Programme 8: Inward Investment Attraction, Facilitation and Aftercare</b> .....	67
<b>Programme 9: Competition Policy and Economic Planning</b> .....	68
<b>Programme 10: Economic Research and Coordination</b> .....	69

## 1. Abbreviations and Acronyms

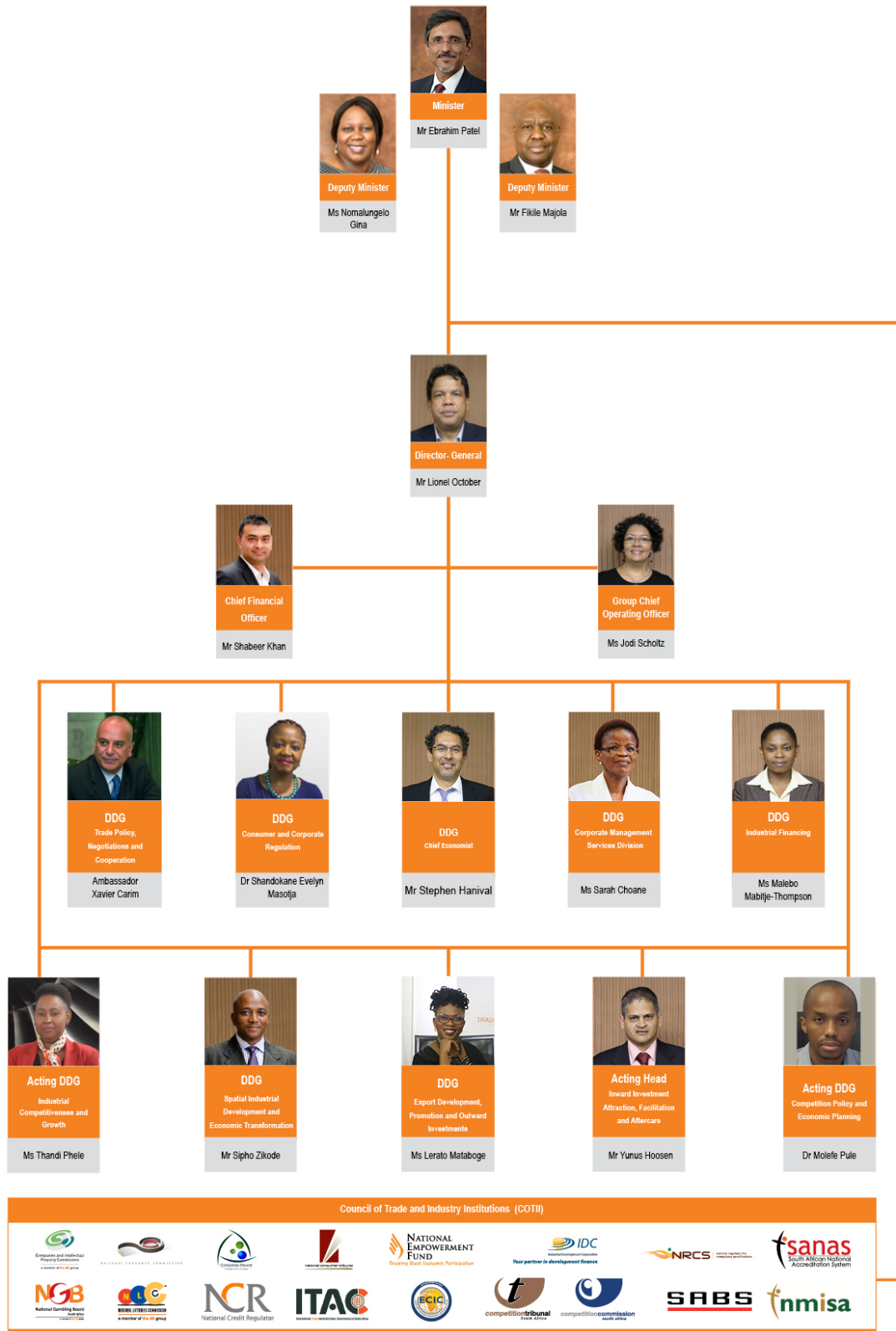
TERM	DEFINITION
ADEP	Aquaculture Development and Enhancement Programme
AGOA	African Growth and Opportunity Act, 2000
AIS	Automotive Incentive Scheme
APP	Annual Performance Plan
APSS	Agro-Processing Support Scheme
AU	African Union
BEE	Black Economic Empowerment
B-BBEE	Broad-Based Black Economic Empowerment
BER	Bureau for Economic Research
BCI	Business Confidence Index
BI	Black Industrialist
BOP	Balance of Payments
BPS	Business Process Services
BRICS	Brazil, Russia, India, China and South Africa
CCI	Consumer Confidence Index
CCRD	Consumer and Corporate Regulation Division
CEO	Chief Executive Officer
CFO	Chief Financial Officer
C-FTA	Continental Free Trade Area
CGICTPF	Corporate Governance of ICT Policy Framework
CIO	Chief Information Officer
CIP	Critical Infrastructure Programme
CIPC	Companies and Intellectual Property Commission, a public entity reporting to <b>the dtic</b>
CMDB	Configuration Management Database
CMSD	Corporate Management Services Division
COTII	Council of Trade and Industry Institutions
COMESA	Common Market for Eastern and Southern Africa
CRO	Chief Risk Officer
CSDP	Competitive Supplier Development Programme
CSIR	Council for Scientific and Industrial Research
CT	Companies Tribunal, a public entity reporting to <b>the dtic</b>
CTFL	Clothing, textiles, leather and footwear
DDG	Deputy Director-General
DFI	Development Finance Institution
DG	Director-General
DHET	Department of Higher Education and Training
DPSA	Department of Public Service and Administration
dsbd	Department of Small Business Development
DPME	Department of Planning, Monitoring and Evaluation

<b>TERM</b>	<b>DEFINITION</b>
EAC	East African Community
ECIC	Export Credit Insurance Corporation SOC Ltd, a public entity reporting to <b>the dtic</b>
ECSP	Economic Competitiveness Support Package
EDD	Economic development Department
EMDE	Emerging Market and Developing Economies
EMIA	Export, Marketing and Investment Assistance
ENE	Estimates of National Expenditure
EPA	Economic Partnership Agreement
ESEIDC	Economic Sectors, Employment and Infrastructure Development Cluster
EU	European Union
ExBo	Executive Board
FDI	Foreign Direct Investment
FER	Foreign Economic Representative
FRSC	Financial Reporting Standards Council
FTA	Free Trade Agreement
GDP	Gross Domestic Product
GEPP	Global Exporter Passport Programme
GFCF	Gross Fixed Capital Formation
GLP	Good Laboratory Practice
GVA	Gross Value Added
HR	Human Resource
ICT	Information and Communications Technology
IDC	Industrial Development Corporation, a public entity reporting to <b>the dtic</b>
IMF	International Monetary Fund
INES	Integrated National Export Strategy
IoT	Internet of Things
IP	Intellectual Property
IPRs	Intellectual Property Rights
ISA	Investment South Africa
ITAC	International Trade Administration Commission
KPIs	Key Performance Indicators
MEC	Member of Executive Council
MinMec	Ministers and Members of Executive Councils Meeting
MOU	Memorandum of Understanding
MTEF	Medium Term Expenditure Framework
MTSF	Medium-Term Strategic Framework
NAFTA	North American Free Trade Agreement
NCA	National Credit Act of 2005, as amended
NCC	National Consumer Commission, a public entity reporting to <b>the dtic</b>
NCR	National Credit Regulator, a public entity reporting to <b>the dtic</b>
NCT	National Consumer Tribunal, a public entity reporting to <b>the dtic</b>
NDP	National Development Plan

<b>TERM</b>	<b>DEFINITION</b>
NEAC	National Export Advisory Council
NEDLAC	National Economic Development and Labour Council
NEDP	National Exporter Development Programme
NEF	National Empowerment Fund, a public entity reporting to <b>the dtic</b>
NEPAD	New Partnership for Africa's Development
NGB	National Gambling Board, a public entity reporting to <b>the dtic</b>
NIPF	National Industrial Policy Framework
NIPP	National Industrial Participation Programme
NLA	National Liquor Authority
NLC	National Lotteries Commission, a public entity reporting to <b>the dtic</b>
NMISA	National Metrology Institute of South Africa, a public entity reporting to <b>the dtic</b>
NRCS	National Regulator for Compulsory Specifications, a public entity reporting to <b>the dtic</b>
NT	National Treasury
ODG	Office of the Director-General
OSS	One Stop Shop
QLFS	Quarterly Labour Force Survey
PICC	Presidential Infrastructure Coordinating Commission
PMI	Purchasing Manager's Index
PTA	Preferential Trade Agreement
RETS	Resources Equipment and Technology Services
RIA	Regulatory Impact Assessment
RMC	Risk Management Committee
RSA	Republic of South Africa
SABS	South African Bureau of Standards, SOC Ltd, a public entity reporting to <b>the dtic</b>
SACU	Southern African Customs Union
SADC	Southern African Development Community
SANAS	South African National Accreditation System, a public entity reporting to <b>the dtic</b>
SARB	South African Reserve Bank
SASCA	South African Council for Space Affairs
SDI	Spatial Development Initiative
SDIP	Service Delivery Improvement Plan
<b>sefa</b>	Small Enterprise Finance Agency
SEZ	Special Economic Zone
SMART	Specific, Measurable, Achievable, Realistic, Time-bound
SMMEs	Small, Medium and Micro-Sized Enterprises
SMS	Senior Management Services
SOE	State Owned Enterprise
SPII	Support Programme for Industrial Innovation
SPP	Strategic Partnership Programme
SSA	Sub-Saharan Africa
T-FTA	Tripartite Free Trade Agreement
<b>the dtic</b>	The Department of Trade, Industry and Competition

TERM	DEFINITION
THRIP	Technology and Human Resources for Industry Programme
TID	Technical Indicator Descriptor
TISA	Trade Investment South Africa
UNCTAD	United Nations Conference on Trade & Development
US	United States
UK	United Kingdom
WEO	World Economic Outlook
WTO	World Trade Organisation
WYPD	Women, Youth and People with Disabilities

## 2. Organisational Structure





### 3. Foreword by the Minister



Minister of Trade, Industry and Competition, Mr Ebrahim Patel

This Strategic Plan 2020 – 2025, prepared in consultation with management, is hereby submitted in accordance with the National Treasury Framework on Strategic and Annual Performance Plans.

The Strategic Plan may further be aligned to implementing the National Sector Masterplans and Government's response to the COVID-19 pandemic, both during the period of the National Disaster declared by President Ramaphosa, and thereafter as we adapt to the new economic reality. Should the adjustments be made, a revised Plan will be submitted to Parliament.

A handwritten signature in black ink, appearing to read 'Ebrahim Patel', with a long horizontal stroke extending to the right.

**Mr Ebrahim Patel**

**Minister of Trade, Industry and Competition**

#### 4. Overview by the Director-General



Director-General, Mr Lionel October

The Strategic Plan 2020 - 2024, which was prepared in consultation with management, is hereby submitted in accordance with the National Treasury Framework on Strategic and Annual Performance Plans.

A handwritten signature in black ink that reads "L. October". The signature is written in a cursive style with a large, stylized 'L' and 'O'.

**Mr Lionel October**

**Director-General: the dtic**

## 5. Official Sign-Off

It is hereby certified that this Strategic Plan:

- Was developed by the management of the Department of Trade, Industry and Competition under the guidance of Minister of Trade Industry and Competition.
- Takes into account all the relevant policies, legislation and other mandates for which the Department of Trade, Industry and Competition is responsible.
- Accurately reflects the Impact, Outcomes and Outputs which the Department of Trade, Industry and Competition will endeavour to achieve over the period 2020/21 to 2024/25.

Mr Shabeer Khan  
Chief Financial Officer



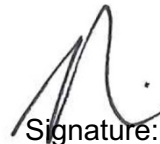
Signature:

Ms Jodi Scholtz  
Group Chief Operating Officer



Signature:

Ambassador Xavier Carim  
DDG: Trade Policy, Negotiations & Cooperation



Signature:

Mr Sipho Zikode  
DDG: Spatial Industrial Development and ET



Signature:

Ms Malebo Mabijte Thompson  
DDG: Industrial Financing



Signature:

Mr Yunus Hoosen  
Acting Head: IIAF&A



Signature:

Mr Stephen Hanival  
DDG: Chief Economist



Signature:

Dr Evelyn Masotja  
DDG: CCRD



Signature:

Ms Lerato Mataboge  
DDG: EDP&OI



Signature:

Ms Sarah Choane  
DDG: CMSD




Signature:

Ms Thandi Pele  
Acting DDG: IC&G



Signature:

Dr Molefe Pule  
Acting DDG: CP & EP




Signature

Mr Lionel October  
Accounting Officer



Signature:

Approved by:  
Minister Ebrahim Patel  
Executive Authority



Signature:

## PART A: Our Mandate

### 6. Constitutional Mandate

Schedule 1 of the Public Service Act of 1994 (as amended by the Public Service Amendment Act No. 30 of 2007)

### 7. Legislative and Policy Mandates

the dtic's work is governed by a broad legislative framework, as outlined below:

Act	Purpose
Abolition of the Fuel Research Institute and Coal Act, 1983 (Act No. 30 of 1983)	Repeal the Fuel Research Institute and Coal Act, 1963 (Act No. 35 of 1963) and provide for the vesting of the assets and liabilities, and the transfer of the employees of the Fuel Research Institute in and to the Council for Scientific and Industrial Research (CSIR).
Accreditation for Conformity Assessment, Calibration and Good Laboratory Practice Act, 2006 (Act No. 19 of 2006)	Provide for an internationally recognised and effective accreditation and monitoring system for South Africa by establishing the South African National Accreditation System (SANAS) as a juristic person; to recognise SANAS as the only accreditation body in South Africa for the accreditation of conformity assessment and calibration, as well as the monitoring of good laboratory practice (GLP).
Alienation of Land Act, 1981 (Act No. 68 of 1981)	Regulate the alienation of land in certain circumstances and provide for matters connected therewith.
Broad-Based Black Economic Empowerment Act, 2003 (Act No. 53 of 2003)	Establish a legislative framework for the promotion of Black Economic Empowerment (BEE), empower the Minister to issue codes of good practice and publish transformation charters, establish the B-BBEE (Broad-Based Black Economic Empowerment) Advisory Council and provide for matters connected therewith.
Companies Act, 2008 (Act No. 71 of 2008)	Provide a new legislative framework for the incorporation, registration and management of companies; establish a Companies and Intellectual Property Commission (CIPC) and National Consumer Tribunal (NCT); and provide for matters connected therewith.
Competition Act, 1998 (Act No. 89 of 1998)	Provide the Competition Commission with the powers to conduct impact studies on prior decisions and to promote the administrative efficiency of the Competition Commission and Competition Tribunal
Consumer Protection Act, 2008 (Act No. 68 of 2008)	Promote a fair, accessible and sustainable marketplace for consumer products and services, and for that purpose to establish national norms and standards relating to consumer protection; provide for improved standards of consumer information; prohibit certain unfair marketing and business practices; promote responsible consumer behaviour; promote a consistent legislative and enforcement framework relating to consumer transactions and agreements; establish the National Consumer Commission (NCC); and repeal certain laws.

Act	Purpose
Convention on Agency in the International Sale of Goods Act, 1986 (Act No. 4 of 1986)	Provide for the application in South Africa of the Convention on Agency in the International Sale of Goods adopted by the United Nations International Institute for the Unification of Private Law.
Copyright Act, 1978 (Act No. 98 of 1978)	Regulate copyright in respect of, among other things, artistic works, dramatic works, computer programs, and musical and literary works.
Counterfeit Goods Act, 1997 (Act No. 37 of 1997)	Strengthen prohibitions on trade in counterfeit goods; confer powers on inspectors and the police to enter and search premises, with and without a warrant; and confer powers on customs and excise to seize and detain suspected counterfeit goods.
Designs Act, 1993 (Act No. 195 of 1993)	Consolidate the law relating to designs, provide for the registration of designs, and delineate the rights pertaining thereto.
Export Credit and Foreign Investments Insurance Act, 1957 (Act No. 78 of 1957)	Establish the Export Credit Insurance Corporation and promote trade with countries outside South Africa by providing for the insurance, on behalf of the South African government, of contracts in connection with export transactions, investments and loans or similar facilities connected with such transactions.
Expropriation (Establishment of Undertakings) Act, 1951 (Act No. 39 of 1951)	Provide for the expropriation of land and the taking of the right to use land temporarily for or in connection with the objects or undertakings of national importance.
Housing Development Schemes for Retired Persons Act, 1988 (Act No. 65 of 1988)	Regulate the alienation of certain interests in housing development schemes for retired persons, and provide for matters connected therewith.
Industrial Development Corporation Act (Act No. 22 of 1940);	Constitute a corporation the object of which shall be to promote the establishment of new industries and industrial undertakings and the development of existing industries and industrial undertakings, and to provide for other incidental matters.
Intellectual Property Laws Rationalisation Act, 1996 (Act No. 107 of 1996)	Provide for the integration of intellectual property (IP) rights subsisting in the former homelands (Transkei, Bophuthatswana, Venda and Ciskei) into the national system; extend South African IP rights legislation throughout South Africa; and repeal certain IP laws.
International Trade Administration Act (Act No. 71 of 2002)	Foster economic growth and development in order to raise incomes and promote investment and employment in the Republic and within the Common Customs Area by establishing an efficient and effective system for the administration of international trade subject to this Act.
Legal Metrology Act, 2014 (Act No. 9 of 2014)	Provide for the administration and maintenance of legal metrology technical regulations in order to promote fair trade and protect public health and safety and the environment, and provide for matters connected therewith.
Liquor Act, 2003 (Act No. 59 of 2003)	Establish national norms and standards to maintain economic unity within the liquor industry, provide for essential national standards and minimum standards required for the rendering of services, provide for measures to promote cooperative governance in the area of liquor regulation, and provide for matters connected therewith.
Lotteries Act, 1997 (Act No. 57 of 1997)	Establish the National Lotteries Commission (NLC), and regulate and prohibit lotteries and sports pools.

Act	Purpose
Manufacturing Development Act, 1993 (Act No. 187 of 1993)	Establish the Manufacturing Development Board, provide for the establishment of programmes for manufacturing development, and provide for matters incidental thereto.
Measurement Units and Measurement Standards Act, 2006 (Act No. 18 of 2006)	Provide for the use of the measurement units of the International System of Units; provide for the designation, keeping and maintenance of national measurement units and standards; provide for the establishment and functions of the National Metrology Institute of South Africa (NMISA); and provide for the repeal of certain laws.
Merchandise Marks Act, 1941 (Act No. 17 of 1941)	Make provision concerning the marking of merchandise and of coverings in or with which merchandise is sold, and the use of certain words and emblems in connection with business.
National Building Regulations and Building Standards Act, 1977 (Act No. 103 of 1977)	Provide for the promotion of uniformity in the law relating to the erection of buildings in the areas of jurisdiction of local authorities and for the prescribing of building standards.
National Credit Act, 2005 (Act No. 34 of 2005)	Establish the National Credit Regulator (NCR) and CT, and promote a fair and non-discriminatory marketplace for access to consumer credit; and, for that purpose, provide for the general regulation of consumer credit and improved standards of consumer information.
National Empowerment Fund Act, 1998 (Act No. 105 of 1998)	Establish a trust for the promotion and facilitation of ownership of income-generating assets by historically disadvantaged persons; set out the objects of the trust; provide for the powers, appointment and mode of operation of the trustees; provide for the establishment of other investment entities for the attainment of the objects; provide for the powers of the minister to give implementation directives; provide for the sale of shares in state-owned commercial enterprises at a discount to the trust or by the trust to the beneficiaries; provide for the control of the financial affairs of the trust; provide for the establishment of an investment holding company by the trust; provide for the promulgation of regulations; provide for the dissolution of the trust; and provide for other incidental matters.
National Gambling Act, 2004 (Act No. 7 of 2004)	Provide for the coordination of concurrent national and provincial legislative competence over matters relating to casinos, racing, gambling and wagering; provide for the continued regulation of those matters, and, for that purpose, establish certain uniform norms and standards applicable to national and provincial regulation and the licensing of certain gambling activities; provide for the creation of additional uniform norms and standards applicable throughout South Africa; retain the National Gambling Board; establish the National Gambling Policy Council; repeal the National Gambling Act, 1996 (Act No. 33 of 1996); and provide for matters incidental thereto.
National Regulator for Compulsory Specifications Act, 2008 (Act No. 5 of 2008)	Provide for the administration and maintenance of compulsory specifications in the interest of public safety, health and environmental protection; and provide for the establishment of the National Regulator for Compulsory Specifications (NRCS).
National Supplies Procurement Act, 1970 (Act No. 89 of 1970)	Empower the responsible Minister to manufacture, produce, acquire, hire or import goods; acquire, hire or supply services; exercise control over goods and services, and the manufacture, production, processing and treating of goods; and provide for the establishment and administration of a national supplies procurement fund.

Act	Purpose
Non-Proliferation of Weapons of Mass Destruction Act, 1993 (Act No. 87 of 1993)	Provide for control over weapons of mass destruction and establish a council to control and manage matters relating to the proliferation of such weapons in South Africa; determine its objectives and functions; and prescribe the manner in which it is to be managed and controlled.
Patents Act, 1978 (Act No. 57 of 1978)	Provide for the registration and granting of letters, patents for inventions, and for the rights of a patentee.
Performers' Protection Act, 1967 (Act No. 11 of 1967)	Provide for the protection of the rights of performers of literary and artistic works.
Property Time-Sharing Control Act, 1983 (Act No. 75 of 1983)	Regulate the alienation of time-sharing interests pursuant to property time-sharing schemes.
Protection of Businesses Act, 1978 (Act No. 99 of 1978)	Restrict the enforcement in South Africa of certain foreign judgments, orders, directions, arbitration awards and letters of request; and prohibit the furnishing of information relating to businesses in compliance with foreign orders, directions or letters of request.
Protection of Investment Act, 2015 (Act No. 22 of 2015) [Assented to by the President on 15 December 2015 but has not yet commenced]	Provide for the protection of investors and their investments; achieve a balance of rights and obligations that apply to all investors; and provide for matters connected therewith.
Rationalisation of Corporate Laws Act, 1996 (Act No. 45 of 1996)	Provide that certain corporate laws shall apply throughout South Africa; repeal certain corporate laws; and provide for the retrospective incorporation of certain putative close corporations.
Registration of Copyright in Cinematograph Films Act, 1977 (Act No. 62 of 1977)	Provide for the registration of copyright in cinematograph films and for matters connected therewith.
Share Blocks Control Act, 1980 (Act No. 59 of 1980)	Control the operation of share block schemes – any scheme in terms of which a share, in any manner whatsoever, confers a right to or an interest in the use of immovable property.
Space Affairs Act, 1993 (Act No. 84 of 1993)	Provide for the establishment of a council to manage and control certain space affairs in South Africa, determine its objects and functions, and prescribe the manner in which it is to be managed and controlled.
Special Economic Zones Act, 2014 (Act No. 16 of 2014)	Provide for the designation, development and management of special economic zones; establish an advisory board and a fund; regulate the issuing, suspension, withdrawal and transfer of permits; and provide for matters connected therewith.
Standards Act, 2008 (Act No. 8 of 2008)	Provide for the development, promotion and maintenance of standardisation and quality in connection with commodities and the rendering of related conformity assessment services, and, for that purpose, provide for the continued existence of the South African Bureau of Standards (SABS) as the peak national institution; provide for the repeal of the Standards Act, 1993 (Act No. 29 of 1993); and provide for transitional arrangements.
Sugar Act, 1978 (Act No. 9 of 1978)	Consolidate and amend the laws relating to the sugar industry, and provide for matters incidental thereto.
Temporary Removal of	Empower the President to suspend temporarily laws or conditions, limitations or



Act	Purpose
Restrictions on Economic Activities Act, 1986 (Act No. 87 of 1986)	obligations thereunder if their application unduly impedes economic development or competition.
Trade Marks Act, 1993 (Act No. 194 of 1993)	Consolidate the law relating to trademarks; and provide for the registration of trademarks, the certification of trademarks and collective trademarks, and for the protection of rights relating thereto.
Unauthorised Use of Emblems Act, 1961 (Act No. 37 of 1961)	Provide for the continued operation of certain laws relating to the use of certain emblems and representations; and extend the scope of such laws.

## 8. Institutional Policies and Strategies over the Five year planning period

**The Reimagined Industrial Strategy** is the centre piece of government vision coordinated by the Presidency and puts emphasis on concrete actions. It presents a multipronged approach to industrial development with emphasis on building partnerships with the private sector in order to unleash job-creating investment. Over the MTSF and as directed by the Reimagined Industry Strategy, **sectoral masterplans** will be developed through partnerships with the social partners to secure reciprocal commitments necessary to drive long-term growth, sustainability and decent job creation in the national priority sectors. Simultaneously greater emphasis and efforts will be dedicated to drive implementation in masterplans where adequate consultation and agreement is reached.

**Special Economic Zones** focuses on SEZ policy and Strategy, as well as the identification of key opportunities (national and international), the identification and implementation of relevant SEZ capacity building programmes for SEZ Policy makers and implementers. Identification and facilitation of investor attraction programmes – SEZ Investment Road shows in partnership with the relevant stakeholders are key focus areas.

**The Industrial Parks Revitalisation Programme (IPRP)** primary focus is to support the industrial development through infrastructure and capacity building in industrial parks.

**Broad Based Black Economic Empowerment** policy continues to be a key instrument used by government to transform the economy and enable the meaningful participation of black people in the mainstream of the economy. The focus shall be on implementation of the policy and measurement of its impact. The B-BBEE Strategy is currently under review taking into account the National Development Plan (NDP) and relevant policy developments to ensure alignment and coherence.

**Black Industrialist Program's** strategic objective is to provide overall oversight on the implementation of the Black Industrialist Policy by strategically collaborating with stakeholders, both private and public, throughout the country and thus contributing to the transformation agenda. Furthermore, the programme will promote and provide strategic direction and support on the implementation of the Black Industrialist framework from both a financial and non-financial perspective, linked to the key sectors of the economy.

**Consumer Protection Policy** aims to promote a fair, accessible and sustainable marketplace for consumer products and services and for that purpose to establish national norms and standards relating to consumer protection. In addition, it provides for improved

standards of consumer information and to strengthen enforcement capacity of the National Consumer Commission (NCC).

**Companies Policy** aims to review the existing policy and the Companies Act focusing on the entire Act since it came to effect.

**National Credit Policy** aims to promote a fair and non-discriminatory marketplace for access to consumer credit and for that purpose to provide for the general regulation for consumer credit and improved standards of consumer information. Furthermore, to review existing policy issues and the implementation of the Act.

The **AfCFTA** is a key instrument to drive African industrialisation and **the dtic** is working with other AU Members that have ratified the agreement to initiate trade on preferential terms. The deadline had been set for 1 July 2020 but in light of the COVID pandemic, the date will be delayed.

To meet the technical and legal requirements for preferential trade, South Africa will need to reach agreement in SACU for a common tariff offer. Further negotiations with the AU Members are required to finalise commitments that meet the 90% threshold of tariff lines that would be liberalised over five years. Accompanying rules of origin would also need to be negotiated and agreed. Finally, the tariff and rules of origin commitments would need to be incorporated into domestic law for implementation, monitoring and enforcement in South Africa and amongst participating AU members. At that time, preferential trade under the AfCFTA can begin.

## Part B: Our Strategic Focus

### 9. Vision

A dynamic industrial, globally competitive South African economy, characterised by meaningful economic transformation, inclusive growth and development, decent employment and equity, built on the full potential of all citizens.

### 10. Mission

**the dtic's** mission is to:

- Promote structural transformation, towards a dynamic industrial and globally competitive economy
- Provide a predictable, competitive, equitable and socially responsible environment, conducive to investment, trade and enterprise development
- Broaden participation in the economy to strengthen economic development
- Continually improve the skills and capabilities of **the dtic** to effectively deliver on its mandate and respond to the needs of South Africa's economic citizens
- Co-ordinate the contributions of government departments, state entities and civil society to effect economic development
- Improve alignment between economic policies, plans of the state, its agencies, government's political and economic objectives and mandate

### 11. Values

**the dtic's** values:

- Advance South Africa's Constitution, notably the chapters on human rights, cooperative governance and public administration
- Promote decent work outcomes (more and better jobs), industrialisation, equitable and inclusive growth and social inclusion
- Operational excellence in regards to service delivery standards, international best practice, Batho Pele Principles, continuous improvement and ethical conduct
- Intellectual excellence in regard to continuous shared learning, innovation, relevant knowledge and skills improvement and knowledge management
- Quality relationships in regard to improved and continuous communication, honesty, respect, integrity, transparency, professionalism, ownership, leadership and teamwork

## 12. Situational Analysis

### Global Economic Context

Global growth is projected to rise from an estimated 2.9 % in 2019 to 3.3 % in 2020. This, however, represents a downward revision of 0.1 percentage point for 2019 and 2020 compared to those in the October 2019 International Monetary Fund (IMF) World Economic Outlook (WEO). The downward revision primarily reflects negative surprises to economic activity in a few emerging market economies, notably India, which led to a reassessment of growth prospects over the next two years (IMF: World Economic Outlook, January 2020).

Across advanced economies, growth is projected at 1.7% in 2019 and 1.6 % in 2020. This is mostly due to downward revisions for the United States; the Euro area; the United Kingdom, and other advanced economies in Asia, notably Hong Kong following protracted protests in the second half of 2019.

Growth in the euro area is projected to pick up from an estimated 1.2 % in 2019 to 1.3 % in 2020. Projected improvements in external demand support the anticipated firming of growth.

In the Emerging Market and Developing Economies group, the economy is expected to grow by 4.4 % in 2020 and 3.7 % in 2019. While in sub-Saharan Africa, growth is expected to strengthen to 3.5 % in 2020 from 3.3 % in 2019.

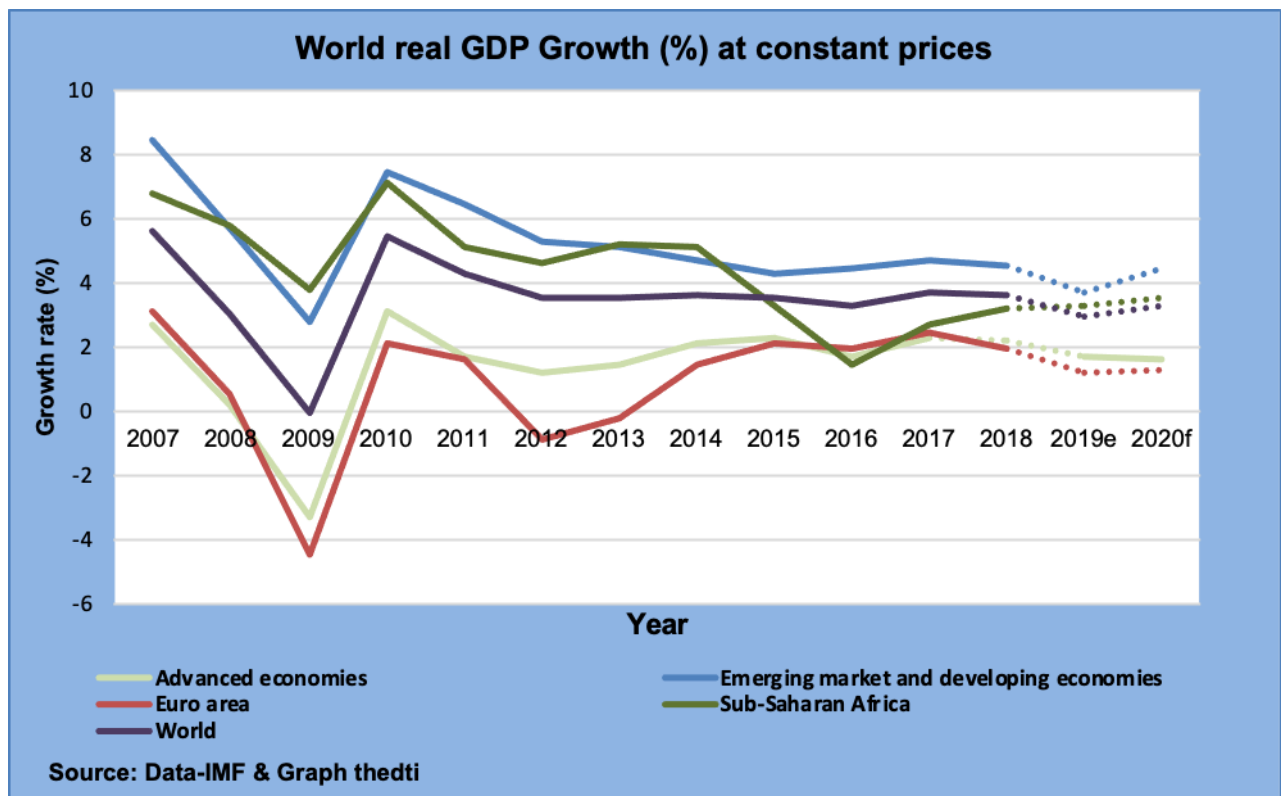
### Risks to the Outlook

The current pandemic, the coronavirus, is an external shock that has been described by the World Health Organisation as a pandemic, demonstrates its potential global impact and the interdependence of the SA economy with the rest of the world. This poses significant risks to the growth of the South African economy. **the dtic** is at the forefront of the development of mitigation strategies to minimise the impact of this virus on the South African economy.

The balance of risks to the global outlook remains on the downside and increases the likelihood of much weaker than-expected global growth in 2020 (World Bank Global Economic Prospect: January 2020). The downside risks include amongst others:

- Rising geopolitical tensions, notably between the United States and Iran which could disrupt global oil supply, hurt sentiment, and weaken already tentative business investment;

- Higher tariff barriers between the United States and China continue to hurt business sentiment and compound cyclical and structural slowdowns in many economies over the past year;
- Weather-related disasters such as tropical storms, floods, heat waves, droughts, and wild fires which have imposed severe humanitarian costs and livelihood loss across multiple regions in recent years;
- Fiscal space in the EMDEs that is constrained by weak tax capacity and high debt levels hinders the ability to fund basic public services;
- The outbreak and rapid spread of public health emergencies such as the 'CoronaVirus'; and
- Lack of capacity to confront negative shocks in the EMDEs since policy buffers generally remain inadequate.



### Implications for South African economic policy

The changing global economic and political environment impacts on the South African policy landscape and planning process. The downward revision of economic growth projections for most advanced economies such as the Euro area, China, Germany and the US is likely to

impact heavily on the export performance of domestic industries. The demand for South African products in key markets is likely to come under pressure, potentially affecting the overall trade performance.

Weaker growth in China has had serious implications for South Africa as our commodity exports decline in both value and volume, adversely affecting the performance of mining and minerals beneficiation. In the third quarter of 2019, economic growth in China has decelerated more than previously expected amid weakening domestic demand and heightened trade tensions. Trade policy uncertainty and higher tariffs on key South African exports to the United States also weighed on investor sentiment for most of 2019 (World Bank Global Economic Prospect: January 2020).

The rise of economic nationalism along with actions that exacerbate imbalances and inequities in the global trading system pose new challenges to all developing countries, including South Africa. While global manufacturing value chains are vital to the South African economy, the tendency to lock developing countries into lower value segments and growing concentration pose longer term challenges to wider industrialization. With recent disruption to world trade and investment, the domestic manufacturing sector that is highly integrated into global OEMs can be negatively impacted. As a result, the ability of the domestic manufacturing business enterprises to expand into global markets may be constrained in the current international environment.

## **Domestic Economic Context**

### **Gross Domestic Product Performance**

Economic activity in the domestic economy slipped slightly in the third quarter of 2019 as real gross value added (GVA) by both the primary and the secondary sectors contracted by 5.5 % and 3.8 % respectively. As the result, domestic GDP contracted by 0.6 %. Key drivers of negative growth in the third quarter of 2019 include:

- Manufacturing -3.9 %, due to decreases in the manufacturing of basic iron, steel, and machinery products, as well as products related to the petroleum, chemicals and plastics sector;
- The transport, storage and communication industry -5.4 % due to decline in the activity related to freight and passenger transport dampened growth in the third quarter;

- Agriculture -3.6 % due to lower production in field crops;
- The construction -2.7 due to decreases related to residential and non-residential buildings;
- Mining -6.1 % driven largely by a fall in the production of platinum group metals, coal and iron ore.

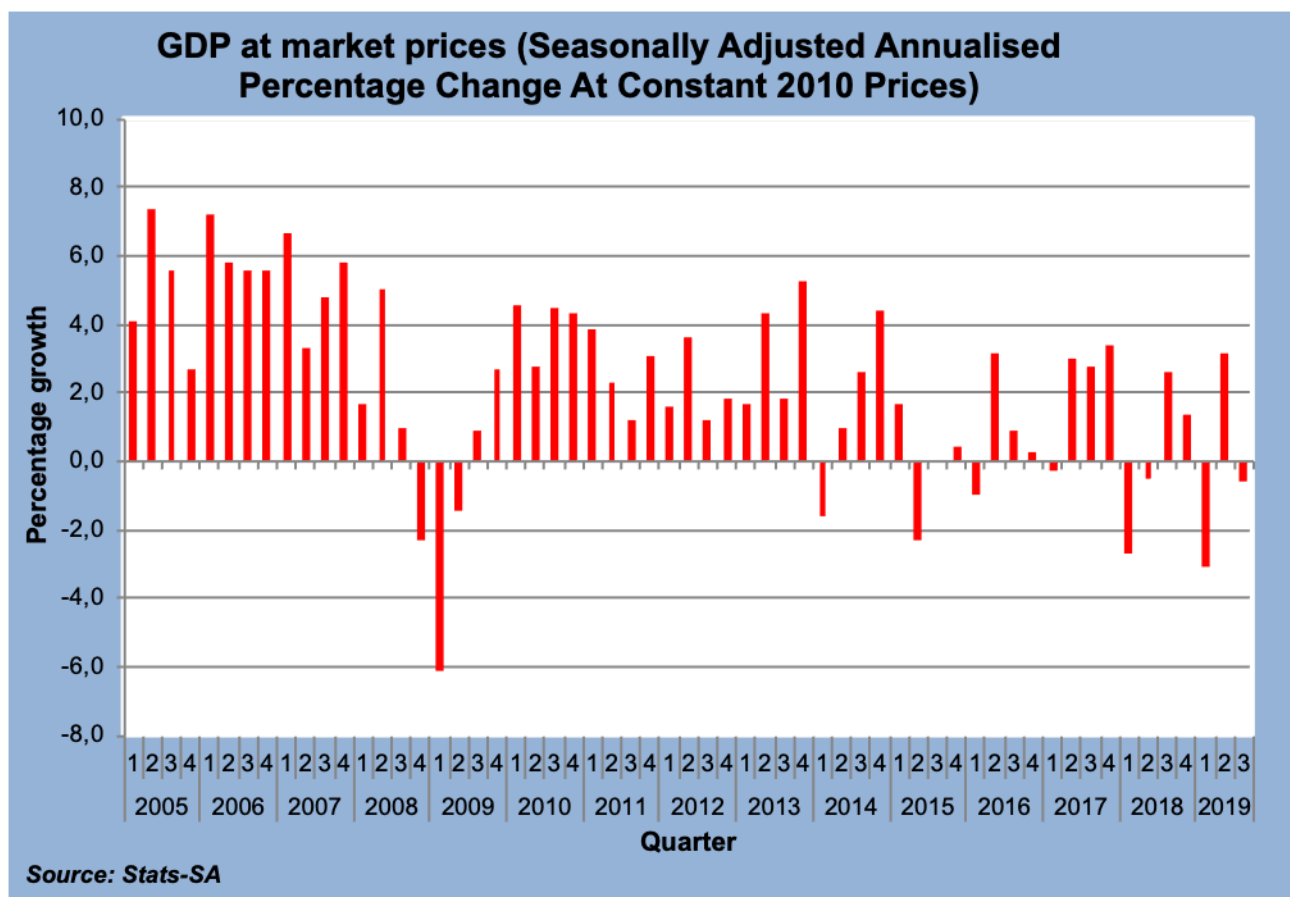
The weak GDP data in the third quarter of 2019 is a major concern and is likely to pile on the pressure, particularly from ratings agencies, which have flagged weak growth as a major risk, and investors weary of increasing state debt as government revenues slide. As a result, the Washington based institutions the IMF, WEO and the World Bank Global Economic Prospects (January 2020 publications), reduced South Africa's GDP growth prospects for 2019 to 0.4 %. The revised outlook for South Africa reflects structural constraints and deteriorating public finances, which are holding back business confidence and private investment.

The South African Reserve Bank (SARB) also revised its growth projection in the January 2020 Monetary Policy Statement for 2019 to 0.4 % from 0.5%. The forecasts for 2020 and 2021 have also been reduced to 1.2 % from 1.4% and 1.6 % from 1.7%, respectively, due to lower growth than previously expected in the third quarter of 2019. The projected growth rate by the SARB, the IMF and the World Bank is slightly lower than the estimate of 0.5% by the National Treasury in the 2019 October Medium Term Budget Policy Statement.

Despite relatively weak outlook for South Africa's economic performance especially over the short term, growth prospects are expected to improve gradually in the medium to long term on the back of initiatives led by government, including major reforms at key state-owned enterprises (SOEs). The interventions include amongst others:

- The implementation of the automotive sector, poultry industry and retail - clothing, textiles, leather and footwear industries masterplans, while others are being developed;
- The implementation of the Integrated Resource Plan 2019, which will open the way for considerable investments in renewable energy generation (particularly wind power) and related components manufacturing;
- The implementation of investment projects announced at the second Investment Conference in 2018 and 2019 ;
- The public sector's localisation drive, including improved enforcement of product designations.





## Investment Performance

### Gross Fixed Capital Formation (GFCF)

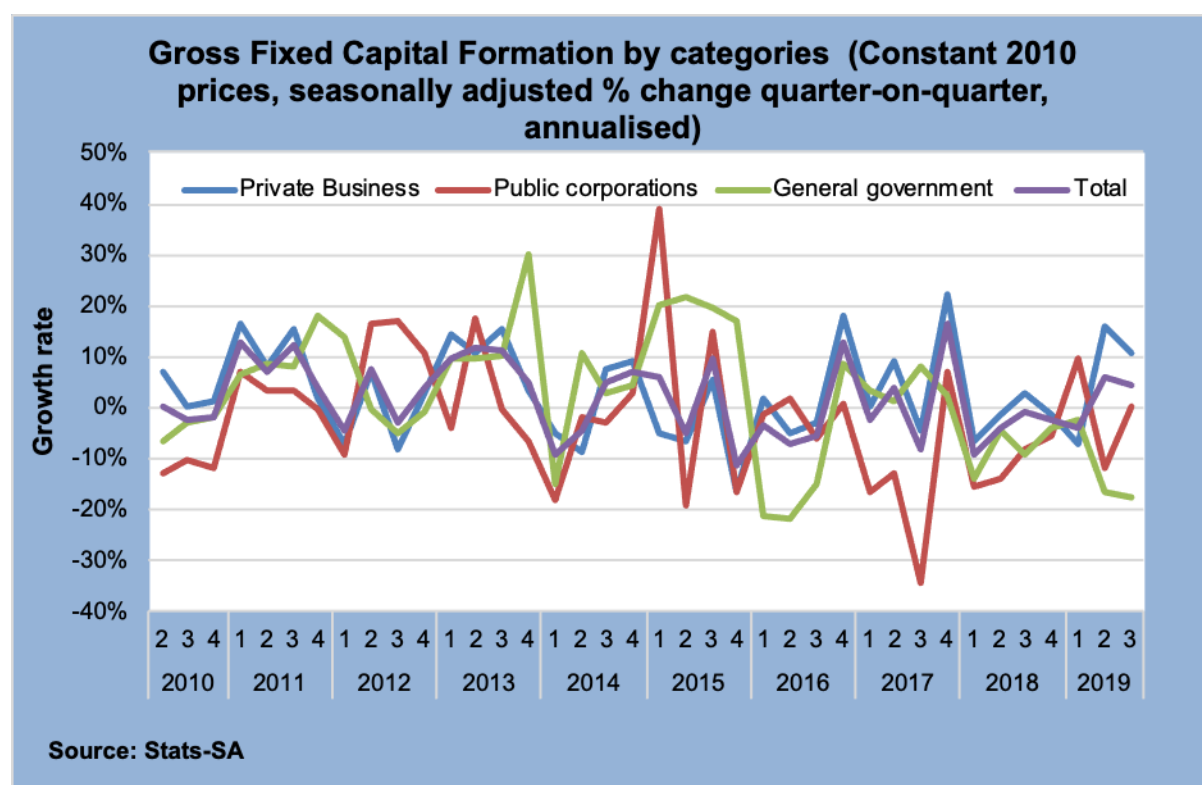
Fixed investment has been under pressure over the past few quarters as reflected by five consecutive quarters of decline in GFCF particularly by private business enterprises. Low business confidence associated with policy uncertainty and weak aggregate demand are some of the key reasons for the dwindling investment by private business enterprise. However, in the third quarter of 2019, the gross fixed capital formation increased by 4.5%. The third quarter improvement in total GFCF was largely driven by capital outlays of private business enterprises and public cooperation.

The rebound in real gross fixed capital outlays by private business enterprises was driven by continued growth in capital expenditure on machinery and other equipment as well as transport equipment. The private business enterprises recorded 10.8 % growth in the third quarter of 2019 (SARB Quarterly Bulletin: December 2019).

Capital expenditure by the public sector, which accounts for about 30% of total gross fixed capital formation, contracted for a second consecutive quarter in the third quarter of 2019, with capital spending by general government contributing the most to the decline.

Real capital expenditure by general government receded by 17.8% in the third quarter of 2019. This marked the seventh consecutive quarterly contraction, with lower real capital spending by provincial and central government outweighing increases by local government. The real gross fixed capital expenditure by public corporations on the other hand increased marginally by 0.2% in the third quarter of 2019.

Government will continue to push ahead with interventions to build investment buffer through infrastructure spending as part of the economic recovery plan. The Investment and Infrastructure Office is now operational with the sole mandate of developing the country's strategy, refining infrastructure for investment mobilization and establishing an intelligence capability.

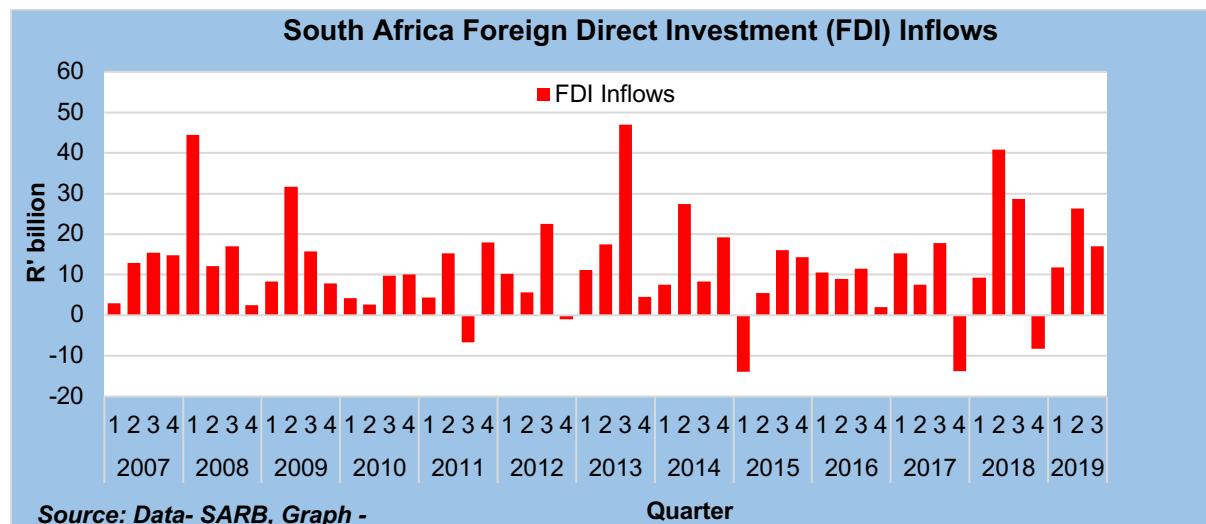


### Foreign Direct Investment (FDI) Inflows and Outflows

South Africa's direct investment liabilities recorded a smaller inflow of R17.0 billion in the third quarter of 2019. The third-quarter inflow reflected foreign parent companies' funding of

South African subsidiaries through debt and equity. This is not surprising as investor confidence in South Africa is fragile, with the economic growth outlook clouded.

Regarding South African assets abroad, a total of R21.6 billion was recorded in the third quarter of 2019 as a result of increased equity holdings by domestic parent companies in subsidiaries abroad in particular the petro-chemical industry (SARB Quarterly Bulletin: December 2019).



## Employment

### Total Employment

Total employment at the end of the third quarter of 2019 was 16.4 million jobs representing an increase of 62 000 in the number of new jobs created. At the sectoral level, the key drivers for this employment increase in the third quarter of 2019 are Community and social services (56 000), followed by Agriculture and Mining with 38 000 each, and Private households (35 000).

Declines in employment were recorded in the Manufacturing (30 000), Construction (24 000), Trade (21 000) and Utilities (18 000) industries (Quarterly Labour Force Survey: Quarter Three 2019).

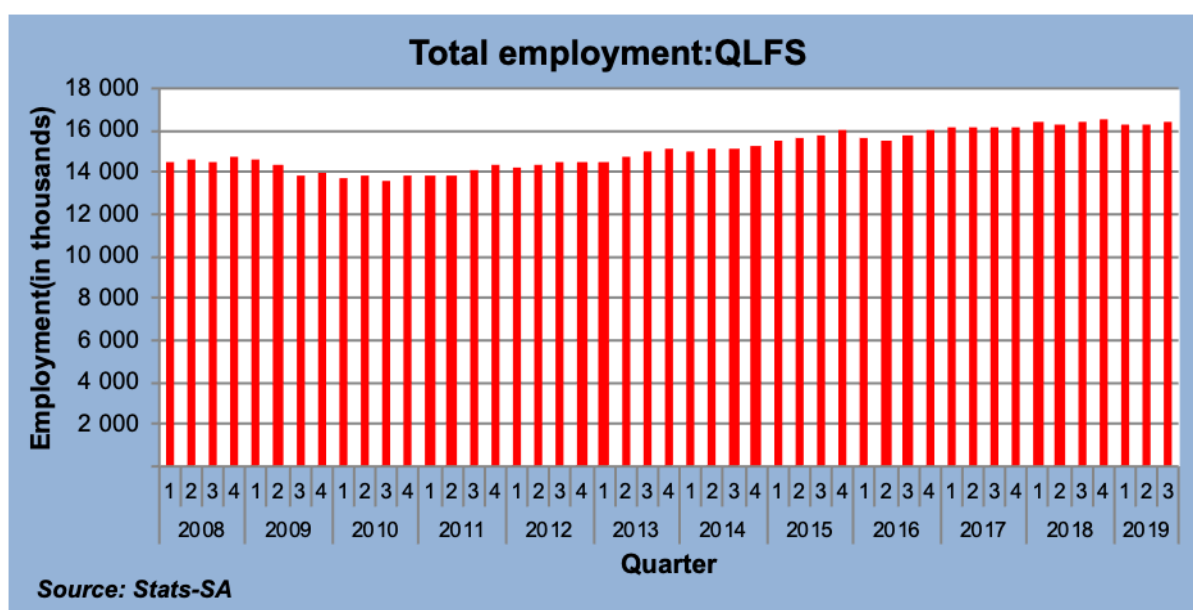
Despite the increase in the number of jobs created in the third quarter of 2019, the number of unemployed persons increased by 78 000 resulting in the official unemployment rate increasing by 0.1 percentage point to reach 29.1 %. The unemployment rate was further exacerbated by a significant number of job losers and the long-term unemployed people re-entering the labour market and actively searching for jobs.

## Job Summit Commitments

Government acknowledges that the domestic economy has not created sufficient jobs to reduce unemployment sustainably. Employment opportunities have declined in the key productive sectors (agriculture, mining and manufacturing). The Government together with its social partners agreed that it is imperative to secure substantially faster growth of the agriculture, mining and manufacturing sectors as these sectors are key drivers of exports, investment, employment and can play an important role in reducing South Africa's exceptionally high levels of inequality. Key interventions from job summit are being implemented and this includes amongst others:

- Training and Employment Relief Scheme (TERS) - various steps have been taken to improve effectiveness of the scheme including utilisation of Productivity SA to diagnose the root cause of distress and ensure that the appropriate measures are proposed from the basket of available measures. The 35 applications that have been recommended for support through the TERS has translated into saving 3 852 jobs.
- Mandela Mining Precinct: The 6 research areas are underway to advance opportunity for smarter mining technologies and opportunities. A business plan is being developed for the test mine in North West and engagements are underway with communities and organised labour.

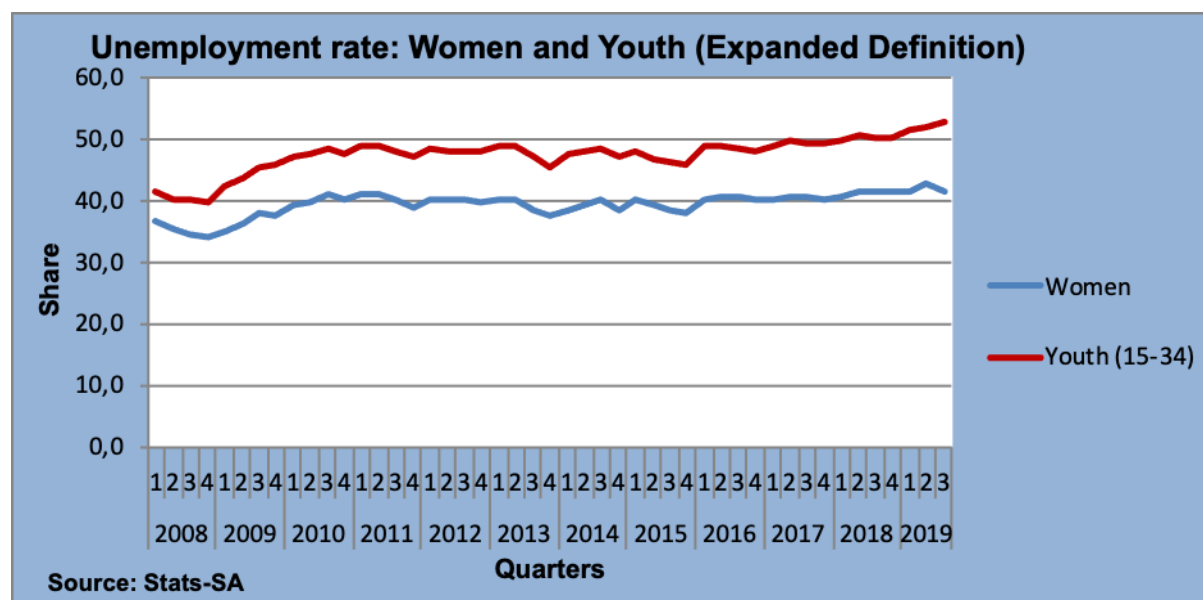
The Business Process Services program since the job summit in 2018 has created 18 981 new jobs.



## Demographic composition of Unemployment: Women and Youth

South Africa is facing a rise in youth and women unemployment. The analysis of data in the third quarter of 2019 reveals that the unemployment rate (expanded definition) for women and youth has increased significantly since 2008. The unemployment rate for youth (15-34 years) rose from 40.1 % in the first quarter of 2008 to 53 % in the third quarter of 2019. A third of this age group (15-24) is most vulnerable to unemployment since they are not in education, employment or training (Quarterly Labour Force Survey: Quarter Three 2019).

Regarding women unemployment, there is a significant increase in the rate of unemployment from 36.7 % in 2008 to 41.6 % in the third quarter of 2019. The growing youth and women unemployment could be partially leveled against the uneven economic opportunities. However, government has measures in place such as Youth Employment Service, IDC transformation fund targeting both youth and women to ensure equal opportunities for these designated groupings. The departments are also required to ensure that their programs such as the incentives support programmes must expedite social and economic transformation such as gender equality, youth employment and inclusive growth.



## **Trade Performance**

### **State of Global Trade**

The World Trade Organisation (WTO) in its October 2019 projections revised down the global merchandise trade volumes estimates for 2019 to 1.2% compared with 2.6 % projected in April 2019. The increase in trade volumes in 2020 is projected at 2.7%; down from 3.0% previously estimate in April 2019 (World Trade Organization, October 2019 Press Release). The reduced forecasts in 2019 reflected an estimate for slower expansion of the global economy, partly due to trade tensions, but also because of cyclical and structural factors in Europe, particularly Brexit-related uncertainty. The protracted period of high trade tensions is exacerbating an on-going cyclical slowdown in global economic activity.

The downside risks remain high and that the 2020 projection will depend on a return to more normal trade relations. However, the signing of the first phase of a new trade agreement in January 2020 between the US and China after two years of tensions, is expected to provide a better outlook for global trading environment in 2020.

### **Implications for domestic trade policy**

South Africa's trade policy is highly aligned and integrated into global trading system with major trading partners such as the EU in particular Britain, the US and China. This linkage to the global trading system exposes the domestic trade policy to both the downward and upward risks. A stronger than anticipated deceleration in economic activity in these economies could weigh heavily on the performance of South Africa's exports to the world. Trade tensions not only have a bearing on global trade flows, but also affect production activity and investment decisions. They are also leading to trade diversion, thereby intensifying competitive forces within the global marketplace.

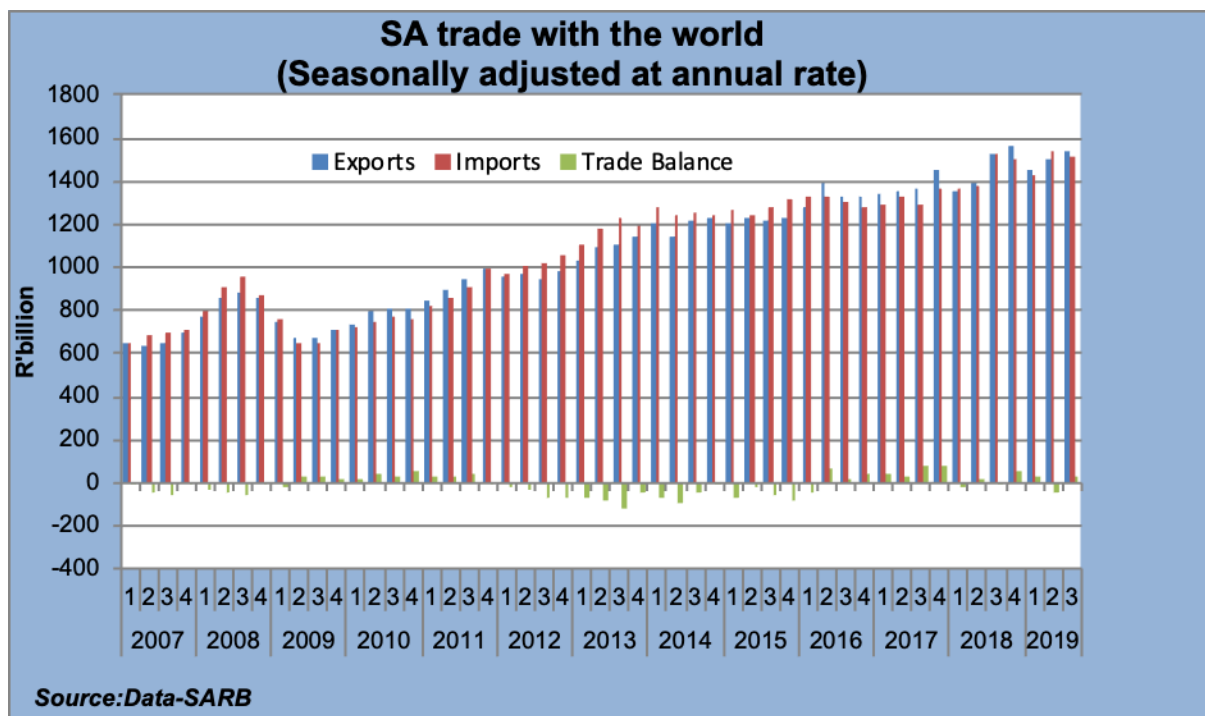
To mitigate the potential impact of a "no deal" Brexit, South Africa, along with Lesotho, Eswatini, Namibia, Botswana and Mozambique concluded a new Economic Partnership Agreement (EPA) with the United Kingdom (UK) that will ensure uninterrupted trade.

### **South Africa's trade with the world**

South Africa's trade balance with the rest of the world recorded a surplus of R30 billion in the third quarter of 2019. The trade surplus resulted from an increase in the value of net gold and merchandise exports, alongside a contraction in merchandise imports. The higher value of exports was boosted by both higher volumes and prices while the lower value of imports was driven by lower rand prices against the major currencies (SARB Quarterly Bulletin: December 2019).

The value of merchandise exports reached R1,54 trillion in the third quarter of 2019 as the rise in manufactured and agricultural exports more than offset the contraction in non-gold-mining exports. Manufacturing exports were buoyed by machinery and electrical equipment as well as vehicles and transport equipment along with a continued increase in international demand for locally produced vehicles. The higher value of agricultural exports reflected a sharp rise in citrus exports and South Africa's largest fruit exports were mainly destined for Europe.

In the third quarter of 2019, the value of imports contracted to reach R1,51 trillion due to a sharp decline in the value of mineral products in particular. The shutdown of an oil refinery for maintenance also contributed to a decline in the value of crude oil imports in the third quarter.



## **Trade with Africa**

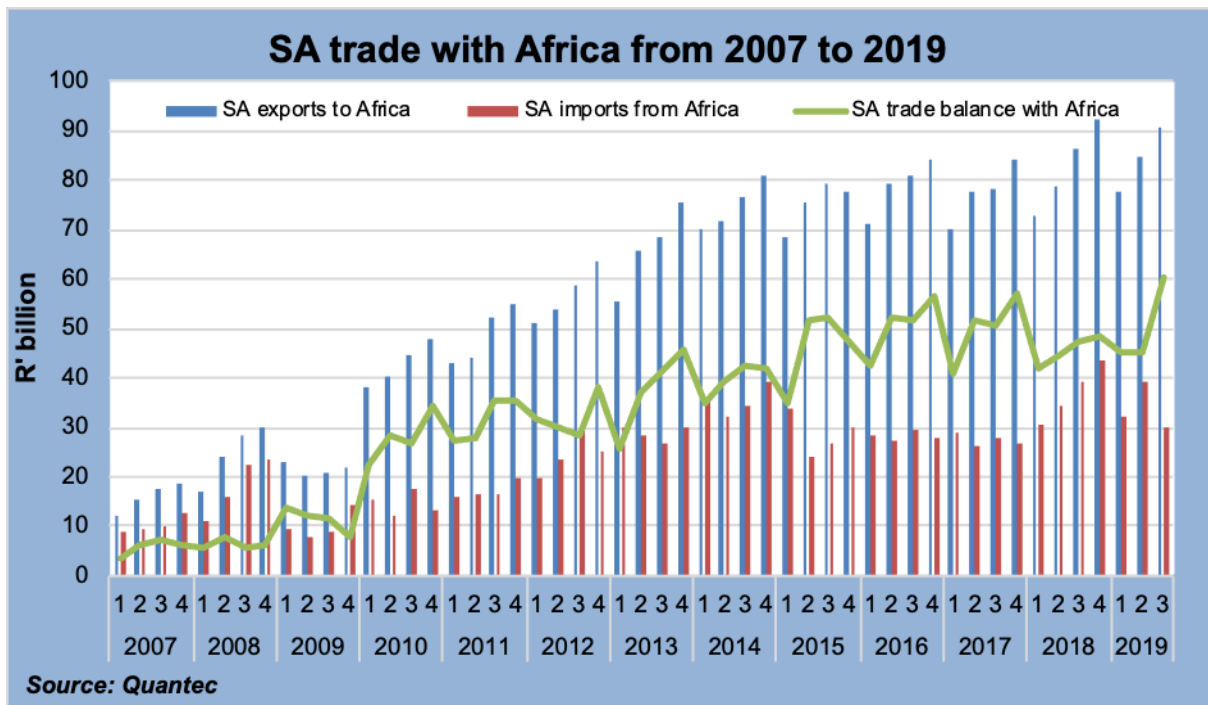
### **Trade Performance**

Reviewing trade performance, at the end of the third quarter of 2019, South Africa's exports to Africa amounted to R90 billion while imports from the region amounted to R29 billion resulting in a trade surplus of R60 billion. The SADC appears to be the most significant trading bloc for South Africa for both exports and imports. The region alone accounts for more than 70% of all South Africa's exports to Africa. Key markets in SADC are Botswana, Namibia, Mozambique, Zambia and Zimbabwe. The weak trade balance with the rest of the continent (non-SADC states) is the major concern for the government.

The trade prospects are expected to improve gradually in the medium to long term on the back of initiatives led by government. The interventions include amongst others:

- The approval of the agreement to establish the African Continental Free Trade Area (AfCFTA) in December 2019;
- Commitment to finalize its final tariff liberalization commitments including rules of origin which set out what qualifies as locally-manufactured products;
- Master plans for key industries will be implemented and developed to take advantage of the continental opportunities including for automotives; and steel and metal fabrication industry;
- The establishment of a national committee, comprising representatives from business, labour and government, to develop action plans for the AfCFTA with the aim of identifying products South Africa could export to other African countries and steps needed to be taken to realize such exports.





### Medium Term Strategic Framework (2020-2024)

The implementation of 2020-2024 Medium Term Strategic Framework (MTSF) is taking place at the time when both global and domestic economies are facing a number of headwinds such as the trade wars; weaknesses in global finance; and geo-political tensions. The analysis of the external environment, both economic and political, impacts directly on South Africa's policy landscape and in particular, the government's ability to deliver on the MTSF commitments.

As part of the global economy, South Africa is not immune to challenges facing other countries. The manufacturing sector is the case in point. The sector has lost growth momentum and expanded by 0.3% on average since 2014 due to low demand in major trading partners. On the other hand, severe drought; high electricity prices; frail business confidence; currency volatility and high inflationary pressures are amongst the factors that forced the government to take immediate policy interventions to stabilise some of the sectors for job creation. These changes introduce new constraints but also considerable opportunities for quick government responses to mitigate these challenges.

In responding to some of these challenges, the government has implemented the Economic Stimulus and Recovery Plan with **the dtic** leading on supporting the poultry sector, which is negatively impacted by import surges, supporting township economies through the

revitalisation of industrial parks, and increasing the level of approvals by IDC amongst others. The measures under the recovery plan are still relevant and some have been elevated such as the poultry measures are now being expanded into a broader master plan to address a wide range of issues.

In aligning with the broader vision of government and the manifesto of the ruling party, the Department of Trade, Industry and Competition's (**the dtic**) commitments are captured under two priorities in the current MTSF. Priority 1: Economic Transformation and Job creation; and Priority 7: A better Africa and World. The Reimagined industrial strategy is the key policy driven by **the dtic** under priority one of the MTSF. Key pillars and enablers under this commitment are the development and implementation of national priority sectors master plans. The department will lead the development and implementation the following masterplans: chemicals and plastics; steel and metals fabrication and furniture.

In addition, the department will continue its support programmes for SEZs and Industrial parks. It will finalise the implementation plan to address the outcomes of Competition Commission's market enquiry into data prices and engage stakeholders on a possible agreement on data prices. Regarding youth employment programmes, the department is expected to rollout programs such as the Digital Hubs, Business Centres and Innovation Hubs targeting current infrastructure in both the SEZs and Industrial Parks.

Priority 7: A better Africa and World remain critically important especially in the context of economic protectionism in the form of trade wars. The African Continental Free Trade Agreement entered into force on 29 May 2019 provides good opportunities for South Africa not only for exports diversification but also for playing a meaningful role in the development of African economies.

### **13.2 Internal Environment Analysis**

In line with the changes and reconfiguration of the executive portfolios and departments ushered by the 6<sup>th</sup> Administration, the President of South Africa pronounced the merger of the Department of Trade and Industry (**the dti**) and Economic Development Department (**EDD**) to form the Department of Trade, Industry and Competition (**the dtic**). Departments were tasked to design organisational structures that promote accountability and synergy through the National Macro-organising of Government (NMOG) process. To give effect to the merger process the Departmental Project Team comprising of **the dti** and **EDD** officials was established. A two-phased approach was adopted with Phase 1 focusing on the start-up

structure bringing the two departments together by transferring both departments' functions and resources to **the dtic** with the exception of the PICC function. The latter will be transferred to the Department of Public Works and Infrastructure. Phase 2 will involve the optimisation of resources through the alignment of the organisational structure, culture and values to fit the purpose of **the dtic**. A robust job rotation programme will also be introduced to deepen the skills and capability at senior management level.

The macro start-up structure of **the dtic** was submitted to the Minister of Public Service and Administration for a determination in terms of section 3(4)(b) of the Public Service Act, 1994 for the transfer of the functions as indicated and to seek concurrence in terms of Public Service Regulation 25(2)(a). Such determination and concurrence has been issued.

The matching and placement of staff has commenced in consultation with organised labour. The new structure of **the dtic** will come into effect on 1 April 2020 and Phase 2 will ensue from 1 April 2020 onwards.

### **Integrated approach**

The work of the new Department of Trade, Industry and Competition (**the dtic**) responds to two key priorities of Government's Medium-term Strategic Framework which is in turn derived from the National Development Plan. These priorities are Economic Transformation and Job Creation, and A Better Africa and the World.

From the 1st of April 2020, **the dtic** will be responsible for 17 entities and 46 pieces of legislation, covering a substantial part of South Africa's economic policy landscape. These entities and **the dtic's** legislative mandate will be used to address South Africa's triple challenges of poverty, inequality and unemployment.

**the dtic** and its entities will deploy a suite of targeted incentives which seek to change business behavior by encouraging investment in competitiveness-enhancing technology, expansion of industrial enterprises and capabilities, resource-efficient machinery and equipment, and investments which foster transformation. These investments contribute to transformation through the requirement that enterprises meet B-BBEE minimum requirements, and by virtue of the Special Economic Zones (SEZ) programme, which provides additional support to enterprises investing in SEZs in under-developed parts of South Africa.

In addition to incentives, the Department and its entities provide a range of policy and programmatic interventions which seek to support domestic demand – through for example trade measures to prevent illegal imports and mandatory local procurement – as well as open access to fast-growing, export markets especially on the African continent and Asia. **the dtic** utilizes its membership of the World Trade Organisation (WTO) and the African Union, and bilateral trade relations to access export markets and support the role of developing countries in an increasingly challenging trade environment. The sectoral masterplans will be used as a base to identify and deploy the appropriate suit of these industrial policy tools to achieve growth, job creation and industrial development in the national priority sectors.

This necessitates a different approach to the manner in which work is undertaken by **the dtic** and a more integrative approach is required. The AfCFTA and the investment portfolio will be used to drive this integrative approach.

## Part C: Measuring Our Performance

### 13. Institutional Performance Information

#### Measuring the Impact

#### 14.1 Programme 1: Administration

**Purpose:** Provide strategic leadership, management and support services to the department.

Impact Statement	"Reimagined industrial strategy towards economic growth"		
Outcome	Outcome Indicator	Baseline (Sept 2019)	Five year target
Implement transformation through EE and B-BBEE	Percentage (%) of people with disability employed	3.5%	3.5%
	Percentage (%) of women employed in senior management positions	52%	50%
Youth Empowerment	Number (No.) of Interns appointed	69	162
Promote a professional, ethical, dynamic, competitive and customer-focused working environment that ensures effective and efficient service delivery	Percentage (%) of eligible creditors payments processed within legal timeframes	100% eligible creditors' payments made within 30 days	100% eligible creditors' payments made within 30 days

#### Explanation of Planned Performance over the Five Year Planning Period

The items that are included are to ensure there is adequate human resource capacity to fulfil the mandate of with focus on quality (professionalism) and quantity (turnover and vacancy rate).

A key aspect of building cohesive but diverse teams, the Department has been robust in promoting a transformed workplace and to this end, is one of the forerunners in the public service. **the dtic** is proud of its current combined achievement of 4% representation of People with Disability, which is in excess of the target of 2% set by Cabinet. Over the next 5 years the target for People with Disabilities have been adjusted to 3.5%.

The empowerment of women in senior management positions and thus the promotion of equality in the workplace, has given rise to quantified measures for achieving this goal. Through active target setting, close monitoring and reporting, the representation of women in SMS, stands at 52% against the Cabinet target of 50% as at 31 December 2019.

The choice of other outcome indicators relates to the following key criteria:

The indicator for funded vacancies has a bearing on the planned human resources capacity that has not been satisfied, potentially leaving areas of work that may not be possible to execute amidst resource constraints. Equally so, a high turnover would be indicative of challenges in retaining staff whereas a retention rate that is too high, will imply that new talent is not available in the environment, ultimately resulting in stagnation of knowledge, contrary to **the dtic's** values of Operational Excellence and Intellectual Excellence.

Enablers for staff retention and low staff turnover, are ultimately related to a good, ethical and professional organisational culture and conducive working environment that values staff and treats them with respect. Again, **the dtic's** values support that through quality relationships and other interventions such as leadership development, ethical conduct training as inputs into the Employer Value Proposition.

Retaining staff, having vacancy levels at acceptable levels and promoting diversity by pursuing dedicated targets, will undoubtedly result in the achievement of an efficient and effective and development orientated public service.

The department will continue to lead by example in the area of paying creditors within 30 days, an important measure that supports the growth of small businesses.

### **Information Technology Plan (2019/2024)**

The department has developed a five-year Information and Communications Technology (ICT) strategic plan, which is supportive of the department's objectives and the government outcomes. It provides key insights into the current state of ICT in the department and paves a definitive path on how to achieve the desired future state driven by the principle of digital transformation.

### **ICT Objectives**

The departmental ICT plan is informed by the following objectives:

- To provide agile ICT solutions that address business priorities;
- To provide information security, ICT service continuity & efficiency;
- Provide ICT enabled capabilities for improved information management;
- To direct OCIO and business on ICT compliance requirements.

### **ICT Strategic Framework Components**

The ICT Plan is built on four pillars, namely Digital Transformation, next generation infrastructure, Customer Experience and Service Delivery, and Resource Management.

- **Digital Transformation:** The process to exploit the latest digital technologies and practices to create a robust new digital business model (digitally transform **the dtic**). The focus is on digital government platforms; mobile apps; data protection; process automation; data collection, analytics and management; business intelligence; integrated performance management; Internet of Things (IoT).
- **Next generation infrastructure:** The implementation of ICT solutions for Cloud, Security, Disaster Recovery and Business Continuity.
- **Customer Experience and Service Delivery:** To improve user experience of ICT and the way they interact with it. The focus is to improve multi-channel services and customer fulfilments; provide integrated solutions; enable a streamlined digital customer experience; improved connectivity and accessibility; flexible business ICT systems; and strengthened partnerships.
- **Resource Management:** The purpose with Resource Management is to ensure effective management of ICT resources and investments; that benefits are maximized through effective governance, planning and management processes, and that sustainable ICT services are delivered.

### **ICT Offerings**

The offerings that will be provided to employees, economic citizens, and **the dtic's** public entities on **the dtic** campus, includes but are not limited to:

- Online Incentive System: Phases 1, 2 and 3 implemented;
- Modernised **the dtic** Portal: Modernised and Consolidated Portal implemented;
- NLA Implementation: Phases 4, 5 and 6 implemented;
- Online Permit Solution: Management and issuing of permits;
- Information Management: Information Governance implemented as per plan;
- Digital business transformation: Business Intelligence, IoT, Cloud;
- ICT Infrastructure Optimisation:
- Microsoft migration: Migrated from Novell to Microsoft platform;
- Cyber Security: Expand and improve on current cyber and information security programme;
- New network design implemented: New Network Implemented

## 14.2 Programme 2: Trade Policy, Negotiations and Cooperation

- a) **Purpose:** Build an equitable global trading system that facilitates development by strengthening trade and investment links with key economies and fostering African development, including regional and continental integration and development co-operation in line with the African Union Agenda 2063.

Impact Statement	"Reimagined industrial strategy towards economic growth"		
Outcome	Outcome Indicator	Baseline (Sept 2019)	Five year target
Increased intra-Africa trade to support Africa regional development	% tariffs progressively eliminated	New Indicator	90% of tariff lines reduced by 20% per year over a 5 year period

### Explanation of Planned Performance over the Five Year Planning Period

Trade Policy, Negotiations and Cooperation Programme centres on negotiating and managing the implementation of trade and investment agreements with partners at bilateral, regional and multilateral levels. Such negotiations and engagement require a balanced approach that reconciles South Africa's economic objectives with those of South Africa's partners. Through international trade negotiations, the department seeks to create opportunities in legally binding, rules-based arrangements to expand South African exports particularly for higher value-added products that support industrial development in South Africa, while protecting domestic industrial capacity and employment.

In this way, we aim to preserve the policy space for industrial development and related policies to achieve our national economic development objectives.



### 14.3 Programme 3: Spatial Industrial Development and Economic Transformation

**Purpose:** Drive economic transformation and increase participation in industrialisation.

Impact Statement	"Reimagined industrial strategy towards economic growth"		
Outcome	Outcome Indicator	Baseline (Sept 2019)	Five year target
Increased and enhanced instruments for spatial development of targeted regions and economic transformation	Increased investment through Special Economic Zones and Industrial Parks	New Indicator	10 implementation reports on SEZs 10 implementation reports on Industrial Parks
Industrialisation, localisation and exports	Increased investment through Industrial Parks	15 Industrial Parks	27 Industrial Parks revitalised based on the current budget, should budget increase, the target will be revised
Investing for accelerated inclusive growth	Increased number of black people and black owned businesses that participate in the mainstream economy	New Indicator	10 implementation reports on B-BBEE legislation

#### Explanation of Planned Performance over the Five Year Planning Period

**the dtic** has increased and enhanced the instruments of Special Economic Zones and Industrial Parks, for spatial development of targeted regions and economic transformation.

To this end, **the dtic** has developed the Special Economic Zone legislation, regulation and guidelines. The programme has now reached a full implementation and it is aiming at increasing investment and creating jobs. To date, 10 Special Economic Zones have been designated. Special Economic Zones (SEZs), are geographically designated areas of a country set aside for specifically targeted economic activities, supported through special arrangements (that may include laws) and systems that are often different from those that apply in the rest of the country. The Special Economic Zones programme is managed through the SEZ Act No. 16 of 2014.

The Industrial Parks Revitalization Programme is geared towards improving the enabling environment of the state-owned industrial parks and stimulating the Rural and Township economies. The industrial parks that form part of the programme offer the township and rural areas a base to promote industrialization and manufacturing. Industrialization has been identified as a key element to stimulate the economy and create jobs. One of the objectives

is to attract investments into these areas, and in order to do so it is necessary to ensure that a conducive environment exists for business to be attracted to these areas. These reports mentioned in the table above will demonstrate the progressive realisation of the quantitative targets outlined in the MTSF. In future years, these targets indicated above may be revised to reflect these quantitative MTSF targets.

The outcome of increasing the number of black people that participate in the mainstream economy is intended to enhance participation in the mainstream economy to achieve inclusivity and sustainable economic development. Focus shall be on transformation and creating economic opportunities in rural and township areas using B-BBEE as well as leveraging and attracting investment for inclusive economic growth. This shall contribute towards ensuring that the South African economy is restructured to enable the meaningful participation of black people, women, youth, people living with disability and rural or under developed communities in the mainstream economy, in a manner that has a positive impact on employment, income redistribution, structural re-adjustment and economic growth. The outcome shall be strengthened by the implementation of the B-BBEE strategy which is being amended.

The intention of the above is aimed at achieving MTSF. Priority 1: Economic Transformation and Job creation; and Priority 7: A better Africa and World, which is to facilitate broad-based economic participation through targeted interventions in aligning to the government wide introduced strategies to achieve more inclusive growth.

## 14.4 Programme 4: Industrial Competitiveness and Growth

**Purpose:** Design and implement policies, strategies and programmes for the development of manufacturing and related economic sectors, and contribute to the direct and indirect creation of decent jobs, value addition and competitiveness, in both domestic and export markets.

Impact Statement	“Reimagined industrial strategy towards economic growth”		
Outcome	Outcome Indicator	Baseline (Feb 2020)	Five year target
Increased industrialisation through the development of Master Plans in National Priority sectors	Developed Master Plans as per the Reimagined Strategy	3 Masterplans developed  New Indicator	5 Masterplans developed by end of 2021 20 progress reports on the implementation of the Masterplans
Increased localisation through the designation of products	Designations prepared	26 products designated to date	2 designations per year  10 products designated by 2025
	Increased localisation through the designation of products	2 Designations prepared for Minister	10 products designated by 2025

### Explanation of Planned Performance over the Five Year Planning Period

The strategy sets out a review of previous interventions, lessons learnt and the path towards a Reimagined Industrial Policy. The success of industrial policy is underpinned by ensuring that there is a collaborative approach with industry and other stakeholders, prioritisation of sectors and centrality of policy to the growth strategy. In developing the master plans on the various priority sectors, it is imperative to note that the success of these plans is dependent on solid stakeholder relationships across government departments such as SARS and Departments such as Health, Defence, Agriculture, Environment, Forestry and Fisheries, Mineral Resources and Energy, Transport, Science and Technology, Public Enterprises, Higher Education and Training and the National Treasury. A strengthened relationship with all industry stakeholders is also critical in determining the successful implementation of the master plans.

The modality to operationalise the Reimagined Industrial Policy is the application of a master-planning process that seeks to create a shared vision together with industry, government and labour. The Reimagined Industrial Policy envisages that the adoption of masterplans will harness the commitment by all role-players, stakeholders and beneficiaries towards implementing the actions required to fulfil the vision. Whilst the focus of **the dtic** is

on a few identified sectors at this stage, consideration for the development and implementation of further masterplans will be based on the budget and guidance by the Minister. The implementation progress reports mentioned in the table above will demonstrate the progressive realisation of the quantitative targets outlined in the MTSF. In future years, these targets indicated above may be revised to reflect these quantitative MTSF targets.

The Reimagined Industrial Strategy identified public procurement as one of the key policy instruments. Through public procurement, government can use its significant purchasing power to stimulate economic development, transform the economy, improve public services and fast-track service delivery. Given its economic significance, public procurement has the potential to stimulate the local economy in terms of aggregate demand, production, innovation, technology transfer, research and development. It is also important to recognise the important contribution that the South African industry, in particular the manufacturing sector can make in delivering locally produced goods and services. The Preferential Procurement Regulations to the Preferential Procurement Policy Framework Act (PPPFA) (Act No. 5 of 2000) has empowered **the dtic** to designate industries, sectors and sub-sectors for local production at a specified level of local content in the public procurement system. As at February 2020, 27 products and/or sectors have been designated with minimum thresholds for local content and production. **the dtic** will continue to harness every available policy instrument to ensure that use of Procurement as a policy lever is enhanced and its efficiency maximized. Furthermore, the department is continuously in discussions with National Treasury, as a custodian on the procurement legislation, to refine the provisions of the Act and relevant regulations to ensure compliance with the local content requirements. The department will also work closely with the Auditor General to strengthen compliance through the audit function.

The development of comprehensive industrial policy levers to support national priority sectors such as agro-processing, gas & chemicals, tourism, automotive, steel, ICT & software, creative industries, pharmaceuticals amongst others has been highlighted as one of the key interventions. The objective of these national priority sectors is foster industrialisation, strengthen localisation through increasing percentage share on government spending on local firms with a view to bring about economic transformation and job creation. In terms of sector development, **the dtic** will ensure that transformation is prioritised in all aspects of their work with the industry attempting to increase the participation of SMMEs, Women, Youth and People with disabilities. An attempt will also be to ensure the spatial distribution of interventions at a Provincial and Regional level.

## 14.5 Programme 5: Consumer and Corporate Regulation

**Purpose:** Develop and implement coherent, predictable and transparent regulatory solutions that facilitate easy access to redress and efficient regulation for economic citizens.

Impact Statement	"Reimagined industrial strategy towards economic growth"		
Outcome	Outcome Indicator	Baseline (Sept 2019)	Five year target
Improved regulatory environment conducive for consumers and companies as well as providing access to redress.	Improved regulatory environment in the areas of Gambling, Companies, Consumer Protection, Credit and Lotteries.	National Credit Amendment Bill passed into law. The Copyright and Performers' Protection Amendment Bill were passed by both houses of Parliament and submitted to the President for assent. The National Gambling Amendment Bill is currently in NCOP. The Liquor Amendment Bill has been updated for consideration by the Department.	Development or review of legislation in the areas of Gambling, Companies, Consumer Protection, Credit and Lotteries or any legislation announced by Minister at SONA.

### Explanation of Planned Performance over the Five Year Planning Period

Over the five-year period, the Consumer and Corporate Regulation Division aims to promote faster and more inclusive economic growth by focusing on developing or reviewing legislation in the area of Companies, Credit and Gambling as well as development of policies where appropriate to close gaps and unlock growth opportunities in the area of Companies, Gambling, Credit, Consumer Protection and Lotteries; and regulations on the reviewed legislation that include the Credit Amendment Act and the Companies Amendment Act. Legislation may be developed in other sectors over and above consumer and corporate legislation to advance the goals of the Department.

The rationale is to reduce the regulatory burden whilst ensuring that there is improved compliance and stronger enforcement.

Financial and human resources, collaboration with key stakeholders like Cabinet, industry, non-governmental organisations, the cluster and partners like NEDLAC as well as coordination with provinces will contribute to the achievement of this mandate.

The overall aims of this programme are to ensure improved compliance and more effective enforcement of consumer and corporate legislation to increase investors' confidence. In addition, reducing the regulatory burden to lower the costs of doing business is crucial to

supporting inclusive economic growth. To ensure access to redress to citizens by strengthening the legislation and implementation in consumer protection.

#### 14.6 Programme 6: Industrial Financing

**Purpose:** Stimulate and facilitate the development of sustainable and competitive enterprises, through the efficient provision of effective and accessible incentive measures that support national priorities.

Impact Statement	"Reimagined industrial strategy towards economic growth"		
Outcome	Outcome Indicator	Baseline	Five year target
Increased accessible industrial finance measures to support investment in priority sectors in line with approved masterplans	Value (Rand) of projected investments to be leveraged from enterprises/projects approved	R117 billion	R75 billion private sector investment leveraged and annual targets on jobs and enterprises achieved.

#### Explanation of Planned Performance over the Five Year Planning Period

The Industrial Financing Division is mandated to grow sustainable, competitive enterprises through accessible industrial finance that support national priorities. This will be achieved through evidence-based design, administration, monitoring and evaluating industrial finance measures based on national priorities in labour-intensive sectors as outlined in the MTSF. However, it is important to note that the coronavirus pandemic will have a marked impact on the economy, and it is necessary that an economic response package be established to assist affected sectors in the economy. The objective of the economic response package is to stimulate investment in these sectors by easing the cost of doing business and accelerating recovery while sustaining existing jobs. Should the budget be increased over the medium term, the division will be able to implement the proposed economic response package in partnership with Developmental Financing Institutions (DFIs) through a combination of grant funding, tax allowance and industrial loan. In addition, should the budget in cash and tax benefits be increased over the medium term, these targets will be revised. Furthermore, the division will strengthen partnerships to increase financing to accelerate growth of priority sectors in the implementation of the masterplans.

## 14.7 Programme 7: Export Development, Promotion and Outward Investments

**Purpose:** Increase export capacity and support direct investment flows, through targeted strategies, and an effectively managed network of foreign trade office.

Impact Statement	"Reimagined industrial strategy towards economic growth"		
Outcome	Outcome Indicator	Baseline (Sept 2019)	Five year target
Promote the growth of exports in the economy as a generator of jobs and contributor to GDP growth.	Exports to grow 1% faster than output growth in productive sectors	Zero base.	Export growth in constant Rands to grow 1% faster than GDP growth in constant Rands for primary and secondary sectors, based on a five year rolling average
Diversify the export bundle, by promoting export growth in priority sectors	Exports in priority sectors to grow 2% faster than output growth in manufacturing sectors	Baseline depends on selected sectors. Number of companies benefitted from Export Development and Support (EDS).	Export growth for selected HS codes in constant Rands to grow 2% faster than GDP growth in constant Rands for manufacturing, based on a five year rolling average

### Explanation of Planned Performance over the Five Year Planning Period

Export development, promotion and outward investments main contribution to the strategic goal is that of promoting export led growth, by enhancing South Africa's export competitiveness, increasing South Africa's exporter base, promoting trade and the economic footprint in the rest of Africa; as well as developing a sustainable long term market-positioning and international trade and investment profile for the country. In this context, TISA leverages market opportunities to benefit South Africa's economic development priorities in targeted markets aligned to the Integrated National Export Strategy (INES), to ensure that South Africa's exports to conventional markets stabilise and ensure higher export growth to emerging markets, including developing new trading partnerships in new products and services. The mandate of promoting exports of value added goods and services, within **the dtic** priority sectors, with a view to broadening the exporter base, anchors TISA's work as articulated in the Integrated National Export Strategy (INES). The current INES focusses on five pillars which include:

1. Creating an enabling environment and global competitiveness,
2. Increasing the demand for South African goods and services through market diversification,

3. Broadening the exporter base through the National Exporter Development Programme (NEDP)
4. Strengthening strategic export promotion mechanisms through enhancing South Africa's value-proposition, and
5. Utilising critical Export Financing Mechanisms (e.g. the Export Marketing and Investment Assistance (EMIA) incentive) and the Export Credit Insurance Corporation (ECIC) to provide financing support to the market and facilitate export transactions.



## 14.8 Programme 8: Inward Investment Attraction, Facilitation and Aftercare

**Purpose:** Support foreign direct investment flows and promote domestic investment by providing a one- stop shop for investment promotion, investor facilitation and aftercare support for investors.

Impact Statement	"Reimagined industrial strategy towards economic growth"		
Outcome	Outcome Indicator	Baseline (Sept 2019)	Five year target
Increased strategic investment	Percentage growth per annum in the value (Rand) of investment projects facilitated in pipeline	R412.166 bn	R 500 bn in domestic and foreign direct investment

### Explanation of Planned Performance over the Five Year Planning Period

The division Inward Investment Attraction, Facilitation and Aftercare will develop a focussed investment promotion drive in support of the President's Investment Mobilisation drive over a five-year period of \$100 bn. The division will further coordinate the annual South African Investment Conference by developing investment projects in the pipeline of investment announcements. It will support the work of the Presidency and the Presidential Envoys in attracting and facilitating investment.

Given the current domestic and global economy, the division will endeavour to mobilise R100 bn per year in domestic and foreign direct investment over the 5 year reporting period.

The division will strengthen its investment facilitation service to fast track and unblock investment impediments to retain and expand existing investment. The will also continue with the roll-out of the One Stop Shops in provinces to support and capacitate investment facilitation.

It will further champion the Investment Climate Reform to improve the Ease of Doing Business in South Africa.

## 14.9 Programme 9: Competition Policy and Economic Planning

**Purpose:** Develop and roll out policy interventions that promote competition issues, through effective economic planning, spatial implementation and aligned investment and development policy tools.

Impact Statement	"Reimagined industrial strategy towards economic growth"		
Outcome	Outcome Indicator	Baseline (Sept 2019)	Five year target
Policy tools and implementation strategies which contribute to an efficient, competitive economic environment, balancing the interests of workers, owners and consumers and focused on economic development	Number of policy initiatives, strategic interventions and implementation strategies enhancing competition and development in the economy	New indicator	20 Competition Oversight Reports  20 Reports on Strategic participation in competition matters  20 Reports on impact of coordination efforts with regard to recommendations, commitments and orders  Total: 60 Reports

### Explanation of Planned Performance over the Five Year Planning Period

Legislation on competition issues has been strengthened through the recent passing of the Competition Amendment Act. Similar strengthening of the policy and implementation work will be the function of this branch. This division aims to ensure the development and roll-out of competition policy interventions that promote competition and development within the economy. Towards that purpose, there are three work streams, which will structure the working approach. The first is Competition Oversight; the second is Market Inquiries, Mergers & Acquisitions, and Abuse of Dominance; and the third is Competition Policy Implementation. These underpinning work streams structures comprise the following sub-programmes:

1. Competition Oversight: Economic Regulatory Bodies, Competition Oversight
2. Market Inquiries, Mergers & Acquisitions and Abuse of Dominance: Development Finance Institutions, Economic Planning, as well as Market Inquiries, Mergers & Acquisitions and Abuse of Dominance

3. Competition Policy Implementation Coordination: Spatial Economic Development Action Plan, Investment and Development, Provincial Economic Coordination, Sector and Workplace Dialogue and Capacity Building.

The stakeholders that will support the Department in carrying out this function include the Competition Authorities, various government departments and other entities relevant to the content of the competition policy issues under consideration. This Division aims to deliver 60 products over the next five years to achieve the nominated outcomes.

## 14.10 Programme 10: Economic Research and Coordination

**Purpose:** Design and oversee socio-economic research, assess policy options and engage stakeholders to facilitate inclusive economic growth

Impact Statement	"Reimagined industrial strategy towards economic growth"		
Outcome	Outcome Indicator	Baseline (Sept 2019)	Five year target
Socio-, macro- and micro-economic policy options developed and assessed to promote inclusive growth	Economic Policy Reports	New indicator	48 reports
Policymakers and stakeholders have access to policy-relevant, high-quality economic analysis	Socio Economic Research Reports	New indicator	38 reports

### Explanation of Planned Performance over the Five Year Planning Period



Changing the economic fortunes of many South Africans who are facing low economic growth and high unemployment requires careful coordination of interventions by the department based on high quality policy research and analysis. The division seeks to understand and propose policy options through careful research and economic analysis in order to inform intervention and policy approaches. Specific targets totalling 86 products are envisaged for the next five years to achieve the nominated outcomes.

## 15. Strategic Key Risks

The current pandemic, the coronavirus, is an external shock that has been described by the World Health Organisation as a pandemic, demonstrates its potential global impact and the interdependence of the SA economy with the rest of the world. The South African government has swiftly responded to the virus, coordinated through the establishment of the National Coronavirus Command Council (NCCC). A 21-day lockdown commenced on 27 March 2020. It is anticipated that this will impose short-term economic hardship across the breadth of the economy. This lockdown is required to stop the exponential spread of COVID-19 and consequent loss of life. **the dtic** is at the forefront of the development of mitigation strategies to minimise the impact of this virus on the South African economy.

Outcome	Key Risk	Risk Mitigation
Increased industrialisation through the development of Master Plans in National Priority sectors	Non delivery of commitments from the Industry	Ministerial engagements with industry to unblock and fast track commitments

## 16. Public Entities

Name of Public Entity	Mandate	Outcomes	Annual Budget (2020/21)
<b>Companies and Intellectual Property Commission (CIPC)</b>  Companies and Intellectual Property Commission a member of the dti group	Companies Act, 2008 (Act No. 71 of 2008), as amended	Improved regulatory environment conducive for consumers and companies as well as providing access to redress.	Government grant 0 Own generated Income 632,261,000 <b>Total revenue 632,261,000</b>
<b>Export Credit Insurance Corporation (ECIC)</b> 	Export Credit and Foreign Investments Insurance Act, 1957 (Act No. 78 of 1957)	Promote the growth of exports in the economy as a generator of jobs and contributor to GDP growth.	Government grant 204,153,000 Own generated Income 2,517,347,000 <b>Total revenue 2,721,500,000</b>

Name of Public Entity	Mandate	Outcomes	Annual Budget (2020/21)	
<b>National Consumer Commission (NCC)</b> 	Consumer Protection Act, 2008 (Act No.68 of 2008)	Improved regulatory environment conducive for consumers and companies as well as providing access to redress.	Government grant Own generated Income <b>Total revenue</b>	61,270,000 1,991,000 <b>63,261,000</b>
<b>National Consumer Tribunal (NCT)</b> 	National Credit Act, 2005 (Act No. 34 of 2005), as amended	Improved regulatory environment conducive for consumers and companies as well as providing access to redress.	Government grant Own generated Income <b>Total revenue</b>	54,948,000 11,456,000 <b>66,404,000</b>
<b>Companies Tribunal (CT)</b> 	Companies Act, 2008 (Act No. 71 of 2008), as amended	Improved regulatory environment conducive for consumers and companies as well as providing access to redress.	Government grant Own generated Income <b>Total revenue</b>	18,227,000 0 <b>18,227,000</b>
<b>National Credit Regulator (NCR)</b> 	National Credit Act, 2005 (Act No. 34 of 2005), as amended	Improved regulatory environment conducive for consumers and companies as well as providing access to redress.	Government grant Own generated Income <b>Total revenue</b>	82,278,000 88,100,000 <b>170,378,000</b>
<b>National Empowerment Fund (NEF)</b> 	National Empowerment Fund Act, 1995 (Act No. 105 of 1995)	Increased and enhanced instruments for spatial development of targeted regions and economic transformation	Government grant Own generated Income <b>Total revenue</b>	0 340,878,000 <b>340,878,000</b>
<b>National Gambling Board (NGB)</b> 	National Gambling Act, 2004 (Act No. 7 of 2004)	Improved regulatory environment conducive for consumers and companies as well as providing access to redress.	Government grant Own generated Income <b>Total revenue</b>	35,051,000 229,005,000 <b>264,056,000</b>

Name of Public Entity	Mandate	Outcomes	Annual Budget (2020/21)
<b>National Lotteries Commission (NLC)</b> 	National Lotteries Act, 1997 (Act No. 57 of 1997)	Improved regulatory environment conducive for consumers and companies as well as providing access to redress.	Government grant 0 Own generated Income 588,322,000 <b>Total revenue 588,322,000</b>
<b>National Metrology Institute of South Africa (NMISA)</b> 	Measurement Units and Measurement Standards Act, 2006 (Act No. 18 of 2006)	Increased industrialisation through the development of Master Plans in National Priority sectors	Government grant 254,379,000 Operation 119,384,000 Infrastructure 134,995,000 Own generated Income 55,621,000 <b>Total revenue 310,000,000</b>
<b>National Regulator for Compulsory Specifications (NRCS)</b> 	National Regulator for Compulsory Specifications Act, 2008 (Act No. 5 of 2008)	Increased industrialisation through the development of Master Plans in National Priority sectors	Government grant 144,230,000 Own generated Income 407,384,000 <b>Total revenue 551,614,000</b>
<b>South African Bureau of Standards (SABS)</b> 	Standards Act, 2008 (Act No. 8 of 2008)	Increased industrialisation through the development of Master Plans in National Priority sectors	Government grant 319,411,000 Own generated Income 637,001,000 <b>Total revenue 956,412,000</b>
<b>South African National Accreditation System (SANAS)</b> 	Accreditation for Conformity Assessment, Calibration and Good Laboratory Practice Act, 2006 (Act No. 19 of 2006)	Increased industrialisation through the development of Master Plans in National Priority sectors	Government grant 32,731,000 Own generated Income 91,869,000 <b>Total revenue 124,600,000</b>
<b>The Competition Commission</b> 	Competition Act, 1998 (Act No. 89 of 1998)	It investigates mergers and/or anti-competitive conduct and reflects its findings to the Competition Tribunal for a decision	Government grant 331,559,000 Own generated Income 85,641,000 <b>Total revenue 417,200,000</b>
<b>The Competition Tribunal</b>	The	Adjudicates on mergers	Government grant 37,403,000

Name of Public Entity	Mandate	Outcomes	Annual Budget (2020/21)						
	<p>Competition Amendment Act (Act No. 18 of 2018)</p>	<p>and prohibited practice cases that involve anti-competitive outcomes achieved either through co-ordinated conduct between competing firms or through unilateral conduct by a dominant firm</p>	<table border="0"> <tr> <td>Own generated Income</td> <td style="text-align: right;">26,837,000</td> </tr> <tr> <td><b>Total Revenue</b></td> <td style="text-align: right;"><b>64,240,000</b></td> </tr> </table>	Own generated Income	26,837,000	<b>Total Revenue</b>	<b>64,240,000</b>		
Own generated Income	26,837,000								
<b>Total Revenue</b>	<b>64,240,000</b>								
<p><b>The Industrial Development Corporation (IDC)</b></p> 	<p>The Industrial Development Corporation Act, 1940 (Act 22 of 1940)</p>	<p>Steel Development Fund: to finance initiatives, which directly address steel competitiveness issues</p> <p>Tirisano fund- contributes to the transformation of the construction industry through the development and promotion of construction firms owned and managed by black people</p>	<table border="0"> <tr> <td>Government grant</td> <td style="text-align: right;">0</td> </tr> <tr> <td>Own generated Income</td> <td style="text-align: right;">21,491,000,000</td> </tr> <tr> <td><b>Total revenue</b></td> <td style="text-align: right;"><b>21,491,000,000</b></td> </tr> </table> <p>(IDC also manages the Steel Development Fund, Tirisano Fund, Clothing and Textile Programme and the loan component of the Manufacturing Competitiveness Enhancement Programme)</p>	Government grant	0	Own generated Income	21,491,000,000	<b>Total revenue</b>	<b>21,491,000,000</b>
Government grant	0								
Own generated Income	21,491,000,000								
<b>Total revenue</b>	<b>21,491,000,000</b>								
<p><b>The International Trade Administration Commission (ITAC)</b></p> 	<p>The International Trade Administration Act, 2002 (Act No. 71 of 2002)</p>	<p>Creation of fair trade conditions that will boost South Africa's economic development and growth. ITAC comprises three core business units, namely Tariff Investigations, Trade Remedy Investigations and Import and Export Control</p>	<table border="0"> <tr> <td>Government grant</td> <td style="text-align: right;">112,384,000</td> </tr> <tr> <td>Own generated Income</td> <td style="text-align: right;">1,516,000</td> </tr> <tr> <td><b>Total revenue</b></td> <td style="text-align: right;"><b>113,900,000</b></td> </tr> </table>	Government grant	112,384,000	Own generated Income	1,516,000	<b>Total revenue</b>	<b>113,900,000</b>
Government grant	112,384,000								
Own generated Income	1,516,000								
<b>Total revenue</b>	<b>113,900,000</b>								



## Part D: Technical Indicator Descriptions (TIDs)

### Programme 1: Administration

Indicator Title	Percentage (%) of People with Disability employed
Definition	The percentage (%) of People with Disability employed in the Department
Source of data	PERSAL
Method of Calculation / Assessment	$(\text{Total no of People with Disabilities employed}) \div (\text{Total establishment}) \times 100$
Assumptions	PERSAL
Disaggregation of Beneficiaries (where applicable)	3.5% over a period of 5 years
Spatial Transformation (where applicable)	N/A
Desired performance	Target met or exceeded
Indicator Responsibility	DDG: Corporate Management Services Division

Indicator Title	Percentage (%) of women employed in senior management positions
Definition	The percentage (%) of Women employed on SMS level
Source of data	PERSAL
Method of Calculation / Assessment	$(\text{Total no of Women employed on SMS level}) \div (\text{Total establishment}) \times 100$
Assumptions	PERSAL
Disaggregation of Beneficiaries (where applicable)	50% over a period of 5 years
Spatial Transformation (where applicable)	N/A
Desired performance	Target met or exceeded
Indicator Responsibility	DDG: Corporate Management Services Division

Indicator Title	Number (No.) of Interns appointed
Definition	Total number of Interns appointed in the Department
Source of data	PERSAL
Method of Calculation / Assessment	Adding the number of all Interns appointed
Assumptions	PERSAL
Disaggregation of Beneficiaries (where applicable)	54 Interns over 2 years (duration of the contract)
Spatial Transformation (where applicable)	N/A
Desired performance	Target met or exceeded
Indicator Responsibility	DDG: Corporate Management Services Division

<b>Indicator Title</b>	<b>Percentage (%) of eligible creditors payments processed within legal timeframes</b>
<b>Definition</b>	It is the percentage of creditors payments processed within the legal timeframes as required by PFMA. It tracks the department's commitment to the set timeframes as per the requirements of the PFMA
<b>Source of data</b>	CA System / Payment register
<b>Method of Calculation or Assessment</b>	Date logged at help desk until date authorized on BAS system
<b>Means of verification</b>	Monthly reports on payment statistics
<b>Assumptions</b>	Cumulative
<b>Disaggregation of Beneficiaries (where applicable)</b>	N/A
<b>Spatial Transformation (where applicable)</b>	N/A
<b>Calculation Type</b>	Cumulative
<b>Reporting Cycle</b>	Quarterly and Annually
<b>Desired performance</b>	Target achieved or exceeded
<b>Indicator Responsibility</b>	Directorate: Financial Accounting

## Programme 2: Trade Policy, Negotiations and Cooperation

<b>Indicator Title</b>	<b>% tariffs progressively eliminated</b>
<b>Definition</b>	Reports on % of tariffs progressively eliminated
<b>Source of data</b>	RSA negotiating position status reports on TFTA and AfCFTA
<b>Method of Calculation / Assessment</b>	Quantitative, simple count
<b>Assumptions</b>	<ul style="list-style-type: none"> <li>(1) Implementation of AfCFTA is 1 July 2020</li> <li>(2) Tariff reductions are on the basis of reciprocity</li> <li>(3) 90% of tariff lines will be cut by 20% in year one. If this is not done, then a further cut by 20% in the following years will not take place.</li> <li>(4) 90% of tariff lines will be cut by 20% over a 5 year period.</li> </ul>
<b>Disaggregation of Beneficiaries (where applicable)</b>	N/A
<b>Spatial Transformation (where applicable)</b>	N/A
<b>Desired performance</b>	Target met or exceeded
<b>Indicator Responsibility</b>	DDG: TPNC

### Programme 3: Spatial Industrial Development and Economic Transformation

Indicator Title	Increased investment through Special Economic Zones and Industrial Parks
Definition	Reports on implementation of SEZ Act and revitalization of Industrial Parks prepared.
Source of data	<ul style="list-style-type: none"> <li>Minutes of the meetings.</li> <li>Engagements with SEZs and Industrial Parks / attendance register / exchange of letters and emails.</li> </ul> Consolidated SEZs and Industrial Parks entity reports.
Method of Calculation / Assessment	Simple Count
Assumptions	Increase in the number of SEZs designated and Industrial Parks revitalised.
Disaggregation of Beneficiaries (where applicable)	N/A
Spatial Transformation (where applicable)	N/A
Reporting Cycle	Annually
Desired performance	Target met or exceeded
Indicator Responsibility	DDG: SID & ET

Indicator Title	Increased investment through Industrial Parks
Definition	Increased or enhanced instruments for industrialisation and localisation
Source of data	Bi-annual reports
Method of Calculation / Assessment	Simple Count
Assumptions	Report
Disaggregation of Beneficiaries (where applicable)	N/A
Spatial Transformation (where applicable)	N/A
Reporting cycle	N/A
Desired performance	Target met or exceeded
Indicator Responsibility	DDG: SID & ET

Indicator Title	Increased number of Black owned businesses that participate in the mainstream economy
Definition	Report on the number of black owned businesses participating in the mainstream economy through making use of the SEZ's and Industrial Parks
Source of data	Quarterly reports from implementing strategic partners
Method of Calculation / Assessment	Simple Count
Assumptions	Report
Disaggregation of Beneficiaries (where applicable)	N/A
Spatial Transformation (where applicable)	N/A
Reporting cycle	N/A
Desired performance	Target met or exceeded

<b>Indicator Title</b>	<b>Increased number of Black owned businesses that participate in the mainstream economy</b>
<b>Indicator Responsibility</b>	DDG: SID & ET

#### **Programme 4: Industrial Competitiveness and Growth**

<b>Indicator title</b>	<b>Developed Masterplans as per the Reimagined Strategy</b>
<b>Definition</b>	The preparation of masterplans in National Key Priority sectors
<b>Source of data</b>	Master plans
<b>Method of calculation</b>	Quantitative
<b>Means of verification</b>	Report, Minutes of meetings
<b>Assumptions</b>	No increase in unemployment through sustained number of jobs and the creation of new jobs
<b>Disaggregation of beneficiaries</b>	N/A
<b>Spatial Transformation</b>	N/A
<b>Calculation type</b>	Cumulative
<b>Desired performance</b>	Target met or exceeded
<b>Indicator responsibility</b>	DDG: Industrial Competitiveness and Growth

<b>Indicator title</b>	<b>Quarterly progress reports of Implementation of Masterplans</b>
<b>Definition</b>	Implementation of masterplans in National Key Priority sectors
<b>Source of data</b>	Quarterly reports submitted to Minister
<b>Method of calculation</b>	Quantitative
<b>Assumptions</b>	No increase in unemployment through sustained number of jobs and the creation of new jobs
<b>Means of verification</b>	Quarterly progress reports
<b>Disaggregation of beneficiaries</b>	<ul style="list-style-type: none"> <li>• Target for Women: N/A</li> <li>• Target for Youth: N/A</li> <li>• Target for People with Disabilities: N/A</li> </ul>
<b>Spatial Transformation</b>	<ul style="list-style-type: none"> <li>• Reflect on contribution to spatial transformation priorities: N/A</li> <li>• Reflect on spatial impact area: N/A</li> </ul>
<b>Desired performance</b>	Target met or exceeded
<b>Indicator responsibility</b>	DDG: Industrial Competitiveness and Growth

<b>Indicator title</b>	<b>Designations prepared</b>
<b>Purpose/importance</b>	Tracks the number of designation requests prepared for Minister per year
<b>Source of data</b>	Designation requests in the form of submissions to Minister
<b>Method of calculation</b>	Simple count
<b>Means of verification</b>	Report
<b>Assumptions</b>	Increased localisation
<b>Disaggregation of beneficiaries</b>	N/A
<b>Spatial Transformation</b>	N/A
<b>Calculation type</b>	Cumulative
<b>Desired performance</b>	Target met or exceeded
<b>Indicator responsibility</b>	DDG: Industrial Competitiveness and Growth

<b>Indicator title</b>	<b>Percentage compliance of government spend on designated products and services</b>
<b>Definition</b>	Tracks the percentage of compliance of government spend on designated products and services
<b>Source of data</b>	Quarterly monitoring reports submitted to Minister
<b>Method of calculation</b>	Simple count
<b>Assumptions</b>	Increased localisation
<b>Means of verification</b>	Report
<b>Disaggregation of beneficiaries</b>	<ul style="list-style-type: none"> <li>• Target for Women: N/A</li> <li>• Target for Youth: N/A</li> </ul>

Indicator title	Percentage compliance of government spend on designated products and services
	<ul style="list-style-type: none"> <li>• Target for People with Disabilities: N/A</li> </ul>
<b>Spatial Transformation</b>	<ul style="list-style-type: none"> <li>• Reflect on contribution to spatial transformation priorities: N/A</li> <li>• Reflect on spatial impact area: N/A</li> </ul>
<b>Desired performance</b>	Target met or exceeded
<b>Indicator responsibility</b>	DDG: Industrial Competitiveness and Growth

## Programme 5: Consumer and Corporate Regulation

Indicator Title	Improved regulatory environment in the areas of Gambling, Companies, Consumer Protection, Credit and Lotteries.
Definition	Progress reports on the development of legislation in the areas of National Gambling, Companies, Consumer Protection, Credit and Lotteries.
Source of data	Progress reports on the development of legislation
Method of Calculation	Simple Count
Means of verification	Progress reports
Assumptions	Delays in the development of legislation at various stages in the process
Disaggregation of Beneficiaries (where applicable)	N/A
Spatial Transformation (where applicable)	N/A
Calculation Type	N/A
Desired performance	Cumulative
Indicator Responsibility	DDG: CCRD

## Programme 6: Industrial Financing

Indicator title	Value (Rand) of projected investments to be leveraged from enterprises/projects approved
Definition	The total value of projected investments to be leveraged through approved enterprises/projects (ADEP, AIS, APSS, BIS, CIP, Film, and GBS) The total value of projected investments in case of BIS equals total projected costs (including incentive grants) of all projects/enterprises approved.
Source of data	Signed Adjudication Committee Minutes
Method of calculation or Assessment	Simple count
Means of verification	Signed Quarterly Report, Supporting schedules, and Portfolio of Evidence
Assumptions	Approved projects/enterprises will commit to the projected investments to be leveraged
Disaggregation of Beneficiaries (where applicable)	<ul style="list-style-type: none"> <li>• Target for women: N/A</li> <li>• Target for youth: N/A</li> <li>• Target for people with disabilities: N/A</li> </ul>
Spatial Transformation (where applicable)	<ul style="list-style-type: none"> <li>• Contribution to spatial transformation priorities: N/A</li> <li>• Spatial impact area: N/A</li> </ul>
Calculation Type	Cumulative
Reporting cycle	Quarterly
Desired performance	Target met or exceeded
Indicator responsibility	DDG: Industrial Financing

Indicator Title	Number of enterprises/projects approved for financial support across all incentives
Definition	The total number of enterprises/projects approved for financial support across all incentives (ADEP, AIS, APSS, BIS, BPS/GBS, CDP, CIP, CPFP, FILM & TV, SEZ, SPII, SPP, AND THRIP)
Source of data	Signed Adjudication Committee Minutes
Method of Calculation or Assessment	Simple count
Means of verification	Signed Quarterly Report, Supporting Schedules, and Portfolio of Evidence
Assumptions	Encourage enterprises to apply for financial support and ensure compliance with guidelines
Disaggregation of Beneficiaries (where applicable)	N/A
Spatial Transformation (where applicable)	N/A
Calculation type	Cumulative
Reporting Cycle	Quarterly
Desired performance	Target met or higher
Indicator Responsibility	Incentive Programme Managers

Indicator Title	Projected number of jobs retained from approved enterprises/projects
Definition	The number of jobs retained/sustained (base year jobs) through approved enterprises/projects. (ADEP, AIS, APSS & BIS)
Source of data	Signed Adjudication Committee Minutes
Method of Calculation or Assessment	Simple count
Means of verification	Signed Quarterly Report, Supporting Schedules, and Portfolio of Evidence
Assumptions	Approved projects/enterprises will commit to the projected number of jobs retained
Disaggregation of	N/A



<b>Indicator Title</b>	<b>Projected number of jobs retained from approved enterprises/projects</b>
<b>Beneficiaries (where applicable)</b>	
<b>Spatial Transformation (where applicable)</b>	N/A
<b>Calculation type</b>	Cumulative
<b>Reporting Cycle</b>	Quarterly
<b>Desired performance</b>	Target met or higher
<b>Indicator Responsibility</b>	Incentive Programme Managers

## Programme 7: Export Development, Promotion and Outward Investments

<b>Indicator Title</b>	<b>Exports to grow 1% faster than output growth in productive sectors</b>
<b>Definition</b>	The value of export sales projected by companies financially assisted under EMIA
<b>Source of data</b>	Reports received from companies financially benefitted from EMIA
<b>Method of Calculation / Assessment</b>	Simple count
<b>Assumptions</b>	Based historical data
<b>Disaggregation of Beneficiaries (where applicable)</b>	<ul style="list-style-type: none"> <li>• Target for women: N/A</li> <li>• Target for youth: N/A</li> <li>• Target for people with disabilities: N/A</li> </ul>
<b>Spatial Transformation (where applicable)</b>	<ul style="list-style-type: none"> <li>• Contribution to spatial transformation priorities: N/A</li> <li>• Spatial impact area: N/A</li> </ul>
<b>Reporting Cycle</b>	Bi-annual
<b>Desired performance</b>	Target met or exceeded
<b>Indicator responsibility</b>	DDG: Export Development, Promotion and Outward Investments

<b>Indicator Title</b>	<b>Exports in priority sectors to grow 2% faster than output growth in manufacturing sectors</b>
<b>Definition</b>	The number of companies benefitted from EDS inclusive of WYPD
<b>Source of data</b>	Number of companies attending Export Capacity Building engagements, training, workshops, GEPP
<b>Method of Calculation / Assessment</b>	Simple count
<b>Assumptions</b>	Based historical data
<b>Disaggregation of Beneficiaries (where applicable)</b>	<ul style="list-style-type: none"> <li>• Target for women: N/A</li> <li>• Target for youth: N/A</li> <li>• Target for people with disabilities: N/A</li> </ul>
<b>Spatial Transformation (where applicable)</b>	<ul style="list-style-type: none"> <li>• Contribution to spatial transformation priorities: N/A</li> <li>• Spatial impact area: N/A</li> </ul>
<b>Reporting Cycle</b>	Bi-annually
<b>Desired performance</b>	Target met or exceeded
<b>Indicator responsibility</b>	DDG: Export Development, Promotion and Outward Investments

## Programme 8: Inward Investment Attraction, Facilitation and Aftercare

Indicator title	Percentage growth per annum in the value (Rand) of investment projects facilitated in pipeline
<b>Definition</b>	It is the value of the pipeline facilitated by Investment South Africa over a financial year. Each prospective investment has an indicated investment value in Rands which collectively equates to the overall investment value Shows the value of pipeline facilitated by Investment South Africa over a financial year
<b>Source of data</b>	It is the value of the pipeline facilitated by Investment South Africa over a financial year. Each prospective investment has an indicated investment value in Rands which collectively equates to the overall investment value Shows the value of pipeline facilitated by Investment South Africa over a financial year
<b>Method of Calculation / Assessment</b>	Web-based projects registry or manual entry
<b>Assumptions</b>	Based on the rand/\$ exchange rate at date of entry on the web-based projects registry or manual entry (based of the foreign exchange rate on the date of entry)
<b>Disaggregation of Beneficiaries (where applicable)</b>	N/A
<b>Spatial Transformation (where applicable)</b>	N/A
<b>Reporting cycle</b>	Quarterly
<b>Desired performance</b>	Target met or exceeded
<b>Indicator responsibility</b>	Acting Head: IIAF&A

## Programme 9: Competition Policy and Economic Planning

<b>Indicator Title</b>	Number of policy initiatives, strategic interventions and implementation strategies enhancing competition and development in the economy
<b>Definition</b>	Reports on policy and statutory initiatives in support of Ministry, Analysis reports on public interest's matters and reports on coordination efforts of recommendations, commitments and orders.
<b>Source of data</b>	Competition Commission, Competition Tribunal, Stats SA, Research institutions, relevant departments and public entities
<b>Method of Calculation or assessment</b>	Simple count
<b>Means of verification</b>	Progress reports
<b>Assumptions</b>	Issuing of policy directives and adherence to statutory requirements
<b>Disaggregation of Beneficiaries (where applicable)</b>	N/A
<b>Spatial Transformation (where applicable)</b>	N/A
<b>Calculation Type</b>	Cumulative
<b>Reporting Cycle</b>	Quarterly
<b>Desired performance</b>	Comprehensive competition policy implemented in line with statutory obligations
<b>Indicator Responsibility</b>	Acting DDG: Competition Policy and Economic Planning

## Programme 10: Economic Research and Coordination

Indicator Title	Economic policy reports
Definition	Analytical reports produced which assess alternative policy options to unlock inclusive growth, and provide policymakers and stakeholders with evidence-based policy advice.
Source of data	Research reports produced in the Division or commissioned by the Division.
Method of Calculation or assessment	Quantitative
Means of verification	Number of policy reports produced and circulated to EXBO.
Assumptions	Appropriate skills and other resources available
Disaggregation of Beneficiaries (where applicable)	N/A
Spatial Transformation (where applicable)	N/A
Calculation Type	Cumulative
Desired performance	High-quality policy reports produced and circulated to EXBO to contribute to evidence-based policymaking.
Indicator Responsibility	DDG: Economic Research and Coordination

Indicator Title	Socio Economic Research Reports
Definition	Policy-relevant, high-quality economic analysis produced to inform policymakers of key global and domestic economic trends and developments.
Source of data	Research reports and reports from government departments and entities
Method of Calculation or assessment	Quantitative
Means of verification	Number of economic research reports produced and circulated to EXBO.
Assumptions	Appropriate skills and other resources available
Disaggregation of Beneficiaries (where applicable)	N/A
Spatial Transformation (where applicable)	N/A
Calculation Type	Quarterly
Desired performance	High-quality, analytical economic research reports produced or commissioned and circulated to EXBO.
Indicator Responsibility	DDG: Economic Research and Coordination