



the dti

Annual Report to Citizens
2016/17



the dti

Department:
Trade and Industry
REPUBLIC OF SOUTH AFRICA

the dti

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2016/17

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Abbreviations and acronyms we use

Term	Definition
ADEP	Aquaculture Development and Enhancement Programme
AIS	Automotive Investment Scheme
AO	Administration Officer
APDP	Automotive Production and Development Programme
ASD	Assistant Director
ATA	Advanced Team Assistant
B-BBEE	Broad Based Black Economic Empowerment
BBSDP	Black Business Supplier Development Programme
BPS	Business Process Services
CCRD	Consumer and Corporate Regulation Division
CIPC	Companies and Intellectual Property Commission, a public entity of the dti
COMESA	Common Market for the Eastern and Southern Africa
COTII	Council of Trade and Industry Institutions
CPFP	Capital Projects Feasibility Programme
CSIR	Council of Scientific and Industrial Research
CT	Companies Tribunal, a public entity of the dti
DD	Deputy Director
EAC	East African Community
ECIC	Export Credit Insurance Corporation of South Africa, a public entity of the dti
EMIA	Export Marketing and Investment Assistance
FOSAD	Forum of South African Directors-General
FRCS	Financial Reporting Standards Council
FTA	Free Trade Agreement
GDP	Gross Domestic Product
GLP	Good Laboratory Practice
ICT	Information and Communication Technology
IDIAD	Industrial Development: Incentive Administration Division
IP	Intellectual Property
IPAP	Industrial Policy Action Plan
ISP	Incubator Support Programme
MCEP	Manufacturing Competitiveness Enhancement Programme
MPAT	Management Performance Assessment Tool
MTSF	Medium Term Strategic Framework
NCC	National Consumer Commission, a public entity of the dti

Term	Definition
NCR	National Credit Regulator, a public entity of the dti
NCT	National Consumer Tribunal, a public entity of the dti
NDP	National Development Plan
NEF	National Empowerment Fund, a public entity of the dti
NEPAD	New Partnership for Africa's Development
NGB	National Gambling Board, a public entity of the dti
NLA	National Liquor Authority
NLC	National Lotteries Commission, a public entity of the dti
NMISA	National Metrology Institute of South Africa, a public entity of the dti
NRCS	National Regulator for Compulsory Specifications, a public entity of the dti
ODG	Office of the Director-General
OPCW	Organisation for the Prohibition of Chemical Weapons
PIPAS	Provincial Investment and Promotion Agencies
REIPPPP	Renewal Energy Independent Power Producer Procurement Programme
SABS	South African Bureau of Standards, a public entity of the dti
SADC	Southern African Development Community
SANAS	South African National Accreditation System, a public entity of the dti
SAO	Senior Administration Officer
SAPS	South African Police Services
SDIP	Service Delivery Improvement Plan
SEZ	Special Economic Zones
SPII	Support Programme for Industrial Innovation
SMEDP	Small and Medium Enterprise Development Programme
SMME	Small, Micro and Medium Enterprise
SP&CC	Strategic Partnerships and Customer Care
SSAS	Sector-Specific Assistance Scheme
TBVC	Transkei, Bophuthatswana, Venda and Ciskei
the dti	The Department of Trade and Industry
TISA	Trade and Investment South Africa
THRIP	Technology for Human Resources and Industry Programme
UNDP	United Nations Development Programme

Introduction by the Director-General

With the unstable economy of the country experienced in the 2016/17 financial year, the department of Trade and Industry (**the dti**) remained committed to achieving its vision of being a dynamic industrial, globally competitive South African economy, characterised by inclusive growth and development, decent employment and equity, built on the full potential of all citizens.

the dti together with its entities works tirelessly to deliver on its mandate thereby delivering high quality services to its beneficiaries. These services include policies, legislation and regulations, financial support and investment incentives, information and advisory support, as well as value-added partnerships.

The efforts of reaching the department's vision were realised through the revitalisation of industrial parks in various provinces, the number of local companies supported to improve their competitiveness and increase their export capabilities, tabling of five bills on gambling, liquor, copyright, performers protection and companies amendment and secured investments with other countries, just to mention a few. The department also made radical improvement in reducing its turnaround time on the provision of financial support in Business Process Services (BPS) and Film and TV production.

The 2016/17 achievements have been a collective effort of both management and employees of **the dti** through their commitment and dedication to serving the people of South Africa. My deepest appreciation goes to all of them.



Mr Lionel October

Director-General

November 2017

Who we are

Vision, mission and strategic goals

Strategic imperatives

Objectives

Grow the manufacturing sector to promote industrial development, job creation, investment and exports

Improve conditions for consumers and creatives, and open up new markets for new patent players

Strengthen capacity to deliver on **the dti** mandate

Goals

Facilitate the transformation of the economy to promote industrial development, investment, competitiveness and employment creation

Build mutually beneficial regional and global relations to advance South Africa's trade, industrial policy and economic development objectives

Facilitate broad-based economic participation through targeted interventions to achieve more inclusive growth

Create a fair regulatory environment that enables investment, trade and enterprise development in an equitable and socially responsible manner

Promote a professional, ethical, dynamic, competitive and customer-focused working environment that ensures effective and efficient service delivery

Vision

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

Values

the dti's values are:

- Intellectual excellence which is built on service delivery standards, international best practice, Batho Pele Principles, continuous improvement.
- Quality relationships aimed at improved and continuous communication, honesty, respect, integrity, transparency, professionalism, ownership, leadership, teamwork.
- Operational excellence which encompass continuous shared learning, innovation, relevant knowledge and skills improvement.

the dti values

- Leadership
- Improved and continual communication
- Honesty, respect, integrity, transparency
- Professional ownership
- Teamwork



- Continual shared learning
- Innovation
- Relevant knowledge and skills improvement
- Information management

- Service delivery standards
- International best practice
- *Batho Pele* principles
- Continual improvement

Legislative and other mandates

The mandate of **the dti** is to lead and facilitate access to sustainable economic activity and employment for all South Africans through its understanding of the economy, its knowledge of economic opportunities and potential, and its anticipation of future economic trends. The department also aims to catalyse economic transformation and development, and to provide a predictable, competitive, equitable and socially responsible environment for investment, enterprise and trade for economic citizens. **the dti's** work is governed by a broad legislative framework, as outlined below:

Name of 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 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 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 Companies Tribunal (CT); and provide for matters connected therewith
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
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.

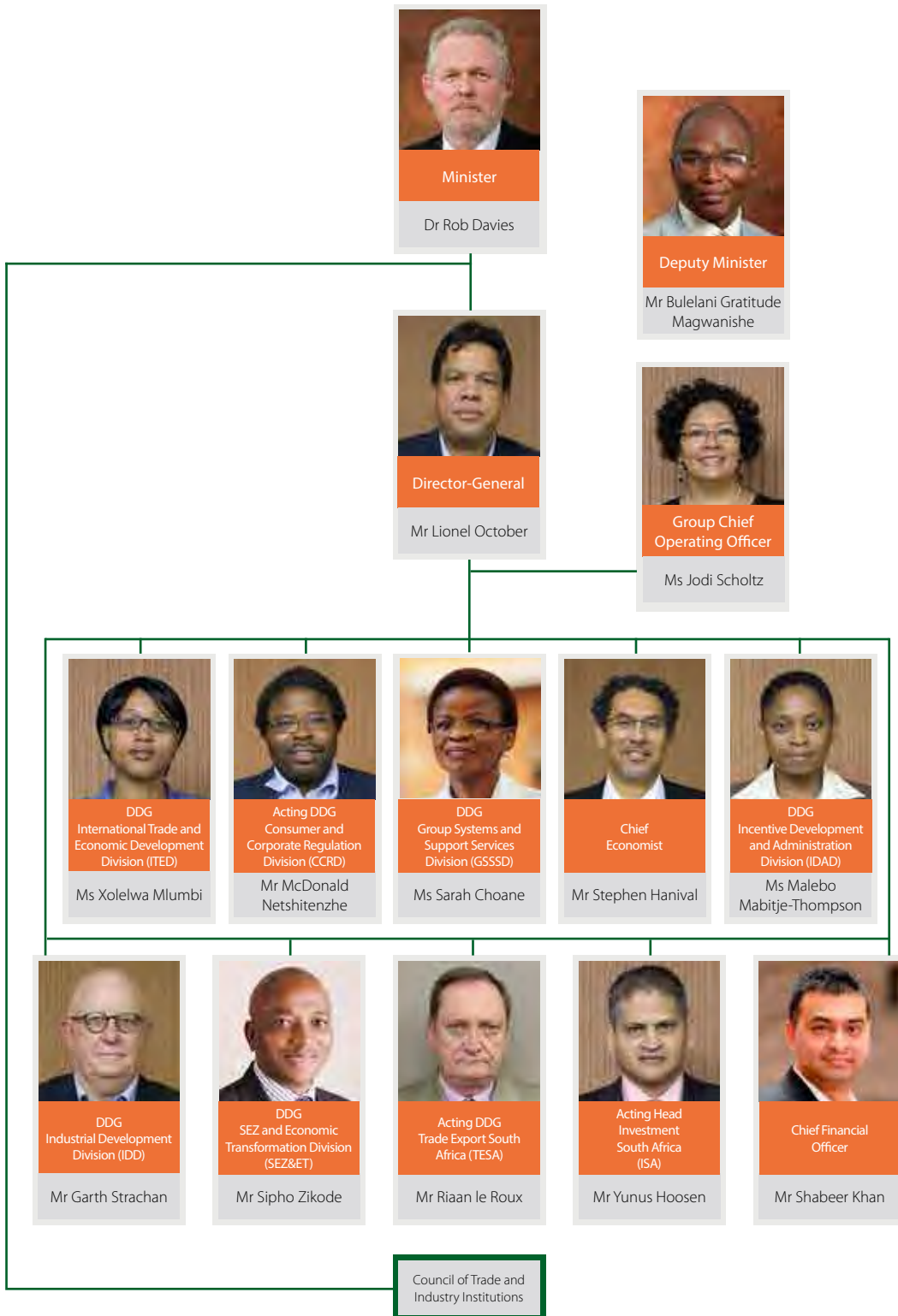
Name of Act	Purpose
Counterfeit Goods Act, 1997 (Act No. 37 of 1997)	Strengthen prohibitions on trade in counterfeit goods; confer powers on inspectors and the police to enter and search premises, with and without a warrant; and confer powers on customs and excise to seize and detain suspected counterfeit 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 (ECIC) 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
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 Convention for Safe Containers Act, 1985 (Act No. 11 of 1985)	Provide for the application in South Africa of the International Convention for Safe Containers so as to maintain a high level of safety of human life in the handling, stockpiling and transporting of containers
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
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

Name of Act	Purpose
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 and National Consumer Tribunal 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 the Republic of South Africa; retain the National Gambling Board; establish the National Gambling Policy Council; repeal the National Gambling Act, 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).

Name of Act	Purpose
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
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

Name of Act	Purpose
Special Economic Zones Act, 2014 (Act No. 16 of 2014)	Provide for the designation, development and management of SEZs; 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 Restrictions on Economic Activities Act, 1986 (Act No. 87 of 1986)	Empower the President to suspend temporarily laws or conditions, limitations or 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

Organisational structure



What we do

Services provided by the dti

In driving South Africa to become a dynamic industrial, globally competitive economy, **the dti** has structured its operations as outlined below:

Cluster	Strategic outcome	Key service	Services
Economic Empowerment	Facilitate broad-based economic participation through targeted interventions to achieve more inclusive growth	To drive economic transformation and increase participation in industrialisation.	<ul style="list-style-type: none"> • Fostering and stimulating of industrialisation and structural change through the development and deployment of technologies and skills development programmes. • Provision of B-BBEE verification and consultancy accreditation • Provision of sector charter approvals; and • Promotion of the regional economy towards a more spatially balanced economy through the development of policies, strategies and programmes; SEZs, Clusters and Incubators amongst other things.
Industrial Development	Facilitate the transformation of the economy to promote industrial development, investment, competitiveness and employment creation	To design and implement policies, strategies and programmes to strengthen the ability of manufacturing and other sectors of the economy, to create decent jobs and increase value addition and competitiveness in both domestic and export markets	<ul style="list-style-type: none"> • Development of policies, strategies and programmes to strengthen the ability of manufacturing and other value-adding sectors to create decent jobs and increase value-addition and competitiveness in domestic and export markets, as set out in the annual three-year rolling IPAP. • Development and implementation of high-impact sector strategies focused on manufacturing and other value-adding sectors to create decent jobs and increase value-addition and competitiveness in domestic and export markets, as set out in the annual three-year rolling IPAP.
Trade, Exports and Investment	Build mutually beneficial regional and global relations to advance South Africa's trade, industrial policy and economic development objectives	Increase export capacity and support direct investment flows through an effectively managed network of foreign trade offices and strategies for targeted markets	<ul style="list-style-type: none"> • Promotion of investment to increase the quality and quantity of foreign and domestic direct investment by providing investment, recruitment, problem-solving and information services. • Promotion of exports for South African value-added goods and services to increase market share in targeted high-growth markets and sustain market share in traditional markets. • Promotion of trade by administering and providing corporate services to the

Cluster	Strategic outcome	Key service	Services
Trade, Exports and Investment		<p>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 New Partnership for Africa's Development (NEPAD).</p>	<p>department's foreign office network of foreign economic representatives in various countries to enable South African businesses to access global markets.</p> <ul style="list-style-type: none"> • Export Development which is designed to contribute to positioning South Africa as a reliable trade partner and improve and expand the country's exporter base • Facilitation of bilateral and multilateral international trade relations and agreements. • Facilitation of bilateral and multilateral African trade relations aimed at deepening regional integration. • Issuing of export and import permits for controlled goods as per the Non-Proliferation of Weapons of Mass Destruction Act, Act 87 of 1993.
Financial Assistance (incentives)	Facilitate the transformation of the economy to promote industrial development, investment, competitiveness and employment creation	<p>Provision of financial support to qualifying companies through incentives.</p> <p>Financial support is offered for various economic activities, including manufacturing, business competitiveness, export development and market access, as well as foreign direct investment.</p>	<ul style="list-style-type: none"> • Broadening Participation Incentives provide incentive programmes that promote broader participation in the mainstream economy by businesses owned by individuals from historically disadvantaged communities and marginalised regions. <ul style="list-style-type: none"> (i) Incubation Support Programme (ISP) (ii) Support Programme for Industrial Innovation (SPII) (iii) Technology and Human Resources for Industry Programme (THRIP) • Manufacturing Incentives provides incentives to promote additional investment in the manufacturing sector <ul style="list-style-type: none"> (i) Manufacturing competitive enhancement programme (MCEP) (ii) Capital Projects Feasibility Programme (CPFP) (iii) Automotive Investment Scheme (AIS) (iv) Export Marketing and Investment Assistance (EMIA) (v) Sector-Specific Assistance Scheme (SSAS) (vi) Section 12I Tax Allowance Incentive (12I)

Cluster	Strategic outcome	Key service	Services
Financial Assistance (incentives)			<ul style="list-style-type: none"> Services Investment Incentives provides incentive programmes that promote increased investment and job creation in the services sector. <ul style="list-style-type: none"> (i) Business Process Services incentive (ii) Film and Television Incentive
Legislation and Business Regulation	<p>Create a fair regulatory environment that enables investment, trade and enterprise development in an equitable and socially responsible manner.</p>	<p>Development and reviewing of regulatory systems in the areas of competition, consumer protection, company and intellectual property, as well as public interest regulation.</p> <p>It also oversees the work of national and provincial regulatory agencies mandated to assist the dti in providing competitive and socially responsible business and consumer regulations, for easy access to redress and efficient markets.</p>	<ul style="list-style-type: none"> Review, develop and draft policies and legislation in the areas of liquor, gambling, lotteries, credit, consumer protection, company and intellectual property, as well as public interest regulation. Registering and issuing licenses to macro-manufacturers and distributors of liquor.

Our standards, and how we met them

In compliance with the requirements of Public Service Regulations 2001, as amended and the White Paper on Transforming Public Service Delivery, 1997, **the dti** identified two (2) key services that needed to be improved over the three (3) year period starting from 2015/16 to 2017/18 financial years.

For the period under review **the dti** implemented the second year of the 2015 /18 Service Delivery Improvement Plan which aimed to improve the following areas:

The provision of financial and non-financial support through incentives

- Quality and Quantity: Reducing turnaround times for processing applications for Film and TV incentives as well as claims for BPS incentives; and
- Access: An online application system to provide equal access to all service beneficiaries

Issuing of manufacturers and/or distributors of liquor licenses

- Quality and Quantity: Reducing turnaround times and adequately addressing delays in the processing of applications;
- Access: An online application system and the development of IT solutions are underway as it will provide equal access to all service beneficiaries; and
- Redress: There are currently no efficient complaints handling, appeal and review systems and procedures in the Act. The NLA is proposing an internal appeal and review process to be incorporated the amendment to the legislation. This will afford applicants an opportunity to find redress internally instead of going to courts, further the NLA will have an opportunity to manage the expectations of clients and risks associated with court challenges and expenses.

Key services	Service beneficiary	Current standard		Desired standard			
			2015/16	2016/17	Actual achievements	Reasons for variance	Corrective action
Provide financial support through BPS incentive	Medium, large, black business. South African exporters	Quantity	All completed applications and claims approved or paid within 55 working days	All completed applications and claims approved or paid within 50 working days	All completed applications and claims were approved or paid within 30 working days	Due to additional resources deployed to the business unit	None
		Quality	100% applications and claims complies with requirements in the guidelines	100% applications and claims complies with requirements in the guidelines	100% applications and claims complied with requirements in the guidelines	None	None
		Consultation	75 information sharing consultative sessions with strategic stakeholders annually	80 information sharing consultative sessions with strategic stakeholders annually	87 information sharing consultative sessions with strategic stakeholders annually	Due to additional resources deployed to the business unit.	None
		Access	Information can be accessed through the dti Regional offices (Pretoria, Cape Town, Port Elizabeth and Durban) or via the dti website and submit applications using an electronic system	Information can be accessed through, the dti Regional offices (Pretoria, Cape Town, Port Elizabeth and Durban) or visit the dti website and submit applications using an electronic system	Information was accessed through the dti Regional offices (Pretoria, Cape Town and Durban) or via the dti website. Applications were submitted through manual system	No electronic system was developed.	Consultation with relevant stakeholders to be conducted
		Courtesy	Acknowledge receipt of application and claims forms within two (2) working days	Acknowledge receipt of application and claims forms within two (2) working days	Acknowledged receipt of application and claims forms within two (2) working days	None	None
			Applicants are afforded an opportunity to respond and rectify deficiencies before final decision is made	Applicants are afforded an opportunity to respond and rectify deficiencies before final decision is made	Applicants were afforded an opportunity to respond and rectify deficiencies before final decision was made	None	None

Key services	Service beneficiary	Current standard		Desired standard			
		2015/16	2016/17	Actual achievements	Reasons for variance	Corrective action	
		Open and transparency	Through the dti website and annual report	Through the dti website and annual report	Done through the dti website and annual report	None	None
		Information	Brochures are distributed in the regional offices, workshop venues and information about incentives pasted on the dti website	Brochures are distributed in the regional offices, workshop venues and information about incentives pasted on the dti website	Brochures were distributed in the regional offices, workshop venues and information about incentives posted on the dti website	None	None
			Increase awareness regarding the dti programmes in provinces by conducting workshops and/or imbizo's, advertising in print, voice media annually	Increase awareness regarding the dti programmes in provinces by conducting workshops, and/or imbizo's, advertising in print, voice media annually	Increased awareness regarding the dti programmes in provinces by conducting workshops and/or imbizo's, advertising in print, voice media annually	None	None
		Redress	90% of enquiries responded within 48 hours	90% of enquiries responded within 48 hours	90% of enquiries responded within 48 hours	None	None
			Handle customer complaints promptly and send an apology to customers within 2 working days of receipt	Handle customer complaints promptly and send an apology to customers within a period of 1 working day of receipt	Handled customer complaints promptly and sent communication to customers within 2 working days of receipt	Due to human resource capacity constraints	Work will be reallocated amongst available resources.
		Value for Money	Competitive and sustainable SMMEs, exporters and investors that contributes to growth of the economy	Competitive and sustainable SMMEs, exporters and investors that contributes to growth of the economy	Competitive and sustainable SMMEs, exporters and investors that contributed to growth of the economy	None	None
		Time	55 days	50 days	30 days	Due to additional resources deployed to the business unit	None
		Cost	R2 700 000.00	R2 700 000.00	R3 170 175.73	Due to additional resources	None
		Human Resources	BPS 1 x Director 1 x DD 1 x ASD 2 x TIA 1 x ATA	BPS 1 x Director 1 x DD 1 x ASD 2 x TIAs 1 x ATA	BPS 1 x Director 1 x DD 1 x ASD 2 x TIAs 1 x ATA	None	None

Key services	Service beneficiary	Current standard		Desired standard			
		2015/16	2016/17	Actual achievements	Reasons for variance	Corrective action	
Provide financial support through FILM and TV production	Medium, large, black business, South African exporters	Quantity:	All completed applications and claims approved or paid within 55 working days	All completed applications and claims approved or paid within 50 working days	All completed applications and claims approved or paid within 60 working days	Due to human resource capacity constraints	Posts to be advertised
		Quality:	100% applications and claims complies with requirements in the guidelines	100% applications and claims complies with requirements in the guidelines	100% applications and claims complied with requirements in the guidelines	None	None
		Consultation	75 information sharing consultative sessions with strategic stakeholders annually	80 information sharing consultative sessions with strategic stakeholders annually	87 information sharing consultative sessions with strategic stakeholders annually	Due to additional resources deployed to the business unit	None
		Access	Information can be accessed through the dti Regional offices (Pretoria, Cape Town, Port Elizabeth and Durban) or via the dti website and submit applications using an interactive system	Information can be accessed through, the dti Regional offices (Pretoria, Cape Town, Port Elizabeth and Durban) or visit the dti website and submit applications using an interactive system	Information accessed through the dti regional offices in Pretoria, Cape Town, Port Elizabeth and Durban, or via the dti website	No electronic system was developed for the unit	None
		Courtesy	Acknowledge receipt of application and claims forms within two (2) working days	Acknowledge receipt of application and claims forms within two (2) working days	Acknowledged receipt of application and claims forms within two (2) working days from date of receipt	None	None
			Applicants are afforded an opportunity to respond and rectify deficiencies before final decision is made	Applicants are afforded an opportunity to respond and rectify deficiencies before final decision is made	Applicants were afforded an opportunity to respond and rectify deficiencies before final decision is made	None	None
		Open & Transparency	Through the dti website and annual report	Through the dti website and annual report	Done through the dti website and annual report	None	None
Information	Brochures are distributed in the regional offices, workshop venues and information about incentives pasted on the dti website	Brochures are distributed in the regional offices, workshop venues and information about incentives pasted on the dti website	Brochures were distributed in the regional offices, workshop venues and information about incentives posted on the dti website	None	None		

Key services	Service beneficiary	Current standard		Desired standard			
		2015/16	2016/17	Actual achievements	Reasons for variance	Corrective action	
			Increase awareness regarding the dti programmes in provinces by conducting workshops and/or imbizo's, advertising in print, voice media annually	Increase awareness regarding the dti programmes in provinces by conducting workshops, and/or imbizo's, advertising in print, voice media annually	Increased awareness regarding the dti programmes in provinces by conducting workshops, and/or imbizo's advertising in print, voice media annually	None	None
		Redress	90% of enquiries responded within 48 hours	90% of enquiries responded within 48 hours	60% of enquiries responded to within 48 hours	Due to human resource capacity constraints	Posts to be advertised
			Handle customer complaints promptly and send an apology to customers within 2 working days of receipt	Handle customer complaints promptly and send an apology to customers within a period of 1 working day of receipt	Handled customer complaints promptly and sent communication to customers within 2 days of receipt	Due to human resource capacity constraints	Work will be reallocated amongst available resources.
		Value for Money	Competitive and sustainable SMMEs, exporters and investors that contributes to growth of the economy	Competitive and sustainable SMMEs, exporters and investors that contributes to growth of the economy	Competitive and sustainable SMMEs, exporters and investors that contributes to growth of the economy	None	None
		Time	55 days	50 days	60 days	Due to human resource capacity constraints	Posts to be advertised
		Cost	R3 000 000.00	R3 000 000.00	R3 688 853.66	Due to additional resource	None
		Human Resources:	Film & TV 1 x Director 1 x ATA 2 x DD 2 x ASD 2 x TIA	Film & TV 1 x Director 1 x ATA 2 x DDs 2x ASDs 2x TIAs	Film & TV 1 x Director 1 x ATA 1 x DD 1 x ASD 3 x TIA	1 x ASD seconded to BIS; 1 x DD resigned (vacant post); 1 x TIA seconded to the unit	Posts to be advertised
Issuing of manufacturers and/or distributors of liquor licenses	External clients: Prospective NLA registrants	Quantity: Issue liquor licenses 140 days after receipt of a complete application	Issue liquor licenses 130 days after receipt of a complete application	Issued liquor licenses 130 days after receipt of a complete application.	None	None	

Key services	Service beneficiary	Current standard		Desired standard			
		2015/16		2016/17	Actual achievements	Reasons for variance	Corrective action
		Quality	100% of licenses issued according to requirements in Liquor Act and with correct details of the applicant	100% of licenses issued according to requirements in Liquor Act and with correct details of the applicant	100% of licenses were issued according to requirements in Liquor Act and with correct details of the applicant	None	None
		Consultation	3 Meetings with registrants quarterly in selected provinces	4 Meetings with registrants quarterly in selected provinces	4 Meetings were held with registrants quarterly in selected provinces	None	None
		Access	Walk in clients attended to and information provided to clients	Walk in clients attended to and information provided to clients	Walk in clients were attended to and information was provided to clients.	None	None
			NLA information material made available at the provincial liquor boards	NLA information material made available at the provincial liquor boards	NLA information material was made available at the provincial liquor boards	None	None
		Courtesy	Acknowledgement of receipt of application within 7 days of receipt	Acknowledgement of receipt of application within 7 days of receipt	Acknowledgement of receipt of application within 7 days of receipt	None	None
			Letter issued after approval of an application	Letter issued after approval of an application	Letters issued after approval of an application	None	None
			Letter issued after the issuance of the registration certificate.	Letter issued after the issuance of the registration certificate	Letters issued after the issuance of the registration certificate	None	None
		Open and Transparency	Updated NLA Register posted on the website 30 days after the end of the quarter	Updated NLA Register posted on the website 30 days after the end of the quarter	Updated NLA Register posted on the website 54 days after the end of the quarter.	Approval delayed the process of posting the NLA register on the website	The NLA register will be consolidated and submitted earlier for approval.
			Quarterly and Annual reports updated on the website.	Monthly, Quarterly and Annual reports updated on the website	Monthly, Quarterly Annual reports updated on the website.	None	None

Key services	Service beneficiary	Current standard		Desired standard			
		2015/16		2016/17	Actual achievements	Reasons for variance	Corrective action
		Information	Updated information available on the website, brochures, guidelines & practice notes	Updated information available on the website (brochures, guidelines & practice notes)	Updated information available on the website (brochures, guidelines & practice notes)	None	None
		Redress	10 days turn-around time for resolving queries and complaints	10 days turn-around time for resolving queries and complaints	10 days turn-around time for resolving queries and complaints	None	None
			Apologise when process is delayed	Apologise when process is delayed	Apologised when process was delayed	None	None
		Value for Money	Trading in liquor legally	Trading in liquor legally	Trading in liquor legally	None	None
		Time	140 days after receipt of a complete application	130 days after receipt of a complete application	130 days after receipt of a complete application	None	None
		Cost	R6 629 000.00	R6 629 000.00	R6 654 273.68	Due to additional resources	None
		Human Resources	1 x Director 2 x DD 4 x ASD 5 x SAO 1x AO (vacant)	1 x Director 2 x DD 4 x ASD 5 x SAO 1 x AO (vacant)	1 x Director 1x DD 4 x ASD 4 x SAO 1 x AO 1 x TA	Posts could not be filled due to cost containment measures.	Work will be reallocated amongst available resources.

Some of our achievements



4.1 Trade, Investments and Exports

A new Economic Partnership Agreement (EPA) was concluded with the European Union and will lead to improved market access for some agricultural products such as seafood, wine, canned fruit, sugar and ethanol. In 2016, **the dti** led a process to secure South Africa's continued participation in the African Growth and Opportunity Act (AGOA), a unilateral preferential programme that offers duty-free market access to 5 235 tariff lines into the United States. A compact and more nuanced Integrated National Export Strategy (INES) was launched in the previous financial year. The development of this INES, or "Export 2030", in alignment with a concerted market diversification strategy, contributed to increasing South Africa's exporter base and promoting trade.



A number of investment projects were launched during the reporting period. This has created a number of jobs, as outlined below:

May 2016 →

New polyethylene terephthalate production plant established in Wadeville, Ekurhuleni. Mpact invests R350 million, and the project is expected to employ 1 085 people by completion. Dursots launches its new tomato paste plants in Tzaneen and Musina, Limpopo. Toyota launches its new Hilux and Fortuner assembly line

July 2016 →

HBM-SA launches a R60 million latex condom facility at Dube Trade Port, creating 145 jobs

August 2016 →

Launch of the Dormac Dry Dock facility at Durban Port. Launch of the IBM research lab at Wits University, Johannesburg

October 2016 →

Launch of 3M expanded facility in Ekurhuleni

November 2016 →

Hitachi to build a pilot seawater desalination and water reuse integrated system in Durban

December 2016 →

Yangtze Optics Africa Cable launches its plant at Dube Trade Port

4.2 Industrial Development

Progress has been made in supporting several local companies to improve their competitiveness and increase their export capabilities. This has been done either through funding, technology transfer or linking local players with global OEM value supply chains.

Highlights include an agreement between **the dti**, South African Airways Technical (SAAT) and an NIP obligor to revive the aircraft engine maintenance, repair and overhaul capabilities of SAAT.

Industrial financing interventions have significantly contributed to rescue, revival and growth in several sectors. The Industrial Development Corporation (IDC) was the major source of dedicated industrial financing, having disbursed R9.1 billion between April 2016 and February 2017 across various IPAP sectors.

In a joint investment project with the IDC, Beijing Automobile International Corporation began building its new R11 billion vehicle manufacturing plant, which is set to create 2 500 direct jobs.

Toyota South Africa opened a R6.1 billion assembly line to produce its Fortuner and Hilux models, R1.9 billion of which will go towards supplier tooling, R1.4 billion to in-house tooling, and the remainder to in-house facilities and buildings to cater for new press machines. The project attracted five new international suppliers, while creating about 2 000 new jobs in the supply chain.

Ford South Africa invested R11.5 million in the construction and operation of a new job training and entrepreneurial development centre, which opened in October 2016.

Volkswagen South Africa has invested R120 million in a new 21 000 try-out press to improve manufacturing capabilities.

Mercedes-Benz South Africa awarded a tender to Great North Transport for the supply, maintenance and financing of 150 commuter buses, with Marcopolo South Africa as the bus body builder. The approved total bid price, including repairs and maintenance is R511.6 million over a five-year period.



4.3 SEZ and Economic Transformation

Six Industrial Parks were approved for revitalisation under the Critical Infrastructure Programme, and 13 special economic zone (SEZ) projects were approved for top structure infrastructure

In the first full year of operation of the Black Industrialists programme, 36 companies received financial assistance, with support of approximately R1 billion; investments of over R3 billion have been leveraged thereby creating 7,000 new direct jobs.



4.4 Legislation and Regulation

1

**MONITORING REPORT
ON IMPLEMENTATION
OF LEGISLATION
DEVELOPED FOR
MINISTER'S APPROVAL**

5

**BILLS ON COMPANIES, COPYRIGHT,
PERFORMERS' PROTECTION,
LIQUOR AND GAMBLING
AMENDMENT BILLS DEVELOPED
FOR MINISTER'S APPROVAL**

4.5 Administration

the dti achieved a clean audit i.e opinion with no findings. This means that the Department's 2016/2017 financial statements are free from material misstatements and there were no material findings reported on performance objectives or non-compliance with legislation.



the dti hosted the 4th Annual South African Premier business awards at the Sandton Convention Centre in recognition of business excellence, and to honour enterprises that promote the spirit of success, innovation, job creation, good business ethics and quality.

How we intend improving our services

The SDIP has been a useful tool in assisting the department to improve on its services thereby reducing turnaround times on a number of incentives. To ensure continuous improvement the department intends to look into other incentives and identify areas of improvement. Such improvements will be implemented in the 2018-2021 SDIP. **the dti** commits itself into directing available financial and human resources to improve its services and meeting service beneficiary satisfaction.

Organisation and staffing

the dti has a staff establishment of 1426 and 1297 of posts on the establishment are filled. Through various interventions the dti has achieved the cabinet’s 50% target for women at Senior Management level.

7%
 VACANCY RATE
 (FUNDED POSTS ONLY)

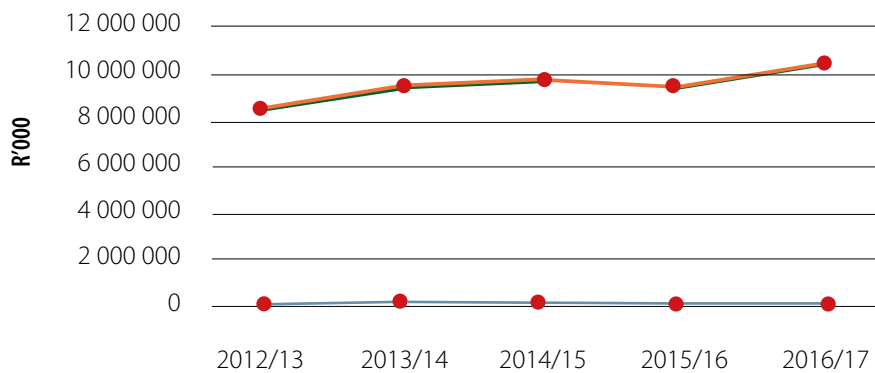
50%
 WOMEN IN SENIOR
 MANAGEMENT POSITIONS

3.4%
 PEOPLE WITH DISABILITIES



Budget

Comparison on spending (2012/13 – 2016/17)



Budget	8 351 086	9 515 580	9 918 729	9 497 844	10 389 517
Expenditure	8 286 428	9 380 302	9 785 298	9 471 659	10 349 396
Unspent	64 658	135 278	133 431	26 185	40 121
% unspent	0.77	1.42	1.35	0.28	0.39

The above graph shows that there has been consistency in the spending pattern of the department against its budgetary allocation over the past five years, where underspending has been within 2% of the allocated budget for each year.

the dti offices and contact details

the dti's head office is in Pretoria, Gauteng with three regional offices in different provinces of South Africa, to facilitate co-operation and cohesion of activities throughout the country. The regional offices are located in Eastern Cape, KwaZulu Natal and Western Cape provinces.

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the dti's group of entities

the dti is responsible for 13 entities. These entities are established under various legislations and have different functions, and are key implementers of **the dti's** mandate.

Name of public entity	Enabling legislation	Financial relationship	Mandate and purpose
<p>Companies and Intellectual Property Commission</p>  <p>Companies and Intellectual Property Commission a member of the dti group</p>	Companies Act, 2008 (Act No. 71 of 2008), as amended	Self-funded	<p>The CIPC was established by the Companies Act, 2008 (Act No. 71 of 2008) as a juristic person to function as an organ of state within the public administration, but as an institution outside the public service. The main functions of the commission are to:</p> <ul style="list-style-type: none"> • register companies, cooperatives and IP rights (trademarks, patents, designs and copyright), and the maintenance thereof; • disclose information on its business registers; • promote education and awareness of company and IP law; • promote compliance with relevant legislation; • enforce relevant legislation; • monitor compliance with and contraventions of financial reporting standards, and make recommendations thereto, to the Financial Reporting Standards Council (FRSC); • license business-rescue practitioners; and • report, research and advise the Minister on matters of national policy relating to company and IP law
<p>Companies Tribunal</p>  <p>Companies Tribunal a member of the dti group</p>	National Credit Act, 2005 (Act No. 34 of 2005), as amended	Transfer payment	<p>The NCT adjudicates any application that may be made to it, and makes any order provided for in respect of such an application; or allegations of prohibited conduct by determining whether prohibited conduct has occurred and, if so, by imposing a remedy. It grants orders for costs, and can exercise any other power conferred on it by law. It also reviews decisions made by the NCR, the NCC, and single-member panels of the tribunal. Decisions made by a three-member panel of the tribunal may in turn be taken on appeal or review to the high court</p>
<p>Export Credit Insurance Corporation</p>  <p>Export Credit Insurance Corporation</p>	Export Credit and Foreign Investments Insurance Act, 1957 (Act No. 78 of 1957)	Partial transfer payment	<p>The ECIC was established in terms of the Export Credit and Foreign Investment Re-Insurance Amendment Act, 1957 (Act No. 78 of 1957), as amended. It promotes 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 to such transactions, and provides for matters connected thereto</p>
<p>National Consumer Commission</p>  <p>NATIONAL CONSUMER COMMISSION KONSUMERSKOMISSIE</p>	Consumer Protection Act, 2008 (Act No.68 of 2008)	Transfer payment	<p>The NCC is responsible for enforcing and carrying out the functions assigned to it in terms of the Act, which aims to:</p> <ul style="list-style-type: none"> • promote a fair, accessible and sustainable marketplace for consumer products and services, and, for that purpose, 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; and • promote a consistent legislation and enforcement framework relating to consumer transactions

Name of public entity	Enabling legislation	Financial relationship	Mandate and purpose
 <p>National Consumer Tribunal</p>	National Credit Act, 2005 (Act No. 34 of 2005), as amended	Transfer payment	The NCT adjudicates any application that may be made to it, and makes any order provided for in respect of such an application; or allegations of prohibited conduct by determining whether prohibited conduct has occurred and, if so, by imposing a remedy. It grants orders for costs, and can exercise any other power conferred on it by law. It also reviews decisions made by the NCR, the NCC, and single-member panels of the tribunal. Decisions made by a three-member panel of the tribunal may in turn be taken on appeal or review to the high court
 <p>National Credit Regulator</p>	National Credit Act, 2005 (Act No. 34 of 2005), as amended	Transfer payment	The NCR promotes a fair and non-discriminatory marketplace for the access of consumer credit; provides for the general regulation of consumer credit and improved standards of consumer information; promotes BEE and ownership within the consumer credit industry; promotes responsible credit granting and use; provides for debt reorganisation in cases of over-indebtedness; regulates credit information; and provides for the registration of credit providers, credit bureaus and debt-counselling services
 <p>National Empowerment Fund</p>	National Empowerment Fund Act, 1995 (Act No. 105 of 1995)	Transfer payment	The NEF's focus is to promote and facilitate black economic equality and transformation. The NEF provides finance and financial solutions to black businesses across a range of sectors, and structures accessible retail savings products for black people based on state-owned equity investments. Its mandate and mission is to be government's funding agency in facilitating the implementation of B-BBEE in terms of the B-BEE Codes of Good Practice
 <p>National Gambling Board</p>	National Gambling Act, 2004 (Act No. 7 of 2004)	Transfer payment	The NGB was established to monitor and investigate, when necessary, the issuing of national licences by provincial licensing authorities. It establishes and maintains national registers regarding various gambling activities
 <p>National Lotteries Commission</p>	National Lotteries Act, 1997 (Act No. 57 of 1997)	Self-funded	The NLC monitors and enforces the implementation of the national lottery. It manages the National Lottery Distribution Trust Fund, which distributes proceeds from its share of the lottery sales to worthy causes
 <p>National Metrology Institute of South Africa</p>	Measurement Units and Measurement Standards Act, 2006 (Act No. 18 of 2006)	Transfer payment	NMISA is responsible for realising, maintaining and disseminating the International System of Units. It maintains and develops primary scientific standards of physical quantities for South Africa, and compares those standards with other national standards to ensure global measurement equivalence

Name of public entity	Enabling legislation	Financial relationship	Mandate and purpose
National Regulator for Compulsory Specifications 	National Regulator for Compulsory Specifications Act, 2008 (Act No. 5 of 2008)	Transfer payment	The NRCS is responsible for the administration and maintenance of compulsory specifications, and the implementation of regulatory and compliance systems for compulsory specifications
South African Bureau of Standards 	Standards Act, 2008 (Act No. 8 of 2008)	Partial transfer payment	The SABS aims to develop, promote and maintain South African national standards; promote quality in connection with commodities, products and services; and render conformity assessment services and matters connected therewith
South African National Accreditation System 	Accreditation for Conformity Assessment, Calibration and Good Laboratory Practice Act, 2006 (Act No. 19 of 2006).	Transfer payment	The aim of SANAS is to accredit or monitor, for GLP compliance purposes, organisations that fall within its scope of activity; promote accreditation as a means of facilitating international trade and enhancing South Africa's economic performance and transformation; promote the competence and equivalence of accredited bodies; and promote the competence and equivalence of GLP compliant facilities



the dti

Department
Trade and Industry
REPUBLIC OF SOUTH AFRICA

