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Department:
Economic Development, Environment and Tourism
MPUMALANGA PROVINCIAL GOVERNMENT

Annual Report

2009/2010

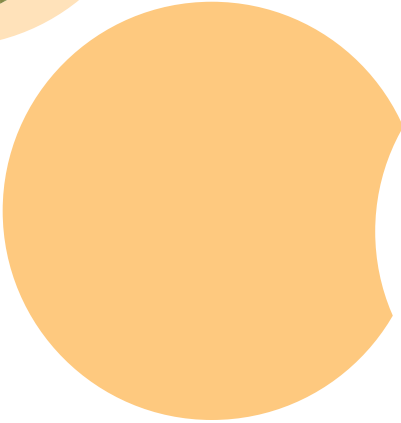
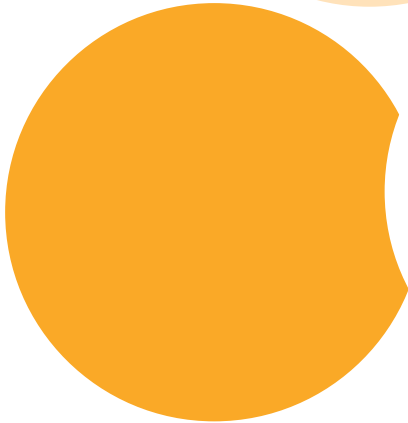




OVERVIEW BY THE EXECUTING AUTHORITY

PR197/2010
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OVERVIEW BY THE EXECUTING AUTHORITY



Following the composition of the new administration of the Mpumalanga Provincial Government on 12 May 2009, the Honourable Premier, Mr D.D Mabuza, further mandated us to manage the conservation of our environment, and to put more emphasis in promoting the tourism industry in the province. This happened in the midst of the global economic recession, which impacted negatively on the economy of the province. We had to come up with various strategies to resuscitate our once thriving economy, in order to continue to realise the ruling party's promise of creating decent work and sustainable livelihoods for all our people.

As the Honourable Premier puts it, "our people expect the democratic government to continue in its quests to reduce poverty, unemployment and inequality in the context of a growing economy," (State of the Province, 19 June 2009).

Therefore, in terms of the mandate given to us when we assumed office, we had to live up to our mission, that is, to "position Mpumalanga Province to be a leader in the creation of equitable economic growth, quality jobs and a sustainable environment, and to be the ultimate tourism destination."

In fulfilling our mandate to steer the provincial economic growth activities and ensure the preservation of the environment, we amongst others, managed to perform the following:

- Convened an economic summit and crafted better mechanisms to respond to the economic meltdown (15-16 October 2009);
- Finalised the merger of the old MEGA, MADC and MHFCo and created a new super entity, the new MEGA, to, like the Premier instructed, "mobilise financial resources to fund the accelerated delivery of massive economic and social infrastructure in order to contribute meaningfully to enterprise development and job creation." We have appointed an interim board and an acting CEO to facilitate the winding-up of the merged entities and to oversee the new entity;
- Took over the responsibility of the Maputo Development Corridor and the Greening Mpumalanga Flagship programmes;
- Continued to facilitate trade and investment promotions;
- Continued to facilitate exposure of small businesses to markets through trade missions and exhibitions;
- Finalised post-settlement and co-management agreements with the land claimants of four (4) nature reserves;
- Finalised the Regional Tourism Partnership agreement with Mozambique and Swaziland to increase the number of tourists visiting the region;
- Appointed members of the Mpumalanga Consumer Court to protect consumers from unscrupulous business practices;



OVERVIEW OF THE EXECUTING AUTHORITY (CONTINUED)

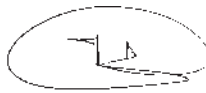
- Implemented the National Environmental Management Act and the environmental impact assessment regulations;
- Continued to regulate liquor and gambling activities.

Given the progress we've made since we took over, I am quite confident that we will do even better in the next financial year and beyond. The role of our Department is much more critical to assist our government to deliver on the five (5) priority focus areas identified by the ruling African National Congress. Throughout the period under review, we were guided by the commitment we made and the mandate that was entrusted on us, to ensure the resuscitation of our economy in order to continue to ensure a better life for all.

Working together we can do more to speed up economic growth and transform the economy to create decent work and sustainable livelihood for the people of Mpumalanga.

As the Executing Authority of the Department, it is thus my pleasure to submit the 2009-2010 Annual Report on the work of the Department, in terms of section 65 (1)(a) of the Public

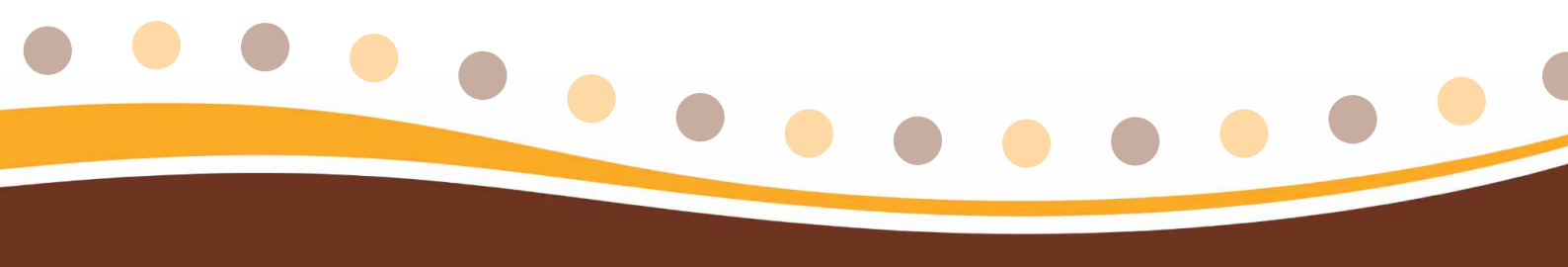
Finance Management Act, Act 1 of 1999 (as amended by Act 29 of 1999) to the Speaker of the Mpumalanga Provincial Legislature.



J.L MAHLANGU, MPL

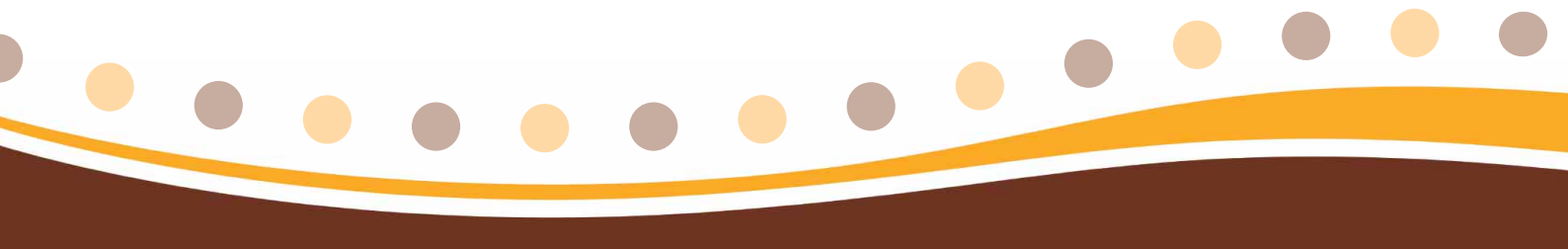
Executing Authority and MEC:

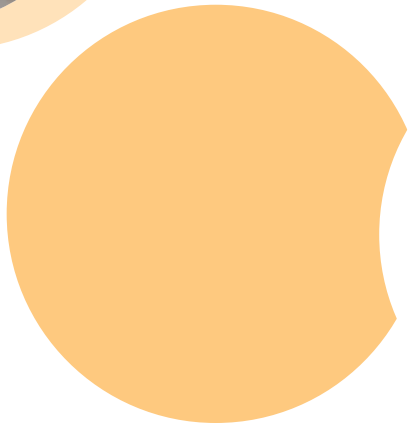
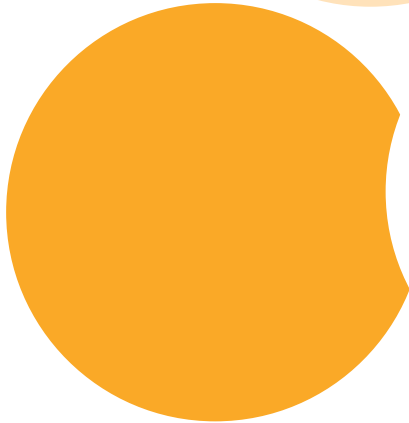
Department of Economic Development, Environment and Tourism





**SUBMISSION OF THE ANNUAL REPORT
BY THE ACCOUNTING OFFICER
TO THE EXECUTING AUTHORITY**





SUBMISSION OF THE ANNUAL REPORT TO THE EXECUTING AUTHORITY



Dear Mr J.L Mahlangu, MPL

SUBMISSION OF THE ANNUAL REPORT: 2009/2010

I, Rabeng Sophney Tshukudu, the Accounting Officer and Head of the Department of Economic Development, Environment and Tourism, have the honour of submitting the 2009/2010 Annual Report on the work of the Department, in terms of section 40 (1)(d) of the Public Finance Management Act, Act 1 of 1999 (as amended by Act 29 of 1999) to the Executing Authority.

R.S TSHUKUDU
Accounting Officer and Head of Department

31 August 2010

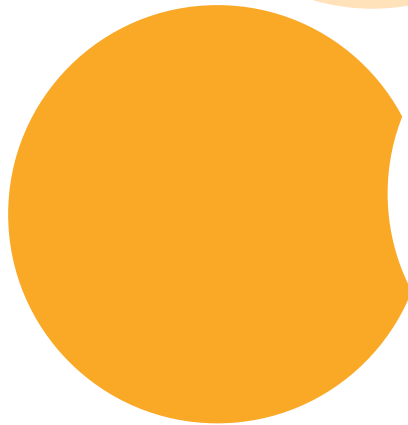


TABLE OF CONTENTS

1.	PART ONE: GENERAL INFORMATION	
	1.1 Introduction by the Head of Department	12
	1.2 Information on Office of the MEC	13
	1.3 Mission Statement of the Department	14
	1.4 Legislative Mandate	14-15
2.	PART TWO: PROGRAMME PERFORMANCE	17
	2.1 Purpose for providing programme performance information	19
	2.2 Programme performance: Voted Funds	19
	2.3 Aim of the Vote	19
	2.4 Key Measurable Objectives, Programmes and Achievements	19
	2.5 Overview of the Service Delivery Environment for 2009/10	20
	2.6 Overview of the organisational environment for 2009/10	21
	2.7 Strategic overview and key policy developments for the 2009/10 financial year	21
	Programme 1: Administration	25
	Programme 2: Integrated Economic Development	45
	Programme 3: Trade and Sector Development	53
	Programme 4: Business Regulations and Governance	68
	Programme 5: Economic Planning	72
3.	PART THREE: REPORT OF THE AUDIT COMMITTEE	79
	Report of the Audit Committee on the Department of Economic Development, Environment and tourism	81
4.	PART FOUR: ANNUAL FINANCIAL STATEMENTS	83
	Annual Financial Statements	84
5.	PART FIVE: HUMAN RESOURCE MANAGEMENT	145
	Human Resource Oversight Report	146

ABBREVIATIONS AND ACRONYMS

AMTS	Advanced Manufacturing Technology Strategy
APP	Annual Performance Plan
BBBEE	Broad Based Black Economic Empowerment
CCTV	Closed Circuit Television
CFO	Chief Financial Officer
COP	Congress of Parties
DEDET	Department of Economic Development, Environment and Tourism
EHWP	Employee Health and Wellness Programme
EIC	Enterprise Information Centre
EMC	Executive Management Committee
HOD	Head of Department
HDI	Historically Disadvantaged Individuals
GIS	Geographical Information System
ICC	International Convention Centre
IDP	Integrated Development Plan
KMIA	Kruger Mpumalanga International Airport
LED	Local Economic Development
MADC	Mpumalanga Agricultural Development Corporation
MEC	Member of the Executive Council
MGB	Mpumalanga Gambling Board
MEGA	Mpumalanga Economic Growth Agency
MHFCO	Mpumalanga Housing Finance Company
MTGS	Mpumalanga Tourism Growth Strategy
MTPA	Mpumalanga Tourism and Parks Agency
NIPF	National Industrial Policy Framework
PFMA	Public Finance Management Act
PGDS	Mpumalanga Provincial Growth and Development Strategy
PRIME	Programme for Industrial Manufacturing Excellence
RTP	Responsible Tourism Planning
SAHC/OOAK	South African Handmade Collection/ One of a Kind exhibition
SEDA	Small Enterprise Development Agency
SDIP	Service Delivery Improvement Plan
SONA	State of the Nation Address
SOPA	State of the Province Address
SMME	Small, Medium and Micro Enterprise
SMS	Senior Management Service



Part One



GENERAL INFORMATION



1.1 INTRODUCTION BY THE HEAD OF DEPARTMENT



The report provides an account of the performance of the department during the previous financial year (2009/2010).

There is no doubt that the rest of the country faced serious challenges due to global economic meltdown. In our case, the tough economic situation meant that fewer people visited our casinos resulting in lower revenue collections from the gambling industry.

The implementation of cost curtailment measures meant that we should also reprioritize the activities to minimize the impact of the economic environment in the areas that matters most to the poor and the marginalised.

The scope of management expanded significantly, given the location of environment into the realm of the department.

Notwithstanding all this challenges, the department continued to provide service within the available means, among this include:

- Successfully convening the Provincial Economic Summit held in October 2009. The resolutions of the summit will become the rallying point for development of the implementation plan for the years to come.
- Getting step closer to ensuring access of our services to the communities through finalisation of processes connected with the establishment of regional offices. The district managers were also appointed to increase presence of the department in the three districts of the province.

- Developing the Information Communication and Technology strategy which, when approved, will channel our effort to tap into the broad band facilities which were brought closer to us as part of preparation of the now known successful FIFA World Cup festivities. The strategy will assist in ensuring that our people have access to telecommunication services.

The department continued to assist SMME's with non-financial support services and also facilitated the support to both cooperatives and SMME's from different financial institution.

I am very grateful to MEC JL Mahlangu and the executive committee for welcoming me to the entire family of economic development, environment and tourism. I owe the successes that we have had during this short time in the department to the determination of senior managers, CEOs of the public entities and the staff members who work tirelessly to ensure that for the 2009/10 financial we still receive an unqualified audit opinion for the second year in row.

R.S TSHUKUDU
Head of Department

1.2 INFORMATION ON THE OFFICE OF THE MEC

1.2.1 Mandate of the MEC

The mandate of the MEC for Economic Development, Environment and Tourism is to steer provincial economic growth activities and ensure the preservation of the environment, in order to speed up economic growth and transform the economy to create decent work and sustainable livelihood for the people of Mpumalanga. The Head of the Department has thus been mandated to ensure that this mandate is fulfilled.

1.2.2 Institutions reporting to the MEC (Executing Authority)

During the period under review, the following institutions reported to the MEC:

- Mpumalanga Tourism and Parks Agency;
- Mpumalanga Gambling Board;
- Mpumalanga Economic Growth Agency;.

1.2.3 Bills submitted to the Mpumalanga Legislature during the financial year under review

The following Bills were submitted to the Mpumalanga Legislature:

- Mpumalanga Economic Growth Agency Bill, 2009

1.2.4 Visits abroad undertaken by the MEC during the financial year under review

The following official trips abroad were undertaken by the MEC:

- Attendance of the Bonn Conference in Germany from 24-29 August 2009.
- Attendance of the United Nations' 15th Congress of Parties (COP15) Conference on Climate Change held in Copenhagen, Denmark, as part of the South African government delegation (7-18 December 2009).



1.3 MISSION STATEMENT OF THE DEPARTMENT

1.3.1 The Department's **mission** is to position Mpumalanga Province to be a leader in the creation of equitable economic growth, quality jobs and a sustainable environment, and to be the ultimate tourism destination.

1.3.2 The **vision** of the Department is to be a catalyst for a globally competitive economy and sustainable environment for all.

1.4 LEGISLATIVE MANDATE

The Department derives its mandate from the following legislations: The Constitution of the Republic of South Africa, Act 108 of 1996;

Other legislations that assist the Department to execute its mandate include among others:

- Public Finance Management Act (Act No.1 of 1999)
- Mpumalanga Gaming Act (Act No.7 of 1999)
- Mpumalanga Liquor Licensing Act (Act No.5 of 2006)
- Liquor Act (Act No. 27 of 1989)
- National Gambling Act (Act 59 of 2003)
- National Liquor Act (Act 27 of 1989)
- Mpumalanga Consumer Act (Act No. 6 of 1998)
- Mpumalanga Trading Hours Act (Act No.5 of 1999)
- Mpumalanga Business Act (Act No.2 of 1996)
- Skills Development Act (Act No.97 of 1998)
- National Small Business Enabling Act (Act No. 102 of 1996) as amended in 2004
- Broad-Based Black Economic Empowerment Act (Act No. 53 of 2003)
- Public Service Act (Act No. 1 of 1994)
- National Archives Act (Act No. 43 of 1996) as amended
- Mpumalanga Economic Growth Agency Act, (Act No.4 of 2005)
- Mpumalanga Tourism and Parks Agency Act (Act No. 5 of 2005)
- Mineral and Petroleum Resources Development Act (Act No. 28 of 2002)
- Tourism Second Amendment Act (Act No. 70 of 2000)
- Labour Relations Act (Act No. 66 of 1995)
- Employment Equity Act (Act No. 55 of 1998)
- Basic Conditions of Employment Act (Act No. 75 of 1997)



Mandate

The Department of Economic Development, Environment and Tourism is mandated to steer provincial economic growth activities and ensure the preservation of the environment, in order to speed up economic growth and transform the economy to create decent work and sustainable livelihood for the people of Mpumalanga.



Mission

Position Mpumalanga Province to be a leader in the creation of equitable economic growth, quality jobs and a sustainable environment, and to be the ultimate tourism destination.



Vision

To be a catalyst for a globally competitive economy and sustainable environment for all.



Part Two



PROGRAMME PERFORMANCE



2. PERFORMANCE REPORT

2.1 Purpose for providing programme performance information

The purpose of this report is to provide balanced and reliable information regarding the performance of the Department of Economic Development, Environment and Tourism against the planned objectives is contained in the annual performance plan and implementation plan for 2009/10 financial year.

2.2 Programme performance

Voted Funds

Appropriation	Main Appropriation	Adjusted Appropriation	Actual Amount Spent	Over/Under Expenditure
490,443	490,443	521,777	522,936	(1,159)
Responsible MEC	Mr JL Mahlangu, MPL			
Administering Department	Department of Economic Development, Environment and Tourism			
Accounting Officer	Mr RS Tshukudu			

2.3 Aim of the Vote

The aim of the vote is to facilitate, implement and coordinate integrated planning and sustainable economic development in the province.

2.4 Key Measurable Objectives, Programmes and Achievements

2.4.1 Key Measurable objectives

The following sums up the strategic objectives that were adopted for the period under review:

- To provide efficient and effective administrative and strategic support service to the Department
- To facilitate support and development of business enterprises
- To ensure the participation of HDIs in the mainstream of the economy
- To ensure growth in exports and direct investments in the Province
- To ensure the development of competitive industries in the growth sector

- To ensure industrial development in the Province
- To create a platform to enhance sustainable tourism growth
- To implement consumer protection and awareness strategies that creates environment conducive to fair trade
- To ensure the coordination of relevant economic research
- To contribute to the management of information and knowledge on the economy in the department
- To provide economic policies and strategies
- To determine the effectiveness and impact of provincial policy and programme objectives and strategies.

2.4.2 Programmes

During the reporting period the high-level structure of the department consisted of the following five programmes:

Programme 1: Administration

The programme is responsible for provision of efficient and effective administrative and strategic support services to the Department.

Programme 2: Integrated Economic Development Services

The programme is responsible for implementation of programmes aimed to enhance shared economic growth through sustainable development.

Programme 3: Trade and Investment Development

The programme is responsible for development of trade and industry sectors in the Province.

Programme 4: Governance and Business Regulation

The programme is responsible for facilitation of a transparent, predictable, and a stable business environment and fair trade.

Programme 5: Economic Planning

The programme is responsible for management of economic planning in the province.



2. PERFORMANCE REPORT (CONTINUED)

2.4.3 Achievements

- During the year under review as it was with the rest of the country the department faced serious challenges due to global economic meltdown. Cost curtailment measures and reprioritization of activities had to be implemented in the department.
- The adjustment budget for the department required that an amount of R30 million be surrendered to the Provincial Revenue Fund. This undoubtedly placed severe pressure on programmes of the department and its operations during the year under review. The department's total expenditure amounted to R523 million from our total budget of R522 million.
- The global economic meltdown also had a negative impact on our revenue collection. Our total revenue collection for the year under review amounted to R46 million against a budget of R54 million which is 85% of budget. This indicates an under collection of 15% whereas previous year we far exceeded our target by 25%. The tough economic situation meant that fewer people visited our casinos recently and this being our main source of revenue, resulted to lower collections from the gambling industry.
- The department managed to employ 45 employees who assumed duty during the year under review and has conducted interviews for 14 posts.
- We facilitated assistance to 308 of SMME's who received funding from different sources and a further 19 received funding from MEGA through DEDET.
- In respect to market exposure for emerging exporters, we facilitated participation of 139 businesses in the crafts, agro-processing, apparel, chemicals, stainless steel and furniture sectors in exhibitions such as the Southern African International Trade Exhibition; the South African Handmade Collection exhibition; and the FIA LISBOA Handcraft exhibition in Portugal
- With regard to facilitating the establishment of four (4) Business Process Outsourcing Centres in the Dr JS Moroka, Govan Mbeki, Emalahleni and Mbombela local municipalities, we can report that we have appointed a service provider to fast-track the process, and that work has already begun in this

regard.

- In fulfilling the mandate to protect consumers against unscrupulous business practices, we have inaugurated six (6) members of the Mpumalanga Consumer Affairs Court. The court is now operational and has already held three (3) sittings since its inception in March 11, 2010.
- We have approved 627 of liquor licences out of 1210 applications received, and disapproved 260.
- We have developed integrated sector strategies which are still in a form of a draft namely: ICT Strategy, Biofuel and Mineral Development strategies
- The department has also finalized the Monitoring and Evaluation policy which is a working document and covers the agencies reporting to the department.
- The department successfully convened the Provincial Economic Summit held in October 2009. At the end of the summit, all stakeholders agreed on a set of strategic projects that there is a need to establish a University and a tertiary hospital for the Province; that there is a need to construct an International Convention Centre in the province; that major provincial hospitals and the coal haulage network route should be upgraded and maintained.

2.5 Overview of the Service Delivery Environment for 2009/10

The department during the period under review managed to assist 1006 SMME's on general business advice and coordinated empowerment workshops which were geared towards empowering the targeted groups, i.e. women, youth and for people living with disability. Twelve cooperatives were established in different areas of the three districts in the province. The department will continue to assist the municipalities to ensure that their IDPs are credible and that they include Local Economic Development initiatives.

In a quest to promote exporters and to ensure that they are export ready, the department has taken 160 emerging exporters to different small exporters programmes. Due to the recession experienced in the

2. PERFORMANCE REPORT (CONTINUED)

country, the consumer cases increased as a result, is that 2314 consumer cases were resolved. This intervention has seen R3 million returned to the pockets of the consumers. The ICT strategy was developed which will see the government tapping into broadband which would be broad in the province by the 2010 FIFA World Cup.

The cost curtailment measures which were imposed by the National Treasury due to recession affected certain services to be rendered fully by the clients. Services such as liquor inspection to be conducted in different areas could not be done

2.6 Overview of the organisational environment for 2009/10

During the period under review, the department engaged in a process to streamline the organisational structure so as to enable effective service delivery. The department saw the resignation of Director: Human Resource and operated with the Acting Chief Financial Officer for the better part of the period under review. Also of important noting is that there were changes in the Accounting Officers which in a way caused some disillusion and the performance was affected, in that employees tried to understand the management style of the new Accounting Officer

The department surrendered R30 million to the revenue fund and R30 million was transferred to Mpumalanga Tourism and Parks Agency during adjustment which affected the performance of the department, thus not achieving its objectives.

The department consulted with the Office of the Premier to ensure that the organisational structure is reconfigured in line with the new mandate. Programme 6 which is the environmental services will be incorporated into the department with effect from 01 April 2010.

2.7 Strategic overview and key policy developments for the 2009/10 financial year

The mandate of the department is to lead all economic development initiatives and environmental services in the province. This is achieved mainly through implementation of economic policies and strategies, driven in part by the three parastatals that report to the department.

2.7.1 Implementation plan

During the period under review, the department submitted the annual performance plan and annual implementation plan for the 2009/10 financial year to the legislature.



2. PERFORMANCE REPORT (CONTINUED)

2.7.1.1 Performance Highlights of the Parastatals

Mpumalanga Economic Growth Agency (MEGA)

The Mpumalanga Economic Growth Agency was formed in terms of the Mpumalanga Economic Growth Agency Act (Act No. 4 of 2005). The Act was promulgated in phases to facilitate a smooth transition to the new legal entity. MEGA became fully operational and commenced its business activities on 1 April 2006.

Strategic Objectives

- To promote trade and investment
- To support enterprise development;
- To provide funding in respect of approved enterprise development focusing on HDIs within the province; and
- To focus on project management, development and management of immovable property.

Service Delivery Achievements

- Despite the negative global outlook, MEGA managed to directly facilitate R58 Million worth of exports in the SMME sector.
- MEGA managed to implement 3 foreign direct investment and 1 local direct investment projects to the value of R626 million which exceeded the annual target of R200 million
- With regard to Enterprise development MEGA managed to approve funding for 33 enterprises which created 348 sustainable jobs. These SMME's assisted directly by MEGA.
- MEGA also managed to maintain an occupancy rate of 92% in all the industrial and commercial premises

through Property Management.

Mpumalanga Gambling Board (MGB)

The Mpumalanga Gambling Board is a juristic persona serving as a provincial public entity, established in terms of section 2 of the Mpumalanga Gambling Act (Act 5 of 1995), as amended.

The institution has been charged with the responsibility to perform all functions assigned to it in terms of the Mpumalanga Gambling Act or any other legislation by advising, reporting or making recommendations to the Responsible Member on any matter relating to the control of gambling in the Province.

Strategic Objectives

- To ensure the suitability of all persons wishing to participate in the gambling industry within Mpumalanga;
- To ensure that gambling activities regulated by the MGB are conducted fairly, honestly and free of criminal influence and exploitation.
- To ensure that the regulation of gambling is effective and efficient.
- To render support and advice to the Member of the Executive Council on gambling issues and ensure that the Government's policy on gambling is implemented.
- To render support to the National Gambling Board of South Africa.
- To conduct research, with a view to advise the Government on the socio-economic impact of gambling within the Province.

2. PERFORMANCE REPORT (CONTINUED)

Service Delivery Achievements

- Expansion of The Ridge Casino - The casino expansion project worth R186 million of investment in the Emalahleni (Witbank) area was successfully completed. The project consists of expansions to the existing casino and the construction of additional 135 hotel rooms (Stayeasy Hotel), which have a positive impact on tourism in the area as well as the province's fiscal growth. The project has contributed to the creation of seventy-five (75) permanent jobs as well as two thousand four hundred and forty-nine (2449) temporary jobs.
- 20/40 Machine operator licences - MGB have witnessed more and more SMMEs in the Province taking advantage of the opportunity to take part in the gambling industry, through the limited payout machine (LPM) segment of the economy of the Province, which will result in more revenue through levies and taxes, as well as the much needed and sustainable job opportunities for the people of the Province. Five (5) 20-machine site operations have been successfully rolled out in the province.
- With regard to the 40-Machine site operator licences, the gambling licence issued to Thaba-Gare Lydenburg, has finally been rolled out, bringing an entertainment centre to Mashishing, which comprises a restaurant, coffee shop, kiddies games arcade, sports lounge, kiosk, as well as a gambling area.
- The introduction of the 20/40 machine site operator licences in the Province, during the year under review, has brought about diverse amenities for all types of visitors, including non-gambling visitors. The 20/40 machine sector is further contributing significantly to the regeneration of formerly under-developed areas of our Province, increasing the economic viability of these areas.
- Revenue collection - Despite the recent global economic downturn and the nervous consumer confidence after the recession period, the MGB has, in the financial year under review, witnessed an increase of approximately 3% in revenue collected and transferred to the Provincial Government, with a total of R40.95 million.
- Responsible Gambling awareness - The MGB has made great strides in raising the level of awareness

and educating our society about the gambling industry in general and the ills associated with this form of entertainment, specifically problem gambling and illegal gambling. There was a noticeable increase in visibility of the MGB within the Mpumalanga citizenry, through various campaigns and media coverage.

- The MGB, in partnership with the National responsible Gambling Programme ("NRGP"), visited high school learners, beneficiaries of social grants and old-age pension, raising responsible gambling awareness.
- We are proud of our achievement in this regard, considering the significant number of participants and interactions attracted by the campaigns. The total number of schools visited and learners during the year was 17 schools and 9 540 learners, and with regard to the Empilweni paypoint points, trained facilitators visited 9 Empilweni stations handing out leaflets and educating approximately 2 790 beneficiaries.

Mpumalanga Tourism and Parks Agency (MTPA)

Mpumalanga Tourism and Parks Agency is a scheduled 3c Public Entity established in terms of Mpumalanga Tourism and Parks Agency Act of 2005.

The Mpumalanga Tourism and Parks Agency was established to provide an integrated tourism and biodiversity conservation management system in order to stimulate sustainable economic growth for the Province.

Strategic Objectives

- To ensure sound tourism & bio-diversity conservation strategic framework
- To ensure sound stakeholder network and service deliver
- To ensure internal business excellence within the MTPA

Service Delivery Achievements

- Five key activities were launched as part of the 2010 tourism organising plan:
- R9 million infrastructure upgrade at Manyeleti Game Reserve.



2. PERFORMANCE REPORT (CONTINUED)

- Grading assessment of Endumbeni Shebeen/tour products in Kanyamazane township for increases patronage during world cup.
- Development of the Regional brand strategy to promote the 3 countries and 3 cities 1 day route
- Successful positioning of Ingwenyamane Lodge as the team base venue for the Chilean team
- The signing of 4 Land Claims and settlement and co-management agreements- Mdala, SS Skhosana, Manyeleti and Mabusa game reserve.
- The greater Nkomazi River Valley tourism development concept plan approved by the board and endorsed by the Provincial Government
- The tourism research information management system,
- The commercialization of the conservation Estate Strategy,
- Tourism events strategy,
- Business Tourism strategy, and

- SMME and second Economy Intervention strategy.

2.7.2 Policy Developments and Legislative changes

There were numerous changes to various legislations and regulations that govern economic development in the province. The changes were necessitated by the changing environment and also as a result of statutory requirements that were imperative to enable effective service delivery.

- *Mpumalanga Economic Growth Agency Act 10F 2010*

The Act merges the three agencies that is MHFCO, MADC and MEGA and to give them a fresh Mandate

- *Regulations for Mpumalanga Tourism and Parks Agency Act, 2005*

The regulations for tourism were approved for implementation. The regulations provide for and seek to regulate the registration of tourism establishments and tourism operators within the Province.

PROGRAMME 1: ADMINISTRATION

The purpose of the programme

- To provide political, policy management and oversight of development implementation institutions and processes critical to effective implementation of the political mandate with respect to Economic Development, Environment and Tourism
- Ensure effective and efficient administration
- To ensure a system of Internal Audit Activity (IAA) in accordance with prescribed legislative framework.

Programmes

The programme consists of the following sub-programmes:

- Office of the Member of the Executive Council, Office of the Head of Department, Financial Management and Internal Audit, corporate services

Key Measurable Objectives

- Oversight of the implementation of shareholders compact for public entities
- Ensure implementation of Executive Council and Lekgotla resolution
- Reports on the evaluation of the adequacy, effectiveness and efficiency of the department's control, risk management and governance processes
- Develop system of financial risk management and internal control
- Compile Annual Financial Statements

- Credible budget planning and financial management practices
- Implement Asset Management strategy
- Develop an effective and efficient record management system

Summary of Achievements

The department managed to submit the following outstanding Executive council submission: Report on the provincial response to Global Economic Crises: Plan to ensure payment of procured government services within 30 days; The departmental strategic plan; Report on the merger of MEGA, MADC and MHF co; 2008/09 Annual Report tabled at the Legislature. Formulating responses to economic meltdown

Ensured the execution of year 1 of the 3 year risk based strategic. Audit plan and assignments performed as per operational plan and the audit work performed in line with charters. Eight internal audit reports have been completed during the year under review on the following focus areas: Research and Development; an ad-hoc review on newly purchased departmental fleet; Departmental culture/climate survey, SMME and Co-operatives; Follow-up audit and interim financial statements and Strategic issues.

The department has approved financial policies which are inclusive of the Supply chain Management and Asset Management. Adjustment budget 2009 was finalised, approved by the Legislature and captured on the system. The approved budget for 2010/11 has been captured on the BAS system. There is ongoing updating of asset register of furniture, vehicles and computers.



PROGRAMME 1: ADMINISTRATION (CONTINUED)

Sub programme	Outputs	Output performance measures service deliver indicators	Actual performance against target	
			Target	Actual
Office of the MEC	Set political and strategic directives for effective functioning of the department	To execute statutory obligation	Set political and strategic directives for effective functioning of the department	A strategic plan was finalised and implemented
	Cabinet outreach programmes attended		Cabinet outreach programmes attended	Cabinet outreach programmes took place in three district
	Attendance of ECC and coordinate MUNIMEC		Attendance of ECC and coordinate MUNIMEC	Not yet taken place
Reasons for Variances: No quorum was formed, hence MUNIMEC meeting did not take place				
Office of the HOD	Annual Performance Plan in place and implementation plan operational, annual reporting	Developed Annual Performance Plan of the department and Implementation Plan	Annual Performance and Implementation Plan operational (annual reporting)	The departmental Annual Performance and Implementation plans are completed and due for review
	Performance of public entities overseen according to the signed share holders compact	Shareholders compact signed and compliance by public entities	Evaluation of the annual performance of public entities through the signed shareholders compact (APP; annual reporting)	The shareholders compact for MTPA and MEGA have been completed and signed
	The Executive Council and Lekgotla resolutions implemented	Number of resolutions implemented within stipulated time frames	Implementation of the Executive Council and Lekgotla resolutions (annual reporting)	2009/10 June Lekgotla resolutions work in progress: Merger of MEGA, MADC and MHFco; Response to economic meltdown; the DEDET 5 year strategic plan, report on 4th Casino License, Mpumalanga Growth Fund and the ICC
Reasons for Variances: None				

PROGRAMME 1: ADMINISTRATION (CONTINUED)

Sub programme	Outputs	Output performance measures service deliver indicators	Actual performance against target	
			Target	Actual
Internal Audit	3 year risk based strategic Internal Audit Plan	A three year risk based Internal audit strategic plan	3 year risk based strategic Internal Audit Plan	Year 1 of 3 year risk based strategic audit plan executed.
	1 year Internal Audit Operational Plan	A one year Internal Audit Operational Plan	1 year Internal Audit Operational Plan	Audit assignments performed as per operational plan.
	Internal Audit Charter and Audit Committee Charter	Reviewed and approved Audit Charters	Internal Audit Charter and Audit Committee Charter	Audit work performed in line with Charters.
	6 Internal Audit reports on the department's control, risk management and governance processes.	Internal Audit reports on progress made against the annual audit operational plan on the department's control, risk management and governance processes.	6 Internal Audit reports on the department's control, risk management and governance processes.	8 internal audit reports completed on the following focus areas: <ul style="list-style-type: none"> • Research and Development • An ad-hoc review on newly purchased departmental fleet. • Departmental culture (climate survey). • SMME's and Cooperatives. • Follow-up audit on Auditor-General and internal audit findings • Interim financial statements • Year end financial statements • Strategic issues of the department
Reasons for Variances: None				



PROGRAMME 1: ADMINISTRATION (CONTINUED)

Sub programme	Outputs	Output performance measures service deliver indicators	Actual performance against target	
			Target	Actual
Financial Management	Implement the financial policies	Reviewed and approved financial policies	Implement the financial policies	Approved financial policies are being implemented
	Implement financial risk management strategy	Approved financial risk management strategy and fraud prevention plan	Implement financial risk management strategy	<ul style="list-style-type: none"> • Fraud prevention plan approved. • Risk Assessment report has been finalized. • Facilitated awareness workshops on risk management and fraud prevention in the department. • Risk Management plan has been developed and is awaiting inputs and approval by Audit and Risk Management committees.
	Annual Financial Statements submitted to Treasury and Auditor-General	Compliance with Generally Accepted Accounting Practices	Annual Financial Statements submitted to Treasury and Auditor-General	Signed-off Annual Financial Statements for 2008/2009 were submitted to Auditor General and Treasury in May 2009.
	Budget prepared in terms of Treasury Guidelines	Budget prepared in compliance with PFMA and Treasury Guidelines	Budget prepared in terms of Treasury Guidelines	<ul style="list-style-type: none"> • Adjustment budget for 2009 was finalised, approved by the Legislature and captured on the system. • Approved budget for 2010/11 has been captured on the BAS system.

PROGRAMME 1: ADMINISTRATION (CONTINUED)

Sub programme	Outputs	Output performance measures service deliver indicators	Actual performance against target	
			Target	Actual
Financial Management continued	Increase revenue collection by 35%	Increased revenue collection by 10% above the Provincial target	Revenue under-collected by 15% (recession)	Revenue collection amounting to R46 million has been achieved up to end of March, which is 85% of budget. This means an under collection of revenue by 15%
	Implement SCM policies and procedure manual	Approved Supply Chain Management policy and procedure manual developed in line with delegation of authority	Implement SCM policies and procedure manual	Supply Chain Management policies and procedure manual is implemented.
	Implement asset management policy, strategy and update the asset register	Asset Management strategy, policy and an updated asset register developed	Implement asset management policy, strategy and update the asset register	<ul style="list-style-type: none"> Asset Management policy is implemented Asset register has been updated.
	Maintain and update record management system	Overall compliance with the National Archives Act 43 of 1996 as amended	Maintain and update record management system	File plan is still under review and soon it will be re-submitted to the Provincial archives
Reasons for major Variances: <ul style="list-style-type: none"> The global recession resulted to slowdown in tax revenue collection in our casinos The Provincial Archives office handle a lot of file plans from all over Mpumalanga office ,so it is very difficult for them to look at our file plan in time 				



PROGRAMME 1: ADMINISTRATION

The purpose of the programme

- To provide Human Resources
- Provision of integrated business solutions
- To provide efficient and effective legal support services to the Department
- To render comprehensive security services
- Provide efficient and effective financial management
- To ensure the effective & efficient of EHWP & Special programmes

Programmes

The programme consists of the following sub-programmes:

- Human Resource Management
- Planning and Coordination
- Communication
- Legal Services
- Security Management
- Transversal Services

Key Measurable Objectives

- Provision of effective and efficient corporate support services
- Develop internal capacity in order to deliver on department's mandate
- Coordinate and consolidate departmental programmes and reports
- Monitoring and evaluating the overall performance with regard to implementation of APP & IP
- Inculcate a culture of service excellence
- Provide effective and efficient legal advice
- Implement community outreach plan
- Implemented production and publication plan

- Implemented internal communication plan through coordination or support of internal events
- Implemented media liaison and relations plan through issuing of media releases, conducting media network sessions and briefings
- Implement marketing and branding plan
- Security policy developed and implemented in line with the Minimum Information Security Standards (MISS)
- Market EHWP services to employees
- To mitigate HIV and AIDS in the Department
- To create a safe and healthy work environment
- Monitor departmental compliance to set targets
- Create gender equality and disability sensitive work environment

Summary of Achievements

During the period under review, 43 posts were advertised since the beginning of the financial year, and 45 employees assumed duty as a result of previously advertised posts and eight of which were promotions. All SMS members completed financial disclosure forms which was submitted to Office of the Public Service Commission.

To ensure the implementation of skills development strategy, 8 new internal bursary applicants were recommended for the 2009 academic year. The department has appointed 4 officials who came in as Interns and due to their successful completion of capacity building programme, the four have been permanently appointed into the department.

As a continued effort to capacitate more interns in the department, an advert was placed for 2009/10 and short listing took place. Furthermore the short listing and interviews for Project Management Learnership for Ehlazeni and Nkangala took place and approval for appointment of 9 learners was granted. As a result classes for Project Management Learnerships 18.1 and 18.2 were conducted. In order to ensure that policies and procedures are clearly defined and understood by newly appointed officials, three induction sessions were conducted for SMS members and other employees. The department managed

PROGRAMME 1: ADMINISTRATION (CONTINUED)

to capacitate 18 ABET learners who wrote Abet level 1 - 3 final examinations

The Department in an effort to capacitate employees has coordinated various short courses which were attended: 6 senior managers - State of Economy Conference, 2 employees - Maintaining SQL Server Training, 5 employees - Introduction to SPSS, 1 employee - Assessor & moderating course, 2 employees - Outcome based Monitoring and Evaluation workshop, 2 employees - Tools and Techniques for Internal Auditors workshop, 2 employees - Block 2 of the EDP Module 3 Unit 1 & 2, 9 employees - Protocol Diplomacy, 7 employees - Women in Management, 1 employee - Economics Applications, 1 official - Advanced Indicator Development, 19 officials - MIP, 1 employee - Querying and Processing SQL Server, 2 employee - Gender Mainstreaming, 1 employee attended English Business Writing skills course, and 4 employees attended a Coaching and Mentoring course

5 Massified induction Programmes and 2 departmental induction sessions were conducted for senior managers and newly appointed employees. Training needs analysis was conducted in line with the revised guidelines, which informed the development of the Departmental Workplace Skills Plan submitted to PSETA.

The department conducted 2008/09 PMDS moderation for levels 1 - 12 and were concluded. Out of 22 SMS members only 20 submitted Performance Agreements for all quarters within the performance cycle. The Departmental Employment Equity profile, plans and reports were developed, reviewed and updated and submitted to the Department of Labour. 2 policies were drafted on Occupation Health and Safety as well as HIV/AIDS and TB Management whereas the implementation of 20 approved policies is on going. To ensure compliance to labour practices, 4 Disciplinary cases were finalized, 1 dispute for unfair dismissal was lodged and a report has been submitted to the Office of the Public Service Commission for grievance statistics.

The department implemented and reviewed several Acts which was approved by EXCO namely, the publication of Repeal Bill, Liquor Licensing and Tourism Regulations for general information, Mpumalanga Gambling Amendment Act 2008 and Mpumalanga Economic Growth Agency Bill 2009 and will come into operation in April 2010. The Mpumalanga Economic Growth Agency Bill 2009 was publicized in the Provincial Gazette. All contracts referred to the department were successfully finalized,

amongst these is an MOU with Department of Culture, Sports and Recreation (DCSR) Absolute Promotions and Entertainment CC, Manyeleti Environmental Center, Champaign Trading Cooperative, Health Risk Manager, and Mayeye Business Enterprise; as well as rendering litigation and legal opinions.

During the period under review the department has co-ordinated the Strategic Planning session to review all plans to be implemented during the 2010/11 financial year. A number of reports were compiled and submitted to the Office of the Premier and Treasury. These include: twelve months report for 2008/09; 4th, 1st, 2nd & 3rd Quarter reports; Six months report; 9 monthly reports; MEC hand-over report and amendment of Implementation plan as per the new administration & 100 days project

The SDIP for 2009-2012 was developed, approved and submitted to the Office of the Premier and DPSA.

The Vetting register was updated and 62 officials based in the offices of the CFO's for MEGA, MTPA and MGB vetting forms were submitted to NIA. 20 officials received security clearance certificates and 3 requests for screening of companies bidding for tenders were submitted to NIA.

4 access card spot checks and 3 security awareness workshops were conducted for officials stationed at 43 Ferreira, 66 Anderson Streets, Nkangala region and Bushbuckridge. In order to monitor and ensure safety of the Departmental assets, the installation of biometric access control at restricted areas and installation of additional CCTV cameras in Head Office have been completed.

One community outreach was conducted during the Public Participation Week at Ga- Phahla Community Hall in Dr JS Moroka Municipality. 12 internal and 3 external newsletters were produced and distributed. Designed and printed 74 information products.

As part of implementing the Media Relations and Liaison Plan, the department has distributed media advisories, statements and arranged interviews for the following campaigns /events: SMME Business Launch Pad, Announcement on decision about chairperson of MEGA, the signing of service level agreement with CIPRO, Launch of BasaNjengoGogo in Secunda, arranged a media briefing for the MEC regarding the merger of public entities, and the BMW SEED Programme. Also covered the handover of eleven new hawkers stalls at Pilgrims Rest on



PROGRAMME 1: ADMINISTRATION (CONTINUED)

Ligwalagwala current affairs and SABC 3 World today programme.

The Department provided Media liaison support during the Economic Summit by securing interviews with Ligwalagwala fm; Ikwekwezi fm, MPower fm, SA fm, Moutse and BCR community radio station; issuing media advisory. The department has also placed radio promo on the following radio stations :Ligwalagwala, Ikwekwezi, MPower and all the Mpumalanga community radio stations. We have arranged outside broadcast with the following radio stations: Ligwalagwala fm, Ikwekwezi fm, and SA fm; and arranging post summit interviews with MPower fm, Middleburg CR and BCR

During the launch of illegal Gambling Campaigns in schools and swearing in of Mpumalanga Consumer court Members the Department facilitated (two) radio interviews at Ligwalagwala fm and Ikwekwezi fm. A meeting between MEC and SABC acting head of News, Phil Molefe was facilitated. We have coordinated the school water programme prize giving ceremony in partnership with Anglo Coal. Facilitated the publicity of the first sitting of the

Consumer Court (Issued one statement). Compiled and distributed 74 news briefs, and 74 daily summaries.

To ensure that officials are motivated and productive in their workplace, 599 employees were reached through various transversal services programmes. The department has participated in the planning and commemoration of the Provincial 16 Days of Activism for No Violence against Women and Children. Two officials attended a developmental workshop on Gender Mainstreaming and Participated in the arrangement of the Disability Parliament with the Office of the Public Participation at the Legislature. We have participated in the arrangement of Women's Dialogue which was facilitated by the Office of the Status of Women. The department commemorated the world Aids day and SIT/Condom week. During the commemoration, onsite health screening and VCT was provided. We have supported 12 employees and 2 bereaved families. Conducted occupational health and safety workshops at Head Office and regions and conducted 1 business opportunities workshop for the elderly in Mattafin Community Hall.

Sub programme	Outputs	Output performance measures service deliver indicators	Actual performance against target	
			Target	Actual
Office of the Chief Director: Corporate Services	Fully functional integrated support services realised by the 6 components	Provision of: <ul style="list-style-type: none"> • Human Resources • Planning & Coordination, • Communication, • Transversal, • Legal Services • Security Management 	Fully functional integrated support services realised by the 6 components	Fully functional integrated support services realised by the 6 components
Human Resource	To fill all funded vacant posts	Number of funded posts filled	To fill all funded vacant posts	<ul style="list-style-type: none"> • 45 employees assumed duty in new posts 8 of which were internal promotions and 43 posts were advertised. • Obtained approval for the filling of 10 posts, 14

PROGRAMME 1: ADMINISTRATION (CONTINUED)

Sub programme	Outputs	Output performance measures service deliver indicators	Actual performance against target	
			Target	Actual
Human Resource (continued)	(continued)	(continued)	(continued)	interviews conducted 9 posts shortlisted. • Transferred 7 employees out of the department and 3 into the department
	Develop, implement and review HR policies	Number and quality of Human Resource policies developed	Develop, implement and review HR policies	2 policies (Occupation Health and Safety as well as HIV/AIDS and TB Management policy) being drafted and 20 policies implemented
	Capacity build for effective performance evaluation of all officials	Number of performance reviews coordinated and consolidated	Capacity build for effective performance evaluation of all officials	<ul style="list-style-type: none"> • Workshop conducted to SMS members during the induction session in July 2009. • 2008/09 PMDS moderation for levels 1 - 12 conducted. Out of 22 SMS members only 20 submitted Performance Agreements. • PMDS database compiled and submitted to the Office of the Premier.
	50% female senior managers and 2% employees with disabilities	Employment Equity Act complied with	50% female senior managers and 2% employees with disabilities	Employment Equity Plan profile updated, reviewed and Report was developed and submitted to DoL
	Workplace Skills Plan(WSP) developed and implemented	Number skills development programmes provided	Workplace Skills Plan(WSP) developed and implemented	WSP developed and submitted electronically to PSETA in June 2009.

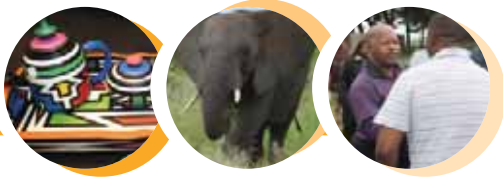


PROGRAMME 1: ADMINISTRATION (CONTINUED)

Sub programme	Outputs	Output performance measures service deliver indicators	Actual performance against target	
			Target	Actual
Human Resource continued	Workplace Skills Plan(WSP) developed and implemented (Conti)	Number skills development programmes provided(Conti)	Workplace Skills Plan(WSP) developed and implemented(Conti)	<p>Learnership classes [18.1 and 18.2] for Project Management started</p> <p>The following short courses were attended:</p> <ul style="list-style-type: none"> • Six senior managers - State of Economy Conference • Two employee - Maintaining SQL Server Training. • Five employees - Introduction to SPSS • One employee - Assessor & Moderating course • Two employees - Outcome based Monitoring and Evaluation workshop • Two employees - Tools and Techniques for Internal Auditors workshop, Block 2 • Two SMS member - EDP Module 3 Units 1 & 2 • Nine employees - Protocol Diplomacy • Seven employees - Women in Management • One employee - Implementing SQL Server • One employee - Economics • 1 Official attended the Querying and Processing SQL server data using MS SQL server and

PROGRAMME 1: ADMINISTRATION (CONTINUED)

Sub programme	Outputs	Output performance measures service deliver indicators	Actual performance against target	
			Target	Actual
Human Resource (continued)				Implementing SQL server 2005 database on 23 - 24 November 2009 <ul style="list-style-type: none"> 2 Officials attended the Gender Mainstreaming workshop on 17 - 20 November 2009
	Workplace Skills Plan(WSP) developed and implemented (Conti)	Number skills development programmes	Workplace Skills Plan(WSP) developed and implemented	Conducted the training needs analysis in March 2010 in line with the revised guidelines by the PSETA
	6 induction sessions per year	Implement and monitor induction programme	6 induction sessions per year	5 Massified induction & 2 departmental induction session were conducted for senior managers and newly appointed employees on the 31st July 2009 MIP was conducted for level 1 - 5: 9 employees attended. MIP for level 6 - 12 was conducted: 20 employees attended.
	Best labour practices complied with	Compliance to best labour practices	Best labour practices complied with	An induction for new appointees and SMS members were conducted and capacitated 3 employees during induction Submitted a report to the PSC on the 14th October 2009 for grievance statistics
Reasons for major Variances: <ul style="list-style-type: none"> SMS positions not filled due to budgetary constraints The appointment of Interns was put on hold due to cost curtailment Internal & External 2010 academic year bursaries was not awarded due to financial constraints. 				



PROGRAMME 1: ADMINISTRATION (CONTINUED)

Sub programme	Outputs	Output performance measures service deliver indicators	Actual performance against target	
			Target	Actual
Planning and Coordination	APP, Implementation Plans reviewed, reports coordinated and consolidated on time	Consolidated and integrated Strategic plan and implementation plan	APP, Implementation Plans reviewed, reports coordinated and consolidated on time	<ul style="list-style-type: none"> • Draft Implementation plan 2010/11, 2nd draft of the Strategic Plan document and APP and Budget statement 2 was developed • Strategic Planning session was co-ordinated in July 2009 and 5 year strategic and Annual performance Plan were developed • Compiled and submitted 3rd quarter & Quarterly Performance Report to Treasury and Office of the Premier • The following reports were compiled twelve months report 2008/09 <ul style="list-style-type: none"> • 4th, 1st, 2nd & 3rd Quarter reports • Six months report • Nine months report • MEC hand-over report • The directorate further responded to SCOPA questions and 5 Year Plan Local Government report • Final Annual report has been printed and sent to Legislature.
	Developed and implemented compliance matrix	Quality of reports submitted on time	Developed and implemented compliance matrix	<ul style="list-style-type: none"> • Compliance Matrix has been developed and implemented, MANCO programme meetings and reporting schedule developed

PROGRAMME 1: ADMINISTRATION (CONTINUED)

Sub programme	Outputs	Output performance measures service deliver indicators	Actual performance against target	
			Target	Actual
Planning and Coordination (continued)	Review, align and implement service standards of programmes and agencies	Report on service standards of both the Department and agencies developed.	Review, align and implement service standards of programmes and agencies	<ul style="list-style-type: none"> • SDIP for 2009-2012 developed, approved and submitted to the Office of the Premier and DPSA • Developed and submitted Departmental inputs into the Provincial Generic Service Standards to the Office of the Premier. • Programme's' performance reports were analyzed to monitor progress • Departmental Batho Pele forum established. • Baseline survey conducted and report compiled. • Facilitated participation of the department in the Africa Public service day sporting activities and the 2009 Annual Premier's service excellent awards.
<p>Reasons for major Variances:</p> <ul style="list-style-type: none"> • Late submission of information and inputs by programmes result in late submission of reports to stakeholders • The implementation of Batho Pele is unsatisfactory and non-existent in certain areas • SDIP workshop for departmental and agencies officials and procurement of name tags was not done due to budget constraints 				



PROGRAMME 1: ADMINISTRATION (CONTINUED)

Sub programme	Outputs	Output performance measures service deliver indicators	Actual performance against target	
			Target	Actual
Communications	Coordinate and participate in 4 community outreach activity	Number of outreach activities conducted against the plan	Coordinate and participate in 4 community outreach activity	<ul style="list-style-type: none"> • One outreach conducted during the Public Participation week at Ga-Phala community hall in Dr JS Moroka Municipality. • Provided events management support for twelve departmental events
	Produce and distribute 13 information products	Number and quality of information products produced and distributed	Produce and distribute 13 information products	<ul style="list-style-type: none"> • Produced and distributed 12 internal newsletters. • Produced and distributed 3 External news letters. • Designed and printed 74 information products.
	Implement integrated internal communication plan	Number of internal communication activities	Implement integrated internal communication plan	<ul style="list-style-type: none"> • Awareness was created for 7 internal activities • Notice boards updated and e-messages distributed to staff frequently • Intranet updated daily.

PROGRAMME 1: ADMINISTRATION (CONTINUED)

Sub programme	Outputs	Output performance measures service deliver indicators	Actual performance against target	
			Target	Actual
Communications (continued)	Implement media relations and liaison plan	Increased coverage	Implement media relations and liaison plan	Distributed media advisories, statements and arranged interviews for the following campaigns /events: <ul style="list-style-type: none"> • SMME Business Launch Pad • Announcement on decision about chairperson of MEGA • The signing of service level agreement with CIPRO • Launch of BasaNjengo Gogo project • merger of public entities • BMW SEED Programme • Handover of hawkers stalls at Pilgrims Rest. • Mpumalanga Tourism Career Expo • Media liaison support during the economic Summit
	Implement marketing and branding plan	Increased profile and positive projection of the department	Implement marketing and branding plan	<ul style="list-style-type: none"> • Drafted a marketing and advertising plan for the policy and budget speech • Designed exhibition stalls SAITEX and the Handmade Collection Expo • Reviewed the brand on website, newsletters etc following the name change



PROGRAMME 1: ADMINISTRATION (CONTINUED)

Sub programme	Outputs	Output performance measures service deliver indicators	Actual performance against target	
			Target	Actual
Communications (continued)				<ul style="list-style-type: none"> • Implemented brand promotion plan • email signature with link to website • 22 Media summaries and 22 Media briefs were produced and distributed
Reasons for major Variances: Outreach activities were not conducted as planned due to financial constraints				
Legal Services	Implementation and review of Acts	Number of legislative reviews completed	Implementation and review of Acts	<ul style="list-style-type: none"> • Liquor & Tourism Regulations were published. • Exco approval to publish "Repeal Bill" obtained • Mpumalanga Gambling Amendment Bill 2008 was submitted to Legislature for consideration • MEGA Bill, 2009 tabled in the Legislature during November 2009. • Review of the MTPA Act in progress • Bill published in Provincial Gazette No. 1704 of 04 August 09 • Bill resubmitted for approval to publish for public comments • Publication of Mpumalanga Economic Development Agency Bill, 2009

PROGRAMME 1: ADMINISTRATION (CONTINUED)

Sub programme	Outputs	Output performance measures service deliver indicators	Actual performance against target	
			Target	Actual
Legal Services (continued)	Attend to litigation and render legal opinions	Number of litigation matters handled and number of opinions prepared.	Attend to litigation and render legal opinions	8 litigation cases were handled, and legal opinions were submitted on each namely <ul style="list-style-type: none"> • Disciplinary enquiries of SMS • Departmental Forensic Investigation, Ms J Sekgobela • DEDP vs BEVA Direct • Bushbuckridge ASET Valuation Project • Finalise Disaster Management disciplinary enquiry • Extension of appointments of 3 Mega Board Members • Request for documents MEGA • Mukhaha Consulting Engineers v/s MEC: DEDET
	Monitor and review existing agreements (MOU's, SLA's)	Number of agreements drafted/reviewed	Monitor and review existing agreements	Reviewed/prepared agreements: 6 agreements were drafted/reviewed: MOU, DCSR, Absolute Promotions and Entertainment CC , Manyeleti Environmental Centre, Champaign Trading Co-operatives, Contract between Health Risk Manager & Department
Reasons for major Variances: Review of MEGA Act superseded by proposed merger of 3 entities				



PROGRAMME 1: ADMINISTRATION (CONTINUED)

Sub programme	Outputs	Output performance measures service deliver indicators	Actual performance against target	
			Target	Actual
Security Services	45 officials vetted	Number of officials vetted	45 officials vetted	<ul style="list-style-type: none"> 62 vetting forms completed 20 officials issued with security clearance certificates, 3 requests for screening of companies bidding for tenders were submitted to NIA and 2 reports were received.
	4 security awareness campaigns conducted	Number of security awareness campaigns conducted	4 security awareness campaigns conducted	3 security awareness workshops have been conducted (Ferreira and Anderson Streets, combined in May 2009, Bushbuckridge Office in August and Nkangala Region in November 2009)
	4 access card spot checks conducted	Number of access card spot checks conducted	4 access card spot checks conducted	4 access card spot checks have been conducted
	45 site inspections conducted	Number of spot checks conducted	45 site inspections conducted	A total of 60 site inspections (including 2 newly acquired sites) were conducted
	100% reduction in loss of Departmental assets	Reduction in loss of Departmental assets	100% reduction in loss of Departmental assets	Installations of additional CCTV cameras completed and operational. Zoning of restricted areas completed and activated. A positive report on Technical Surveillance Counter Measures (TSCM) conducted on 30 June 2009 by NIA in the Office of the MEC was received

PROGRAMME 1: ADMINISTRATION (CONTINUED)

Sub programme	Outputs	Output performance measures service deliver indicators	Actual performance against target	
			Target	Actual
Security Services (continued)	Public events secured	Number of public events secured	Public events secured	Safety and security provided during the Youth Empowerment event, Environmental Management Framework, the Tourism Expo, Premier's Dialog with Women In business; Public Participation week and 16 days of activism against women and children abuse. No incidents reported.
Reasons for major variances: Security awareness workshop at Head office could not take place due to cost curtailment.				
Transversal Services	100 employees reached	Number of employees reached	100 employees reached	599 employees were reached through employee health & wellness reactive & proactive services
	15 safety representatives appointed and trained	Number of safety representatives appointed	15 safety representatives appointed and trained	Recruited 11 safety representatives but not trained.
	Monitor and evaluate Departmental policies & programmes to ensure compliance with EE	Number of policies and programmes monitored	Monitor and evaluate Departmental policies and programmes to ensure compliance with EE	Monitoring and evaluation conducted on HR, Internships, Bursaries, SMME, ABET, Economic Empowerment, Enterprise Development, Trade and investment, Sector Development and Strategic initiatives.



PROGRAMME 1: ADMINISTRATION (CONTINUED)

Sub programme	Outputs	Output performance measures service deliver indicators	Actual performance against target	
			Target	Actual
Transversal Services (continued)	Conduct 4 sexual harassment workshops	Number of workshops conducted	Conduct 4 sexual harassment workshops	4 workshops on sexual harassment in the workplace conducted in July 2009 in Bushbuckridge, Head office and Nkangala
	Workshop on business opportunities for persons with disabilities	Mainstreaming gender, youth and disability with the Department. Number of business opportunity workshops conducted	Workshop on business opportunities for persons with disabilities	Conducted 1 business opportunities workshop for persons with disabilities at Kameelrivier in November 2009.
	Economic empowerment workshop for women	Number of economic empowerment workshops conducted	Economic empowerment workshop for women	<ul style="list-style-type: none"> Conducted 2 sessions for women economic empowerment during handing over ceremonies of two stoves and two sewing machines in October 2009. Conducted 2 economic empowerment workshops for the elderly women in Mattafin and Thekwane south Community Hall in January 2010.
Reasons for major Variances: None				

PROGRAMME 2: INTEGRATED ECONOMIC DEVELOPMENT

The purpose of the programme

- The programme is responsible for the development of small enterprise of historically disadvantaged individuals in the Province.
- Responsible for the empowerment of historically disadvantaged individuals in the Province
- Responsible for facilitating the implementation of local economic development strategies and programmes in the province

Programmes

The programme consists of the following sub-programmes:

Enterprise Development
Economic Empowerment
Local Economic Development

Key Measurable Objectives

- Facilitation of Enterprise development, LED and economic Empowerment programmes in the Province
- Monitoring the implementation of SEDA programmes (in terms of SLA)
- To advice, support and provide guidance to SMMEs to establish and sustain their business through entrepreneurship information dissemination sessions and entrepreneurship programmes for targeted groups.
- Facilitate access to finance for small enterprise and cooperatives
- Facilitate the Development of Co-operatives as per the Co-op Act classification
- Implementation of the Broad Based Black Economic Empowerment Provincial Strategy
- Communicate and have an oversight on the Implementation of BBBEE Charters and Codes of Good Practice in all sectors of the provincial economy
- To facilitate the establishment of institutional support for BBBEE in the province
- Support the development and review of LED plans
- To ensure alignment between municipal LED's and departmental plans and the PGDS
- Strengthen and support capacity of local Government in economic development
- Support projects for implementation in municipalities

SUB-PROGRAMME: ENTERPRISE DEVELOPMENT

Summary of Achievements

The Department has facilitated the provision of basic business skills training to 312 SMME's and 42 cooperatives on basic business skills through SEDA, 25 business plans were developed and 11 of these secured funding through SEDA Network. Furthermore a total 1006 smme's (walk-in-clients) were assisted on general business advice, close cooperation registrations, amendment of close coporations and submission annual returns.

On the implementation of targeted group programmes the following programmes were coordinated,

- The Mpumalanga Youth Empowerment Programme wherein three young entrepreneurs emerged as winners and were awarded with prizes,
- The Women Economic Empowerment seminar was held at Vaalbank Community Hall (Dr JS Moroka), and co-ordinated and co-hosted the Premier's Dialogue for Women in Business.
- Furthermore facilitated the participation of 20 women from South African Women Entrepreneur Network Mpumalanga Chapter (SAWEN) at the Technology for Women in Business Awards Conference held in Durban (Kwazulu-Natal)

The Departmet also co-ordinated two entrepreneurship information dissemination sessions during the financial year which were aimed at empowering smme's with business information, as well as services offered by department and other development agencies.

On facilitation of access to finance, the Directorate has managed to assist 308 entrepreneurs to secure funding from various finance institutions namely: New Business Finance, National Youth Development Agency and Anglo Zimele and South African Micro Apex Fund.

Regarding the Mpumalanga Business Launch pad competition, a total of 60 SMME's were shortlisted. They competed against each other and the top 21 SMME's were chosen to represent the Province at the National level. Four emerged as winners.

The Department conducted 14 cooperatives awareness seminars and facilitated the establishment of 12 Co-ops in the various districts municipalities within the Province during the financial year.



PROGRAMME 2: INTEGRATED ECONOMIC DEVELOPMENT (CONTINUED)

SUB-PROGRAMME: ECONOMIC EMPOWERMENT

Summary of Achievements

The Department through the Kusile Workgroup mobilized businesses in Nkangala District to participate in various business opportunities that were advertised by Eskom and its main contractors in the Kusile Project. Areas that need capacity intervention were identified from the local Businesses through the local business chambers and the Development and Funding Institutions (NEF, IDC, NYDA and MEGA) mobilized to offer funding and business mentoring. Efforts through Eskom and its main Contractors to set aside certain sub-contracting packages for local people (especially SMME's and Black Women Owned Businesses) were successful. Eskom Contractors are expected to set aside packages for local people especially in areas where local companies have the necessary capacity to deliver on the contract.

The Department engaged with MINTEK on the implementation of the Supplier Park and is currently working on the final report for the proposed Mining Supply Park. A twelve months report on the procurement spent by government was developed, the report covers seven Provincial Departments (Education; Culture, Sport and Recreation; Economic Development, Environment and

Tourism; Public Works; Safety and Security; Finance and Office of the Premier).

To communicate and have an oversight on the implementation of BBBEE charters and code of good practices, two BBBEE seminars were conducted at Ehlanzeni and Gert Sibande Districts. Private companies shared their progress on B-BBEE and the opportunities for empowerment available in their companies.

Ten corporations were engaged on BBBEE they include Mondi, TSB, Sasol, Highveld Steel, City Bug, Maize and More, Witbank Bricks, BHP Billiton, Delta Electrolytic Manganese and Edcon group.

SUB-PROGRAMME: LOCAL ECONOMIC DEVELOPMENT

Summary of Achievements

Four municipalities were assisted in the development of LED plans. The municipalities are Nkangala, Ehlanzeni and Gert Sibande Districts and Dipaleseng Local Municipality. Two municipalities were supported on the reviewal of their LED Plans (Dr JS Moroka and Nkomazi). All 21 Local municipalities IDP plans were assessed for alignment with the departmental strategy. In -service training workshops were conducted in Gert Sibande and Ehlanzeni District Municipalities.

Sub programme	Outputs	Output performance measures service deliver indicators	Actual performance against target	
			Target	Actual
Office of the Chief Director	Fully functional integrated support services realised by the 3 components	Provision of support to Enterprise Development, Economic Empowerment and Local economic Development components	Fully functional integrated support services realised by the 3 components	Co-ordination at a management level is fully functional.
Enterprise Development	80 SMME'S trained on entrepreneurship, 20 Business plans developed and secured funding & 40 Cooperatives trained.	Number business supported programmes provided through SEDA Programmes	80 SMME'S trained on entrepreneurship, 20 Business plans developed and secured funding & 40 Cooperatives trained.	312 SMME's and 42 cooperatives were trained on basic business skills. 25 business plans developed and 11 secured funding.

PROGRAMME 2: INTEGRATED ECONOMIC DEVELOPMENT (CONTINUED)

Sub programme	Outputs	Output performance measures service deliver indicators	Actual performance against target	
			Target	Actual
Enterprise Development (continued)	1000 potential entrepreneurs advised and supported to establish businesses	Number potential entrepreneurs advised and supported to establish businesses	1000 potential entrepreneurs advised and supported to establish businesses	1006 SMMEs were assisted on general business advice, close cooperation registration, amendment of close cooperations and submission of annual returns
	3x Empowerment programmes for targeted groups implemented	Number Empowerment programmes for targeted groups implemented	3x Empowerment programmes for targeted groups implemented	(1) Youth Kick-Start Programme was co-ordinated. (2) Women programmes co-ordinated (Premier's Dialogue for Women in Business and the Women's Economic seminar) Participated at the Disability Parliament.
	3x Entrepreneurship information dissemination sessions	Number of entrepreneurship information dissemination sessions held	3x Entrepreneurship information dissemination sessions	(2) Entrepreneurship Information Dissemination Session held. (1) Gert Sibande District Municipality and (1) Nkangala District Municipality.
	Implement the recommendations of the reviewed SMME strategy.	Number of recommendations Implement and review the provincial SMME development support strategy	Implement the recommendations of the reviewed SMME strategy.	Feasibility study for establishment of an SMME& Coop Agency Project was not conducted. Support the activities of the Provincial SMME stakeholder's forum continued.



PROGRAMME 2: INTEGRATED ECONOMIC DEVELOPMENT (CONTINUED)

Sub programme	Outputs	Output performance measures service deliver indicators	Actual performance against target	
			Target	Actual
Enterprise Development (continued)	60 SMMEs and cooperatives accessing funding from funding sources.	Number of SMMEs and cooperatives accessing funding from funding sources	60 SMMEs and cooperatives accessing funding from funding sources.	308 Entrepreneurs accessed funding from other sources other MEGA.. (23) New Business Finance (52)National Youth Development Agency (233) Anglo Zimele Hubs (2 co-ops) Social Development
	15 Start-ups, Micro businesses and Cooperatives accessing funding from the Local Economic Fund.	Monitor the implementation of Mpumalanga Local Economic Fund as per the Service Level Agreement.	15 Start-ups, Micro businesses and Cooperatives accessing funding from the Local Economic Fund.	The fund not yet operational
	91 of medium sized business accessing funding from Mpumalanga Economic Growth Agency	Monitor the implementation of financial support programme provided through MEGA and evaluate the impact thereof	91 of medium sized business accessing funding from Mpumalanga Economic Growth Agency	19 SMMEs & Cooperative received funding from MEGA.
	Implementation of the Mpumalanga Business Launch Pad programme	Quarterly reports on progress made on the Mpumalanga Business Launch Pad Programme	Implementation of the Mpumalanga Business Launch Pad programme	Quarterly reports have been compiled on progress made on lauch pad and 60 SMMEs participated in the Provincial Launch Pad competition and 21 SMMEs were selected to participate in the National competition.

PROGRAMME 2: INTEGRATED ECONOMIC DEVELOPMENT (CONTINUED)

Sub programme	Outputs	Output performance measures service deliver indicators	Actual performance against target	
			Target	Actual
Enterprise Development (continued)	12 co-ops established according to Co-operatives Act	Number of cooperatives established according to sectors.	12 co-ops established according to Co-operatives Act	12 Co-ops were established in the various districts municipalities within the Province.
	14 Awareness programmes conducted	Number of awareness programme conducted on Cooperatives	14 Awareness programmes conducted	14 cooperatives seminars were conducted in the Municipalities in the three districts of the Province.
	Key recommendations of the Cooperative Strategy	Implement key recommendations of the Cooperative Strategy	Key recommendations of the Cooperative Strategy	<ul style="list-style-type: none"> • 4 Provincial Committee members attended the Exhibition and Cooperatives day in Pietermaritzburg (30/06/09 -04/07/2009) and 16 members from the movement joined the four. • DEDET together with DTI held workshop with supply chain managers/officials from provincial departments, district, local municipalities and parastatals on procurement for co-operatives.
	Provincial Cooperatives Coordinating Forum established		Provincial Cooperatives Coordinating Forum established	<p>Provincial cooperatives forum have been established.</p> <p>Annual Report has been compiled on the support offered to cooperatives</p>



PROGRAMME 2: INTEGRATED ECONOMIC DEVELOPMENT (CONTINUED)

Sub programme	Outputs	Output performance measures service deliver indicators	Actual performance against target	
			Target	Actual
Enterprise Development (continued)	Launch the District and Local Municipalities war room		Launch the District and Local Municipalities war room	Provincial district and local war rooms have been established
	An updated database of cooperatives classified according to the Co-operatives Act		An updated database of cooperatives classified according to the Co-operatives Act	Provincial cooperatives database was updated and newly registered cooperatives added.
<p>Reasons for major Variances:</p> <ul style="list-style-type: none"> Ehlanzeni Entrepreneurship information did not take place due to financial constraints Feasibility study on the need for the establishment of an SMME and Cooperatives Agency was not conducted Mpumalanga Local Economic Fund not yet operational Provincial conference not held due to financial constraints. 				
Economic Empowerment	2 projects emanating from the BBBEE Strategy implemented	Number of initiatives implemented in line with the strategy	2 projects emanating from the BBBEE Strategy implemented	2 projects emanating from BBBEE strategy (Mining Supplier Park and Business linkages for Eskom Kusile project) have been commenced with.
	An analysis report on the procurement spend by government	Report on percentage Value of procurement spend to BBBEE Businesses through public procurement opportunities in the province	An analysis report on the procurement spend by government	An analysis report on procurement spent by government produced.
	4 BBBEE awareness programmes conducted	Number of awareness programmes on BBBEE conducted	4 BBBEE awareness programmes conducted	Two BBBEE seminars were conducted in Ehlanzeni and Gert Sibande.
	Design and Develop a database of empowered companies in Mpumalanga	Number of empowered companies evaluated and analyzed in the various industry sectors	Design and Develop a database of empowered companies in Mpumalanga	Project advertised and bid documents for the project were received.

PROGRAMME 2: INTEGRATED ECONOMIC DEVELOPMENT (CONTINUED)

Sub programme	Outputs	Output performance measures service deliver indicators	Actual performance against target	
			Target	Actual
Economic Empowerment continued	8 Corporations engaged on BBBEE to increase compliance	Number of big corporations facilitated to ensure an increase in compliance to BBBEE.	8 Corporations engaged on BBBEE to increase compliance	8 cooperatives were engaged on BBBEE which are Mondi, TSB, Sasol and Highveld Steel, City Bug, Maize and More, Witbank Bricks, BHP Billiton, Delta Electrolytic Manganese and Edcon group
	A well functional Provincial BBBEE Advisory Committee and Forum maintained.	Provincial BBBEE Advisory Committee and Forum supported.	A well functional Provincial BBBEE Advisory Committee and Forum maintained.	The Provincial BBBEE Advisory Committee held 2 meetings.
<p>Reasons for major Variances:</p> <ul style="list-style-type: none"> • Two BBBEE seminars was cancelled due to financial constraints after the budget adjustment. • Some Provincial Government Departments provide incomplete data on BBBEE spending and some do not submit at all citing the complexity and need for sufficient time to gather the information. • The appointment of a BBBEE Verification Agency to assist with the project had to be put on hold due to unavailability of resources after the budget adjustment 				
Local Economic Development	Development of 3 municipal LED Plans supported and 3 LED Plans reviewed	Number of municipal LED plans developed and reviewed	Development of 3 municipal LED Plans supported and 3 LED Plans reviewed	<ul style="list-style-type: none"> • Supported the development of 4 LED plans in the following municipalities: Nkangala (Industrial road map); Ehlanzeni and Gert-Sibande District Municipalities and Dipaleseng Local Municipality • LED plan for Dr. JS Moroka reviewed and adopted.



PROGRAMME 2: INTEGRATED ECONOMIC DEVELOPMENT (CONTINUED)

Sub programme	Outputs	Output performance measures service deliver indicators	Actual performance against target	
			Target	Actual
Local Economic Development (continued)	(continued)	(continued)	(continued)	<ul style="list-style-type: none"> LED plan for Nkomazi municipality reviewed and submitted to Council for approval. Completed stakeholder consultation and data collection for Bushbuckridge municipal LED strategy
	21 local municipalities aligned to the departmental plans and PGDS	Number of municipal Plans aligned to departmental plans and PGDS	21 local municipalities aligned to the departmental plans and PGDS	21 IDPs assessed for alignment with Departmental plans and PGDS.
	3 capacity building interventions conducted	Number of capacity building interventions conducted	3 capacity building interventions conducted	2 capacity development intervention (workshops on development of credible LED plans) conducted in Gert Sibande and Ehlanzeni
	Coordinated the implementation of LED projects (Pixley Ka Seme, Mkhondo & Lekwa Municipalities)	Number of projects supported	Coordinated the implementation of LED projects (Pixley Ka Seme, Mkhondo & Lekwa Municipalities)	<ul style="list-style-type: none"> Project in Pixley Ka Seme ; Mkhondo and Lekwa municipalities not realized. Bushbuckridge Ulusaba CPPP project supported Job centre project identified in Dr. JS Moroka

Reasons for major Variances:

- Due to financial constraint, projects in Pixley Ka Seme, Mkhondo and Lekwa municipalities could not be supported.

PROGRAMME 3: TRADE AND SECTOR DEVELOPMENT

The purpose of the programme

This programme focuses on facilitation of trade and industry development of the priority sectors in the Province.

Programmes:

The programme consists of the following sub-programmes:

- Trade & Investment Promotion
- Sector Development
- Strategic Initiatives
- Tourism Development

Key Measurable Objectives

- Growth in exports, foreign direct investment, industry, sector and tourism.
- Development of policies and implementation of strategic programmes
- Implementation of export development programmes
- Development of Provincial Export & Investment strategy
- Growth in number of export ready SMMEs
- Ensure the facilitation and implementation of bi-lateral trade agreements.
- Marketing of opportunities for Business Outsourcing & Off-shoring in Mpumalanga
- Development of enhanced opportunities for higher value added matrices in growth sectors
- Formation and support of incubation centres in key prioritised sectors
- Ensure the implementation of capacity building programmes at various technological training centres
- Establish and support a Business Process Outsourcing and off-shoring projects
- Formation of industrial clusters in key prioritised sectors
- Small scale mining and energy ventures assisted and facilitated
- Implementation/packaging/development of high impact initiatives
- Implementation of AMTS Projects
- Implementation of priority sectors identified in the Industrial Policy Action Plan (IPAP)

- Implementation of the Spatial Development Initiatives(SDIs) in the Province
- Implementation of the Mpumalanga National Small Industries Corporation (MPUNSIC)
- Implementation of the Support Programme for Industrial Innovation (SPII)
- Facilitate, coordinate and monitor implementation of Tourism policies and Strategies
- Regulate and monitor the tourism industry in the province
- Facilitate and coordinate the implementation, review and development of Tourism Safety Strategy
- Develop the institutional Framework with all stakeholders in relations to the tourism industry
- Ensure the implementation of provincial tourism policies at local level via agencies
- Coordinate the relationship with Heritage, Greening Mpumalanga and Tourism Flagship programme via MTPA

Summary of Achievements

The department implemented a number of export development programmes and facilitated the participation of emerging exporters in prioritized sectors. A summary of the actual performance is as follows: In Craft Sector: Pre exhibition training for 16 SAHC exhibitors, Post exhibition training for 16 South African Handmade Collection (SAHC) exhibitors and 94 emerging exporters participated in 7 exhibitions. In Manufacturing Sector: 9 emerging exporters participated in 2 trade shows. In Agricultural Sector: 2 emerging exporters participated in 1 trade show. In Capacity Enhancement Programme: 4 export awareness road shows, 5 training sessions on Introduction to Export Training facilitated (18 craft, 16 manufacturing and 5 agric SMMEs). In Craft Customised Sector Programme, 16 local craft forums and 3 district craft forums were established.

The department has facilitated the Introduction to Export Training at Bushbuckridge, Nkomazi, Umjindi, Lekwa Local Municipalities and at Nkangala District Municipality. Export Award Gala Dinner ceremony was held at Nutting House. Awareness Road shows were conducted in Thekwane South Bushbuckridge, Valencia, and in Breyten, and hosting of the South African Women Entrepreneur Network (SAWEN) workshop in Mbombela.



PROGRAMME 3: TRADE AND SECTOR DEVELOPMENT (CONTINUED)

In preparation for South African International Trade Exhibition (SAITEX) and the South African Handmade Collection (SAHC) exhibition and post-exhibition assessments, two pre exhibition training sessions were facilitated. Selection of 21 companies was done. The process of establishing district craft forums in the various districts was finalized, and 16 exporters participated in the SAHC exhibition at Gallagher Estate in Midrand wherein Mpumalanga was awarded a bronze certificate for best provincial stand.

Exhibitors were selected for the "FACIM" show with the assistance of MEGA. 8 companies in the apparel, agro-processing, stainless steel, furniture, chemicals, and other manufacturing sectors participated at SAITEX. With regard to Export Trade Development Assistance Projects, assistance was provided to several SMMEs in a various ways. This included facilitating participation of 3 craft companies at the FIA LISBOA Handcraft exhibition in Portugal; 1 crafter in L' Artigiano Show in Milan; 1 crafter in Canada; 1 crafter In Santa Fe - USA; and 64 in Mpumalanga Traditional Art Market (MTAM). Robert & Son Art Gallery was assisted, in collaboration with MEGA, to participate at an exhibition for Black History Month entitled "Soul of the Stone" in Chicago, United States. Also assisted Esther Mahlangu to send pictures and biography to DTI for Japan show, and facilitated the site visit of Mr. Roderick Shade from USA to Ms Esther Mahlangu in KwaMhlanga.

Following requests by the Dti, a search for companies who are producers of sandals made out of old tyres were conducted for a US market; identified Xilongane Trading Enterprise and submitted the required documentation to the dti; identified 4 emerging exporters in the craft sector to submit application forms for the 2010 Jumbo In-Store Promotion in Argentina. The department also identified 3 emerging craft companies to submit applications to the dti for export opportunities in Canada, and initiated preparations for participation in the Innibos Art Festival taking place in September 2010. Finalised preparation for six emerging Mpumalanga crafters to participate at the Rand Easter Show at Nasrec Johannesburg.

The Ismailia and Swaziland MoUs were analysed and individual business interviews were held with companies that went to Ismailia, and for the purpose of smoothing out bottlenecks, follow-up engagement with these companies revealed that the major challenge is lack of funds to meet the orders. The department will assist the small exporters to access funding. A desktop research

was conducted and a preliminary report compiled of business interaction between Swaziland and Mpumalanga Province. 9 deals were facilitated with only 2 concluded worth R600 million investments attracted. Additional 6 inquiries were received from investors on BPO & O centres.

In order to ensure the development of competitive growth sector, the Department has consulted the Department of Trade and Industry on the development of a plastic conversion project. The MOU for wood projects was approved for implementation and it has been sent to FET College for perusal. The capacity building project at Furntech has entered its third phase and the second phase trainees have completed their training. A Capacity building programme was done on furniture manufacturing at the Furniture Technology Centre, and non-financial support was also provided to the stainless steel and wood clusters.

A business case for the establishment of the mining supplier park was developed. A provincial mining status quo document was produced and submitted. A PPP project to implement the revitalization of dying mining towns (Pilgrims Rest) has been registered with the National Treasury and proof of registration was received. To this extent, 2 workshops were held, one in Pilgrims Rest with the feedback committee and another in Nelspruit with the Technical Committee. Terms of reference were submitted to the technical committee, and approval for the PDF funding was approved.

As part of implementation and support of the Food Technology Centre and establishment of a fertilizer plant in Mbombela Municipality, the Department has finalized the institutional arrangement for the FTC and the funding Model and the site at the Lowveld Agricultural College has been recommended to the Advisory Board. Stakeholders were engaged in Mbombela, Govan Mbeki, Bushbuckridge and Nkomazi on the development of Industrial Park in KMIA. All stakeholders supported the idea, and a business plan was developed and finalized through strategic partnership with the Maputo Development Corridor Project Management Unit (MDC PMU). Stakeholders at Steve Tshwete Local Municipality & MDC Flagship were engaged on the Witbank / Middelburg Industrial Park. The Site that has been identified still needs verification on suitability for an industrial park due to wetlands in the area.

Alternative site has been identified for the development of the ICC close to the Mbombela Stadium and Riverside Park, and the feasibility study has been completed. Plans are underway to

PROGRAMME 3: TRADE AND SECTOR DEVELOPMENT (CONTINUED)

pursue the site that will allow for expansion in future and has enough space. Critical stakeholders were engaged and the proposed sites of the Dry Port (KMIA & Komati) visited for further consideration of the required size of the area for the project. Land for further development of the Komatipoort Dry Port has been identified

With regard to the implementation of the national Industrial Policy Framework (NIPF) & Sector Strategies the Department has identified pallets, charcoal manufacturing and Saw Mill establishment as potential projects to be initiated and supported. BPO & O has been initiated wherein the service provider has finalized and submitted the feasibility study report to the department. Buy in was received from stakeholders engaged for establishment of the Industrial Development Zones (Nkomazi, Mbombela & Secunda), Komatipoort Dry Port and Truck Stops as quick wins projects. Institutional arrangements for the Special Economic Zone (SEZ) and Spatial Development Initiative have been finalized and the signing of SLA between SASOL and Govan Mbeki Municipality has been facilitated to take place in the next financial year. Stakeholders meeting in Bushbuckridge was conducted for buy in on the Biomass Project on charcoal on the Industrial innovation.

In the implementation of Tourism Growth Strategy, the Department has successfully hosted the 1st Annual Mpumalanga Tourism Careers Expo, with attendance of 3 038 tourism learners and graduates from across the province. In addition, 51 Tourism Graduates were taken to Durban to attend the National Tourism

Careers Expo. Furthermore the department has launched and celebrated the September 2009 Tourism and Heritage Month. Training was facilitated for 20 delegates on SA Host which included 9 tourism safety monitors and 11 tourism SMME's in Ermelo. MTPA facilitated the Loskop Tourism Belts by securing DEDET funds for the upgrade of Zithabiseni.

In order to ensure the implementation of the provincial tourism policies at local level, the Tourism Regulations were monitored and the registration of tourism entities and persons has commenced as workshops were conducted by MTPA and a Draft Tourism Safety Strategy has been developed & presented to the Social Cluster for approval. The department has facilitated the tourism safety campaigns in partnership with the Department of Safety, Security and Liaison in the following areas: Blydepoort nature reserve, Gods Windows and Natural Bridge wherein Tourism safety tips were distributed. Two bilateral agreements were concluded with the following organizations: Mpumalanga Youth Development Agency and Simmer and Jack Mines. The agreements resulted in the implementation of the following projects: construction of the Pilgrims Rest Hawkers Trading Stalls and the joint hosting of the Mpumalanga Tourism Careers Expo in 2009. Tourism Intergovernmental Forum launched and its first meeting held.

Sub programme	Outputs	Output performance measures service deliver indicators	Actual performance against target	
			Target	Actual
Office of the Chief Director	Monitor the implementation of provincial growth and Development strategy, tourism strategy by MTPA and monitor investment promotion in the Province by MEGA.	Number of policies developed and strategic programmes implemented as per the departmental mandate	Monitor the implementation of provincial growth and Development strategy, tourism strategy by MTPA and monitor investment promotion in the Province by MEGA.	Gave Strategic direction in the implementation of the various project in programme Three. Tourism Growth Strategy was developed and implemented.



PROGRAMME 3: TRADE AND SECTOR DEVELOPMENT (CONTINUED)

Sub programme	Outputs	Output performance measures service deliver indicators	Actual performance against target	
			Target	Actual
Office of the Chief Director (continued)	(continued)	(continued)	(continued)	Tourism Safety Strategy was developed Engaged other departments e.g. DTI and DWAF as well as local Municipalities to discuss strategic economic initiatives and issues of mutual interest in the province
Trade & Investment Promotion	Priority sector programmes implemented (Agriculture, Arts & Crafts)	Number Small Exporters developed in priority sectors	Priority sector programmes implemented (Agriculture, Arts & Crafts)	A total of 160 emerging exporters in prioritized sectors participated in the small exporters development program.
	Review the Provincial Export Strategy	Export and Investment strategies developed & implemented	Review the Provincial Export Strategy	Drafting of the export strategy has been rescheduled to be implemented in 2010/11 financial year.
	2 SMMEs supported & ready to export	Number of Small Exporters ready to export in priority sectors	2 SMMEs supported & ready to export	2 SMMEs were supported, namely, Zinduna Manufacturing and Black Chain Baby Food. Progress report on the two SMMEs has been compiled
	Ensure the implementation of Ismailia and Mozambique MoUs	Number of bilateral trade agreements implemented	Ensure the implementation of Ismailia and Mozambique MoUs	Engagement with companies that went to Ismailia revealed that there are challenges that make it difficult to close the deals between Ismailia and Mpumalanga . Among

PROGRAMME 3: TRADE AND SECTOR DEVELOPMENT (CONTINUED)

Sub programme	Outputs	Output performance measures service deliver indicators	Actual performance against target	
			Target	Actual
Trade & Investment Promotion (continued)	(continued)	(continued)	(continued)	those are: high and prohibitive shipping costs, order sizes that do not justify the conclusion of a business deal, rather competitive pricing of other international companies, and lack of interest from Ismailia counterparts. The MOU with Mozambique was signed.
	Facilitate a trade agreement with Swaziland		Facilitate a trade agreement with Swaziland	<ul style="list-style-type: none"> Activities leading to the engagement with Swaziland were suspended because of budget constraints. Desktop research was conducted and a preliminary report was compiled
	Attract 5 foreign direct investment to the value of 200m		Attract 5 foreign direct investment to the value of 200m	9 deals were facilitated with only 2 concluded, however R600 million investments were attracted.
	2 inquiries received on the BPO & O opportunities	Number of inquiries received	2 inquiries received on the BPO & O opportunities	8 enquiries were received from investors on BPO & O centres

Reasons for major Variances:

- Pre-selection training for “SA Handmade Collection 2010 could not take place due to cost curtailment measures
- Resources needed for the launch of the Provincial Craft Hub were restricted owing to the exercise of the cost curtailment measures
- Most companies that participated in the SAHC exhibition this year showed a need for assistance to enhance their skills of developing high end contemporary craft products.
- Product development and pricing posed a serious challenge.
- The export route map study was postponed due to restrictions resulting from the cost curtailment measures.
- Zinduna has a market, but have no marketing plan, no management system, and no ability to manage their finances.
- Black Chain needs a bigger processing machine, finance to increase production from one ton per month, a nutritionist, ISO standard certificate, and training of staff. All of the above will assist build capacity for export trade readiness.



PROGRAMME 3: TRADE AND SECTOR DEVELOPMENT (CONTINUED)

Sub programme	Outputs	Output performance measures service deliver indicators	Actual performance against target	
			Target	Actual
Sector Development	2 stainless Steel projects implemented in Nkangala District	Projects identified and supported in stainless steel , plastic and petro-chemical	2 stainless Steel projects implemented in Nkangala District	An agreement was reached with Mpumalanga Stainless Steel whereby 2 Stainless steel projects were identified namely manufacturing of cutlery and pall rings from implementation of eNkangala.
	1 plastic conversion project initiated in Nkangala District		1 plastic conversion project initiated in Nkangala District	Consultation was conducted with different stakeholders of the industry
	1 petro-chemical project initiated in Gert Sibande		1 petro-chemical project initiated in Gert Sibande	A concept document was developed on the strategy to be used for beneficiation of petro-chemical projects in Gert Sibande. The strategy was submitted to stakeholders for comments and inputs prior to implementation.
	Agro-processing incubator established Manufacturing incubator established Wood incubator established	3 incubation centers established in agro-processing, manufacturing and wood sector	Agro-processing incubator established	<p>Agro-processing (food) incubator:</p> <ul style="list-style-type: none"> • A Memorandum of Understanding was developed between Bushbuckridge Municipality and the department, detailing the intention to revive the Campaign Project in Bushbuckridge. A Steering Committee was established and terms of reference developed for the project. • The department facilitated an agreement between the Department of Agriculture and Land Affairs to donated land

PROGRAMME 3: TRADE AND SECTOR DEVELOPMENT (CONTINUED)

Sub programme	Outputs	Output performance measures service deliver indicators	Actual performance against target	
			Target	Actual
Sector Development (continued)				(Perde Kraal Farm) to Pixley Ka Seme municipality towards the establishment of a food processing and packaging centre.
			Manufacturing incubator established	<p>Manufacturing plant (Energy):</p> <ul style="list-style-type: none"> A bio-fuel production strategy for the province was completed. The department then engaged various stakeholders including opening discussions with SASOL on the different models of ownership and operations for a bio-fuel production plant in Gert Sibande <p>Manufacturing incubator (Tooling, die cut and moulding centre)</p> <ul style="list-style-type: none"> The department developed and signed a Memorandum of Understanding with the National Tooling Initiative towards the development of the Mpumalanga Tooling Initiative Centre. Negotiations with the Development Bank of Southern Africa resulted to an amount of R1.5 million being contributed for the centre



PROGRAMME 3: TRADE AND SECTOR DEVELOPMENT (CONTINUED)

Sub programme	Outputs	Output performance measures service deliver indicators	Actual performance against target	
			Target	Actual
Sector Development (continued)			Wood incubator established	A Memorandum of Understanding aimed at building capacity for SMME in furniture manufacturing industry was developed and signed between National Furniture Technology and the department.
	1 value added training in agro-processing 1 value added training in wood processing 1 value added training in small scale mining	3 incubation centers established in agro-processing, manufacturing and wood sector(Conti)	1 value added training in agro-processing	A capacity building at the Bushbuckridge and Pixley Ka Seme municipalities on agro-processing (food) was done for steering committee members and an agreement was reached for further training of beneficiaries for the Champaign Project in Bushbuckridge and Perde Kraal project in Volksrust
			1 value added training in wood processing	A Capacity building programme at the Furniture Technology centre has entered its third phase and the second phase trainees have completed their training
			1 value added training in small scale mining	<ul style="list-style-type: none"> Capacity building projects in small scale mining were conducted for civil society, mining houses, labour federations and government departments at local, provincial and national level, that are affected by the mining operations, A concept document for a mining indaba was developed.

PROGRAMME 3: TRADE AND SECTOR DEVELOPMENT (CONTINUED)

Sub programme	Outputs	Output performance measures service deliver indicators	Actual performance against target	
			Target	Actual
Sector Development (continued)				<ul style="list-style-type: none"> A provincial mining development strategy was developed.
	4 BPO and O centres facilitated and established in Ehlanzeni and Nkangala Districts	4 BPO & O call centres developed, facilitated and supported	4 BPO and O centres facilitated and established in Ehlanzeni and Nkangala Districts	A service provider was appointed to facilitate the establishment of Business Processing and Outsourcing call centers in the province. The department participated during a business facilitation workshop on BPO between Egypt, Philippines and USA which was organized by the dti and BPESA. The department hosted a workshop with Bushbuckridge, eMalahleni, JS Moroka and Mbombela local municipalities, services SETA, MTPA, BPESA, MEGA and other stakeholders of the envisaged impact of BPO call centers in their various municipalities
	4 Industrial clusters initiated and supported: Stainless Steel, Agro processing (Food) Wood and stainless steel and BPO and O	Number of industrial clusters formed and supported	4 Industrial clusters initiated and supported: Stainless Steel, Agro processing (Food) Wood and stainless steel and BPO and O	Industrial clusters that were supported are <ul style="list-style-type: none"> The Stainless Steel BPO and O Agro processing (food) Wood cluster; and Manufacturing
	1 mining and energy supplier park established	Number of suppliers supported	1 mining and energy supplier park established	A memorandum of Understanding for the facilitation of the mining and energy supplier park was developed and signed between the department strategy was developed. A business case for the



PROGRAMME 3: TRADE AND SECTOR DEVELOPMENT (CONTINUED)

Sub programme	Outputs	Output performance measures service deliver indicators	Actual performance against target	
			Target	Actual
Sector Development (continued)				establishment of the mining and energy supplier park was drafted and is in the process of being finalized.
	1 provincial mining status quo document produced	1 Mining status quo document produced.	1 provincial mining status quo document produced	A provincial mining status quo document was developed and produced
	Implement the revitalization of dying mining towns (Pilgrims Rest)	1 Dying Mining town revitalized	Implement the revitalization of dying mining towns (Pilgrims Rest)	A PPP project has been registered with the National Treasury to revitalize Pilgrim's Rest. 2 Workshops were held: one in Pilgrims Rest with the National Treasury and proof of registration was received. 2 Workshops were held: one in Pilgrims Rest with the National Treasury and proof of registration was received. 2 Workshops were held: one in Pilgrims Rest with the feedback committee and another in Nelspruit with the Technical Committee. Drafted terms of reference for the technical committee. An application to access PDF funding to the National Treasury was submitted for processing

Reasons for major Variances:

- The stainless steel incubator (MSI) was experiencing managerial challenges and could not identify the projects that needed to be implemented.
- The Directorate had to reconfigure the business model of the food processing and packaging Centre in Bushbuckridge for effective and efficient project management purposes
- The Directorate altered the format of the BPO call centers to be needs-driven hence the delay in the implementation of the centers
- The Directorate had to organize a provincial mining summit that was not part of the plan of the 2009/10 financial year therefore resources had to be relocated accordingly
- Appointment of the service provider for the implementation and delivery of the poultry, Fruit and Vegetables centre in Bushbuckridge was not done due to budgetary constraints.
- Call Centres were not established because the contract with the service provider was not finalized.

PROGRAMME 3: TRADE AND SECTOR DEVELOPMENT (CONTINUED)

Sub programme	Outputs	Output performance measures service deliver indicators	Actual performance against target	
			Target	Actual
Strategic Initiatives	Implement and support the Food Technology Centre (FTC) & Establishment of a Fertilizer Plant in Mbombela Municipality	Number of industrial clusters formed and supported	Implement and support the Food Technology Centre (FTC) & Establishment of a Fertilizer Plant in Mbombela Municipality	<ul style="list-style-type: none"> Institutional arrangement for the FTC and funding Model finalized. The FTC Project has been packaged and handed project to MEGA/MDC Flagship for implementation
	Witbank / Middelburg Industrial Park	High Impact Projects and Initiatives developed & implemented	Witbank / Middelburg Industrial Park	<ul style="list-style-type: none"> Engaged key stakeholders at Steve Tshwete Local Municipality & MDC Flagship. Identified land is co-owned by Samancor & Columbus Steel and was found to be unsuitable. Negotiations to find alternative land are underway.
	Facilitate the implementation of the International Convention Centre (ICC) through MEGA	International Convention Centre (ICC) established	Facilitate the implementation of the International Convention Centre (ICC) through MEGA	Alternative sites identified for the development of the ICC close to the Mbombela Stadium and Riverside Park. The feasibility study has been completed
	Facilitate the implementation of the Dry Port (KMIA & Komati)	Dry Port established in KMIA and Komati.	Facilitate the implementation of the Dry Port (KMIA & Komati)	<ul style="list-style-type: none"> Critical stakeholders were engaged and proposed sites visited for further consideration of the required size of the area for the project. Land for further development of the Komatiport Dry Port has been identified. Discussions held with the National Department of Transport on the land issue



PROGRAMME 3: TRADE AND SECTOR DEVELOPMENT (CONTINUED)

Sub programme	Outputs	Output performance measures service deliver indicators	Actual performance against target	
			Target	Actual
Strategic Initiatives (continued)	1 AMTS • A web based database of engineering students developed & supported	Number of engineering students placed in manufacturing industries	1 AMTS • A web based database of engineering students developed & supported	Web based engineering student database was developed and students have been identified for placement.
	2 Industrial Policy Action Plan (IPAP) projects implemented & supported: • Forestry Industry & Stainless steel • BPO & O	Number of sectors or industries implemented & supported: • Forestry, Pulp & Paper • BPO & O	2 IPAP projects implemented & supported: • Forestry Industry & Stainless steel • BPO & O	2 IPAP projects were identified for implementation i.e Charcoal Production and the establishment of a Sawmill.
	2 Spatial Development Initiatives (SDI) projects implemented & supported	Number of SDIs implemented & supported	2 SDI projects implemented & supported	<ul style="list-style-type: none"> • Stakeholders engaged for establishment of the Industrial Development Zones (Nkomazi, Mbombela & Secunda), Komatipoort Dry Port and Truck Stops as quick wins projects. Buy in was received. • Institutional arrangements finalized and the signing of SLA between SASOL and Govan Mbeki Municipality has been facilitated to take place in the next financial year
	2 Pilot Small Industries implemented & supported	Number of pilot small industries implemented & supported in the Province	2 Pilot Small Industries implemented & supported	Sites and Technologies required have been identified by municipalities of Mbombela, Nkomazi and Bushbuck ridge for the implementation of Mpumalanga Small Industries Development (MPUSID)pilot projects. Packaging of required technologies initiated.

PROGRAMME 3: TRADE AND SECTOR DEVELOPMENT (CONTINUED)

Sub programme	Outputs	Output performance measures service deliver indicators	Actual performance against target	
			Target	Actual
Strategic Initiatives (continued)	1PilotSupport Programme For Industrial Innovation (SPII) project initiated & supported(Conti)	Number of Pilot SPII projects implemented & supported.(Conti)	1Pilot SPII project initiated & supported(Conti)	<ul style="list-style-type: none"> Stakeholders engagement in Bushbuckridge conducted for buy in on the Biomass Project to produce alternative energy and charcoal as a by-product. electricity and charcoal as a by-product. Projects have been identified on industrial innovation. The MOU for the funding model is still being finalized by the Dept. of Energy for signing.
<p>Reasons for major Variances:</p> <ul style="list-style-type: none"> The decision by the Lowveld Agricultural College to host the Food Technology Centre has been reversed by the college. The land identified for the Witbank / Middelburg Industrial Park was found to be unsuitable as it is a wetland.Limited space for parking bays and expansion to support both ICC and Hotel. The land ownership needs to be finalized with Komatipoort Dry Port currently operated by a private owner. Lease agreement between SANRAL and Lebombo Dry Port is the stumbling block The agreement for Small Industries piloted in Technology Centres based in Bushbuckridge, Mbombela, & Steve Tshwete municipalities has not been signed pending agreement on the funding model. Delay in the signing of the MOU/SLA on Industrial Innovation between Dept. of Energy and Bushbuckridge Local Municipality for the project to kick-start. Lack of funds by DEDET to pay the Service provider to carry on with the web based engineering student database project. 				
Tourism Development	Monitor the implementation of Tourism Growth Strategy	Tourism Growth Strategy approved and implemented	Monitor the implementation of Tourism Growth Strategy	<ul style="list-style-type: none"> Monitored the implementation of the Tourism Growth Strategy; e.g. MTPA facilitated the Loskop Tourism Belts by securing DEDET funds for the upgrade of Zithabiseni Tourism Regulations monitored and that the Registration of tourism entities and persons has commenced by conducting workshops by the MTPA



PROGRAMME 3: TRADE AND SECTOR DEVELOPMENT (CONTINUED)

Sub programme	Outputs	Output performance measures service deliver indicators	Actual performance against target	
			Target	Actual
Tourism Development (continued)	Provide support to the Department of Safety & Security and MTPA in the implementation of the Tourism Safety Strategy		Provide support to the Department of Safety & Security and MTPA in the implementation of the Tourism Safety Strategy	<ul style="list-style-type: none"> • Draft Tourism Safety Strategy developed & presented to the Social Cluster. • Strategy not launched, since the approval has not been granted as yet. • Facilitated the tourism safety campaigns in partnership with the Department of Safety, Security and Liaison in the following areas: Blydepoort nature reserve, Gods Windows and Natural Bridge. Tourism safety tips were distributed.
	Establish 2 bilateral agreements with key stakeholders	Number of bilateral agreements established with key tourism stakeholders	Establish 2 bilateral agreements with key stakeholders	<ul style="list-style-type: none"> • 2 bilateral agreements were concluded with the following organizations: <ul style="list-style-type: none"> • Mpumalanga Youth Development Agency • Simmer and Jack Mines • The agreements resulted in the implementation of the following projects: construction of the Pilgrims Rest Hawkers Trading Stalls and the joint hosting of the Mpumalanga Tourism Careers Expo in 2009. • Tourism Intergovernmental Forum launched and its first meeting held.

PROGRAMME 3: TRADE AND SECTOR DEVELOPMENT (CONTINUED)

Sub programme	Outputs	Output performance measures service deliver indicators	Actual performance against target	
			Target	Actual
Tourism Development (continued)	Provide Tourism Support programme to municipalities	Provincial policies implemented	Provide Tourism Support programme to municipalities	<ul style="list-style-type: none"> Local municipalities under Nkangala and Gert Sibande district municipalities were identified as without tourism by-laws Tourism Signage Policy not completed yet
	Monitor the implementation of the Tourism Flagships projects	Monitoring reports submitted on the implementation of Tourism Flagship projects	Monitor the implementation of the Tourism Flagships projects	Monitoring function could not be performed owing to the local of flagship responsibility.
<p>Reasons for major Variances:</p> <ul style="list-style-type: none"> The Tourism Safety Strategy drafted and not yet approved Tourism Signage Policy not completed yet due to budgetary constraints 				



PROGRAMME 4: BUSINESS REGULATIONS AND GOVERNANCE

The purpose of the programme

This programme is responsible for facilitating a transparent, predictable, and a stable business environment and fair trade

Programmes:

The programme consists of the following sub-programmes:

- Consumer Protection
- Business Regulation

Key Measurable Objectives

- Ensure compliance with business regulatory legislation
- Ensure implementation of consumer protection programmes
- Render consumer advisory services and facilitate the prohibition of unfair business practices
- Implement programs that promote consumer rights
- Policy formulation and implementation
- Ensure effective and efficient compliance to applicable legislation
- Facilitate the implementation of Mpumalanga Liquor and Gambling legislation
- To formulate liquor and gambling legislation
- Municipalities capacitated to implement business legislation
- Sensitization of the public on the negative effects of gambling through ongoing education programmes

Summary of Achievements

The Department has excelled in the promotion of consumer protection and creation of environment conducive to fair trade. In this regard, 2480 cases were investigated and 2319 cases were resolved. 164 workshops, 125 radio slots and 31 road shows

were conducted. The Mpumalanga Consumer Affairs Act harmonized with the Consumer Protection Act and was implemented. The first consumer court sitting was held in March 2010 at the Nelspruit Magistrates Court and an interim court order was issued and published. 548 Inspections on all liquor outlets were conducted and 111 Trade inspections at retail (shops) outlets.

Monitoring of the implementation of the Liquor and Gambling Legislation shows success. The Liquor Board sat for 47 days rotating within the Province whereby 1210 new applications were considered and 627 were approved. 1849 members of the public visited the Liquor Office for enquiries. 18 Awareness campaigns were conducted including 1 Tavern & Shebeen Indaba in partnership with Department of Community Safety & Liaison. The Department is satisfied on the overall performance of the MGB since the objectives of the Board were achieved in record period. New Gambling Board members were appointed with effect from the 01 May 2009. No litigation is prevalent against the MGB. The Mpumalanga Gambling Amendment Bill has been adopted and passed by the Legislature after undergoing all the required processes.

Facilitation of the drafting of Street Trading By-laws is on track taking into account the capacity building meetings held with municipalities. Inspections for compliance to the Mpumalanga Business Act was conducted and database created. Consultation with stakeholders and advice provided to enhance compliance to the applicable legislation was conducted. There is also progress in the promotion of social responsible gambling programme as evident in the messages in local radio stations and participation in community events to facilitate the programme.

Sub programme	Outputs	Output performance measures service deliver indicators	Actual performance against target	
			Target	Actual
Office of the Chief Director	Facilitated the development and implementation of policies and legislation	Compliance trends extracted and analysed	Facilitated the development and implementation of policies and legislation	Gambling Amendment Bill approved by Legislature Section 1-32 of the Liquor Licensing Act of 2006.

PROGRAMME 4: BUSINESS REGULATIONS & GOVERNANCE (CONTINUED)

Sub programme	Outputs	Output performance measures service deliver indicators	Actual performance against target	
			Target	Actual
Office of the Chief Director (continued)	Coordinated implementation of consumer implementation of consumer protection strategies	Consumer Protection programme Impact reports received and analyzed.	Coordinated implementation of consumer implementation of consumer protection strategies	Consumer Affairs Act Regulations finalized and operationalised.
Consumer Protection	1800 cases investigated and 1200 resolved.	Number of cases received, referred and resolved	1800 cases investigated and 1200 resolved.	2480 cases investigated and 2319 cases resolved.
	80 workshops, 100 radio slots and 16 road shows conducted.	Number of education and awareness programmes disseminated	80 workshops, 100 radio slots and 16 road shows conducted.	164 Workshops, 125 Radio Slots and 31 Road shows conducted
	Consumer Month Celebrations		Consumer Month Celebrations	Consumer Month not celebrated due to financial constraints.
	Implement, monitor and evaluate consumer protection policies and legislations	Consumer policies formulated and implemented	Implement, monitor and evaluate consumer protection policies and legislations	<ul style="list-style-type: none"> • First consumer court sitting held in March 2010 at the Nelspruit Magistrates Court • An interim court order was issued and published, a negotiation arrangements made to discontinue unfair business practices and confirmed by the Court
	800 liquor inspections and 400 trade conducted	Number of inspections liquor and trade conducted	800 liquor inspections and 400 trade conducted	548 Inspections on all liquor outlets has been conducted and 111 Trade inspections at retail (shops) outlets
Reasons for major Variances:				
<ul style="list-style-type: none"> • Consumer Month not celebrated due to financial constraints • Inspection target could not be met due to financial constraints. 				



PROGRAMME 4: BUSINESS REGULATIONS & GOVERNANCE (CONTINUED)

Sub programme	Outputs	Output performance measures service deliver indicators	Actual performance against target	
			Target	Actual
Business Regulation	Monitor and Evaluate the implementation of liquor and gambling legislation	Liquor and Gambling licensees complying with legislation	Monitor and Evaluate the implementation of liquor and gambling legislation	<ul style="list-style-type: none"> Liquor Board - The Board sat for 47 days rotating within the Province. 1210 new applications were considered, 627 approved, 1849 members of the public visited the Liquor Office for enquiries. 18 Awareness campaigns conducted including 1 Tavern & Shebeen Indaba in partnership with Dept. of Community Safety & Liaison. The overall performance of the MGB was exemplary. The objectives of the Board were achieved in record periods. New Gambling Board members were appointed with effect from 01 May 2009.
	Operationalise the Mpumalanga Liquor Legislation	Liquor and gambling legislation evaluated and formulated	Operationalise the Mpumalanga Liquor Legislation	<ul style="list-style-type: none"> Section 1 - 32 was promulgated and operationalised and Board members not appointed. Operational Budget reduced, thus no board members were appointed as envisaged in the planned output.

PROGRAMME 4: BUSINESS REGULATIONS & GOVERNANCE (CONTINUED)

Sub programme	Outputs	Output performance measures service deliver indicators	Actual performance against target	
			Target	Actual
Business Regulation (continued)				<ul style="list-style-type: none"> A detail breakdown of the cost of the operation of the MLA has been compiled.
	Liquor and gambling legislation approved and implemented	Liquor and gambling legislation evaluated and formulated	Liquor and gambling legislation approved and implemented	<ul style="list-style-type: none"> The Mpumalanga Gambling Amendment Bill was placed before the correct Portfolio Committee in August 2009. The department and the MGB briefed the Portfolio Committee on the Mpumalanga Amendment Bill, 2008 in September 2009. Public Hearings on the Mpumalanga Gambling Amendment Bill were conducted in February 2010 at Ehlanzeni, Nkangala and Gert Sibande. The Bill was adopted and passed by the Legislature in March 2010.
	5 Municipalities compliant	Number of Municipalities compliant to Business legislation	5 Municipalities compliant	<ul style="list-style-type: none"> 4 municipalities were found to be compliant namely Goven Mbeki, Mbombela, Emalahleni and Steve Tshwete

Reasons for major Variances:

- Budget not available to implement Section 1 - 32 that deals with appointment of Board members
- Lack of capacity and expertise within municipalities in drafting the by-laws and high staff turnover.



PROGRAMME 5: ECONOMIC PLANNING

The purpose of the programme

- Provision of economic policy direction and strategies to achieve and measure sustainable economic development
- To provide data, information and intelligence on the economy required for effective decision making.
- To monitor and evaluate the impact of the provincial economic projects, policies and strategies.

Programmes:

The programme consists of the following sub-programmes:

- Policy & Planning
- Research & Development
- Knowledge Management
- Monitoring & Evaluation

Key Measurable Objectives

- Analyse and review economic policies to give policy direction
- Develop provincial economic strategies and plans
- Economic research conducted and completed timeously
- Develop and maintain a reliable system for economic information
- Provision of economic information services to stakeholders for use to achieve objectives related to priority economic sectors

Summary of Achievements

A discussion document on the provincial response towards global economic crisis was developed, and the Provincial Economic Summit was successfully held. Analysis report on the National Mid-Term Budget Policy Statement & Provincial Budget Adjustment statement was generated. Furthermore, SONA, SOPA, budget speech were analyzed and reports were generated. The 2nd and 3rd quarter reports on Exco resolutions generated. Draft ICT and Biofuel Strategies finalised although

subject to endorsement by the EXCO Council, and the Draft Forestry Development Strategy developed and subjected to few consultative sessions due to cost curtailment measure. Draft Mineral Development Strategy and the Draft Biofuel Sector Implementation Plan developed.

Mineral scan report finalized. Amended draft literature reviews and questionnaires for both studies on Labour & skills demand in Mpumalanga and feasibility of Wool production in Gert Sibande District Municipality, have been produced.

The Web GIS was updated with the information on Eskom Data and Satellite imagery and is accessible at Witbank, Head Office, KwaMhlanga, Ehlanzeni and Bushbuckridge Offices and via the Internet. Data has been collected and database updated with information on SMMEs, MDC, development projects in Bushbuckridge, Albert Luthuli, Pixley ka Seme, Dipaleseng, Emakhazeni and Delmas municipalities. Economic information resource services accessible at Ehlanzeni, Nkangala & Gert Sibande District municipalities. The database has been updated with economic activities in the Nkangala District, as well as information on sector skills. A roll out plan for the expansion of resources services in all 3 district municipalities has been developed. The Economic information resources also accessible via the resource center website. At least 298 information requests processed at 99% success rate. Economic profile Vol. 5 completed, whereas the Draft Economic profile Vol. 6 is 20% complete.

The Sub-programme: Monitoring and Evaluation started the process of establishing a system for effective monitoring and evaluation of the performance of the department and its public entities during the year. This process includes consultations and development of strategic framework for monitoring and evaluation and a policy on performance information management, monitoring and evaluation.

The two frameworks including a report on performance indicators helped build a base for further development of the system that will give shape to the processes of monitoring and evaluation.

The directorate also developed a project evaluation criteria document which has since been used for evaluation of the projects as per the implementation plan.

PROGRAMME 5: ECONOMIC PLANNING (CONTINUED)

Sub programme	Outputs	Output performance measures service deliver indicators	Actual performance against target	
			Target	Actual
Office of the Chief Director	Ensure development and implementation of economic planning programmes	Monthly and Quarterly Performance Reports	Ensure development and implementation of economic planning programmes	Projects and programmes on track in the sub programmes: Policy and Planning, Research and Development and Knowledge Management. Monitoring and Evaluation directorate is still in the building phase
Policy and Planning	4 reports generated on policies analyzed-SONA, SOPA Budget Speech, Industry.	Number of reports containing policy directives and imperatives	4 reports generated on policies analyzed-SONA, SOPA Budget Speech, Industry.	4 reports generated on policies analyzed, namely: <ul style="list-style-type: none"> • 1 SONA report generated • 1 SOPA report generated • 1 Discussion document on provincial response towards global economic crisis developed • 1 report on the National Mid-Term Budget Policy Statement. 1 report on Provincial Budget Adjustment statement generated
	EXCO Lekgotla resolutions coordinated	Number of reports containing policy directives and imperatives	EXCO Lekgotla resolutions coordinated	EXCO resolutions presented to the Department's Snr Management
	4 Provincial integrated sector strategies developed	Number of sector strategies Developed	4 Provincial integrated sector strategies developed	3 integrated sector strategies developed, namely: <ul style="list-style-type: none"> • Draft ICT strategy and Draft Biofuel strategy finalized



PROGRAMME 5: ECONOMIC PLANNING (CONTINUED)

Sub programme	Outputs	Output performance measures service deliver indicators	Actual performance against target	
			Target	Actual
Policy and Planning (continued)				<ul style="list-style-type: none"> • Draft Mineral Development Strategy • Phase 1 of Draft Forestry Development Strategy developed • Export strategy not reviewed
	Ensure implementation of PEDS	Ensure implementation of PEDS	Ensure implementation of PEDS	Not achieved
	4 provincial integrated sector plans developed	Number of Sector Plans developed	4 provincial integrated Sector Plans developed	2 Sector Plans developed, namely: <ul style="list-style-type: none"> • Draft ICT Implementation Plan developed • Draft Biofuel Implementation Plan developed
<p>Reasons for major Variances:</p> <ul style="list-style-type: none"> • Draft ICT and Biofuel Strategies referred for further amendments by EXCO Council pending approval. • Export Strategy not reviewed due to cost curtailment and budget adjustment on the research • The Industrial Development Plan not developed due to cost curtailment and budget adjustment. • Rural Development Plan withdrawn as DARDLA has been given this mandate. • Provincial economic summit held and discussion document developed on provincial response to economic crisis 				
Research & Development	Mpumalanga Export Route Map.	Number of economic baseline studies conducted	Mpumalanga Export Route Map.	Not achieved
	Labour Market Demand in the sector and sub-sector economy of Mpumalanga	Number of economic baseline studies conducted	Labour Market Demand in the sector and sub-sector economy of Mpumalanga	Not achieved
	Wool Production in Gert Sibande District Municipality.	Number of economic baseline studies conducted	Wool Production in Gert Sibande District Municipality.	Not achieved

PROGRAMME 5: ECONOMIC PLANNING (CONTINUED)

Sub programme	Outputs	Output performance measures service deliver indicators	Actual performance against target	
			Target	Actual
Research & Development continued	Minerals scan of the province	Number of economic baseline studies conducted	Minerals scan of the province	Final report compiled
	Feasibility study on Industrial Park in Witbank/Middelburg		Feasibility study on Industrial Park in Witbank/Middelburg	Feasibility study undertaken by MDC flagship
<p>Reasons for major Variances:</p> <ul style="list-style-type: none"> • Cost curtailment derailed primary data collection process • Tender was advertised and withdrawn due to cost curtailment measures. • 3 research projects wer put on hold due to cost curtailment 				
Knowledge Management	Review and update GIS	A shared GIS and database on economic information and indicators	Review and update GIS	<ul style="list-style-type: none"> • Web-GIS updated with information including Satellite imagery and Eskom data and accessible at Witbank, Head Office, KwaMhlanga, Ehlanzeni and Bushbuckridge Offices
	Review and update Data Sets	A shared GIS and database on economic information and indicators(Conti)	Review and update Data Sets	<ul style="list-style-type: none"> • Data with information on SMMEs and MDC collected. • Data collected on development projects in Bushbuckridge, Albert Luthili, Pixley ka Seme, Dipaleseng, Emakhazeni and Delmas municipalities • Data collected and captured on economic activities in the Nkangala District. • Information collected on sectors skills



PROGRAMME 5: ECONOMIC PLANNING (CONTINUED)

Sub programme	Outputs	Output performance measures service deliver indicators	Actual performance against target	
			Target	Actual
Knowledge Management (continued)	Expansion of resource services to 3 district municipalities	Number of access points to information on Mpumalanga's economy	Expansion of resource services to 3 district municipalities	<ul style="list-style-type: none"> Roll out plan developed in all 3 district municipalities Economic information resource services accessible at Ehlanzeni, Nkangala & Gert Sibande District municipality and Economic information resources accessible via the resource center website
	300 information requests processed.	Number of information requests processed	300 information requests processed.	298 information requests processed at 99% success rate.
	2 Economic profiles produced	Number of information products produced on Mpumalanga's economy	2 Economic profiles produced	<ul style="list-style-type: none"> Economic profile Vol 5 complete Draft Economic profile Vol 6 is 20% complete. Compiled economic profiles of Nkangala district municipality as well as local municipalities in Nkangala district.

Reasons for major Variances:

- Information on economic activities in rural areas is not readily available.
- Data on sector skills not collected due to cost curtailment.
- Delays in the release of province specific information from states SA,

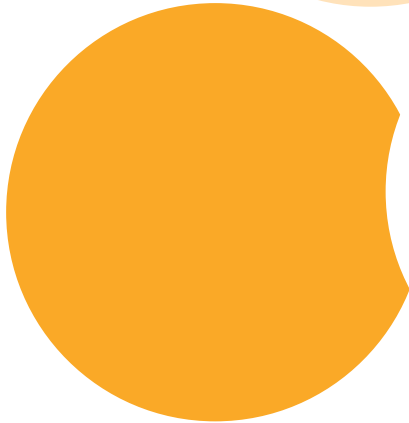
PROGRAMME 5: ECONOMIC PLANNING (CONTINUED)

Sub programme	Outputs	Output performance measures service deliver indicators	Actual performance against target	
			Target	Actual
Monitoring and Evaluation	Monitor and evaluate projects in priority areas of rural development, skills development and Maputo Development Corridor	Number of projects monitored and evaluated	Impact analysis report on rural development	Evaluation criteria document developed
			Evaluation report on skills and skills development.	Evaluation report on Furntech skills development programme
			Evaluation report on Maputo Development Corridor.	Evaluation report on Mpumalanga Portuguese-English Language Training Institution

Reasons for major Variances:

The directorate had insufficient staff. The staff complement was at 28% (total of 2 x posts filled) from May - August 2009 and thereafter 43% (total of 3 x filled posts) until end of the financial year.

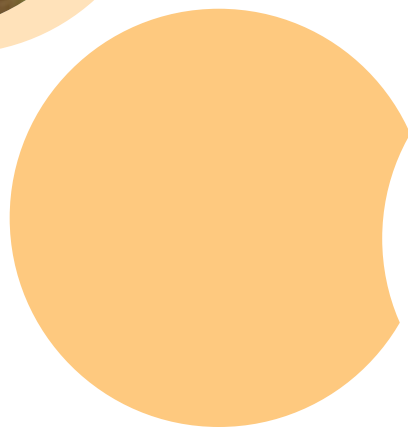
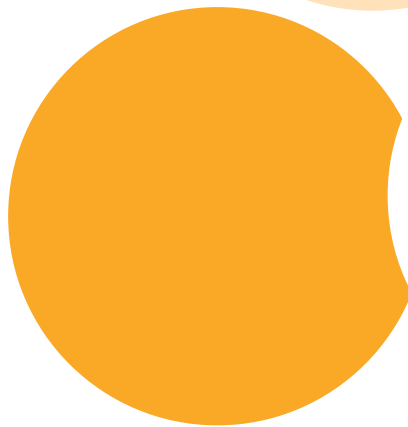
The planned output on rural development was linked to another planned internal deliverable which was deferred following the reconfiguration of the administration and integration and elevation of the mandate for rural development in another department (Department of Agriculture, Rural Development and Land Administration).



Part Three



REPORT OF THE AUDIT COMMITTEE



REPORT OF THE AUDIT COMMITTEE ON THE DEPARTMENT OF ECONOMIC DEVELOPMENT, ENVIRONMENT AND TOURISM FOR THE YEAR ENDED 31 MARCH 2010

We are pleased to present our report for the above - mentioned financial year.

Audit Committee Members and Attendance:

The Audit Committee consists of members listed hereunder and should meet at least 4 times per annum as per its approved terms of reference. During the year 4 meetings were held:

Name	Position	Appointment date	Number of meetings Attended
NA Dzuguda	Chairperson	02/12/2008	4
K Chisale	Member	02/12/2008	3
NH Jaxa	Member	02/12/2008	3
S Simelane	Member	02/12/2008	4

Audit Committee Responsibility

We report that we have adopted appropriate formal terms of reference in our charter in line with the requirements of section 38(1)(a) of the PFMA and Treasury Regulation 3.1. We further report that we have regulated our affairs in compliance with this charter and we have discharged all of the responsibilities contained therein.

The Effectiveness of Internal Control

The system of internal control was not entirely effective for the year under review. Several deficiencies and deviations from the supply chain management processes and asset management were reported by the internal auditors and the Auditor - General South Africa.

In certain instances the matters reported previously have not been fully and satisfactorily addressed.

Internal Audit

We are satisfied that the internal audit function is operating effectively and that it has addressed the risks pertinent to the department in its audits.

Auditor General South Africa

We have met with the Auditor - General South Africa to discuss issues pertaining to its audits.

Risk management

The department has implemented a system of risk management.

However, we note with concern that during the year under review, the risk management committee was not effective. We further report that the fraud prevention committee was not established. Based on the above, we cannot comment on the effectiveness of the system of risk management.

Evaluation of Financial Statements

We have:

- Reviewed and discussed the audited annual financial statements to be included in the annual report, with the Auditor-General South Africa and the Accounting Officer;
- Reviewed the Auditor - General South Africa's final management report and the responses thereto;
- Reviewed significant adjustments resulting from the audit; and
- Reviewed the Auditor-General South Africa's report.

We concur with and accept the Auditor-General of South Africa's report on the annual financial statements and we are of the opinion that the audited annual financial statements should be accepted and read together with the report of the Auditor - General South Africa.

In Year Management Reporting

We have reviewed the content and the quality of monthly and quarterly reports prepared and issued by the Accounting Officer during the year. Progress is being made in the development and quality of these reports. There is still a concern on the management of performance information as a whole as well as ensuring that the set targets are met timely.

Appreciation

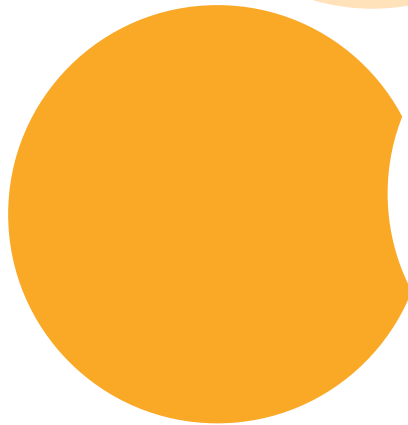
The Audit Committee wishes to express its appreciation to officials of the Department, the Auditor-General and internal audit for the information provided to compile this report.



NA DZUGUDA
CHAIRPERSON: AUDIT COMMITTEE

DEPARTMENT OF ECONOMIC DEVELOPMENT,
ENVIRONMENT AND TOURISM

31 July 2010



Part Four



ANNUAL FINANCIAL STATEMENTS



ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2010

Report of the Auditor-General	85
Report of the Accounting Officer	88
Appropriation Statement	94
Notes to the Appropriation Statement	108
Statement of Financial Performance	110
Statement of Financial Position	111
Statement of Changes in Net Assets	112
Cash Flow Statement	113
Notes to the Annual Financial Statements (including Accounting policies)	114
Disclosures Notes to the Annual Financial Statements	130
Annexure 1	137
Annexure 2	138
Annexure 3	139
Annexure 4A	140
Annexure 4B	141
Annexure 5	142

REPORT OF THE AUDITOR-GENERAL TO THE MPUMALANGA LEGISLATURE ON THE FINANCIAL STATEMENTS OF VOTE NO. 6: DEPARTMENT OF ECONOMIC DEVELOPMENT, ENVIRONMENT AND TOURISM FOR THE YEAR ENDED 31 MARCH 2010

REPORT ON THE FINANCIAL STATEMENTS

Introduction

I have audited the accompanying financial statements of the Department of Economic Development, Environment and Tourism, which comprise the appropriation statement, the statement of financial position as at 31 March 2010, and the statement of financial performance, statement of changes in net assets and cash flow statement for the year then ended, and a summary of significant accounting policies and other explanatory information, as set out on pages 94 to 142.

Accounting officer's responsibility for the financial statements

The accounting officer is responsible for the preparation and fair presentation of financial statements in accordance with the modified cash basis of accounting determined by the National Treasury, as set out in accounting policy note 1 and in the manner required by the Public Financial Management Act of South Africa, 1999 (Act No.1 of 1999) (PFMA) and the Division of Revenue Act, 2009 (Act No.12 of 2009) (DoRA). This responsibility includes designing, implementing and maintaining internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditor-General's responsibility

As required by section 188 of the Constitution of South Africa and section 4 of the Public Audit Act of South Africa, 2004 (Act No. 25 of 2004) (PAA), my responsibility is to express an opinion on these financial statements based on my audit.

I conducted my audit in accordance with International Standards on Auditing and *General Notice 1570 of 2009* issued in *Government Gazette No. 32758 of 27 November 2009*. Those standards require that I comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

Opinion

In my opinion, the financial statements present fairly, in all material respects, the financial position of the Department of Economic Development, Environment and Tourism as at 31 March 2010, and its financial performance and its cash flows for the year then ended, in accordance with the modified cash basis of accounting determined by the National Treasury, as set out in accounting policy note 1 and in the manner required by the PFMA and DoRA.

Emphasis of matter

I draw attention to the matters below. My opinion is not modified in respect of these matters:

Basis of accounting

The department's policy is to prepare financial statements on the modified cash basis of accounting determined by the National Treasury, as set out in accounting policy note 1.

Unauthorised expenditure

As disclosed in note 8 to the financial statements, unauthorised expenditure to the amount of R10 393 000 was incurred, due to overspending on goods and services under Program 1 Administration and Program 5 Economic Planning.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

In terms of the PAA of South Africa and *General Notice 1570 of 2009*, issued in *Government Gazette No. 32758 of 27 November 2009* I include below my findings on the report on predetermined objectives, compliance with the PFMA and DoRA, and financial management (internal control).

Findings

Predetermined objectives

Non-compliance with regulatory requirements

Lack of effective, efficient and transparent systems and internal controls regarding performance management (applicable at an overall performance management level)

The department did not ensure that the Department of Economic Development, Environment and Tourism has and maintains an effective, efficient and transparent system and internal controls regarding performance management, which describe and represent how the institution's processes of performance planning, monitoring, measurement, review and reporting will be conducted, organised and managed, as required in terms of section 38(1)(a)(i) and (b) of the PFMA.

Usefulness of reported performance information

The following criteria were used to assess the usefulness of the planned and reported performance:

- **Consistency:** Has the department reported on its performance with regard to its objectives, indicators and targets in its approved strategic plan and annual performance plan, i.e. are the objectives, indicators and targets consistent between planning and reporting documents?
- **Relevance:** Is there a clear and logical link between the objectives, outcomes, outputs, indicators and performance targets?
- **Measurability:** Are objectives made measurable by means of indicators and targets? Are indicators well defined and verifiable, and are targets specific, measurable, and time bound?

The following audit findings relate to the above criteria:

Reasons for major variances between planned and actual reported targets were not explained

Adequate explanations for major variances between the planned and the actual reported targets for the programme was not reported as required in terms of the relevant reporting guidance. In total, 67% of the reported targets with major variances had inadequate explanations for those variances.

Planned and reported performance targets not specific, measurable, time bound

- For the selected programmes, 55% of the planned and reported targets were not:
- specific in clearly identifying the nature and the required level of performance;
- measurable in identifying the required performance;
- time bound in specifying the time period or deadline for delivery.

INTERNAL CONTROL

I considered internal control relevant to my audit of the financial statements and the report on predetermined objectives and compliance with the PFMA and DoRA, but not for the purposes of expressing an opinion on the effectiveness of internal control. The matters reported below are limited to the deficiencies identified during the audit.

Leadership

The department does not exercise oversight responsibility over reporting and compliance with laws and regulations and internal control.

Financial and performance management

The financial statements and performance information to be included in the annual report are not adequately reviewed for completeness and accuracy prior to submission for audit.

Data assurance procedures for performance information are not in place such as data collection, processing and monitoring procedures for management to monitor. It is further clear that the department does not have and maintain a transparent system of data assurance procedures which is effective and efficient for what pertains to data related activities.

OTHER REPORTS**Investigations****Investigations in progress**

An investigation is being conducted by an independent consulting firm to confirm the allegation of negligence, irregularities and non-compliance with applicable legislation in relation to transfer payments, supply chain management and misappropriation of resources. The investigation was still ongoing at the reporting date.

Investigations completed during the financial year

An investigation was conducted through an internal disciplinary enquiry on request of management. The investigation was initiated based on allegations of possible negligence and non-compliance amounting to R5 095 070. The investigation resulted in the dismissal of the employee.

Auditor-General

Mbombela
31 July 2010



REPORT BY THE ACCOUNTING OFFICER TO THE EXECUTING AUTHORITY AND PROVINCIAL LEGISLATURE OF MPUMALANGA FOR THE YEAR ENDED 31 MARCH 2010

1. General review of the state of financial affairs

- During the year under review as with the rest of the country the department faced serious challenges due to global economic meltdown. Cost curtailment measures and reprioritization of activities had to be implemented in the department.
- The adjustment budget for the department required that an amount of R30 million be surrendered to the Provincial Revenue Fund. An additional amount of R30 million was allocated to Mpumalanga Tourism and Parks Agency to address previous year budget shortfall to the Agency. This undoubtedly placed severe pressure on programmes of the department and its operations during the year under review. The department's total expenditure amounted to R522, 936 million from our total budget of R521, 777 million which is 100 percent spending of our budget for the year.
- The global economic meltdown also had a negative impact on our revenue collection. Our total revenue collection for the year under review amounted to R45, 564 million against a budget of R53, 606 million which is 85% of budget. This indicates an under collection of 15% whereas previous year we far exceeded our target by 25%. The tough economic situation meant that fewer people have visited our casinos recently and this being our main source of revenue, resulted to lower collections from the gambling industry.
- The department has managed to employ 45 employees who assumed duty during the year under review and has conducted interviews for 14 posts.
- We facilitated assistance for 23 SMME's who received funding from different funding sources and a further 18 received funding from MEGA through DEDET.
- In respect to market exposure for emerging exporters, we facilitated participation of 139 businesses in the crafts, agro-processing, apparel, chemicals, stainless steel and furniture sectors in exhibitions such as the Southern African International Trade Exhibition; the South African Handmade Collection exhibition; and the FIA LISBOA Handcraft exhibition in Portugal
- With regard to facilitating the establishment of four (4) Business Process Outsourcing Centres in the Dr JS Moroka, Govan Mbeki, Emalaheni and Mbombela local municipalities, we can report that we have appointed a service provider to fast-track the process, and that work has already begun in this regard.
- In fulfilling the mandate to protect consumers against unscrupulous business practices, we have inaugurated six (6) members of the Mpumalanga Consumer Affairs Court. The court is now operational and has already held three (3) sittings since its inception on March 11, 2010. As a result, the Office of Investigation of Unfair Business Practices has managed to investigate 2480 reported cases, and successfully resolved 2319 of those cases, which saw just over R3 million being returned to the pockets of consumers.
- We have approved 627 of liquor licences out of 1210 applications received, and disapproved 260.
- We have developed integrated sector strategies which are still in a form of a draft namely: ICT Strategy, Biodiesel and Mineral Development strategies
- The department has also finalized the Monitoring and Evaluation policy which is a working document and covers the agencies reporting to the department.
- The department successfully convened the Provincial Economic Summit held in October 2009. At the end of the summit, all stakeholders agreed on a set of strategic projects that there is a need to establish a University and a tertiary hospital for the Province; that there is a need to construct an International Convention Centre in the province; that major provincial hospitals and the coal haulage network route should be upgraded and maintained.

REPORT OF THE ACCOUNTING OFFICER

for the year ended 31 March 2010

2. Service rendered by the department

The department provides consumer services to the public through the Consumer Court. The department also assist members of the public who want to register on the registrar of companies database (CIPRO).

2.1 Tariff policy

The department does not charge tariffs for services rendered.

2.1.1 Own revenue

The department's main source of revenue is tax revenue collected through the Mpumalanga Gambling Board and regulated by various applicable legislation.

The table below indicates a breakdown of various sources of revenue as well as actual against target in revenue collection for the current and previous financial year.

Revenue	2009/10 Actual R'000	2009/10 Budget R'000	2008/09 Actual R'000	2008/09 Budget R'000
Gambling	36,825	44,586	35,702	27,988
Interest: PMG Account	786	2,440	2,423	832
Horse Racing Taxes	4,128	4,725	4,371	4,000
Liquor Licences	3,616	1,711	613	1,556
Other Revenue	209	144	312	304
Total	45,564	53,606	43,421	34,680

2.2 Free Services

None

2.3 Inventories

The costing method used is the average costing. The total value of inventory on hand as at 31 March 2010 amounts to R811 thousand and is divided into the following:

Description	2009/10 R'000	2008/09 R'000
Stationery items	778	232
Cleaning materials	27	42
Electrical material	6	6
Total	811	280

3. Capacity constraints

The following factors contributed in capacity constraints.

The department has managed to fill vacant budgeted posts in order to address capacity constraints due to high vacancy rate in previous years.

More GG vehicles have been purchased during the year in order to address past challenge of shortage in vehicles which had a negative impact on service delivery.

REPORT OF THE ACCOUNTING OFFICER

for the year ended 31 March 2010

4. Utilisation of donor funds

None

5. Trading entities and public entities

The department had oversight functions over three public entities during the year under review.

5.1 Mpumalanga Tourism and Parks Agency

The purpose of MTPA is:

- To promote tourism growth by increasing the number of both domestic and international tourists.
- To broaden the participation of historically disadvantaged individuals (HDIs) in the tourism industry.
- To ensure sustainable delisting and the management of the environment.

The entity received an unqualified audit report in the 2008/09 financial year which is commendable as compared to previous financial year 2007/08 in which they got a qualification. This is surely an improvement on the side of the entity and department.

5.2 Mpumalanga Gambling Board

The purpose of the MGB is:

- To perform functions in terms of Mpumalanga Gambling Act, including:
 - Ensuring the sustainability of all persons wishing to participate in the gaming industry within Mpumalanga; and
 - Ensuring that gaming activities regulated by the MGB are conducted fairly, honestly and free of criminal influence and exploitation.
- To ensure that the regulation of gaming is effective and efficient
- To render support and advice to the Responsible Member on gaming issues and ensure that the Government's policy on gaming is implemented.

The Mpumalanga Gambling Board have once again performed outstanding by having a clean audit report in 2008/09 financial year.

5.3 Mpumalanga Economic Growth Agency

The purpose of MEGA is:

- To promote trade and investment to support enterprise development.
- To provide funding in respect of approved enterprise development focusing on HDIs within the province; and
- To focus on project management, development and management of immovable property.

MEGA also received an unqualified audit report for 2008/09 financial year as compared to previous financial year 2007/08 in which they received a qualified audit opinion.

6. Organisations to whom transfer payments have been made

Name of Public Entity	2009/10 R'000	2008/09 R'000
Mpumalanga Economic Growth Agency (MEGA)	65,820	63,950
Mpumalanga Tourism and Parks Agency (MTPA)	211,455	192,916
Mpumalanga Gambling Board (MGB)	32,523	25,506
Zithabiseni Holiday Resort	10,969	16,095
Total	320,767	298,467

REPORT OF THE ACCOUNTING OFFICER for the year ended 31 March 2010

The reasons for the transfers to the entities have been explained above in section 5 where more details are provided on the purpose for these public entities. The transfers to Zithabiseni are for payment of salaries for staff at the resort.

Accountability arrangement.

The public entities report to the Accounting Officer (Head of department). The accounting officer has signed condition of transfer with public entities accounting officer. The conditions are extracted from the PFMA and Treasury Regulations. The following are amongst the conditions, which must be complied with before funds are transferred.

1. Strategic plan must be submitted at least six months before the start of the financial year.
2. Corporate plan must cover a period of three years.
3. Shareholder compact must be annually signed with the Member of Executive Council (MEC).
4. Monthly reports including cash flow projections for expenditure, revenue and written certification from the CEO assuring that funds were used for the intended purpose.

7. Corporate governance arrangements

7.1 Risk Management approach

The management of risk within the department was done in terms of the risk assessment that was performed in May 2009 for the financial year under review. From the Risk Assessment a Risk register was developed and communicated to all employees of the department. The Department recognizes that all aspect of business risk must be managed. The Internal Audit plans are based on the risk assessment and they had identified areas where control need to be enhanced. By performing the above the department is striving to maintain effective, efficient and transparent system of financial and risk management and internal control as described in section 38 (a)(i) of the PFMA.

7.1.1 Conflict of interest

The department has implemented a system to manage the conflict of interest of employees by ensuring that Senior Managers sign declaration of their interest annually. Employees have completed vetting forms and the process is ongoing as directed by Provincial Treasury.

7.2 Fraud Prevention Plan

The fraud prevention plan has been developed from the risk assessment processes and has been approved and communicated to all employees during the awareness workshops. This plan is aimed at deterring, preventing, detecting, reacting to and reducing the impact of fraud where such dishonest activities subsist. This plan also sets out the department position towards fraud as well as reinforcing existing system, policies, procedures, rules and regulations. Furthermore it confirms that the department supports and fosters a culture of zero tolerance to fraud. Summarized copies of the fraud prevention plan have been circulated to all employees.

7.3 Internal Audit and Audit Committee

Both the internal audit unit mandate and the audit committee arise from internal audit charter and section 38(a)(ii) of the PFMA which states that the department should maintain a system of Internal Audit under the control and direction of an audit committee complying with and operating in accordance with regulation and instruction prescribed in terms of section 76 and 77. Both the one year operational and a three-year strategic plan were developed during the risk assessment process and were approved.

8. Discontinued activities/activities to be discontinued

None

REPORT OF THE ACCOUNTING OFFICER for the year ended 31 March 2010

9. New/proposed activities

A new function namely Environmental Services has been transferred from Department of Agriculture, Rural Development and Land Reform to the Department of Economic Development , Environment and Tourism with effect from 01 April 2010 as announced by the Honourable Premier in his State of the Province address last year. This resulted to name change of the department which is now called Department of Economic Development , Environment and Tourism.

Merger of MEGA, MADC and MHFCo

The Honourable Premier has also assented to the Bill which merges the old MEGA, the MADC(the Mpumalanga Agricultural Development Corporation) and MHFCo (the Mpumalanga Housing Finance Company) to establish a new entity to be known as Mpumalanga Economic Growth Agency in terms of Mpumalanga Economic Growth Agency Act of 2010 (Act 1 of 2010). This means that the old MEGA and MADC have ceased to exist at the end of March 2010 except for the MHFCo which still needs to be de-established in line with the Companies Act of 1973 since the entity was registered as a section 21 company. The process to de-establish the entity is currently underway and will be finalized as soon as possible.

10. Asset management

Asset management remains a challenge in the department due to shortage of staff within asset management. The revised organizational structure does not provide for such unit in the Office of the CFO and the officials currently performing this function are under Supply Chain Management.

The appointment of temporary staff in this unit was finalized as an intervention in order to address this problem. However, the transfer of Environmental Services to the department will further pose capacity challenges as additional assets including immovable assets (Environmental Centres) will be transferred from Department of Agriculture to this department.

11. Events after the reporting date

None

12. Performance information

The performance information is stated in our Annual Performance Plan. The department had planning sessions to outline the annual performance plan. The performance information is then submitted to the Legislature, Treasury and Cabinet for evaluation and approval. The Auditor General independently verifies the information. The department compiled and submitted monthly, quarterly and six months reports to Macro Policy and Treasury for evaluating its performance.

13. SCOPA resolutions

Reference to previous audit report and SCOPA findings and Resolutions	Subject	Findings in progress
Resolution 3.1 Audit Report 2007/08	Functioning of Risk Management Section The Committee recommended that the Accounting Officer must ensure that the department functions with adequate risk management systems and implements a Fraud Prevention Plan.	A Risk Management Committee has been established. Risk Management workshops were conducted during the year under review. A Fraud Committee has also been established. Copies of Fraud Prevention Plan were circulated to all officials.

Reference to previous audit report and SCOPA findings and Resolutions	Subject	Findings in progress
Resolution 3.3.1.1 Audit Report 2007/08	<p>Irregular Expenditure The Committee recommended that;</p> <p>(a) The irregular expenditure remains not condoned and should be recovered in terms of TR12.7. The Accounting Officer must ensure that the R325 000 is recovered through the initiative already taken. (Case No. 161/4/2009)</p> <p>(b) The case must be expedited to avoid loss of crucial evidence which usually weakens state cases.</p>	Criminal matter was opened and the case is still under investigation by SAPS.
Resolution 3.4.1 Audit Report 2007/08	<p>Fruitless and Wasteful Expenditure The Committee recommended that the fruitless and wasteful expenditure amounting to R448 000 be recovered from those who caused the department to incur such expenditure.</p>	State Attorneys have been instructed to issue summons for the recovery of amounts owed.
Resolution 3.5.1 Audit Report 2007/08	<p>Matters of Governance The Committee recommended that the Accounting Officer must ensure that;</p> <p>(a) The department improves its control environment.</p> <p>(b) The department timely develops a programme or plan to attend to matters raised by the Audit Committee and /or Auditor-General.</p>	The department has developed financial and non financial policies and has also reviewed existing policies in order to improve internal controls. An action plan has been developed which includes follow up by Internal Audit Unit on matters raised by the Auditor-General.
Resolution 3.8.1 Audit Report 2007/08	<p>Material Under spending (Performance) The Committee recommended that the department must improve its planning processes to ensure that it spends accordingly and thus accelerates service delivery</p>	The department constantly monitors spending patterns of it's programmes by conducting monthly budget and expenditure reviews with programme and sub programme managers. Monthly and quarterly financial and non financial reports are submitted to the Accounting Officer in this regard.

14. Other

None

15. Approval

The Annual Financial Statements set out on pages 94 to 142 have been approved by the Accounting Officer.



RS TSHUKUDU
HEAD OF DEPARTMENT

Date: 31 May 2010

APPROPRIATION STATEMENT

for the year ended 31 March 2010

Appropriation per programme

	2009/10						2008/09		
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
1. Administration									
Current payment	66,346	-	-	66,346	75,844	(9,498)	114.3%	61,509	62,941
Transfers and subsidies	-	-	-	-	745	(745)	0%	-	20
Payment for capital assets	2,800	-	-	2,800	2,858	(58)	102.1%	3,725	2,015
2. Integrated Economic Development									
Current payment	24,183			24,183	24,148	35	99.9%	24,942	20,042
Transfers and subsidies	67,148			67,148	65,820	1,328	98%	63,950	63,950
Payment for capital assets	-			-	-	-	-	500	401
3. Trade and Industry Development									
Current payment	60,466			60,466	67,215	(6,749)	111.2%	18,322	16,424
Transfers and subsidies	235,606			235,606	222,424	13,182	94.4%	210,916	209,244
Payment for capital assets	-			-	-	-	-	300	293
4. Business Regulation									
Current payment	17,094			17,094	18,069	(975)	105.7%	17,323	16,714
Transfers and subsidies	34,835			34,835	32,523	2,312	93.4%	25,506	25,506
Payment for capital assets	-			-	-	-	-	300	221
5. Economic Planning									
Current payment	11,793			11,793	11,885	(92)	100.8%	13,116	11,038
Transfers and subsidies	-			-	-	-	-	-	-
Payment for capital assets	-			-	-	-	-	300	284
Subtotal	520,271			520,271	521,531	(1,260)	100.2%	440,709	429,093

APPROPRIATION STATEMENT

for the year ended 31 March 2010

Appropriation per programme

	2009/10						2008/09		
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Statutory Appropriation									
Current payment	1,506	-	-	1,506	1,405	101	-	945	1,025
Transfers and subsidies	-	-	-	-	-	-	-	-	-
Payment for capital assets	-	-	-	-	-	-	-	-	-
TOTAL	521,777			521,777	522,936	(1,159)	100.2%	441,654	430,118
Reconciliation with Statement of Financial Performance									
Add:									
Prior year unauthorised expenditure approved with funding									
Departmental revenue				45,564	-			43,421	
Direct exchequer receipts									
CARA Fund assistance									
Local and foreign aid assistance received									
Actual amounts per Statements of Financial Performance (Total revenue)				567,341				485,075	
Add:									
Local and foreign aid assistance									
Direct exchequer payments									
CARA Fund assistance									
Prior year unauthorised expenditure approved									
Prior year fruitless and wasteful expenditure approved									
Actual amounts per Statements of Financial Performance (Total expenditure)					522,936				430,118

APPROPRIATION STATEMENT

for the year ended 31 March 2010

Appropriation per economic classification

	2009/10						2008/09		
	Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Current payments									
Compensation of employees	79,412			79,412	79,020	392	99.5%	68,424	61,313
Goods and services	100,470			100,470	118,140	(17,670)	117.6%	66,788	65,845
Interest and rent on land									
Financial transactions in assets and liabilities									
Transfers and subsidies									
Provinces and municipalities									
Departmental agencies and accounts	270,441			270,441	254,948	15,493	94.3%	-	-
Universities and technikons									
Foreign governments and international organisations									
Public corporations and private enterprises	67,148			67,148	65,820	1,328	98%	63,950	63,950
Non-profit institutions					-	-	0%	236,422	234,517
Households					745	(745)		-	252
Payments for capital assets									
Buildings and other fixed structures	2,800			2,800	2,858	(58)	104.4%	5,125	3,215
Machinery and equipment									
Biological or cultivated assets									
Software and other intangible assets									
Land and subsoil assets									
Total	520,271			520,271	521,531	(1,260)	100.2%	440,709	429,093

APPROPRIATION STATEMENT

for the year ended 31 March 2010

		Statutory Appropriation						2008/09		
		2009/10								
		Adjusted Appropriation	Shifting of Funds	Virement	Final Appropriation	Actual Expenditure	Variance	as % of final appropriation	Expenditure Final Appropriation	Actual Expenditure
		R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Details of direct changes against the National/Provincial Revenue Fund										
Member of Executive Council		1,506			1,506	1,405	101	93.3%	945	1,025
Total		1,506			1,506	1,405	101	93.3%	945	1,025

APPROPRIATION STATEMENT
for the year ended 31 March 2010

PROGRAMME 1 - ADMINISTRATION

Statutory Appropriation per economic classification

Programme 1 Detail per sub programme	2009/10						2008/09		
	Adjusted Appropriation R'000	Shifting of funds R'000	Virement R'000	Final Appropriation R'000	Actual Expenditure R'000	Variance R'000	Expenditure as % of final appropriation %	Final Appropriation R'000	Actual Expenditure R'000
1.1 Office of the MEC									
Current payment Transfers and subsidies	2,986	-	-	2,986	3,029	(43)	101.4%	3,591	2,753
Payment for capital assets	-	-	-	-	676	(676)	0%	-	-
1.2 Management Services									
Current payment Transfers and subsidies	5,677	-	-	5,677	5,436	241	95.8%	6,298	4,827
Payment for capital assets	-	-	-	-	-	-	-	-	-
1.3 Financial Management									
Current payment Transfers and subsidies	33,010	-	-	33,010	42,732	(9,722)	129.5%	28,224	33,226
Payment for capital assets	2,800	-	-	2,800	69	(69)	0%	-	20
1.4 Corporate Services									
Current payment Transfers and subsidies	24,673	-	-	24,673	24,647	26	99.9%	23,396	22,135
Payment for capital assets	-	-	-	-	17	(17)	0%	-	-
Total	69,146	-	-	69,146	79,447	(10,301)	114.9%	65,234	64,976

APPROPRIATION STATEMENT

for the year ended 31 March 2010

PROGRAMME 1 - ADMINISTRATION

Statutory Appropriation per economic classification

Programme 1 per Economic Classification	2009/10						2008/09		
	Adjusted Appropriation R'000	Shifting of funds R'000	Virement R'000	Final Appropriation R'000	Actual Expenditure R'000	Variance R'000	Expenditure as % of final appropriation %	Final Appropriation R'000	Actual Expenditure R'000
Current payment									
Compensation of employees	33,134	-	-	33,134	33,488	(354)	101.1%	28,897	28,548
Goods and services	33,212	-	-	33,212	42,356	(9,144)	127.5%	32,612	34,393
Interest and rent on land									
Financial transactions in assets and liabilities									
Transfers and subsidies to:									
Provinces and municipalities									
Departmental agencies and accounts									
Universities and technikons									
Foreign governments and international organisations									
Public corporations and private enterprises									
Non-profit institutions					745	(745)	0%	-	20
Households									
Payment for capital assets									
Buildings and other fixed structures									
Machinery and equipment	2,800	-	-	2,800	2,858	(58)	102.1%	3,725	2,015
Biological or cultivated assets									
Software and other intangible assets									
Land and subsoil assets									
Total	69,146	-	-	69,146	79,447	(10,301)	114.9%	65,234	64,976

APPROPRIATION STATEMENT
for the year ended 31 March 2010

PROGRAMME 2 - INTEGRATED ECONOMIC DEVELOPMENT

Programme 2 Detail per sub programme	Statutory Appropriation per economic classification							2008/09	
	Adjusted Appropriation	Shifting of funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
2.1 CD: Office Support									
Current payment	939			939	985	(46)	104.9%	2,010	1,129
Transfers and subsidies	-			-	-	-			
Payment for capital assets	-			-	-	-		500	392
2.2 Enterprise Development									
Current payment	15,646			15,646	15,582	64	99.6%	14,119	11,606
Transfers and subsidies	67,148			67,148	65,820	1,328	98%	63,950	63,950
Payment for capital assets									9
2.3 Local Econ. Development									
Current payment	3,589			3,589	3,513	76	97.9%	3,627	2,496
Transfers and subsidies									
Payment for capital assets									
2.11 Economic Empowerment									
Current payment	4,009			4,009	4,068	(59)	101.5%	5,186	4,811
Transfers and subsidies									
Payment for capital assets									
Total	91,331			91,331	89,968	1,363	98.5%	89,392	84,393

APPROPRIATION STATEMENT
for the year ended 31 March 2010

PROGRAMME 2 - INTEGRATED ECONOMIC DEVELOPMENT

Programme 2 per Economic Classification	2009/10						2008/09		
	Adjusted Appropriation	Shifting of funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Current payment									
Compensation of employees	13,374	-	-	13,374	13,479	(105)	100.8%	13,805	9,623
Goods and services	10,809	-	-	10,809	10,669	140	98.7%	11,137	10,419
Interest and rent on land									
Financial transactions in assets and liabilities									
Transfers and subsidies to:									
Provinces and municipalities									
Departmental agencies and accounts									
Universities and technikons									
Foreign governments and international organisations									
Public corporations and private enterprises	67,148	-	-	67,148	65,820	1,328	98%	63,950	63,950
Non-profit institutions									
Households									
Payment for capital assets									
Buildings and other fixed structures								500	401
Machinery and equipment									
Biological or cultivated assets									
Software and other intangible assets									
Land and subsoil assets									
Total	91,331	-	-	91,331	89,966	1,363	98.5%	89,392	84,393

APPROPRIATION STATEMENT
for the year ended 31 March 2010

PROGRAMME 3 - TRADE AND INDUSTRY DEVELOPMENT

Statutory Appropriation per economic classification

Programme 3 Detail per sub programme	2009/10						2008/09		
	Adjusted Appropriation	Shifting of funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
3.1 CD: Office Support									
Current payment	3,205			3,205	1,593	1,612	49.7%	1,385	2,043
Transfers and subsidies									
Payment for capital assets								300	194
3.2 Trade and Investment									
Promotion									
Current payment	5,211			5,211	5,081	130	97.5%	5,509	4,387
Transfers and subsidies									
Payment for capital assets									
3.3 Sector Development									
Current payment	5,529			5,529	5,697	(168)	103%	4,546	3,248
Transfers and subsidies									
Payment for capital assets									
3.4 Strategic Initiatives									
Current payment	1,611			1,611	1,463	148	90.8%	2,632	2,641
Transfers and subsidies									
Payment for capital assets									
3.5 Tourism									
Current payment	44,910			44,910	53,381	(8,471)	119%	4,250	4,105
Transfers and subsidies	235,606			235,606	222,424	13,182	94.4%	210,916	209,011
Payment for capital assets	-			-					
Total	296,072	-	-	296,072	289,639	6,433	97.8%	229,538	225,961

APPROPRIATION STATEMENT
for the year ended 31 March 2010

PROGRAMME 3 - TRADE AND INDUSTRY DEVELOPMENT

Programme 3 Economic Classification	2009/10						2008/09		
	Adjusted Appropriation	Shifting of funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Current payment									
Compensation of employees	11,863	-	-	11,863	10,276	1,587	86.6%	8,620	6,993
Goods and services	48,603	-	-	48,603	56,939	(8,336)	117.2%	9,702	9,431
Interest and rent on land	-	-	-	-	-	-	-	-	-
Financial transactions in assets and liabilities	-	-	-	-	-	-	-	-	-
Transfers and subsidies to:									
Provinces and municipalities	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	235,606	-	-	235,606	222,424	13,182	94.4%	-	-
Universities and technikons	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Non-profit institutions	-	-	-	-	-	-	-	-	-
Households	-	-	-	-	-	-	-	210,916	209,011
Payment for capital assets									
Buildings and other fixed structures	-	-	-	-	-	-	-	-	232
Machinery and equipment	-	-	-	-	-	-	-	300	294
Biological or cultivated assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	-	-	-	-	-
Land and subsoil assets	-	-	-	-	-	-	-	-	-
Total	296,072	-	-	296,072	289,639	6,433	97.8%	229,538	225,961

APPROPRIATION STATEMENT
for the year ended 31 March 2010

PROGRAMME 4 - BUSINESS REGULATION

Programme 4 Detail per sub programme	Statutory Appropriation per economic classification							2008/09	
	Adjusted Appropriation	Shifting of funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
4.1 CD: Office Support									
Current payment Transfers and subsidies	1,019	-	-	1,019	1,096	(77)	107.6%		
Payment for capital assets	-								
4.2 Corporate Governance									
Current payment Transfers and subsidies	-							1,385	1,127
Payment for capital assets	-							25,506	25,506
4.3 Consumer Protection									
Current payment Transfers and subsidies	12,251			12,251	12,673	(422)	103.4%	11,277	11,331
Payment for capital assets	-							300	195
4.4 Regulation Services									
Current payment Transfers and subsidies	3,824			3,824	4,300	(476)	112.4%	4,661	4,256
Payment for capital assets	34,835			34,835	32,523	2,312	93.4%	-	-
Total	51,929	-	-	51,929	50,592	1,337	97.4%	43,129	42,441

APPROPRIATION STATEMENT
for the year ended 31 March 2010

PROGRAMME 4 - BUSINESS REGULATION

Programme 4 Economic Classification	Adjusted Appropriation	Shifting of funds	Virement	2009/10			2008/09		
				Adjusted Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Current payment									
Compensation of employees	13,342	-	-	13,342	14,217	(875)	106.6%	11,461	11,729
Goods and services	3,752	-	-	3,752	3,852	(100)	102.7%	5,862	4,984
Interest and rent on land	-	-	-	-	-	-	-	-	-
Financial transactions in assets and liabilities	-	-	-	-	-	-	-	-	-
Transfers and subsidies to:									
Provinces and municipalities	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	-	-	-	-	-	-	-	-	-
Universities and technikons	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Non-profit institutions	34,835	-	-	34,835	32,523	2,312	93.4%	25,506	25,506
Households	-	-	-	-	-	-	-	-	-
Payment for capital assets									
-Buildings and other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	-	-	-	-	-	-	-	300	222
Biological or cultivated assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	-	-	-	-	-
Land and subsoil assets	-	-	-	-	-	-	-	-	-
Total	51,929	-	-	51,929	50,592	1,337	97.4%	43,129	42,441

APPROPRIATION STATEMENT
for the year ended 31 March 2010

PROGRAMME 5 - ECONOMIC PLANNING

Programme 5 Detail per sub programme	Statutory Appropriation per economic classification							2008/09	
	Adjusted Appropriation	Shifting of funds	Virement	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
5.1 CD: Office Support									
Current payment	510	-	-	510	395	115	77.5%	745	289
Transfers and subsidies	-	-	-	-	-	-	-	-	-
Payment for capital assets	-	-	-	-	-	-	-	300	252
5.2 Economic Policy and Planning									
Current payment	2,534	-	-	2,534	2,291	243	90.4%	1,295	1,421
Transfers and subsidies	-	-	-	-	-	-	-	-	-
Payment for capital assets	-	-	-	-	-	-	-	-	32
5.3 Research and Development									
Current payment	3,549	-	-	3,549	3,830	(281)	107.9%	3,122	3,934
Transfers and subsidies	-	-	-	-	-	-	-	-	-
Payment for capital assets	-	-	-	-	-	-	-	-	-
5.4 Knowledge Management									
Current payment	3,028	-	-	3,028	3,012	16	99.5%	4,002	3,983
Transfers and subsidies	-	-	-	-	-	-	-	-	-
Payment for capital assets	-	-	-	-	-	-	-	-	-
5.4 Monitoring and Evaluation									
Current payment	2,172	-	-	2,172	2,357	(185)	108.5%	3,952	1,411
Transfers and subsidies	-	-	-	-	-	-	-	-	-
Payment for capital assets	-	-	-	-	-	-	-	-	-
Total	11,793	-	-	11,793	11,885	(92)	100.8%	13,416	11,322

APPROPRIATION STATEMENT
for the year ended 31 March 2010

PROGRAMME 5 - ECONOMIC PLANNING

Programme 5 Economic Classification	Adjusted Appropriation	Shifting of funds	Virement	2009/10				2008/09		
				Adjusted Appropriation	Final Appropriation	Actual Expenditure	Variance	Expenditure as % of final appropriation	Final Appropriation	Actual Expenditure
	R'000	R'000	R'000	R'000	R'000	R'000	R'000	%	R'000	R'000
Current payment										
Compensation of employees	7,699	-	-	7,699	7,561	138		98.2%	5,641	4,420
Goods and services	4,094	-	-	4,094	4,324	(230)		105.6%	7,475	6,619
Interest and rent on land	-	-	-	-	-	-		-	-	-
Financial transactions in assets and liabilities	-	-	-	-	-	-		-	-	-
Transfers and subsidies to:										
Provinces and municipalities	-	-	-	-	-	-		-	-	-
Departmental agencies and accounts	-	-	-	-	-	-		-	-	-
Universities and technikon	-	-	-	-	-	-		-	-	-
Foreign governments and international organisations	-	-	-	-	-	-		-	-	-
Public corporations and private enterprises	-	-	-	-	-	-		-	-	-
Non-profit institutions	-	-	-	-	-	-		-	-	-
Households	-	-	-	-	-	-		-	-	-
Payment for capital assets										
Buildings and other fixed structures	-	-	-	-	-	-		-	300	283
Machinery and equipment	-	-	-	-	-	-		-	-	-
Biological or cultivated assets	-	-	-	-	-	-		-	-	-
Software and other intangible assets	-	-	-	-	-	-		-	-	-
Land and subsoil assets	-	-	-	-	-	-		-	-	-
Total	11,793	-	-	11,793	11,885	(92)		100.8%	13,416	11,322

NOTES TO THE APPROPRIATION STATEMENT

for the year ended 31 March 2010

1. Detail of transfers and subsidies as per Appropriation Act (after Virement):

Detail of these transactions can be viewed in note 6 (Transfers and subsidies) and Annexure 1- 3 to the Annual Financial Statements.

2. Detail of specifically and exclusively appropriated amounts voted (after Virement):

Detail of these transactions can be viewed in note 1 (Annual Appropriation) to the Annual Financial Statements.

3. Detail on financial transactions in assets and liabilities

Detail of these transactions per programme can be viewed in note 3.5 (Financial transactions in assets and liabilities) to the Annual Financial Statements.

4. Explanations of material variances from Amounts Voted (after Virement):

4.1 Per Programme

	Final Appropriation R'000	Actual Expenditure R'000	Variance R'000	Variance as a % of Final Appropriation %
1. Administration	69,146	79,447	(10,301)	(14.8)
2. Integrated Economic Development	91,331	89,968	1,363	1.4
3. Trade and Sector Development	296,072	289,639	6,433	2.2
4. Business Regulation	51,929	50,592	1,337	2.6
5. Economic Planning	11,793	11,885	(92)	(0.8)

4.2 Per Economic classification

	Final Appropriation R'000	Actual Expenditure R'000	Variance R'000	Variance as a % of Final Appropriation %
Current payment:				
Compensation of employees	79,412	79,020	392	0.5
Goods and services	100,470	118,140	(17,670)	(17.6)
Interest and rent on land	-	-	-	-
Financial transactions in assets and liabilities	-	-	-	-
Transfers and subsidies:				
Provinces and municipalities	-	-	-	-
Departmental agencies and accounts	270,441	254,948	15,493	5.7
Universities and Technikons	-	-	-	-
Public corporations and private enterprises	67,148	65,820	1,328	2
Non-profit institutions	-	-	-	-
Households	-	745	(745)	-

NOTES TO THE APPROPRIATION STATEMENT

for the year ended 31 March 2010

4.2 Per Economic classification (continued)

	Final Appropriation R'000	Actual Expenditure R'000	Variance R'000	Variance as a % of Final Appropriation %
Payments for capital assets:				
Buildings and other fixed structures	-	-	-	-
Machinery and equipment	2,800	2,858	(58)	(2)
Heritage assets	-	-	-	-
Software and other intangible assets	-	-	-	-
Land and subsoil assets	-	-	-	-

Programme 1:

The over spending on goods and services is as a result of surrendered funds during adjustment budget meant for contractual obligations such as leases, security services and others. Moreover all commitments prior to adjustment budget also had to be settled resulting to further over spending of budget under this programme.

Programme 2:

The under spending on transfers is as a result of non transfer of allocation to MEGA for March 2010.

Programme 3:

The over spending on goods and services under this programme is due to expenditure on Maputo Development Corridor Flagship which was transferred from Treasury during adjustment budget, already in excess of budget allocation. The under spending on transfers is as a result of non transfer of allocation to MTPA for March 2010.

Programme 4:

The under spending on transfers is as a result of non transfer of allocation to MGB for March 2010.

Programme 5:

The over spending on goods and services is as result of budget cuts during adjustment appropriation.

STATEMENT OF FINANCIAL PERFORMANCE

for the year ended 31 March 2010

PERFORMANCE

	Note	2009/10 R'000	2008/09 R'000
REVENUE			
Annual appropriation	1	520,271	440,709
Statutory appropriation	2	1,506	945
Departmental revenue	3	45,564	43,421
TOTAL REVENUE		567,341	485,075
EXPENDITURE			
Current expenditure			
Compensation of employees	4	80,426	62,338
Goods and services	5	118,140	65,845
Total current expenditure		198,566	128,183
		321,512	298,720
Transfers and subsidies	6	321,512	298,720
Expenditure for capital assets			
Tangible capital assets	7	2,858	3,215
Total expenditure for capital assets		2,858	3,215
TOTAL EXPENDITURE		522,936	430,118
SURPLUS/(DEFICIT) FOR THE YEAR		44,405	54,957
Reconciliation of Net Surplus/(Deficit) for the year			
Voted Funds	12	(1,159)	11,536
Departmental Revenue	13	45,564	43,421
SURPLUS/(DEFICIT) FOR THE YEAR		44,405	54,957

STATEMENT OF FINANCIAL POSITION

as at 31 March 2010

POSITION	Note	2009/10 R'000	2008/09 R'000
ASSETS			
Current assets		10,717	15,715
Unauthorised expenditure	8	10,393	-
Fruitless and wasteful expenditure	9	51	448
Cash and cash equivalents	10	-	15,049
Receivables	11	273	218
TOTAL ASSETS		10,717	15,715
LIABILITIES			
Current liabilities		10,542	15,154
Voted funds to be surrendered to the Revenue Fund	12	9,234	11,587
Departmental revenue to be surrendered to the Revenue Fund	13	55	3,532
Bank overdraft	14	1,227	-
Payables	15	26	35
TOTAL LIABILITIES		10,542	15,154
NET ASSETS		175	561
Represented by:			
Recoverable revenue (Staff and other debts recovered)		175	561
TOTAL		175	561

STATEMENT OF CHANGES IN NET ASSETS

for the year ended 31 March 2010

	Note	2009/10 R'000	2008/09 R'000
Recoverable revenue			
Opening balance		561	543
Transfers		(386)	18
Debts recovered (included in departmental revenue)		(386)	(379)
Debts raised			397
Closing balance		175	561
TOTAL		175	561

CASH FLOW STATEMENT

for the year ended 31 March 2010

	Note	2009/10 R'000	2008/09 R'000
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts		567,262	484,931
Annual appropriated funds received	1.1	520,271	440,709
Statutory appropriated funds received		1,506	945
Departmental revenue received		45,485	43,277
Net (increase)/decrease in working capital		333	(59)
Surrendered to Revenue Fund		(60,628)	(61,988)
Current payments		(198,566)	(128,183)
Transfers and subsidies paid		(321,512)	(298,720)
Net cash flow available from operating activities	16	(13,111)	(4,019)
CASH FLOWS FROM INVESTING ACTIVITIES			
Payments for capital assets		(2,858)	(3,215)
Proceeds from sale capital assets	3.4	79	144
Net cash flows from investing activities		(2,779)	(3,071)
CASH FLOWS FROM FINANCING ACTIVITIES			
Increase/(decrease) in net assets		(386)	18
Net cash flows from financing activities		(386)	18
Net increase/(decrease) in cash and cash equivalents		(16,276)	(7,072)
Cash and cash equivalents at the beginning of the period		15,049	22,121
Cash and cash equivalents at end of period	17	(1,227)	15,049

NOTES TO THE ANNUAL FINANCIAL STATEMENTS (INCLUDING ACCOUNTING POLICIES)

ACCOUNTING POLICIES for the year ended 31 March 2010

The Financial Statements have been prepared in accordance with the following policies, which have been applied consistently in all material aspects, unless otherwise indicated. However, where appropriate and meaningful, additional information has been disclosed to enhance the usefulness of the Financial Statements and to comply with the statutory requirements of the Public Finance Management Act, Act 1 of 1999 (as amended by Act 29 of 1999), and the Treasury Regulations issued in terms of the Act and the Division of Revenue Act, Act 2 of 2006.

1. Presentation of the Financial Statements

1.1 Basis of preparation

The Financial Statements have been prepared on a modified cash basis of accounting, except where stated otherwise. The modified cash basis constitutes the cash basis of accounting supplemented with additional disclosure items. Under the cash basis of accounting transactions and other events are recognised when cash is received or paid.

1.2 Presentation currency

All amounts have been presented in the currency of the South African Rand (R) which is also the functional currency of the department.

1.3 Rounding

Unless otherwise stated all financial figures have been rounded to the nearest one thousand Rand (R'000).

1.4 Comparative figures

Prior period comparative information has been presented in the current year's financial statements. Where necessary figures included in the prior period financial statements have been reclassified to ensure that the format in which the information is presented is consistent with the format of the current year's financial statements.

1.5 Comparative figures - Appropriation Statement

A comparison between actual amounts and final appropriation per major classification of expenditure is included in the Appropriation Statement.

2. Revenue

2.1 Appropriated funds

Appropriated funds comprises of departmental allocations as well as direct charges against revenue fund (i.e. statutory appropriation).

Appropriated funds are recognised in the financial records on the date the appropriation becomes effective. Adjustments made in terms of the adjustments budget process are recognised in the financial records on the date the adjustments become effective.

The total appropriated funds received during the year are presented in the statement of financial performance.

Unexpended appropriated funds are surrendered to the Provincial Revenue Fund. Any amounts owing to the Provincial Revenue Fund at the end of the financial year are recognised as payable in the statement of financial position.

2.2 Departmental revenue

All departmental revenue is recognised in the statement of financial performance when received and is subsequently paid into the Provincial Revenue Fund, unless stated otherwise.

ACCOUNTING POLICIES

for the year ended 31 March 2010

Any amount owing to the Provincial Revenue Fund is recognised as a payable in the statement of financial position.

No accrual is made for the amount receivable from the last receipt date to the end of the reporting period. These amounts are however disclosed in the disclosure note to the annual financial statements.

2.3 Direct Exchequer receipts / payments

All direct exchequer receipts are recognised in the statement of financial performance when the cash is received and subsequently paid into the Provincial Revenue Fund, unless otherwise stated.

All direct exchequer payments are recognised in the statement of financial performance when final authorisation for payment is effected on the system (by no later than 31 March of each year).

Any amount owing to the Provincial Revenue Funds at the end of the financial year is recognised as a payable in the statement of financial position.

2.4 Aid assistance

Aids assistance is recognised as revenue when received

All in-kind aid assistance is disclosed at fair value on the date of receipt in the annexures to the Annual Financial Statements

The cash payments made during the year relating to aid assistance projects are recognised as expenditure in the statement of financial performance when final authorisation for payments is effected on the system (by no later than 31 March of each year)

The value of the assistance expensed prior to the receipt of funds is recognised as a receivable in the statement of financial position.

Inappropriately expensed amounts using aid assistance and any unutilised amounts are recognised as payables in the statement of financial position.

All CARA funds received must be recorded as revenue when funds are received. The cash payments made during the year relating to CARA earmarked projects are recognised as expenditure in the statement of financial performance when final authorisation for payments effected on the system (by no later then 31 March of each year)

Inappropriately expensed amounts using CARA funds are recognised as payables in the statement of financial position. Any unutilised amounts are transferred to retained funds as they are not surrendered to the revenue fund.

3. Expenditure

3.1 Compensation of employees

3.1.1 Short-term employee benefits

The cost of short-term employee benefits are expensed in the statement of financial performance when financial authorisation for payment is effected on the system (by no later then 31 March each year)

Short-tem employee benefits that give rise to a present legal or constructive obligation are disclosed in the disclosure notes to the financial statements. These amounts must not be recognised in the statement of financial performance or position.

ACCOUNTING POLICIES

for the year ended 31 March 2010

Employee cost are capitalised to the cost of a capital project when an employee spends more than 50% of his/her time in the project. These payments form part of expenditure for capital assets in the statement of financial performance.

3.1.2 Post retirement benefits

Employer contribution (i.e. social contributions) are expensed in the statement of financial performance when the final authorisation for payment is effected on the system (by no later than 31 March each year).

No provision is made for retirement benefits in the financial statements of the department. Any potential liabilities are disclosed in the financial statements of the National Revenue Funds and not in the financial statements of the employer department.

Social contribution (such as medical benefits) made by the department for certain of its ex-employees are classified as transfers to households in the statement of financial performance.

3.1.3 Termination benefits

Termination benefits such as severance packages are recognised as an expense in the statement of financial performance as a transfer (to households) when the final authorisation for payment is effected on the system (by no later than 31 March of each year).

3.1.4 Other long-term employee benefits

Other long-term employee benefits (such as capped leave) are recognised as an expense in the statement of financial performance as a transfer (to households) when the final authorisation for payment is effected on the system (by no later than 31 March of each year).

Long-term employee benefits that give rise to a present legal or constructive obligation are disclosed in the disclosure notes to the financial statements.

3.2 Goods and services

Payments made for goods and/or services are recognised as an expense in the statement of financial performance when the final authorisation for payment is effected on the system (by no later than 31 March of each year).

The expense is classified as capital if the goods and/or services were acquired for a capital project or if the total purchase price exceeds the capitalisation threshold (currently R5, 000). All other expenditures are classified as current.

3.3 Interest and rent on land

Interest and rental payments are recognised as an expense in the statement of financial performance when the final authorisation for payment is effected on the system (by no later than 31 March of each year). This item excludes rental for the use of buildings or other fixed structures. If it is not possible to distinguish between payment for the use of land and the fixed structures on it, the whole amount should be recorded under goods and services.

3.4 Financial transactions in assets and liabilities

Debts are written off when identified as irrecoverable. Debts written-off are limited to the amount of savings and/or underspending of appropriated funds. The write off occurs at year-end or when funds are available. No provision is made for irrecoverable amounts but an estimate is included in the disclosure notes to the financial statements amounts.

All other losses are recognised when authorisation has been granted for the recognition thereof.

ACCOUNTING POLICIES

for the year ended 31 March 2010

3.5 Transfers and subsidies

Transfers and subsidies are recognised as an expense when the final authorisation for payment is effected on the system (by no later than 31 March of each year).

3.6 Unauthorised expenditure

When confirmed unauthorised expenditure is recognised as an asset in the statement of financial position until such time as the expenditure is either approved by the relevant authority, recovered from the responsible person or written off as irrecoverable in the statement of financial performance.

Unauthorised expenditure approved with funding is derecognised from the statement of financial position when the unauthorised expenditure is approved and the related funds are received.

Where the amount is approved without funding it is recognised as expenditure in the statement of financial performance on the date of approval.

3.7 Fruitless and wasteful expenditure

Fruitless and wasteful expenditure is recognised as expenditure in the statement of financial performance according to the nature of the payment and not as a separate line item on the face of the statement. If the expenditure is recoverable it is treated as an asset until it is recovered from the responsible person or written off as irrecoverable in the statement of financial performance.

3.8 Irregular expenditure

Irregular expenditure is recognised as expenditure in the statement of financial performance. If the expenditure is not condoned by the relevant authority it is treated as an asset until it is recovered or written off as irrecoverable.

4. Assets

4.1 Cash and cash equivalents

Cash and cash equivalents are carried in the statement of financial position at cost.

Bank overdrafts are shown separately on the face of the statement of financial position.

For the purposes of the cash flow statement, cash and cash equivalents comprise cash on hand, deposits held, other short-term highly liquid investments and bank overdrafts.

4.2 Other financial assets

Other financial assets are carried in the statement of financial position at cost.

4.3 Prepayments and advances

Amounts prepaid or advanced are recognised in the statement of financial position when the payments are made and where the goods and services have not been received by year end.

Prepayments and advances outstanding at the end of the year are carried in the statement of financial position at cost.

ACCOUNTING POLICIES

for the year ended 31 March 2010

4.4 Receivables

Receivables included in the statement of financial position arise from cash payments made that are recoverable from another party or from the sale of goods/rendering of services.

Receivables outstanding at year-end are carried in the statement of financial position at cost plus any accrued interest. Amounts that are potentials irrecoverable are included in the disclosure notes.

4.5 Investments

Capitalised investments are shown at cost in the statement of financial position.

Investments are tested for an impairment loss whenever events or changes in circumstances indicate that the investment may be impaired. Any impairment loss is included in the disclosure notes.

4.6 Loans

Loans are recognised in the statement of financial position when the cash is paid to the beneficiary. Loans that are outstanding at year-end are carried in the statement of financial position at cost plus accrued interest.

Amounts that are potentially irrecoverable are included in the disclosure notes.

4.7 Inventory

Inventories that qualify for recognition must be initially reflected at cost. Where inventories are acquired at no cost, or for nominal consideration, their cost shall be their fair value at the date of acquisition.

All inventory items at year-end are reflected using the weighted average cost or FIFO cost formula.

4.8 Capital assets

4.8.1 Movable assets

Initial recognition

A capital asset is recorded on receipt of the item at cost. Cost of an asset is defined as the total cost of acquisition. Where the cost cannot be determined accurately, the movable capital asset is stated at fair value. Where fair value cannot be determined, the capital asset is included in the asset register at R1.

All assets acquired prior to 1 April 2002 are included in the register R1.

Subsequent recognition

Subsequent expenditure of a capital nature is recorded in the statement of financial performance as "expenditure for capital asset" and is capitalised in the asset register of the department on completion of the project.

Repairs and maintenance is expensed as current "goods and services" in the statement of financial performance.

4.8.2 Immovable assets

Initial recognition

A capital asset is recorded on receipt of the item at cost. Cost of an asset is defined as the total cost of acquisition. Where the cost cannot be determined accurately, the immovable capital asset is stated at R1 unless the fair value for the asset has been reliably estimated.

ACCOUNTING POLICIES

for the year ended 31 March 2010

Subsequent recognition

Work-in-progress of a capital nature is recorded in the statement of financial performance as "expenditure for capital asset". On completion, the total cost of the project is included in the asset register of the department that legally owns the asset or the provincial department of public works.

Repairs and maintenance is expensed as current "goods and services" in the statement of financial performance.

5. Liabilities

5.1 Payables

Recognised payables mainly comprise of amounts owing to other governmental entities. These payables are carried at cost in the statement of financial position.

5.2 Contingent liabilities

Contingent liabilities are included in the disclosure notes to the financial statements when it is possible that economic benefits will flow from the department, or when an outflow of economic benefits or service potential is probable but cannot be measured reliably.

5.3 Contingent assets

Contingent assets are included in the disclosure notes to the financial statements when it is possible that an inflow of economic benefits will flow to the entity.

5.4 Commitments

Commitments are not recognised in the statement of financial position as a liability or as expenditure in the statement of financial performance but are included in the disclosure notes.

5.5 Accruals

Accruals are not recognised in the statement of financial position as a liability or as expenditure in the statement of financial performance but are included in the disclosure notes.

5.6 Employee benefits

Short-term employee benefits that give rise to a present legal or constructive obligation are disclosed in the disclosure notes to the financial statements. These amounts are not recognised in the statement of financial performance or the statement of financial position.

5.7 Lease commitments

Finance lease

Finance leases are not recognised as assets and liabilities in the statement of financial position. Finance lease payments are recognised as an expense in the statement of financial performance and are apportioned between the capital and interest portions. The finance lease liability is disclosed in the disclosure notes to the financial statements.

Operating lease

Operating lease payments are recognised as an expense in the statement of financial performance. The operating lease commitments are disclosed in the disclosure notes to the financial statement.

ACCOUNTING POLICIES

for the year ended 31 March 2010

5.8 Provisions

Provisions are disclosed when there is a present legal or constructive obligation to forfeit economic benefits as a result of events in the past and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate of the obligation can be made.

6. Receivables for departmental revenue

Receivables for departmental revenue are disclosed in the disclosure notes to the annual financial statements.

7. Net Assets

7.1 Capitalisation reserve

The capitalisation reserve comprises of financial assets and/or liabilities originating in a prior reporting period but which are recognised in the statement of financial position for the first time in the current reporting period. Amounts are recognised in the capitalisation reserves when identified in the current period and are transferred to the Provincial Revenue Fund when the underlining asset is disposed and the related funds are received.

7.2 Recoverable revenue

Amounts are recognised as recoverable revenue when a payment made in a previous financial year becomes recoverable from a debtor in the current financial year. Amounts are either transferred to the Provincial Revenue Fund when recovered or are transferred to the statement of financial performance when written-off.

8. Related party transactions

Specific information with regards to related party transactions is included in the disclosure notes.

9. Key management personnel

Compensation paid to key management personnel including their family members where relevant, is included in the disclosure notes.

10. Public private partnerships

A description of the PPP arrangement, the contract fees and current and capital expenditure relating to the PPP arrangement is included in the disclosure notes.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2010

1. Annual Appropriation

1.1 Annual Appropriation

Included are funds appropriated in terms of the Appropriation Act for Provincial Departments (Equitable share):

	Final Appropriation R'000	Actual Funds Received R'000	Funds not requested/ not received R'000	Appropriation received 2008/09 R'000
Administration	69,146	69,146	-	65,234
Integrated Economic Development	91,331	91,331	-	89,392
Trade and Industry Development	296,072	296,072	-	229,538
Business Regulation	51,929	51,929	-	43,129
Economic Planning	11,793	11,793	-	13,416
Total	520,271	520,271	-	440,709

2. Statutory Appropriation

	2009/10 R'000	2008/09 R'000
Member of Executive Council	1,506	945
Total	1,506	945
Actual Statutory Appropriation received	1,506	945

3. Departmental revenue to be surrendered to revenue fund

Description	Note	2009/10 R'000	2008/09 R'000
Tax revenue		44,570	40,686
Sales of goods and services other than capital assets	3.1	81	73
Fines, penalties and forfeits	3.2	6	-
Interest, dividends and rent on land	3.3	786	2,423
Sales of capital assets	3.4	79	144
Financial transactions in assets and liabilities	3.5	42	95
Total revenue collected		45,564	43,421
Departmental revenue collected		45,564	43,421

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2010

	Note	2009/10 R'000	2008/09 R'000
3.1 Sales of goods and services other than capital assets			
Sales of goods and services produced by the department		81	73
Administrative fees		36	31
Other sales		45	42
Sales of scrap, waste and other used current goods			
Total		81	73
3.2 Fines, penalties and forfeits			
Penalties on licences		6	-
Total		6	-
3.3 Interest, dividends and rent on land			
Interest : PMG account		786	2,423
Total		786	2,423
3.4 Sale of capital assets			
Tangible assets			
Machinery and equipment		79	144
Total		79	144
3.5 Financial transactions in assets and liabilities			
Nature of recovery			
Other Receipts including Recoverable Revenue		42	95
Total		42	95
		2009/10	2008/09
	Note	R'000	R'000
4. Compensation of employees			
4.1 Salaries and Wages			
Basic salary		54,536	41,230
Performance award		1,185	1,385
Service Based		263	98
Compensative/circumstantial		1,326	1,588
Periodic payments		6	315
Other non-pensionable allowances		12,337	9,676
Total		69,653	54,292

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2010

	Note	2009/10 R'000	2008/09 R'000
4.2 Social contributions			
4.2.1 Employer contributions			
Pension		7,071	5,316
Medical		3,693	2,721
Bargaining council		9	9
Total		10,773	8,046
Total compensation of employees		80,426	62,338
Average number of employees		281	293
	Note	2009/10 R'000	2008/09 R'000\
5. Goods and services			
Administrative fees		23	22
Advertising		1,812	1,677
Assets less than R5,000	5.1	285	1,115
Bursaries (employees)		476	403
Catering		1,054	1,680
Communication		6,570	4,809
Computer services	5.2	1,605	418
Consultants, contractors and agency/outsourced services	5.3	71,426	24,498
Audit cost - external	5.4	2,979	1,040
Government motor transport		888	1,413
Inventory	5.5	2,741	1,950
Contr: plant & flowers & other decor		-	22
Operating leases		13,419	468
Owned and leasehold property expenditure	5.6	2,454	9,392
Travel and subsistence	5.7	10,175	13,391
Venues and facilities		681	889
Training & staff development		1,247	2,245
Other operating expenditure	5.8	305	413
Total		118,140	65,845
5.1 Assets less than R5, 000			
Tangible assets	5		
		285	1,115
Machinery and equipment		285	1,115
Intangible assets		-	-
Total		285	1,115

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2010

	Note	2009/10	2008/09
	5	R'000	R'000
5.2 Computer services			
SITA computer services		1,099	144
External computer service providers		506	274
Total		1,605	418
5.3 Consultants, contractors and agency/outsourced services			
Business and advisory services		298	200
Contractors		-	752
Agency and support/outsourced services		71,128	23,546
Total		71,426	24,498
5.4 Audit cost - external			
Regularity audits		2,979	1,040
Total		2,979	1,040
5.5 Inventory			
Food and food supplies		183	287
Other consumable materials		108	174
Maintenance material		88	-
Stationery and printing		2,362	1,489
Total		2,741	1,950
5.6 Owned and leasehold property expenditure			
Security services		2,454	-
Property maintenance & repairs		-	22
Other		-	9,392
Total		2,454	9,414
5.7 Travel and subsistence			
Local		10,175	13,391
Total		10,175	13,391
5.8 Other operating expenditure			
Learner ships		40	-
Professional bodies, membership & subscription fees		2	-
Resettlement costs		260	413
Other		3	-
Total		305	413

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2010

	Note	2009/10 R'000	2008/09 R'000
6. Transfers and subsidies			
Public corporations and private enterprises	Annex 1	65,820	63,950
Departmental Agencies and Accounts	Annex 2	254,947	234,517
Households	Annex 3	745	253
Total		321,512	298,720
	Note	2009/10 R'000	2008/09 R'000
7. Expenditure for capital assets			
Tangible assets		2,858	3,215
Machinery and equipment		2,858	3,215
Total		2,858	3,215
7.1 Analysis of funds utilised to acquire capital assets-2009/10		Voted funds R'000	TOTAL R'000
Tangible assets		2,858	2,858
Machinery and Equipment		2,858	2,858
Total		2,858	2,858
7.2 Analysis of funds utilised to acquire capital assets-2008/09			
Tangible assets		3,215	3,215
Machinery and Equipment		3,215	3,215
Total		3,215	3,215

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2010

	Note	2009/10 R'000	2008/09 R'000
8. Unauthorised expenditure			
8.1 Reconciliation of unauthorised expenditure			
Opening balance		-	-
Unauthorised expenditure - discovered in the current year	12	10,393	-
Less: Amounts approved by Legislature with funding		-	-
Less: Amounts approved by Legislature without funding and written off in the Statement of Financial Performance		-	-
Current		10,393	-
Less: Amounts transferred to receivables for recovery		-	-
Unauthorised expenditure awaiting authorisation/written off		10,393	-
Analysis of awaiting authorisation per economic classification			
Current		10,393	-
Total		10,393	-
8.2 Details of unauthorised expenditure - current year			
Incident	Disciplinary steps taken/criminal proceedings		
Overspending in programme one and programme five under goods and services	None		
Total		10,393	

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2010

	Note	2009/10 R'000	2008/09 R'000			
9. Fruitless and wasteful expenditure						
9.1 Reconciliation of fruitless and wasteful expenditure						
Opening balance		448	-			
Fruitless and wasteful expenditure - current year		-	448			
Current expenditure		-	-			
Transfers and subsidies		-	-			
Expenditure for capital assets		-	-			
Less: Amounts transferred to receivables for recovery		(397)				
Fruitless and wasteful expenditure awaiting condonement		51	448			
9.2 Analysis of awaiting condonement per economic classification						
Current		51	448			
Total		51	448			
	Note	2009/10 R'000	2008/09 R'000			
10 Cash and cash equivalents						
Consolidated Paymaster General Account		-	15,049			
Total		-	15,049			
11 Receivables						
	Note	Less than one year	One to three years	Older than three years	2009/10 R'000 Total	2008/09 R'000 Total
Staff debtors	11.1	44	26	34	104	52
Other Debtors	11.2	1	-	168	169	166
Total		45	26	202	273	218

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2010

	Note	2009/10 R'000	2008/09 R'000
11.1 Staff Debtors			
Salary Tax Debt		57	42
Salary Overpayment		41	10
Other		6	
Total		104	52
11.2 Other debtors			
Supplier		168	164
Medical Aid Scheme		1	2
Total		169	166
	Note	2009/10 R'000	2008/09 R'000
12 Voted funds to be surrendered to the Revenue Fund			
Opening balance		11,587	20,741
Transfer from Statement of Financial Performance		(1,159)	11,536
Add: Unauthorised expenditure for current year	8	10,393	-
Paid during the year		(11,587)	(20,690)
Closing balance		9,234	11,587
	Note	2009/10 R'000	2008/09 R'000
13 Departmental revenue to be surrendered to the Revenue Fund			
Opening balance		3,532	1,409
Transfer from Statement of Financial Performance		45,564	43,421
Paid during the year		(49,041)	(41,298)
Closing balance		55	3,532
14 Bank Overdraft			
Description	Note	2009/10 Total R'000	2008/09 Total R'000
Consolidated Paymaster General Account		1,227	-
Total		1,227	-

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2010

15 Payables - current		2009/10	2008/09
Description	Note	Total R'000	Total R'000
Amounts owing to other entities	Annex 5	2	6
Other payables	15.1	24	29
Total		26	35
		2009/10	2008/09
		R'000	R'000
15.1 Other payables			
Salary: Income Tax		22	28
Salary: Finance other institution		1	1
Disallowance Miscellaneous		1	-
Total		24	29
		2009/10	2008/09
		R'000	R'000
16 Net cash flow available from operating activities			
Net surplus/(deficit) as per Statement of Financial Performance		44,405	54,957
Add back non cash/cash movements not deemed operating activities		(57,516)	(58,976)
(Increase)/decrease in receivables - current		(55)	(27)
(Increase)/decrease in other current assets		397	-
Increase/(decrease) in payables - current		(9)	(32)
Proceeds from sale of capital assets		(79)	(144)
Expenditure on capital assets		2,858	3,215
Surrenders to Revenue Fund		(60,628)	(61,988)
Net cash flow generated by operating activities		(13,111)	(4,019)
17 Reconciliation of cash and cash equivalents for cash flow purposes			
Consolidated Paymaster General account		(1,227)	15,049
Total		(1,227)	15,049

DISCLOSURE NOTES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2010

	Note	2009/10 R'000	2008/09 R'000
18 Contingent liabilities			
Liable to	Nature		
Housing loan guarantees	Employees	307	366
Claims against the department	Annex 4B	52,643	9,920
Total		52,950	10,286
	Note	2009/10 R'000	2008/09 R'000
19 Commitments			
Current expenditure			
Approved and contracted		9,104	2,220
Approved but not yet contracted			
		9,104	2,220
Total Commitments		9,104	2,220
	Note	2009/10 R'000	2008/09 R'000
20 Accruals			
Listed by economic classification	30 Days	30+ Days	2009/10 R'000 Total
			2008/09 R'000 Total
Compensation of employees			2,129
Goods and services	3,600		-
Transfers and subsidies	16,822	-	-
Buildings and other fixed structures	-	-	41
Machinery and equipment	-	-	
Total	20,422	-	2,170
Programme 1: Administration		-	2,170
Programme 3: Trade and Industry Development		20,422	-
		20,422	2,170

DISCLOSURE NOTES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2010

	Note	2009/10 R'000	2008/09 R'000
21 Employee benefits			
Leave entitlement		2,838	1,291
Service bonus (Thirteenth cheque)		2,259	1,857
Performance awards		1,852	1,385
Capped leave commitments		5,327	5,121
Total		12,276	9,654
22 Lease Commitments			
Operating leases expenditure			
		Buildings and other fixed structures R'000	Machinery and equipment R'000
			Total R'000
2009/2010			
Not later than 1 year		2,102	4,020
Later than 1 year and not later than 5 years		8,005	9,087
Later than five years		1,695	-
Total lease commitments		11,802	13,107
2008/2009			
Not later than 1 year		2,102	2,168
Later than 1 year and not later than 5 years		8,005	3,017
Later than five years		1,695	-
Total lease commitments		11,802	5,185
23 Irregular expenditure			
23.1 Reconciliation of irregular expenditure	Note	2009/10 R'000	2008/09 R'000
Opening balance		13,804	13,804
Add: Irregular expenditure - relating to prior year		-	-
Add: Irregular expenditure - relating to current year		-	-
Less: Amounts condoned		(13,479)	-
Less: Amounts recoverable (not condoned)		(325)	-
Irregular expenditure awaiting condonation		-	13,804

DISCLOSURE NOTES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2010

	Notes	2009/10 R'000	2008/09 R'000
23.2 Analysis of awaiting condonement per age classification			
Current year		-	-
Prior years		-	13,804
Total		-	13,804
	Notes	2009/10 R'000	2008/09 R'000
24. Related party transactions			
Payments made			
Goods and services		6,672	22,189
Financial transactions in assets and liabilities			
Transfers		10,969	-
Total		17,641	22,189
Year end balances arising from revenue/payments			
Receivables from related parties		-	-
Payables to related parties		983	-
Total		983	-

24.1 Small Enterprise Development Agency

The Department has a Memorandum of Agreement signed with the DTI to fund part of SEDA programme in the Province in terms of SEDA Act. The Department funds SEDA annually based on a service level agreement. SEDA operates five branches and 12 enterprises information centres to provide Business Development Support. The Department has funded SEDA by an amount of R5 million during the year under review.

24.2 Zithabiseni Holiday Resort

The Department had budgeted R10.3 million for Zithabiseni for the payment of salaries for staff at the Resort. A rollover of R1,6 million was approved for water purification at the resort bringing the total budget for Zithabiseni to R11,9 million. The resort continues to face challenges in generating income in order to become self sustainable over period of time. This state of affairs make it difficult for the resort to operate normally as its operational budget is not funded by the department. More support is required to enable the resort to attract visitors in order to be able to generate income that it desperately needs in order to survive. The total amount transferred to Zithabiseni is R10,969 million during the period under review.

24.3 Furniture Training Centre

This project is aimed at providing technical skills training in furniture manufacturing and to provide a comprehensive support to design and train existing and potential entrepreneurs by expanding the skills base as well as mentor new entrepreneurs. The Department provided funding to the amount of R1,4 million to FURNTECH to provide training to unemployed youth on technical skills in furniture manufacturing.

DISCLOSURE NOTES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2010

24.4 Bushbuckridge Biomass Project

The Department entered into a service level agreement with Phambili Energy in order to further create an environment for most depressed and poverty stricken areas of Bushbuckridge. The objective is to reach and assist affected communities to access alternative sources of energy through innovation brought about by this company. The aim of the project is to create bio fuel from solid biomass supplied by rural communities at a price that will see families benefiting both financially and in kind.

Bushbuckridge being declared a poverty node by the national government this project will contribute to the fight against poverty and serve as an outreach programme for those households without normal electricity power grid to receive this form of energy for utility at zero rate but with almost the same utility value as normal electricity. Funding to the amount of R272 thousand was provided to conduct a scoping study in the targeted affected areas.

25. Key management personnel	No of Individuals	2009/10 R'000	2008/09 R'000
Member of the Executive Council	1	1,405	1,328
Deputy Director - General (HOD) -Level 15	1	940	637
Chief Financial Officer (Acting) - Level 13	2	576	228
Chief Directors - Level 14	5	3,162	2,600
Total		6,083	4,793

26. Provisions	Note	2009/10 R'000	2008/09 R'000
Potential irrecoverable debts			-
Staff debtors		35	-
Other debtors		176	-
Total		211	-

27. Tangible Capital Assets

MOVEMENT IN MOVABLE TANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2010

	Opening balance R'000	Current year Adjustments to prior year balances R'000	Additions R'000	Closing Disposals R'000	Balance R'000
BUILDING AND OTHER FIXED STRUCTURES					
MACHINERY AND EQUIPMENT	11,372	117	2,858	2,793	11,554
Transport assets	3,521	(1)	1,857	1,431	3,946
Computer equipment	2,899	757	772	694	3,734
Furniture and office equipment	4,442	(589)	179	440	3,592
Other machinery and equipment	510	(50)	50	228	282
TOTAL MOVABLE TANGIBLE CAPITAL ASSETS	11,372	117	2,858	2,793	11,554

DISCLOSURE NOTES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2010

27.1 ADDITIONS TO MOVABLE TANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2010

	Cash Cost R'000	Non-cash Fair Value/R1 R'000	(Capital Work in Progress current costs) Cost R'000	Received current, not paid (Paid current year, received prior year) Cost R'000	Total Cost R'000
MACHINERY AND EQUIPMENT	2,858	-	-	-	2,858
Transport assets	1,857	-	-	-	1,857
Computer equipment	772	-	-	-	772
Furniture and office equipment	179	-	-	-	179
Other machinery and equipment	50	-	-	-	50
TOTAL ADDITIONS TO MOVABLE TANGIBLE CAPITAL ASSETS	2,858	-	-	-	2,858

27.2 DISPOSALS OF MOVABLE TANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2010

	Sold for cash R'000	Transfer out or destroyed or scrapped R'000	Total disposals R'000	Cash Received Actual R'000
MACHINERY AND EQUIPMENT	339	2,454	2,793	79
Transport assets	339	1,092	1,431	79
Computer equipment	-	694	694	-
Furniture and office equipment	-	440	440	-
Other machinery and equipment	-	228	228	-
TOTAL DISPOSAL OF MOVABLE TANGIBLE CAPITAL ASSETS	339	2,454	2,793	79

DISCLOSURE NOTES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2010

27.3 Movement for 2008/09

MOVEMENT IN MOVABLE TANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2009

	Opening balance R'000	Additions R'000	Disposals R'000	Closing balance R'000
MACHINERY AND EQUIPMENT	8,537	3,317	482	11,372
Transport assets	3,771	-	250	3,521
Computer equipment	1,806	1,139	46	2,899
Furniture and office equipment	2,666	1,954	178	4,442
Other machinery and equipment	294	224	8	510
TOTAL MOVABLE TANGIBLE CAPITAL ASSETS	8,537	3,317	482	11,372

27.4 MINOR ASSETS OF THE DEPARTMENT FOR THE YEAR ENDED 31 MARCH 2010

	Intangible assets R'000	Heritage assets R'000	Machinery and equipment R'000	Biological assets R'000	Total R'000
Minor assets	-	-	4,322	-	4,322
TOTAL	-	-	4,322	-	4,322
Number of R1 minor assets	-	-	67	-	67
Number of minor assets at cost	-	-	2,248	-	2,248
TOTAL NUMBER OF MINOR ASSETS	-	-	2,315	-	2,315

27.5 MINOR ASSETS OF THE DEPARTMENT FOR THE YEAR ENDED 31 MARCH 2009

Minor assets	-	-	4,388	-	4,388
TOTAL	-	-	4,388	-	4,388
Number of minor assets	-	-	2,700	-	2,700
TOTAL NUMBER OF MINOR ASSETS	-	-	2,700	-	2,700

DISCLOSURE NOTES TO THE ANNUAL FINANCIAL STATEMENTS

for the year ended 31 March 2010

28. Intangible Capital Assets

MOVEMENT IN INTANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2010

	Opening balance R'000	Current Year Adjustment to prior year balances R'000	Additions R'000	Disposals R'000	Closing Balance R'000
CAPITALISED DEVELOPMENT COSTS	-	-	-	-	-
COMPUTER SOFTWARE	190	-	-	-	190
TOTAL INTANGIBLE ASSETS	190	-	-	-	190

28.1 Movement for 2008/09

MOVEMENT IN INTANGIBLE CAPITAL ASSETS PER ASSET REGISTER FOR THE YEAR ENDED 31 MARCH 2009

	Opening balance R'000	Additions R'000	Disposals R'000	Closing balance R'000
COMPUTER SOFTWARE	190	-	-	190
TOTAL	190	-	-	190

ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2010

Annexure 1

STATEMENT OF TRANSFERS/SUBSIDIES TO PUBLIC CORPORATIONS AND PRIVATE ENTERPRISES

NAME OF PUBLIC CORPORATION/PRIVATE ENTERPRISE	TRANSFER ALLOCATION					EXPENDITURE			2008/09 Final Appropriation Act R'000
	Adjusted Appropriation Act R'000	Roll Overs R'000	Adjustments R'000	Total Available R'000	Actual Transfer R'000	% of Available funds Transferred %	Capital R'000	Current R'000	
Public Corporations									
MEGA	67,148	-	-	67,148	65,820	98%	-	-	63,950
Subtotal	67,148	-	-	67,148	65,820	98%	-	-	63,950
Subsidies	-	-	-	-	-	-	-	-	-
Subsidies Subtotal	-	-	-	-	-	-	-	-	-
TOTAL	67,148	-	-	67,148	65,820	98%	-	-	63,950

ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2010

Annexure 2

STATEMENT OF TRANSFERS TO DEPT AGENCIES AND ACCOUNTS

DEPARTMENT/ AGENCY/IAC COUNT	TRANSFER ALLOCATION			EXPENDITURE			2008/09 Final Appropriation Act R'000
	Adjusted Appropriation Act R'000	Roll Overs R'000	Adjustments R'000	Total Available R'000	% of Actual Transfer R'000	Available funds Transferred %	
Transfers							
MGB	34,835	-	-	34,835	32,523	93%	25,506
MTPA	223,654	-	-	223,654	211,455	95%	192,916
ZITHABISENI	11,952	-	-	11,952	10,969	92%	16,095
	270,441	-	-	270,441	254,947	94%	234,517
Subsidies	-	-	-	-	-	-	-
Total	270,441	-	-	270,441	254,947	94%	234,517

ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2010

Annexure 3

STATEMENT OF TRANSFERS TO HOUSEHOLDS

HOUSEHOLDS	TRANSFER ALLOCATION			EXPENDITURE			2008/09 Final Appropriation Act R'000
	Adjusted Appropriation Act R'000	Roll Overs R'000	Adjustments R'000	Total Available R'000	% of Actual Transfer R'000	Available funds Transferred %	
Transfers							
Leave Gratuity	-	-	-	-	69	-	253
Post Retirement Benefits	-	-	-	-	676	-	-
	-	-	-	-	745	-	253
Subsidies							
	-	-	-	-	-	-	-
Total	-	-	-	-	745	-	253

ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2010

Annexure 4A

STATEMENT OF FINANCIAL GUARANTEES ISSUED AS AT 31 March 2010 - LOCAL

Guarantor institution	Guaranteee in respect of	Original guaranteed capital amount R'000	Opening balance 1 April 2009 R'000	Guarantees draw downs during the year R'000	Guarantees repayments/cancelled/reduced/released during the year R'000	Revaluations R'000	Closing balance 31 March 2010 R'000	Guaranteed interest for month ended 31 March 2010 R'000	Realised losses not recoverable i.e. claims paid out R'000
Standard Bank	Housing	-	116	-	86	-	30	-	-
Nedbank		-	39	27	-	-	66	-	-
FirstRand Bank		-	45	-	-	-	45	-	-
ABSA		-	49	-	-	-	49	-	-
Peoples Bank		-	58	-	-	-	58	-	-
MPU Housing Finance		-	8	-	-	-	8	-	-
Old Mutual		-	51	-	-	-	51	-	-
		Other	-	-	-	-	-	-	-
	Total	-	366	27	86	-	307	-	-

ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2010

Annexure 4B

STATEMENT OF CONTINGENT LIABILITIES AS AT 31 MARCH 2010

Nature of liability	Opening 01 April 2009	Liabilities balance during the year R'000	Liabilities paid/ reduced during the year R'000	cancelled/ Liabilities recoverable R'000	Closing balance 31 March 2010 R'000
Claims against the department					
MW Nkosi & 3 Others	9,330	-	-	-	9,330
Gestether / MTPA & dedp	590	-		-	590
Mukhaha Consulting Engineers cc & others		20,837			20,837
Ekuseni Communications vs dedet		296			296
Webber Wentzel Attorneys vs dedet		21,590			21,590
Total	9,920	42,723	-	-	52,643

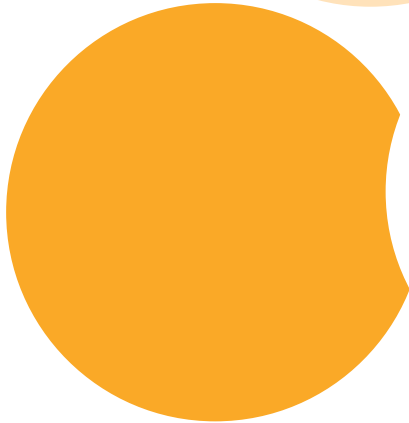
ANNEXURES TO THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2010

Annexure 5

INTER-GOVERNMENT PAYABLES

GOVERNMENT ENTITY	Confirmed balance outstanding		Unconfirmed balance outstanding		TOTAL	
	31/03/2010 R'000	31/03/2009 R'000	31/03/2010 R'000	31/03/2009 R'000	31/03/2010 R'000	31/03/2009 R'000
DEPARTMENTS						
Current						
Subtotal						
Non-current						
Subtotal						
Total						
OTHER GOVERNMENT ENTITY						
Current	2	6			2	6
MTPA						
Subtotal	2	6			2	6
Non-current						
Subtotal	-	-			-	-
Total	2	6			2	6





Part Five



HUMAN RESOURCES OVERSIGHT REPORT

SERVICE DELIVERY

FOR THE YEAR ENDED 31 MARCH 2010

TABLE 1.1 - Main Service for Service Delivery Improvement and Standards

Main Services	Actual Customers	Potential Customers	Standard of Service	Actual Achievement against Standards
Development of Business Enterprises	SMMEs & Coops	SMMEs & Coops	1000 potential entrepreneurs advised	1006 SMMEs were assisted on general business advice. 25 business plans were developed and 11 of these secured funding
			15 start-ups, micro businesses and coops accessing funding	The Mpumalanga Local Economic Fund is not yet operational.
			91 medium sized businesses accessing funding from MEGA	In addition to the 18 SMMEs and 1 coop receiving funding from MEGA, 86 other SMMEs and Coops were funded by other funding sources including New Business Finance, NYDA, Anglo Zimele, Social Development and SAMAF
			12 co-ops established according to sectors as per the Co-op Act classification	12 Co-ops were established in the various districts municipalities within the Province
Facilitate the implementation of BBBEE Policy and ensure participation of HDIs in the mainstream of the economy	Youth, women & people with disabilities	Youth, women & people with disabilities	Facilitate the establishment of 2 BEE firms in the beneficiation chain	The department engaged with MINTEK on the implementation of the Supplier Park and is currently working on the final report for the proposed Mining Supply Park
			Conduct an analysis of the percentage value of procurement spend to	A twelve months report on the procurement spent by government is available,

Main Services	Actual Customers	Potential Customers	Standard of Service	Actual Achievement against Standards
<p>Facilitate the implementation of BBBEE Policy and ensure participation of HDIs in the mainstream of the economy (continued)</p>			<p>BBBEE Businesses by the provincial government</p> <p>8 Corporations engaged on BBBEE to increase compliance levels</p>	<p>and it covers seven Provincial Departments. Six municipalities in Nkangala were engaged to start reporting on their BBBEE spent.</p> <p>Follow ups were made with previously engaged corporations, i.e. Mondi, TSB, Sasol and Highveld Steel. In TSB's, City Bug, Maize and More, Witbank Bricks, BHP Biliton, Delta Electrolytic Manganese and Edcon group, TSB's endeavors to foster business linkages with black suppliers. Six (6) white suppliers were identified from their database, and negotiations with these companies are at an advanced stage towards concluding deals with black local companies. The same efforts are made with other companies like Sasol</p>
<p>Provide strategic economic development support to municipalities</p>	<p>Local Municipalities</p>	<p>Local Municipalities</p>	<p>21 local municipalities' LED plans aligned to the departmental programmes & PGDS</p>	<p>21 local municipalities' IDPs are aligned to the departmental plans</p>
			<p>3 capacity building interventions conducted</p>	<p>2 capacity development interventions conducted in Gert Sibande and Ehlanzeni on LED Plans development</p>

SERVICE DELIVERY

CONTINUED

Main Services	Actual Customers	Potential Customers	Standard of Service	Actual Achievement against Standards
Provide strategic economic development support to municipalities (continued)			3 feasibility studies conducted and coordinated for implementation of LED projects	Project not realised due to service delivery protests at Pixley Ka Seme, Mkhondo and Lekwa municipalities
Promote growth in exports and direct investment into the province	Exporters, Importers & SMMEs	Exporters, Importers & SMMEs	Implement 4 sector specific programmes as follows:	
			Support 40 Exporters to participate in 4 trade shows	106 SMMEs were assisted to participate in national and international trade shows and related activities
			2 investment inquiries received for Business Process Outsourcing and Off-shoring in Mpumalanga	8 enquiries received from investors on BPO & O centres
			6 trade missions facilitated and undertaken 5 foreign direct investment worth R200 million	9 deals were facilitated with only 2 concluded, and R600 million investment was attracted.
			Monitor facilitation of Chongqing (Chinese) and Ismailia (Egyptian) trade agreements	MoUs analysed and individual business interviews were held with companies that went to Ismailia

Main Services	Actual Customers	Potential Customers	Standard of Service	Actual Achievement against Standards
To ensure development of strategic industrial infrastructure projects, Spatial Development Initiatives, and Advanced manufacturing Technology centres in the province	SMMEs and Municipalities	SMMEs and Municipalities	To implement 6 industrial projects, including the: ICC, Food Technology Centres , Komati Dry Port, KMIA and Middelburg and KMIA Industrial parks,	Stakeholders were engaged on the alternative sites identified for the development of the ICC; Institutional arrangements for the Food Technology Centre and funding model finalised; Land for further development of the Komatipoort Dry Port has been identified; Witbank/Middelburg Industrial Park, and a site identified for the project. The KMIA Industrial Park business plan was developed and finalized through strategic partnership with the MDC PMU
			Initiate 2 Special Economic Zones/ Industrial Development Zones,	Institutional arrangements finalized and the signing of SLA between SASOL and Govan Mbeki Municipality has been facilitated to take place in the next financial year
			Implement and support NIPF projects in Forestry, Stainless steel, Agro-processing, and Furniture	Identified pallets, charcoal manufacturing and saw mill establishments as potential projects to be initiated and supported. BPO & O initiated and the service provider submitted a feasibility study report thereto.

SERVICE DELIVERY

CONTINUED

Main Services	Actual Customers	Potential Customers	Standard of Service	Actual Achievement against Standards
To ensure development of strategic industrial infrastructure projects, Spatial Development Initiatives, and Advanced manufacturing Technology centres in the province (continued)			Facilitate and implement 3 MPUSID projects	Sites and Technologies required have been identified by municipalities of Mbombela, Nkomazi and Bushbuck ridge for the implementation of MPUSID pilot projects. Packaging of required technologies initiated.
To facilitate the development of competitive industries in growth sectors through the formation and support of manufacturing incubation centres, Industrial Clusters, Business Process outsourcing and Off-shoring call centres, and small scale mining and energy sectors	SMMEs	SMMEs	Implement 2 stainless Steel and 1 plastic conversion projects in Nkangala District, 1 petro-chemical project in Gert Sibande, establish incubators in Agro-processing, manufacturing, and wood.	The stainless steel and petro-chemical projects have not yet commenced, whereas engagements were made with DTI on the plastic conversion project
			Initiate and support industrial clusters in Agro-processing, Wood products, Stainless steel, and BPO and O	Support provided to the Stainless steel and Wood Clusters
			Implement the revitalization of dying mining towns (Pilgrims Rest)	A PPP project registered with the National Treasury, and 2 workshops held, Terms of Reference for the Technical Committee drafted and the PDF funding was approved.

Main Services	Actual Customers	Potential Customers	Standard of Service	Actual Achievement against Standards
To create an enabling environment for sustainable tourism growth in the Province	Communities, Tourism establishments, Training Providers, Tour Operators, Tourist Guides, Local & Regional Tourism Organisations, SAPS & MTPA	Communities, Tourism establishments, Training Providers, Tour Operators, Tourist Guides, Local & Regional Tourism Organisations, SAPS & MTPA	Monitor the implementation of Tourism Growth Strategy in relation to tourism product development, destination marketing, Tourism Investment, Tourism SMME support, and Tourism BEE Score card;	Hosted the 1st annual Mpumalanga Tourism Careers Expo, 51 Tourism Gradutes taken to attend the National Tourism Careers Expo. Launched and celebrated the Tourism and Heritage Month, facilitated training of 20 delegates on SA Host, and MTPA facilitated the Loskop Tourism Belts
			Monitor the implementation of the Tourism Regulations in the province;	The MTPA has conducted workshops as part of monitoring implementation of the regulations by tourism entities and persons
			Develop and Implement the Tourism Safety Strategy;	Draft Tourism Safety Strategy developed & presented to the Social Cluster
			Establish 2 bilateral agreements with key stakeholders;	2 bilateral agreements concluded with Mpumalanga Youth Development Agency and the Simmer & Jack Mines resulting in construction of the Pilgrim Rest Hawkers stalls and joint hosting of the Tourism Careers Expo.
			Provide Tourism Support programme to municipalities; and	There were engagements with municipalities in Nkangala without tourism by-laws

SERVICE DELIVERY

CONTINUED

Main Services	Actual Customers	Potential Customers	Standard of Service	Actual Achievement against Standards
To implement consumer protection and awareness programmes that create an environment conducive to fair trade	Consumers in the province; Regulatory Bodies; NGO's & Businesses.	Consumers in the province; Regulatory Bodies; NGO's & Businesses.	To investigate 1800 consumer cases and resolve 1600, conduct 1200 inspections, 80 awareness workshops, 140 radio slots and 24 road shows	2480 cases investigated and 2319 cases resolved. 164 workshops, 125 radio slots and 31 road shows were conducted
To facilitate implementation of Liquor and Gambling legislation	Gambling Machine producers, Gambling and Liquor license applicants and holders, restaurants and supermarkets, gambling and liquor boards, and Municipalities	Gambling Machine producers, Gambling and Liquor license applicants and holders, restaurants and supermarkets, gambling and liquor boards, and Municipalities	3 workshops planned in partnership with South African Police, and 10 workshops conducted in partnership with municipalities	18 Awareness campaigns conducted including 1 Tavern & Shebeen Indaba in partnership with Dept. of Community Safety & Liaison.
			Monitor and Evaluate the implementation of liquor and gambling legislation	The Liquor Board considered 1210 new applications, and approved 627 of these.
To provide economic policy direction and strategies	Provincial Departments and Agencies, and business sector	Provincial Departments and Agencies, and business sector	Analyze 4 Economic policies and developed reports on policy directives; develop 3 provincial integrated sector strategies and 2 Integrated sector plans	A discussion document on the provincial response towards global economic crisis was developed, and the Provincial Economic Summit successfully held. Analysis report on the National Mid-Term Budget Policy Statement & Provincial Budget Adjustment statement generated. SONA, SOPA, budget speech analyzed and reports generated. The 2nd & 3rd quarter reports on EXCO resolutions generated. The following documents drafted: ICT and Biofuel, Forestry Development

Main Services	Actual Customers	Potential Customers	Standard of Service	Actual Achievement against Standards
To provide economic policy direction and strategies (continued)				Strategy and the Mineral Development and Biofuel Sector Implementation Plans.
Conduct/commission research on the provincial economy to inform economic analysis processes and strategy development	Provincial Departments and Agencies, and business sector	Provincial Departments and Agencies, and business sector	Conduct 3 research projects	A Mineral Scan report is available, and the amended draft literature reviews and questionnaires for both feasibility studies on Labour and Skills Demand in the sector and sub-sector economy of Mpumalanga and Wool production in Gert Sibande have been produced
To provide data, information and intelligence on the economy required for effective decision making.	Provincial Departments and Agencies, and business sector	Provincial Departments and Agencies, and business sector	Review and update GIS at Head Office and regional Offices; and database with data on ICT, Skills, SMME's, Moloto Rail Development Corridor & Maputo Development Corridor;	The Web-GIS updated with Eskom data and satellite imagery and now accessible at Witbank, KwaMhlanga, Bushbuckridge and Head office. Database updated with data on MDC and SMME's
			Link the Resource information services to 3 District Municipalities;	A roll-out plan for the expansion of resource services was developed and now the economic information resource services are accessible at Ehlanzeni, Nkangala & Gert Sibande District municipalities as well as via the resource centre website

SERVICE DELIVERY

CONTINUED

Main Services	Actual Customers	Potential Customers	Standard of Service	Actual Achievement against Standards
To provide data, information and intelligence on the economy required for effective decision making. (continued)			Process 300 information requests at 95% success rate; and	298 information requests were processed
			Produce 2 Economic profiles	Compiled economic profiles of Nkangala municipalities as well the Economic Profile volume 5.
To determine the impact of economic policies and programmes	Provincial Departments and Agencies, and business sector	Provincial Departments and Agencies, and business sector	Conduct Impact analysis in 3 priority areas: Skills development, tourism performance & Maputo Development Corridor flagship	Developed the following: Strategic Framework for Monitoring and Evaluation; Performance Information Management, Monitoring and Evaluation Policy; Document on criteria for projects evaluation; Project evaluation report for establishment of Mpumalanga Portuguese-English Language Institute and the furniture and wood products skills development. Also developed an analysis report of performance indicators for 2010/11 implementation plan.

TABLE 1.2 - Consultation Arrangements for Customers

Type of Arrangement	Actual Customers	Potential Customers	Actual Achievements
Workshops	SMMEs & Coops, Youth, Women & People with disabilities; Local municipalities; Exporters & Importers; Communities, Tourism establishments, Tour operators, local & regional tourism organisations, SAPS & MTPA, tour guides & training providers; consumers, regulatory bodies, gambling stakeholders and businesses; Departments & Agencies	Community at large, consumers, SMMEs and cooperatives	The following activities were done: conducted an outreach during the Public Participation week, launched a Tourism month and career & youth development expo, held women entrepreneurship and an economic empowerment seminar for people with disabilities, a Premier's dialogue with women. Also facilitated a Provincial Economic Summit, media briefing sessions and radio talkshows and interviews.
Radio Slots			
Road Shows			
Walk-in			
Telephonic			
Written consultations			
Campaigns targeting various sectors			
Izimbizo, and			
Production of information brochures			

SERVICE DELIVERY

CONTINUED

TABLE 1.4 - Service Information Tool

Access Strategy	Actual Achievement
Coordination and participation in community outreach activity	One outreach activity conducted during the Public Participation week
Produce and distribute information products	Produced and distributed 12 internal newsletters, 3 external newsletters, 74 information products
Implementation of an Integrated Communication Plan	Created awareness through 7 internal activities including Youth Day, Candlelight Memorial, Freedom Day, Africa and Heritage days, Spring Games & Farewell launch. Notice boards updated & e-messages distributed regularly to staff members
Implementation of a Media Relations and Liaison Plan	Distributes media advisories, statements and arranged interviews for a number of campaigns and events such as: SMME Business Launch Pad, signing of the CIPRO SLA, media briefing by the MEC on the merger of public entities, Mpumalanga Tourism Career Expo, Provincial Economic Summit, and launch of Illegal Gambling Campaigns in schools as well as the swearing in of Mpumalanga Consumer Court members.
Implementation of marketing and Branding Plan	Drafted a marketing and advertising plan for the Policy & Budget Speech, designed exhibition stalls for the SAITEX and the Handmade Collection Expo; reviewed the brand on website and newsletters following the name change, and produced and distributed 22 media summaries and 22 media briefs

TABLE 1.5 - Complaint Mechanism

Complaint Mechanism	Actual Achievement
Acknowledge receipt of complaints, in a professional manner, within 5 working days, and a full written response provided within 10 working days of receiving the complaint.	Formal complaints were received and responses were provided within specified or agreed period of time.

EXPENDITURE

FOR THE YEAR ENDED 31 MARCH 2010

TABLE 2.1 - Personnel costs by Programme

Programme	Total Voted Expenditure (R'000)	Compensation of Employees Expenditure (R'000)	Training Expenditure (R'000)	Professional and Special Services (R'000)	Compensation of Employees as percent of Total Expenditure (%)	Average Compensation of Employees Cost per Employee (R'000)	Employment
Mee:Administration	79,447	33,488	339	2,005	42.2	258	130
Mee:Business Regulation	50,592	14,217	62	-	28.1	273	52
Mee:Economic Planning	11,885	7,561	199	738	63.6	378	20
Mee: Integrated Economic Development Services	89,968	13,479	167	1,500	15	293	46
Mee:Trade and Industry Development	289,639	10,276	134	1,716	3.5	311	33
Z=Total as on Financial Systems (BAS)	521,531	79,021	901	5,979	15.4	281	281

TABLE 2.2 - Personnel costs by Salary band

Salary Bands	Compensation of Employees Cost (R'000)	Percentage of Total Personnel Cost for Department	Average Compensation Cost per Employee (R)	Personnel Cost for Department including Goods and Transfers (R'000)	Total Number of Employees
Lower skilled (Levels 1-2)	624	0.8	104,000	633	6
Skilled (Levels 3-5)	3,964	4.9	116,588	4,474	34
Highly skilled production (Levels 6-8)	24,118	30.5	215,339	25,818	112
Highly skilled supervision (Levels 9-12)	33,435	42.3	312,477	58,876	107
Senior management (Levels 13-16)	14,508	18.4	806,000	37,523	18
Contract (Levels 1-2) 22 Interns terminated 10/09	228	0.3	-	-	0
Contract (Levels 13-16)	1,801	2.2	450,250	43,154	4
Periodical Remuneration	196	0.2	39,200	31,501	5
Abnormal Appointment (18.2 Learners)	147	0.2	16,333	316,998	9
TOTAL	79,021	100	272,631	518,977	295

EXPENDITURE

CONTINUED

TABLE 2.3 - Salaries, Overtime, Home Owners Allowance and Medical Aid by Programme

Programme	Salaries (R'000)	Salaries as % of Personnel Cost	Overtime (R'000)	Overtime as % of Personnel Cost	HOA (R'000)	HOA as % of Personnel Cost	Medical Ass (R'000)	Medical Ass. as % of Personnel Cost	Total Personnel Cost per Programme (R'000)
PR1: Administration	30,588	91.3	96	0.3	846	2.5	1,958	5.8	33,488
PR2: Intergrated Economic Development Services	12,780	94.8	-	-	201	1.5	498	3.7	13,479
PR3: Trade and Industry Development	9,671	94.1	11	0.1	269	2.6	325	3.2	10,276
PR4: Business Regulation and Governance	13,068	91.9	74	0.5	286	2	789	5.5	14,217
PR5: Economic Planning	7,232	95.6	-	-	72	1	257	3.4	7,561
TOTAL	73,339	92.8	181	0.2	1,674	2.1	3,827	4.8	79,021

TABLE 2.4 - Salaries, Overtime, Home Owners Allowance and Medical Aid by Salary Band

Salary Band	Salaries (R'000)	Salaries as % of Personnel Cost	Overtime (R'000)	Overtime as % of Personnel Cost	HOA (R'000)	HOA as % of Personnel Cost	Medical Ass (R'000)	Medical Ass. as % of Personnel Cost	Total Personnel Cost per Programme (R'000)
Lower skilled (Levels 1-2)	515	82.5	-	-	42	6.7	67	10.7	624
Skilled (Levels 3-5)	3,353	84.6	3	0.1	191	4.8	417	10.5	3,964
Highly skilled production (Levels 6-8)	21,574	89.5	103	0.4	676	2.8	1,765	7.3	24,118
Highly skilled supervision (Levels 9-12)	31,594	94.5	67	0.2	475	1.4	1,299	3.9	33,435
Senior management (Levels 13-16)	14,092	97.1	-	-	245	1.7	171	1.2	14,508
Contract (Levels 1-2) 22 Interns terminated 10/09	220	96.5	8	3.5	-	-	-	-	228
Contract (Levels 13-16)	1,648	91.5	-	-	45	2.5	108	6	1,801
Periodical Remuneration	196	100	-	-	-	-	-	-	196
Abnormal Appointment (18.2 Learners)	147	100	-	-	-	-	-	-	147
TOTAL	73,339	92.8	181	0.2	1,674	2.1	3,827	4.8	79,021

EMPLOYMENT

FOR THE YEAR ENDED 31 MARCH 2010

TABLE 3.1 - Employment and Vacancies by Programme at end of period

Programme	Number of Posts	Number of Posts Filled	Vacancy Rate	Number of Posts Filled Additional to the Establishment
Pr1: Administration*, Permanent	152	119	21.7	11
Pr2: Intergrated Economic Development Services, Permanent	53	46	13.2	-
Pr3: Trade and Industry Development, Permanent	37	31	16.2	2
Pr4: Business Regulation and Governance, Permanent	66	52	21.2	-
Pr5: Economic Planning, Permanent	31	20	35.5	-
TOTAL	339	268	20.9	13

TABLE 3.2 - Employment and Vacancies by Salary Band at end of period

Salary Band	Number of Posts	Number of Posts Filled	Vacancy Rate	Number of Posts Filled Additional to the Establishment
Lower skilled (Levels 1-2), Permanent	10	6	40	-
Skilled (Levels 3-5), Permanent	41	34	17.1	-
Highly skilled production (Levels 6-8), Permanent	136	106	22.1	6
Highly skilled supervision (Levels 9-12), Permanent	122	102	16.4	3
Senior management (Levels 13-16), Permanent	30	18	40	-
Contract (Levels 6-8)	-	-	-	2
Contract (Levels 13-16),	-	2	-	2
TOTAL	339	268	20.9	13

TABLE 3.3 - Employment and Vacancies by Critical Occupation at end of period

Critical Occupations	Number of Posts	Number of Posts Filled	Vacancy Rate	Number of Posts Filled Additional to the Establishment
Administrative related, Permanent	36	28	22.2	2
Cleaners in offices workshops hospitals etc., Permanent	15	14	6.7	-
Communication and information related, Permanent	19	16	15.8	-
Economists, Permanent	46	34	26.1	-
Financial and related professionals, Permanent	31	27	12.9	9
Geologists geophysicists hydrologists & relat prof, Permanent	6	3	50	-
Human resources related, Permanent	23	21	8.7	-
Tourism	6	6	-	-
Legal related, Permanent	5	3	40	-
Messengers porters and deliverers, Permanent	5	3	40	-
Regulatory inspectors, Permanent	29	24	17.2	-
Secretaries & other keyboard operating clerks, Permanent	32	26	18.8	-
Senior managers, Permanent	30	21	30	-
Trade/industry advisers & other related profession, Permanent	56	42	25	2
TOTAL	339	268	20.9	13

EVALUATION

FOR THE YEAR ENDED 31 MARCH 2010

TABLE 4.1 - Job Evaluation

Salary Band	Number of Posts	Number of Jobs Evaluated	% of Posts Evaluated	Number of Posts Upgraded	% of Upgraded Posts Evaluated	Number of Posts Downgraded	% of Downgraded Posts Evaluated
Lower skilled (Levels 1-2)	10	-	-	-	-	-	-
Skilled (Levels 3-5)	41	-	-	-	-	-	-
Highly skilled production (Levels 6-8)	136	3	2.2	-	-	-	-
Highly skilled supervision (Levels 9-12)	122	12	9.8	6	50	-	-
Senior Management Service Band A	24	2	8.3	-	-	-	-
Senior Management Service Band B	5	-	-	-	-	-	-
Senior Management Service Band C	1	-	-	-	-	-	-
TOTAL	339	17	5	6	35.3	-	-

TABLE 4.2 - Profile of employees whose positions were upgraded due to their posts being upgraded

Beneficiaries	African	Asian	Coloured	White	Total
Female	1	-	-	-	1
Male	5	-	-	-	5
Total	4	-	-	-	6
Employees with a Disability	-	-	-	-	0

TABLE 4.3 - Employees whose salary level exceed the grade determined by Job Evaluation [i.t.o PSR 1.V.C.3]

Occupation	Number of Employees	Job Evaluation Level	Remuneration Level	Reason for Deviation	No of Employees in Dept
Female	-	-	-	-	-
Male	-	-	-	-	-
Total	-	-	-	-	-
Percentage of Total Employment	-	-	-	-	-

TABLE 4.4 - Profile of employees whose salary level exceeded the grade determined by job evaluation [i.t.o. PSR 1.V.C.3]

Beneficiaries	African	Asian	Coloured	White	Total
Female	-	-	-	-	-
Male	-	-	-	-	-
Total	-	-	-	-	-
Employees with a Disability	-	-	-	-	-

EMPLOYMENT CHANGES

FOR THE YEAR ENDED 31 MARCH 2010

TABLE 5.1 - Annual Turnover Rates by Salary Band

Salary Band	Employment at Beginning of Period (April 2009)	Appointments	Terminations	Turnover Rate
Lower skilled (Levels 1-2), Permanent	9	2	-	-
Skilled (Levels 3-5), Permanent	30	7	3	10
Highly skilled production (Levels 6-8), Permanent	118	11	4	3.4
Highly skilled supervision (Levels 9-12), Permanent	91	14	1	1.1
Senior Management Service Band A, Permanent	17	-	2	11.8
Senior Management Service Band B, Permanent	4	-	1	25
Senior Management Service Band C, Permanent	2	-	1	50
Contract (Levels 3-5), Permanent	-	-	-	-
Contract (Levels 6-8), Permanent	-	2	-	-
Contract (Levels 9-12), Permanent	-	1	-	-
Contract (Band A), Permanent	-	-	-	-
Contract (Band B), Permanent	-	-	-	-
Contract (Band C), Permanent	-	2	-	-
TOTAL	271	39	12	4.4

TABLE 5.2 - Annual Turnover Rates by Critical Occupation

Occupation	Employment at Beginning of Period (April 2009)	Appointments	Terminations	Turnover Rate
Administrative related, Permanent	28	5	-	-
Cleaners in offices workshops hospitals etc., Permanent	12	2	1	8.3
Communication and information related, Permanent	14	2	1	7.1
Economists, Permanent	67	7	-	-
Financial and related professionals, Permanent	13	3	1	7.7
Geologists geophysicists hydrologists & relat prof, Permanent	5	1	-	-
Human resources related, Permanent	20	5	-	-
Legal related, Permanent	5	-	1	20
Other administrat & related clerks and organisers, Permanent	4	-	-	-
Messengers porters and deliverers, Permanent	5	1	1	20
Regulatory inspectors, Permanent	24	1	-	-
Secretaries & other keyboard operating clerks, Permanent	23	6	1	4.3
Senior managers	23	2	4	17.4
Trade/industry advisers & other related profession, Permanent	28	4	2	7.1
TOTAL	271	39	12	4.4

EMPLOYMENT CHANGES

CONTINUED

TABLE 5.3 - Reasons why staff are leaving the department

Termination Type	Number	Percentage of Total Resignations	Percentage of Total Employment	Total	Total Employment
Death, Permanent	3	11.54	1.1	3	281
Resignation, Permanent	5	19.23	1.8	5	281
Expiry of contract, Permanent	-	-	-	-	281
Transfers, Permanent	14	53.85	5	14	281
Dismissal-misconduct, Permanent	2	7.69	0.7	2	281
Retirement, Permanent	2	7.69	0.7	2	281
TOTAL	26	100	9.3	26	281

Resignations as % of Employment
9.3

TABLE 5.4 - Promotions by Critical Occupation

Occupation	Employment	Promotions	Salary Level	Progressions	Notch
	at Beginning of Period (April 2009)	to another Salary Level	Promotions as a % of Employment	to another Notch within Salary Level	progressions as a % of Employment
Administrative related, Permanent	32	2	6.3	12	37.5
Cleaners in offices workshops hospitals etc. Permanent	12	-	-	8	66.7
Communication and information related, Permanent	14	1	7.1	3	21.4
Economists, Permanent	37	-	-	14	37.8
Financial and related professionals, Permanent	43	-	-	30	69.8
Geologists geophysicists hydrologists & relat prof, Permanent	5	-	-	0	-
Human resources related, Permanent	20	3	15	10	50
Legal related, Permanent	5	-	-	3	60
Messengers porters and deliverers, Permanent	5	-	-	1	20
Regulatory inspectors, Permanent	24	-	-	2	8.3
Secretaries & other keyboard operating clerks, Permanent	23	-	-	10	43.5
Senior managers, Permanent	23	-	-	-	-
Trade/industry advisers & other related profession, Permanent	28	3	10.7	2	7.1
TOTAL	271	9	3.3	95	35.1

EMPLOYMENT CHANGES

CONTINUED

TABLE 5.5 - Promotions by Salary Band

Occupation	Employment at Beginning of Period (April 2009)	Promotions to another Salary Level	Salary Level Promotions as a % of Employment	Progressions to another Notch within Salary Level	Notch progressions as a % of Employment
Lower skilled (Levels 1-2), Permanent	9	-	-	3	33.3
Skilled (Levels 3-5), Permanent	30	-	-	14	46.7
Highly skilled production (Levels 6-8), Permanent	118	3	2.5	37	31.4
Highly skilled supervision (Levels 9-12), Permanent	91	6	6.6	41	45.1
Senior Management Service Band A, Permanent	17	-	-	-	-
Senior Management Service Band B, Permanent	4	-	-	-	-
Senior Management Service Band D, Permanent	2	-	-	-	-
Contract (Levels 13-16), Permanent	-	-	-	-	-
TOTAL	271	9	3.3	95	35.1

EMPLOYMENT EQUITY

FOR THE YEAR ENDED 31 MARCH 2010

TABLE 6.1 - Total number of Employees (incl. Employees with disabilities) per Occupational Category (SASCO)

Occupational Categories	Male, African	Male, Coloured	Male, Indian	Male, Blacks	Male, White	Female, African	Female, Coloured	Female, Indian	Female, Blacks	Female, White	Total
Legislators, senior officials and managers, Permanent 13-16	16	-	1	17	-	5	-	-	5	-	23
Professionals, Permanent 10-12	38	1	-	38	-	22	1	1	22	1	64
Clerks, Permanent 1-9	68	1	-	68	-	124	1	-	124	2	196
TOTAL	122	2	1	123	-	151	2	1	151	3	281

EMPLOYMENT EQUITY

CONTINUED

TABLE 6.2 - Total number of Employees (incl. Employees with disabilities) per Occupational Bands

Occupational Bands	Male, African	Male, Coloured	Male, Indian	Male, Blacks	Male, White	Female, African	Female, Coloured	Female, Indian	Female, Blacks	Female, White	Total
Top Management, Permanent	3	-	-	3	-	1	-	-	1	-	4
Senior Management, Permanent	11	-	1	11	-	3	-	-	3	-	15
Professionally qualified and experienced specialists and mid-management, Permanent	38	1	-	38	-	22	1	1	22	1	64
Skilled technical and academically qualified workers, junior management, supervisors, foremen, Permanent	41	1	-	41	-	54	-	-	54	1	97
Semi-skilled and discretionary decision making, Permanent	26	-	-	26	-	53	1	-	53	1	81
Unskilled and defined decision making, Permanent	-	-	-	-	-	16	-	-	16	-	16
Contract (Top Management), Permanent	1	-	-	1	-	1	-	-	1	-	2
Contract (Skilled technical), Permanent	1	-	-	1	-	1	-	-	1	-	2
TOTAL	121	2	1	121	-	151	2	1	151	3	281

TABLE 6.3 - Recruitment

Occupational Bands	Male, African	Male, Coloured	Male, Indian	Male, Blacks	Male, White	Female, African	Female, Coloured	Female, Indian	Female, Blacks	Female, White	Total
Professionally qualified and experienced specialists and mid-management, Permanent 9-12	11	-	-	11	-	3	-	-	3	-	14
Skilled technical and academically qualified workers, junior management, supervisors, foremen, Permanent 6-8	7	-	-	7	-	4	-	-	4	-	11
Semi-skilled and discretionary decision making, Permanent 3-5	2	-	-	2	-	4	1	-	4	-	7
Unskilled and defined decision making, Permanent 1-2	-	-	-	-	-	2	-	-	2	-	2
Contract (Top Management), Permanent	1	-	-	1	-	1	-	-	1	-	2
(Senior Management), Permanent	-	-	-	-	-	-	-	-	-	-	-
Contract (Professionally qualified), Permanent	1	-	-	1	-	-	-	-	-	-	1
Contract (Skilled technical), Permanent	1	-	-	1	-	1	-	-	1	-	2
Contract (Semi-skilled), Permanent	-	-	-	-	-	-	-	-	-	-	-
TOTAL	23	-	-	23	-	15	1	-	15	-	39

EMPLOYMENT EQUITY

CONTINUED

TABLE 6.4 - Promotions

Occupational Bands	Male, African	Male, Coloured	Male, Indian	Male, Blacks	Male, White	Female, African	Female, Coloured	Female, Indian	Female, Blacks	Female, White	Total
Senior Management, Permanent 13-15	-	-	-	-	-	-	-	-	-	-	-
Professionally qualified and experienced specialists and mid-management, Permanent 9-12	3	-	-	3	-	3	-	-	3	1	7
Skilled technical and academically qualified workers, junior management, supervisors, foremen, Permanent 6-8	-	-	-	-	-	2	-	-	-	-	2
Semi-skilled and discretionary decision making, Permanent 4-5	-	-	-	-	-	-	-	-	-	-	-
Unskilled and defined decision making, Permanent 1-2	-	-	-	-	-	-	-	-	-	-	-
Contract (Senior Management), Permanent	-	-	-	-	-	-	-	-	-	-	-
TOTAL	3	-	-	3	-	5	-	-	3	1	9

TABLE 6.5 - Terminations

Occupational Bands	Male, African	Male, Coloured	Male, Indian	Male, Blacks	Male, White	Female, African	Female, Coloured	Female, Indian	Female, Blacks	Female, White	Total
Top Management, Permanent 14& high	1	-	-	1	-	1	-	-	1	-	2
Senior Management, Permanent 13	-	-	-	-	-	2	-	-	2	-	2
Professionally qualified and experienced specialists and mid-management, Permanent 9-12	1	-	-	1	-	-	-	-	-	-	1
Skilled technical and academically qualified workers, junior management, supervisors, foremen, Permanent 6-8	3	-	-	3	-	1	-	-	1	-	4
Semi-skilled and discretionary decision making, Permanent 1-5	2	-	-	2	-	1	-	-	1	-	3
Contract (Senior Management), Permanent	-	-	-	-	-	-	-	-	-	-	-
Contract (Professionally qualified), Permanent	-	-	-	-	-	-	-	-	-	-	-
Contract (Semi-skilled), Permanent	-	-	-	-	-	-	-	-	-	-	-
Contract (Unskilled), Permanent	-	-	-	-	-	-	-	-	-	-	-
TOTAL	7	-	-	7	-	5	-	-	5	-	12

EMPLOYMENT EQUITY

CONTINUED

TABLE 6.6 - Disciplinary Action

Disciplinary Action	Male, African	Male, Coloured	Male, Indian	Male, Blacks	Male, White	Female, African	Female, Coloured	Female, Indian	Female, Blacks	Female, White	Total
TOTAL	4	1	-	5	-	2	-	-	2	-	7

TABLE 6.7 - Skills Development

Occupational Categories	Male, African	Male, Coloured	Male, Indian	Male, Blacks	Male, White	Female, African	Female, Coloured	Female, Indian	Female, Blacks	Female, White	Total
Legislators, Senior Officials and Managers	24	-	-	-	-	16	-	-	-	-	40
Professionals	-	-	-	-	-	-	-	-	-	-	-
Technicians and Associate Professionals	-	-	-	-	-	-	-	-	-	-	-
Clerks	7	-	-	-	-	8	-	-	-	-	15
Service and Sales Workers	-	-	-	-	-	-	-	-	-	-	-
Skilled Agriculture and Fishery Workers	-	-	-	-	-	-	-	-	-	-	-
Craft and related Trades Workers	-	-	-	-	-	-	-	-	-	-	-
Plant and Machine Operators and Assemblers	-	-	-	-	-	-	-	-	-	-	-
Elementary Occupations	48	-	-	-	-	36	-	-	-	-	84
TOTAL	79	-	-	-	-	60	-	-	-	-	139
Employees with disabilities	-	-	-	-	-	-	-	-	-	-	-

PERFORMANCE

FOR THE YEAR ENDED 31 MARCH 2010

TABLE 7.1 - Performance Rewards by Race, Gender and Disability below Senior Management Service

Demographics	Number of Beneficiaries	Total Employment	Percentage of Total Employment	Cost (R'000)	Average Cost per Beneficiary (R'000)
African, Female	59	142	41.5	536	9
African, Male	47	111	42.3	619	13
Asian, Female	-	-	-	-	-
Coloured, Female	-	1	-	-	-
Coloured, Male	-	2	-	-	-
White, Female	2	3	66.7	30	15
TOTAL	108	259	41.7	1,185	11

TABLE 7.2 - Performance Rewards by Salary Band for Personnel below Senior Management Service

Salary Band	Number of Beneficiaries	Total Employment	Percentage of Total Employment	Cost (R'000)	Average Cost per Beneficiary (R'000)
Lower skilled (Levels 1-2)	5	9	55.6	21	4
Skilled (Levels 3-5)	15	30	50	67	4
Highly skilled production (Levels 6-8)	49	126	38.9	445	9
Highly skilled supervision (Levels 9-12)	39	94	41.5	652	17
TOTAL	108	259	41.7	1,185	11

PERFORMANCE

CONTINUED

TABLE 7.3 - Performance Rewards by Critical Occupation below Senior Management Service

Critical Occupations	Number of Beneficiaries	Total Employment	Percentage of Total Employment	Cost (R'000)	Average Cost per Beneficiary (R)
Administrative related	20	30	66.7	195	9,750
Cleaners in offices workshops hospitals etc.	12	16	75.0	41	3,417
Communication and information related	1	14	7.1	17	17,000
Economists	15	64	23.4	230	15,333
Financial and related professionals	32	40	80	390	12,188
Human resources related	13	19	68.4	148	11,325
Legal related	5	6	83.3	894	178,800
Light vehicle drivers	1	5	20.0	5	5,000
Regulatory inspectors	-	18	-	-	-
Secretaries & other keyboard operating clerks	8	22	36.4	57	7,125
Trade/industry advisers & other related profession	1	25	4.0	18	18,000
TOTAL	108	259	41.7	1,185	10,972

TABLE 7.4 - Performance Related Rewards (Cash Bonus) by Salary Band for Senior Management Service

SMS Band	Number of Beneficiaries	Total Employment	Percentage of Total Employment	Cost (R'000)	Average Cost per Beneficiary (R)	% of SMS Wage Bill	Personnel Cost SMS (R'000)
Band A	-	22	-	-	-	-	-
Band B	-	-	-	-	-	-	-
Band C	-	-	-	-	-	-	-
Band D	-	-	-	-	-	-	-
TOTAL	-	22	-	-	-	-	-

FOREIGN WORKERS

FOR THE YEAR ENDED 31 MARCH 2010

TABLE 8.1 - Foreign Workers by Salary Band

Salary Band	Employment at Beginning Period	Percentage of Total	Employment at End of Period	Percentage of Total	Change in Employment	Percentage of Total	Total Employment at Beginning of Period	Total Employment at End of Period	Total Change in Employment
Contract (Levels 13-16)	-	-	-	-	-	-	-	-	-
TOTAL	-	-	-	-	-	-	-	-	-

TABLE 8.2 - Foreign Workers by Major Occupation

Major Occupation	Employment at Beginning Period	Percentage of Total	Employment at End of Period	Percentage of Total	Change in Employment	Percentage of Total	Total Employment at Beginning of Period	Total Employment at End of Period	Total Change in Employment
Professionals and managers	-	-	-	-	-	-	-	-	-
TOTAL	-	-	-	-	-	-	-	-	-

LEAVE

FOR THE YEAR ENDED 31 MARCH 2010

TABLE 9.1 - Sick Leave for Jan 2009 to Dec 2009

Salary Band	Total Days	% Days with Medical Certification	Number of Employees using Sick Leave	% of Total Employees using Sick Leave	Average Days per Employee	Estimated Cost (R'000)	Total number of Employees using Sick Leave	Total number of days with medical certification
Lower skilled (Levels 1-2)	2	100	1	0.6	2	0	1	2
Skilled (Levels 3-5)	102	92.2	21	13.1	5	25	21	94
Highly skilled production (Levels 6-8)	419	80.7	67	41.9	6	206	67	338
Highly skilled supervision (Levels 9-12)	300	87	56	35	5	274	56	261
Senior management (Levels 13-16)	50	92	10	6.3	5	123	10	46
Contract (Levels 1-2)	18	72.2	4	2.5	5	3	4	13
Contract (Levels 13-16)	4	100	1	0.6	4	14	1	4
TOTAL	895	84.7	160	100	6	645	160	758

TABLE 9.2 - Disability Leave (Temporary and Permanent) for Jan 2009 to Dec 2009

Salary Band	Total Days	% Days with Medical Certification	Number of Employees using Disability Leave	% of Total Employees using Disability Leave	Average Days per Employee	Estimated Cost (R'000)	Total number of days with Disability Leave	Total number of Employees medical certification
Highly skilled production (Levels 6-8)	14	93.33	1	50	14	9	14	2
Senior management (Levels 13-16)	1	6.67	1	50	1	2	1	2
TOTAL	15	100	2	100	8	11	15	2

LEAVE

CONTINUED

TABLE 9.3 - Annual Leave for Jan 2009 to Dec 2009

Salary Band	Total Days Taken	Average days per Employee	Number of Employees who took leave
Lower skilled (Levels 1-2)	37	12	3
Skilled (Levels 3-5)	730	19	39
Highly skilled production (Levels 6-8)	2237	19	118
Highly skilled supervision (Levels 9-12)	1992	19	105
Senior management (Levels 13-16)	395	23	17
Contract (Levels 1-2)	147	9	16
Contract (Levels 6-8)	17	9	2
Contract (Levels 13-16)	42	21	2
TOTAL	5597	19	302

TABLE 9.4 - Capped Leave for Jan 2009 to Dec 2009

	Total days of capped leave taken	Average number of days taken per employee	Average capped leave per employee as at 31 December 2009	Number of Employees who took Capped leave	Total number of capped leave available at 31 December 2009	Number of Employees as at 31 December 2009
TOTAL	0	0	0	0	0	0

TABLE 9.5 - Leave Payouts

Reason	Total Amount (R'000)	Number of Employees	Average Payment per Employee (R)
Capped leave payouts on termination of service for 2009/10	255	10	R 25,500
Current leave payout on termination of service for 2009/10	116	3	R 38,667
TOTAL	371	13	R 28,538

HIV AND AIDS

FOR THE YEAR ENDED 31 MARCH 2010

TABLE 10.1 - Steps taken to reduce the risk of occupational exposure

Units/categories of employees identified to be at high risk of contracting HIV & related diseases (if any)	Key steps taken to reduce the risk
Employees not staying with families, mainly liquor inspectors, because of the extensive travelling which they are exposed to when conducting liquor inspection within the province	Distribution of condoms, Health Screening and on-site Voluntary Counselling and Testing

TABLE 10.2 - Details of Health Promotion and HIV/AIDS Programmes

Question	Yes	No	Details, if yes
1. Has the department designated a member of the SMS to implement the provisions contained in Part VI E of Chapter 1 of the Public Service Regulations, 2001? If so, provide her/his name and position.	Yes		Mr. TN Fakude Acting Chief Director: Corporate Services"
2. Does the department have a dedicated unit or have you designated specific staff members to promote health and well being of your employees? If so, indicate the number of employees who are involved in this task and the annual budget that is available for this purpose.	Yes		The total number of staff is six (6), and the budget allocated is R2.5 million."
3. Has the department introduced an Employee Assistance or Health Promotion Programme for your employees? If so, indicate the key elements/services of the programme.	Yes		Proactive and reactive Employee Health and Wellness Programmes Workplace HIV/AIDS Programme Occupational Health and Safety programme
4. Has the department established (a) committee(s) as contemplated in Part VI E.5 (e) of Chapter 1 of the Public Service Regulations, 2001? If so, please provide the names of the members of the committee and the stakeholder(s) that they represent.		No	<i>Reason/s why the committee was not established:</i> The establishment of the committee is pending the approval of the policy on HIV/AIDS and TB management and all stakeholders will be represented.
5. Has the department reviewed the employment policies and practices of your department to ensure that these do not unfairly discriminate against employees on the basis of their HIV status? If so, list the employment policies/practices so reviewed.		No	Reason/s why employment policies and practices were not reviewed: The Department has developed a Draft HIV/AIDS and TB management policy which addresses issues of discrimination on the basis of HIV status.
6. Has the department introduced measures to protect HIV-positive employees or those perceived to be HIV-positive from discrimination? If so, list the key elements of these measures.	Yes		Education and awareness addressing stigma and discrimination in the workplace. Draft HIV/AIDS and TB management policy."
7. Does the department encourage its employees to undergo Voluntary Counselling and Testing? If so, list the results that you have achieved.	Yes		The Department arranged 3 onsite Voluntary Counselling and testing for the employees and 14 participated.
8. Has the department developed measures/indicators to monitor & evaluate the impact of your health promotion programme? If so, list these measures/indicators. "		No	<i>Reason/s why measures/indicators to monitor the impact of the health promotion programme were not developed:</i> The department has established the Monitoring and Evaluation unit that will also monitor the impact of HIV & AIDS workplace programmes

LABOUR RELATIONS

FOR THE YEAR ENDED 31 MARCH 2010

TABLE 11.1 - Collective Agreements

Subject Matter	Date
None	N/A

TABLE 11.2 - Misconduct and Discipline Hearings Finalised

Outcomes of disciplinary hearings	Number	Percentage of Total	Total
1. Written warning	2	100	2
2. Dismissal	2	100	2
3. Re-employment and	-	-	-
4. Final warning	1	100	1
TOTAL	5	100	5

TABLE 11.3 - Types of Misconduct Addressed and Disciplinary Hearings

Type of misconduct	Number	Percentage of Total	Total
1. Failure comply with a reasonable request / lawful instruction	3	100	3
2. Contravention of the PFMA or Treasury Regulation/maladministration,	4	100	4
3. Insolence	1		1
4. Misrepresentation/Falsification of educational qualifications	1	100	1
TOTAL	9	100	9

TABLE 11.4 - Grievances Lodged

Number of grievances addressed	Number	Percentage of Total	Total
TOTAL	9	100	9

TABLE 11.5 - Disputes Lodged

Number of disputes addressed	Number	% of total
Upheld	1	100
Dismissed	-	-
Total	1	100

TABLE 11.6 - Strike Actions

Strike Actions	
Total number of person working days lost	-
Total cost(R'000) of working days lost	-
Amount (R'000) recovered as a result of no work no pay	-

TABLE 11.7 - Precautionary Suspensions

Precautionary Suspensions	
Number of people suspended	1
Number of people whose suspension exceeded 30 days	3
Average number of days suspended	248
Cost (R'000) of suspensions	R 1,594,755

SKILLS DEVELOPMENT

FOR THE YEAR ENDED 31 MARCH 2010

TABLE 12.1 - Training Needs identified

Occupational Categories	Gender	Employment	Learnerships	Skills Programmes & other short courses	Other forms of training	Total
Legislators, senior officials and managers	Female	52	1	15	1	17
	Male	74	-	20	8	28
Professionals	Female	-	0	-	0	0
	Male	-	0	-	0	0
Technicians and associate professionals	Female	-	0	-	0	0
	Male	-	0	-	0	0
Clerks	Female	89	6	30	-	36
	Male	50	1	20	-	21
Service and sales workers	Female	-	0	-	0	0
	Male	-	0	-	0	0
Skilled agriculture and fishery workers	Female	-	0	-	0	0
	Male	-	0	-	0	0
Craft and related trades workers	Female	-	0	-	0	0
	Male	-	0	-	0	0
Plant and machine operators and assemblers	Female	-	0	-	0	0
	Male	-	0	-	0	0
Elementary occupations	Female	16	4	16	30	50
	Male	-	5	-	41	46
Gender sub totals	Female	157	11	61	31	104
	Male	124	6	40	49	95
Total		281	17	101	80	199

TABLE 12.2 - Training Provided

Occupational Categories	Gender	Employment	Learnerships	Skills Programmes & other short courses	Other forms of training	Total
Legislators, senior officials and managers	Female	52	2	13	1	16
	Male	74	-	16	8	24
Professionals	Female	-	-	-	-	0
	Male	-	-	-	-	0
Technicians and associate professionals	Female	-	-	-	-	0
	Male	-	-	-	-	0
Clerks	Female	89	6	2	-	8
	Male	50	1	6	-	7
Service and sales workers	Female	-	-	-	-	0
	Male	-	-	-	-	0
Skilled agriculture and fishery workers	Female	-	-	-	-	0
	Male	-	-	-	-	0
Craft and related trades workers	Female	-	-	-	-	0
	Male	-	-	-	-	0
Plant and machine operators and assemblers	Female	-	-	-	-	0
	Male	-	-	-	-	0
Elementary occupations	Female	16	4	2	30	36
	Male	-	5	2	41	48
Gender sub totals	Female	157	12	17	31	60
	Male	124	6	24	49	79
Total		281	18	41	80	139

INJURY ON DUTY

FOR THE YEAR ENDED 31 MARCH 2010

TABLE 13.1 - Injury on Duty

Nature of injury on duty	Number	% of total
Required basic medical attention only	4	100
Temporary Total Disablement	-	-
Permanent Disablement	-	-
Fatal	-	-
Total	4	100

CONSULTANTS

FOR THE YEAR ENDED 31 MARCH 2010

TABLE 14.1 - Report on consultant appointments using appropriated funds

Project Title	Total number of consultants that worked on the project	Duration: Work days	Contract value in Rand
Asset Management Evaluation	1	20	750,000
Development of Strategic Plan	1	3	234,132
Business Processes Outsourcing	1	-	600,000
Recruitment	3	18	95,244
Development of tourism safety strategy	1	60	239,400
Preliminary design of water bottling plant	1	30	78,945
Mineral scan for Mpumalanga	1	60	558,600
Disciplinary cases	1	40	945,325
Mineral Development Strategy	1	160	520,000
Document Management System	1	60	147,864
Upgrade of GIS	1	5	46,683
Upgrade of Database	1	3	23,313
Traction 2009 Mpumalanga SMME Business Launchpad	1		1,500,000
TOTAL	15	459	5,739,506

Total number of projects consultants	Total individual	Total duration: Work days	Total contract value in Rand
14	15	459	R 5 739 506

CONSULTANTS

CONTINUED

TABLE 14.2 - Analysis of consultant appointments using appropriated funds, i.t.o. HDIs

Project Title	Percentage ownership by HDI groups	Percentage management by HDI groups	Number of Consultants from HDI groups that work on the project
Recruitment	66.67	66.67	2
Development of tourism safety strategy	100	100	1
Preliminary design of water bottling	30	10	4
Disciplinary cases	72	20	6
Document Management System	37.8	40	4
Upgrade of GIS	26	26	1
Upgrade of Database	26	26	1
Traction 2009 Mpumalanga SMME Business Launchpad	50	50	4
Asset Management Evaluation	100	100	1
Development of Strategic Plan	100	100	2
Business Processes Outsourcing	100	100	2
National Tooling Initiative	100	100	2
TOTAL			30

TABLE 14.3 - Report on consultant appointments using Donor funds

Project Title	Total number of consultants that worked on the project	Duration: Work days	Donor and Contract value in Rand
None	N/A	N/A	N/A

Total number of projects	Total individual consultants	Total duration: Work days	Total contract value in Rand
None	N/A	N/A	N/A

TABLE 14.4 - Analysis of consultant appointments using Donor funds, i.t.o. HDIs

Project Title	Percentage ownership by HDI groups	Percentage management by HDI groups	Number of Consultants from HDI groups that work on the project
None	N/A	N/A	N/A

NOTES



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