



# Trade & Investment Kwazulu-Natal (TIKZN)

## Corporate Strategic Plan 2020/21 – 2024/25

Revised 28 May 2020

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## Executive Authority Statement



### EQUITABLE DISTRIBUTION OF ECONOMIC OPPORTUNITIES

Despite the setback caused by the outbreak of Coronavirus, during this financial year, Trade & Investment KwaZulu-Natal will intensify programmes aimed at attracting Foreign Direct Invest (FDI). The greater focus will be to reach out to our major trading partners using our embassies in those countries.

FDI is a source for economic development, income growth and employment creation. More importantly, FDI helps create a more competitive business environment and enhances enterprise development. All of these contribute to higher economic growth, which is the most potent tool for alleviating poverty.

TIKZN will therefore accelerate efforts to grow trade and investments in the province. Importantly, the entity will ensure an equitable distribution of economic opportunities to uplift our people who are living below the poverty line.

As the department, we have finalized the KZN Localization Framework and we are now moving towards the implementation phase. We want to ensure that local communities benefit from economic opportunities at local level. More importantly, our main focus is to create a demand for local products which are produced by emerging entrepreneurs throughout the corners of this province.

Whilst government has been promoting the procurement of products and services from local entrepreneurs as part of ensuring inclusive economic growth, COVID-19 pandemic has renewed our drive.

TIKZN will be at the forefront of the promotion of the "Buy Local Campaign." The intention is to ensure that we use government's spending power to procure from local entrepreneurs – encourage communities to buy local – and ultimately ensure that local entrepreneurs are able to export to other countries.

In assessing the comparative and competitive advantages, as well as the nature and structure of the KZN economy, it has become evident that the lead sectors are industrial development and manufacturing, finance, real estate and business services, infrastructure development and construction, transport storage and communications, tourism, mining and beneficiation as well as wholesale and retail trade.

These sectors are critical to the achievement of our economic growth goals. The diversified nature of the KZN economy is one of its key strengths and has enabled resilience in response to economic volatility.

TIKZN has adopted a business support, retention, and expansion programme, which is fully integrated into the Radical Economic Transformation Programme and focuses on:

- Supporting businesses that are weak but that have sound foundations and can become viable through accessing existing short-term industrial policy support programmes to contain further job losses and protect important production capabilities;
- Supporting new businesses to emerge through a dedicated programme of support to new or young businesses as they are more vulnerable than larger older established businesses to shocks and harsh economic conditions; and
- Supporting existing businesses need to expand by creating an environment that is conducive to new investment.

TIKZN will also focus on the key interventions that are catered for in the KZN Growth and Development Plan, which are to ensure that we:

- Improve access to economic development funding;
- Facilitate statutory development approval processes in support of new investments through the Provincial One-Stop Shop;
- Raise awareness on key sectors and on support measures and improve the quality of programmes available in these sectors and in new sectors such as, presently those of the maritime and green economy;
- Improve performance monitoring of the value chain in key sectors within the KZN;
- Develop, diversify and market the tourism sector to increase domestic and foreign visitors in the Province;
- Develop and implement a green public procurement policy to help support local green businesses and implement the Provincial Green Economy Strategy.

It is against this background that the province has paid particular attention to the key sectors of the economy, especially FDI, as a catalyst for economic development and job creation.

As the Executive Authority, I undertake to ensure that the resources of this entity are utilized to realize the vision of the PGDP as outlined in this Corporate Strategic Plan (2020/21 – 2024/25).



**Ms Nomusa Dube-Ncube, MPL**

**MEC for Economic Development Tourism and Environmental Affairs**

## Accounting Officer Statement

TIKZN in accordance to the legislative mandate is a South African trade and inward investment promotion agency, established to promote the province of KwaZulu-Natal as an investment destination and to facilitate trade by assisting local companies to access international markets. The organisation identifies, develops and packages investment opportunities in KwaZulu-Natal; provides a professional service to all clientele; brands and markets KwaZulu-Natal as an investment destination; retains and expands trade and export activities and links opportunities to the developmental needs of the KwaZulu-Natal community.

The strategic review and planning process undertaken is aligned to the Government-Wide Monitoring and Evaluation Framework (GWM&E). The prior TIKZN Corporate Strategy (2014/2015 to 2018/2019) has been utilised as a base for developing the new 5-year TIKZN Strategic Plans but with the strategic focus of tangible outcome impact performance indicators. This is in line with National Treasury and the Department of Planning Monitoring and Evaluation's (DPME) framework for strategic plans and Annual performance plans, the entity will focus on the implementation of policies and government priorities. Some of the key performance measures, indicators and initiatives will be based on the external as well as internal business environments. Setting of targets incorporates lessons from the past which include prior year performances, benchmarking with similar entities as well as any other internal factors such as capacity and budgets.

The TIKZN Corporate Strategy 2020/2021 to 2024/2025 was developed by the management of Trade and Investment KwaZulu-Natal under the guidance of the TIKZN Board of Directors, and the Chairperson of the Board Ms C.M. Cronje. It accurately reflects the performance targets which the entity is committed to achieve.



**Mr Neville Mathe, CEO**  
**Accounting Officer of TIKZN**

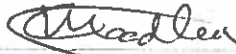


## Official Sign-Off


It is hereby certified that this Annual Performance Plan:

- Was developed by the Management of TIKZN under the guidance of the TIKZN Board and the MEC for Economic Development, Tourism and Environmental Affairs.
- Takes into account all the relevant policies, legislation and other mandates for which TIKZN is responsible to implement.
- Accurately reflects the Impact, Outcomes and Outputs which TIKZN will endeavour to achieve over the period **2020/2021**.

Mr Claude Moodley  
Executive Manager: Export Development and Promotion

Signature: 

Mr Innocent Hlongwana  
General Manager: Investment Promotion and Facilitation

Signature: 

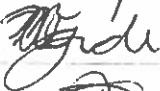
Mr Donny Pethan  
General Manager: Business Retention & Expansion /  
Acting Executive Manager: Strategy & Operations

Signature: 

Mr Sihle Ngcamu  
Executive Manager: Investment Promotion and Facilitation

Signature: 

Ms Zodumo Ngidi  
Executive Manager: Knowledge Management

Signature: 

Ms Ayanda Zuma  
General Manager: Marketing & Communications

Signature: 

Ms Thanda Mokhohlouloane  
General Manager: Human Resources

Signature: 

Mr Ndumiso Mlambo  
General Manager: One Stop Shop

Signature: 

Ms Zamasomi Msomi  
Chief Financial Officer

Signature: 

Mr Neville Matjie  
Accounting Officer

Signature: 

Signed by the Chairperson of the Board  
on behalf of the Accounting Authority

Signature: 

Approved by:  
Ms Nomusa Dube-Ncube, MPL  
Executive Authority

Signature: 

## Part A: Our Mandate

### 1. Constitutional mandate

TIKZN is a South African trade and inward investment promotion agency, established as a *Schedule 3C Public Entity*, to promote the province of KwaZulu-Natal as an investment destination and to facilitate trade by assisting local companies to access international markets. The organisation identifies, develops and packages investment opportunities in KwaZulu-Natal; provides a professional service to all clientele; brands and markets KwaZulu-Natal as an investment destination; retains and expands trade and export activities and links opportunities to the developmental needs of the KwaZulu-Natal community.

TIKZN aims to deliver effective services and support to its clients and stakeholders through job creation, spatial development, sector development, promotion of economic transformation and rural development. This will be achieved through attracting, developing and retaining high-performing employees who have the skills and competencies required to manage key internal business processes, including the marketing of TIKZN as an investment promotion agency; enhancing the research and knowledge capabilities of TIKZN and making use of technology as an enabler for TIKZN's business; ensuring compliance with corporate governance and financial reporting standards; and advocating for a conducive business environment in KZN and marketing the province as a premier business destination.

### 2. Legislative and policy mandates

The mandate of TIKZN, as per *Trade & Investment KwaZulu-Natal Act, Act No.5 of 2010*, is to:

- *Identify, develop, market and promote investment opportunities in the Province to international and domestic investors;*
- *Develop the export capacity of the Province;*
- *Develop the export markets of the Province;*
- *Foster trade and investment within the Province;*
- *Develop a Provincial Investment and Export plan; and*
- *Keep and maintain a database of opportunities within the Province in such a manner as to benefit all sectors of the economy in terms of the PFMA, No. 1 of 1999, as TIKZN is a 3(c)-public entity.*

As a *Schedule 3C Public Entity*, TIKZN is required to comply with and adhere to the:

- *Trade & Investment KwaZulu-Natal Act, Act No. 5 of 2010;*
- *Public Finance Management Act and Treasury Regulations;*
- *Preferential Procurement Policy Framework Act, 2000; Preferential Procurement Regulations, 2017*
- *Broad-Based Black Economic Empowerment Act*
- *National Development Plan 2030;*
- *Provincial and National Priorities (SONA and SOPA);*
- *Provincial Growth and Development Plan;*
- *'Gateway 2030' Kwazulu-Natal Integrated Trade and Investment Strategy*
- *DPME Medium-Term Strategic Framework 2019 – 2024*
- *Department of Economic Development, Tourism and Environmental Affairs, Radical Economic Transformation Plan (including Operation Vula, Radical Agrarian Socio-Economic Transformation);*
- *Policies and Directives of the Department of Economic Development, Tourism and Environmental Affairs;*
- *Economic Plan (August 2019) for the Minister of Finance, Mr Tito Mboweni*
- *Memoranda of Understanding signed with various countries around the world; and*
- *Bilateral and multi-lateral agreements signed by Department of International Relations and Cooperation, Department of Trade & Industry and Competition and other National Government departments*

### 3. Institutional policies and strategies governing the five-year planning period

The following strategies and plans are key institutional documents to govern TIKZN's 5-Year (2020/21 – 2024/25) planning period

- *TIKZN Corporate Strategy 2020/21 – 2024/25*
- *Annual Performance Plans*
- *Business Unit Operational Plans*

### 4. Relevant court rulings

N/A





## Part B: Our Strategic Focus

### 1. Vision

*To be the leader in developing and promoting trade in KwaZulu-Natal and to position the Province as a premier destination for investment*

### 2. Mission

The mission of TIKZN is to:

- *To retain and ensure competitiveness of KwaZulu-Natal companies;*
- *To support KwaZulu-Natal companies in distress;*
- *Identify and package trade and investment opportunities in Kwazulu-Natal;*
- *Brand and market KwaZulu-Natal as an investment destination;*
- *Identify and package export trade and investment opportunities in KwaZulu-Natal;*
- *Link opportunities to the developmental needs of the KwaZulu-Natal community; and*
- *Ensure easy access to investment and export trade opportunities.*
- *To retain and ensure competitiveness of KwaZulu-Natal companies;*
- *To support KwaZulu-Natal companies in distress.*

### 3. Values

The values of TIKZN are to espouse:

- *Professionalism;*
- *Integrity; and*
- *Passion*

### 4. Situational Analysis

The completion of the situational analysis exercise for TIKZN comprised the following key activities:

- The review of relevant desktop literature including the key economic plans, priorities, and strategies (at National, Provincial and District/ Metro Level), together with an assessment of the economic outlook (including impact of COVID-19) and a benchmarking exercise.
- A five-year (2015 – 2019) historical performance assessment of the organization.
- An in-depth key stakeholder engagement process (in-depth interviews with key external and internal stakeholders, focus groups with internal Management, a strategic planning workshop with the Board and Executive Management, and a staff survey).
- A summary (high-level) analysis of TIKZN's external environment and internal environment is found in Sections 5 – 6 below and includes a detailed benchmarking exercise as well as 5-year (2015-2019) historical performance assessment of the organization.
- The comprehensive situational analysis and benchmarking reports can be found in **Annexure B and Annexure C, respectively.**

## 5. External Environment Analysis

A high-level synopsis of the external environment in which TIKZN operates is presented below and includes:

- a) Economic Outlook
- b) Benchmarking Exercise

### a) Economic Outlook

- The province is attractive to some investors (the organization was able to attract approximately R2,7billion (cumulative) of new investments in 2018/19 financial year). Additionally, the province makes for a good strategic location, is a gateway for trade in the region, with strong natural advantages and good infrastructure (roads, harbour and airport)
- Global economies are being impacted by large factors such as trade wars and more recently the Coronavirus or (COVID-19).
- Radical economic transformation agenda of the province - poverty reduction and economic growth cannot be sustained without radical economic transformation.
- Contributing to economic transformation is possible by encouraging economic geographical spread – spatial development (driving and making opportunities available for investors in smaller towns/municipalities throughout KwaZulu-Natal to engender entrepreneurship and job creation). *The World Health Organisation (WHO) categorised the severe acute respiratory syndrome novel coronavirus (COVID-19) as a pandemic. Pursuant to this, on 15 March 2020, President Cyril Ramaphosa declared a national state of disaster in South Africa in terms of the Disaster Management Act, 2002, as amended (DMA) and on 18 March 2020, regulations in terms of section 27(2) of the DMA were published with immediate effect (the regulations). Government announced bold measures to contain the spread of the virus in South Africa. From the 26 March the President announced a national lockdown which brought the country to a standstill for close to three months, (including several imposing travel restrictions into and out of high-risk countries) which will impact investment and trade both inter-provincially and across borders The economy has since commenced opening up at different levels, from Level 5 -1 in an adjusted strategy to contain and flatten the curve of the spread of the virus.*
- *As South Africa entered a lockdown due to COVID-19, Moody's Rating Agency downgraded the country to sub-investment grade, thereby increasing pressure on an already strained economy, thus increasing the country's cost of borrowing. Listed below are some of the impacts the virus will have on the South African economy:*
  - *According to the IMF, South Africa has lost the highest portion of the US\$4.2 billion capital outflows in the Sub-Saharan region due to coronavirus*
  - *The World Economic Forum, forecast that more than one million people in South Africa will be pushed into extreme poverty because of the pandemic*
  - *Treasury's worst-case scenario expects the economy to contract by 16.1%*
  - *Sanlam Investments forecast the country's deficit to balloon to more than 12% of GDP in 2020/21 and the debt ratio to climb above 80% of GDP over the medium-term*
  - *To mitigate the socio-economic impact, the government introduced a R500 billion stimulus package*
- Amongst the exposure to global economic trends and developments and the mishaps that come with it, the following key domestic issues are impacting our economic growth and stability:
  - *Low (or negative) economic growth,*
  - *High levels of poverty,*
  - *High levels of inequality,*
  - *High levels of unemployment,*
  - *High levels of government debt,*

- *Condition of state-owned enterprises and unreliable electricity supply*
- *Low attainment of education and availability of technical and vocational skills,*
- *Declining infrastructure investment,*
- *Crime and corruption,*
- *Fiscal environment, high levels of debt and below investment grade by credit rating agencies,*
- *Low business and consumer confidence,*
- *Labour rigidity and relations,*
- *Cost of doing business,*
- *Policy uncertainty and how to address land redistribution issue,*
- *Uncertainty over the impact of the Fourth Industrial Revolution (FIR); and*
- *Climate change*
- *Covide-19 pandemic*
- The KwaZulu-Natal economy closely matches the South African economy and is fortunate in that it has one of the most diversified provincial economies shielding it from sector-specific shocks. However, its economy is unequal in levels of development and investment with high urban density areas such as eThekweni, Msunduzi and uMhlatuze, respectively, receiving the bulk of the attention. This issue is addressed by the *Provincial Spatial Economic Development Strategy* (PSEDS) outlining where investments should take place, and what investments should take place across the province.
- The sector performance for KwaZulu-Natal surprisingly showed an increase in average growth for the Agricultural and Mining sectors. The province contributes the highest proportion toward the Agricultural sector in the country. Manufacturing has been declining as a percentage of GDP-R due to a number of reasons (cost of energy, cost of transport, etc)
- The unemployment rate in South Africa edged up to 29.1% in the Q3 2019. The provincial employment remained below the pre-recession level for 9 years rising above the pre-crisis level for the first time in fourth quarter of 2017. Both South Africa's and KwaZulu-Natal's economic growth is inadequate to support the growing population. Without real growth, the country will not be able to significantly address its employment crises.

#### Summary Findings

- The current economic climate is one that presents significant risks (in particular, owing to COVID-19 at present) but also creates potential opportunities that KwaZulu-Natal, and South Africa, need to explore, develop, and exploit. TIKZN has played a key role in attracting investment into the province and this will continue (in the foreseeable future), both from local and international investors.
- As a result of lockdown restrictions, the COVID-19 pandemic has negatively impacted business trading conditions and the country's economic growth/ outlook, and is expected to continue for several months to come.
- TIKZN must place itself at the heart of these discussions and offer support (aligned to its mandate) to the provincial government as part of government's economic recovery plan as part of COVID-19 relief measures, that will seek to strengthen investment, trade, and economic development, and given South Africa has consistently underperformed with respect to both world growth and in comparison with other emerging economies.
- TIKZN must align with all relevant stakeholders with respect to key economic policies at a national, provincial, and municipal level. The current framework is aligned to key influencing policies and strategies in particular the MTSF, PGDP, *Kwazulu-Natal Integrated Trade and Investment Strategy* (2019) and the *National Development Plan and its Vision 2030*. The 2030 vision is to eliminate poverty and reduce inequality by empowering all citizens to have capabilities to grasp the ever-broadening opportunities, interventions and initiatives launched under the NDP will bring. These goals are to be achieved using the Operation Phakisa methodology that focuses on fast results. The strategies of TIKZN will be informed by these goals.
- TIKZN must present the opportunities within the various KwaZulu-Natal Districts, both rural and urban, to both local and foreign investors. This potentially will unlock key sectors in the province which otherwise might have been ignored by investors due to their lack of prior development. The key sectors (and sub-sectors) with growth potential have been identified as per the *KZN Integrated Trade and Investment Strategy* (2019), as follows:

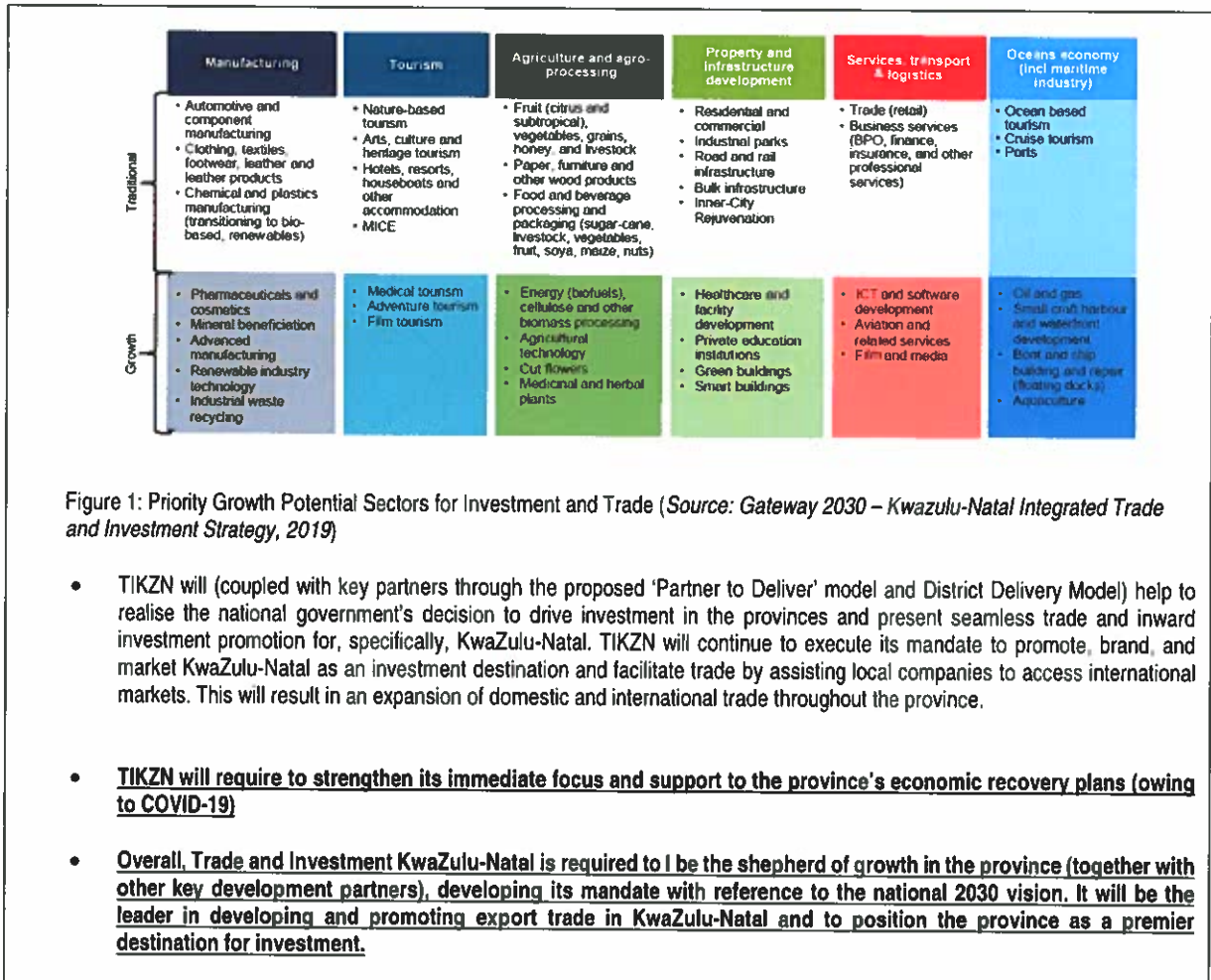


Figure 1: Priority Growth Potential Sectors for Investment and Trade (Source: Gateway 2030 – Kwazulu-Natal Integrated Trade and Investment Strategy, 2019)

- TIKZN will (coupled with key partners through the proposed 'Partner to Deliver' model and District Delivery Model) help to realise the national government's decision to drive investment in the provinces and present seamless trade and inward investment promotion for, specifically, KwaZulu-Natal. TIKZN will continue to execute its mandate to promote, brand, and market KwaZulu-Natal as an investment destination and facilitate trade by assisting local companies to access international markets. This will result in an expansion of domestic and international trade throughout the province.
- **TIKZN will require to strengthen its immediate focus and support to the province's economic recovery plans (owing to COVID-19)**
- **Overall, Trade and Investment KwaZulu-Natal is required to be the shepherd of growth in the province (together with other key development partners), developing its mandate with reference to the national 2030 vision. It will be the leader in developing and promoting export trade in KwaZulu-Natal and to position the province as a premier destination for investment.**

Please refer to detailed Situational Analysis Report in Annexure B

## b) Benchmarking

A benchmarking exercise was completed. This entailed a review of fifteen other IPAs nationally, regionally and across the globe (four South African IPAs, three African IPAs and nine international IPAs), providing insight for TIKZN into what IPA strategies work well and what strategies do not work well or may not be applicable. This exercise was intended to assist TIKZN to identify what they can improve in their own strategies<sup>1</sup> and functions (as well as provide DNA for strategy development). The benchmarking matrix reviewed key parameters such as IPA location; legal form; applicable legislation; year incorporated; shareholders; funding and mandate; strategic model; key success factors; achievements versus targets; and other. A summary of key findings is tabulated below, whilst the detailed benchmarking report can be found in **Annexure C**.

### Summary of Findings

In summary, each *Investment Promotion Agency (IPA)* had a variety of approaches of stimulating economic development in their respective countries, cities or regions. Key features and activities of IPAs:

- Government-tied.
- Dual responsibility of brand promotion and investment destination promotion.
- Well-resourced and funded.
- Generally high focus on future industries, such as ICT and the green economy.
- Founded on state mandates; however, they operated in a private or independent capacity.
- Providing crucial link between state objectives and private industry.
- Policy advocacy to state bodies found in various models - Wesgro, Botswana Investment and Trade Centre and Invest Sao Paulo.
- Establishing networks or partnerships with key state departments and organisations with the aim is to create a crucial flow of information between the state and the private sector - InvestKL Malaysia, Wesgro, EDB Singapore and investe Sao Paulo.
- Attracting inward investments through tax incentives and other strategic investment incentives in key sectors: eg. reduction or exemption in tax on exports, capital expenditure on equipment and machinery, guaranteed protection of property rights and intellectual property and carry-loss forward policies.
- Primary purpose of tax and investment incentives is to improve the business environment and the ease of doing business.
- Kenya Investment Authority (KenInvest) emphasised the decentralisation of investments in Kenya, placing the private sector as the sole engine of growth. This reduces the state's role and resources in growing the Kenyan economy.
- IPAs aimed to attract specific types of investments:
- InvestKL Malaysia's objective is to attract large multinational corporations to establish headquarters and primary operations centres.
- InvestHK emphasised the need to attract foreign small-to-medium sized enterprises.
- The establishment of strategic economic and trade zones to stimulate export potential.
- Ethiopian Investment Commission established Industrial Parks.
- These zones are also strategically located in underdeveloped regions. This was the case for IDA Ireland, that aims to stimulate high value-adding activities outside of the economic hub of Dublin.
- COVID-19 response plans of some of those benchmarked:
  - In addition to its regular webinars, Wesgro has embraced technology and launched a Live 'COVID-19 Content Centre for Business' whereby real-time support and advice for business and industry, including FAQ's across sector, can be sought for struggling business; and have also launched an online COVID-19 support finder to link business with funders and relief measures
  - KenInvest are also embracing digital platforms to continue to extend services to investors during its lockdown period. Such a platform includes a Case and Inquiry Management System (CMS) such that investors/ potential investors can reach them via text, mobile and e-mail
  - InvestHK have launched a series of response measures to help individuals and business, including the hosting of relevant webinars, use of social media, and other
  - Singapore, including EDB Singapore, have been praised worldwide for their rapid response to virus containment, as well as maintaining close collaborations with the relevant stakeholders including potential investors during this period of crisis

**Please refer to detailed Benchmarking Report in Annexure C**

<sup>1</sup> When interpreting the findings of the benchmarking please note that other IPAs may have varying mandates and levels of authority

## 6. Internal Environment Analysis

The Internal Environment Analysis process comprised the following key activities:

- a) TIKZN Historical (5-Year) Performance Assessment
- b) Stakeholder Engagements

- a) TIKZN Historical (5-Year) Performance Assessment

Organisational performance has been assessed by reviewing the last 5 years Annual Reports of TIKZN. A high-level summary of reported performance is tabulated as per Table 1 below. In addition, targets have been captured and analysed. A consolidated review commentary has been presented (following the table). Further, the commentary has been aligned (where possible) with other forms of strategy input, such as stakeholder engagements and literature review findings.





Table 1: Summary of TIKZN Reported Performance – 2014/15 – 2018/19 (Source – Annual Reports)

Area	2014/15	2015/16	2016/17	2017/18	2018/19
<b>External Environment</b>	<ol style="list-style-type: none"> <li>Global subdued economic activity and increased competition for reduced FDI spend.</li> </ol>	<ol style="list-style-type: none"> <li>Subdued global economy with decreasing fuel price and commodity prices.</li> </ol>	<ol style="list-style-type: none"> <li>Envisaged global growth expected at 3,5 %.</li> <li>Large mining contract sector contraction in SA.</li> <li>Technical recession in SA. in Q1</li> </ol>	<ol style="list-style-type: none"> <li>KZN Reported growth of 4,2 % (expected in new year of 4,5 %).</li> <li>Global upturn noted.</li> </ol>	<ol style="list-style-type: none"> <li>Tough economic conditions- nationally.</li> <li>Trade capacity constraints at municipalities.</li> <li>National impetuous to attract 100b USD in five years.</li> </ol>
<b>Strategic Focus Areas</b>	<ol style="list-style-type: none"> <li>Manufacturing considered key sector.</li> <li>Creation of investment and jobs.</li> <li>Focus on strengthening transformation.</li> <li>Regional trade focus.</li> </ol>	<ol style="list-style-type: none"> <li>Creation of investment and jobs</li> <li>Focus on Africa and regional trade.</li> <li>Human resources development a key focus area.</li> <li>Greater investment in research and knowledge.</li> </ol>	<ol style="list-style-type: none"> <li>Capitalise on the strengths of the province.</li> <li>Creation of investment and jobs.</li> </ol>	<ol style="list-style-type: none"> <li>Inclusive growth focus.</li> <li>Creation of investment and jobs.</li> </ol>	<ol style="list-style-type: none"> <li>Radical economic transformation with an inclusive economy.</li> <li>Key focus on promotion using campaigns and events.</li> <li>Focus on catalytic projects.</li> </ol>
<b>Governance</b>	<ol style="list-style-type: none"> <li>New Chairperson appointed</li> <li>6 Board meetings held.</li> </ol>	<ol style="list-style-type: none"> <li>New MECs.</li> <li>No turnover in the Board.</li> <li>5 Board meetings held.</li> </ol>	<ol style="list-style-type: none"> <li>Previous Board in Place.</li> <li>6 Board meetings held.</li> <li>No turnover in the Board.</li> </ol>	<ol style="list-style-type: none"> <li>New Board of directors- balance of new and old.</li> <li>7 Board meetings appear to be high.</li> </ol>	<ol style="list-style-type: none"> <li>7 Board meeting appear to be high.</li> <li>Trade and investment very custom built.</li> </ol>
<b>Performance and operations</b>	<ol style="list-style-type: none"> <li>BR &amp; E focus to extend to other Municipalities (outside eThekwin).</li> <li>Jobs created and retained below target of 6000 jobs (noted this target was high).</li> <li>Stakeholder engagement performance separately reported.</li> </ol>	<ol style="list-style-type: none"> <li>Partnership with Northwest University for trade data tool for export development.</li> <li>2 vacancy in senior management and 9 other vacancies.</li> <li>New staff secondment and relation program implemented.</li> <li>Policy and advocacy reported separately.</li> <li>Business retention focus on small and medium companies.</li> <li>Export portal in operation for 18 months and yielding positive results.</li> <li>Disclosed average and rewards for all levels.</li> <li>9 staff have left the organisation.</li> </ol>	<ol style="list-style-type: none"> <li>Signing of MOU with Guangdong Province (China).</li> <li>1 vacancy in senior management and 15 others in the organisation.</li> <li>Domestic investment promotion focus.</li> <li>Business retention and expansion focussed on medium sized enterprises.</li> <li>Various municipality initiatives.</li> <li>Project brokering unit formed for the Province.</li> <li>Policy and advocacy reported separately.</li> <li>KZN Tourism and Investment approved.</li> </ol>	<ol style="list-style-type: none"> <li>Acting CEO.</li> <li>Manufacturing highlighted as key foundation for KZN.</li> <li>Exceeded targets in most areas.</li> <li>WEF attendance.</li> <li>Launch of one stop shop with Invest SA.</li> <li>3 Key management positions vacant (20 in total).</li> <li>Same NDT projects (acquisitions) reported both in current and next year- highlights only.</li> <li>Disinvestment study completed.</li> <li>Business retention focussed on medium to large sized enterprises.</li> <li>Project tracking and mini CRM launched.</li> <li>High focus on skills development (general).</li> <li>Completion of phase 1 ISO.</li> </ol>	<ol style="list-style-type: none"> <li>Most targets exceeded</li> <li>KZN TIKZN attracts R2,66bn investment (potential jobs of 2536).</li> <li>New CEO</li> <li>New MECs</li> <li>Focussed to meet targets</li> <li>Limited HR capacity (19 vacancies)</li> <li>Launch of investment handbook for KZN</li> <li>Current stakeholder focus is more public sector aligned.</li> <li>Business retention focussed on medium sized enterprises and leverage with clients supported from other business units.</li> <li>Partner to deliver model used by Export promotion</li> <li>High focus on skills development (general)</li> </ol>
<b>Financial</b>	<ol style="list-style-type: none"> <li>Material misstatements adjusted prior to audit.</li> <li>Grant income increased by R5m.</li> </ol>	<ol style="list-style-type: none"> <li>Clean audit</li> <li>Increase in grant income of R12 m.</li> </ol>	<ol style="list-style-type: none"> <li>Clean Audit</li> <li>Procurement irregularity being investigated.</li> <li>Decrease in grant funding. (6m)</li> </ol>	<ol style="list-style-type: none"> <li>Material misstatements noted (and corrected) in audit report.</li> <li>Restatement of prior years' AFS.</li> <li>Increase in grant funding R6m</li> </ol>	<ol style="list-style-type: none"> <li>Concentration risk in lines of funding.</li> <li>Decrease in grant funding R 6m.</li> <li>Non-compliance with key legislation noted in audit report.</li> <li>Leadership did not exercise adequate oversight over compliance (audit report).</li> </ol>

## **Summary Findings**

### **Overall 5-Year Historical Assessment Findings**

The organisation operated during the period 2015 to 2019 (year ending) in the background of subdued economic conditions (both locally and in most cases internationally). During this period strategic focus impetuous was given to the manufacturing sector, as well as a drive to strengthen the inclusivity of the local economy. This five-year period included: the appointment of two new MECs, Chairperson and Board, as well as the appointment of the Acting CEO as the permanent CEO for the organisation. During the period under review the following was noted:

- Overall performance was above targets set (in the majority). This has been seen across the various programs. On review of the actual performance measures (when aligning to the new treasury regulations- built around the theory of change) we found that some of the performance measures will have to be redeveloped (to include a greater focus on influencing impact)- as part of the revised strategy. In addition, targets by sector and district will be encouraged.
- Increased engagement with municipal entities. This has been seen across programs and is aligned to stakeholder input of the organisation working closer with districts (in an integrator/coordinator role).
- Current stakeholder efforts are focussed to the public sector. A more balanced approach to engaging both public sector and private sector is envisaged. This correlates to the role of the organisation being a key link between business and government.
- The organisation has achieved some good partnerships. This approach of "partnering to deliver" will be escalated in the organisation's future- as resourcing is reduced and duplication with other peer organisations avoided. In addition, stakeholders have requested that the organisation be more focussed in its approach. This could be achieved by re-aligning resources, partnering to deliver and removing duplication efforts that have been noted with EDTEA.
- The launch of the one stop shop facility in partnership with Invest SA has occurred in the last two years. Initial feedback on the model reflect a revised (increased) approach to promoting this facility.
- Increased drive to target and measure transformation and economic inclusivity has been noted in the last two years of performance. For increased economic and social relevance, the organisation will have to further prioritize this area in the revised strategy
- The need for increased focus on policy and advocacy – to reduce the cost of doing business and limit business disruptions noted in key business sectors and notes- is considered a high priority for the organisation.
- A trend of increasing number of staff vacancies in the organisation, relating to technical and skilled staff. This will have to be urgently addressed, aligned to the skills gaps that have been identified in the areas of IP, KM and the staffing needs of BR&E.
- Some reporting of financial misstatements has been noted. Planning for the avoidance of these non- conformances -together with increased focus on risk- is considered important for the new strategy.

Overall, the organisation appears to be achieving the targets that they have set out to achieve- however on closer review of some of the measurables it appears that they would have to be reviewed (to become more impactful-and aligned to the revised treasury regulations). In addition, the overall annual investment of managing the entity (of between R80 million to R100 million) is a large amount of resourcing /investment and serious consideration should be given on how to do more with this resourcing by:

- Partnering to deliver – avoiding duplication of efforts with partners.
- Increasing organisational focus and agility.
- Strengthening economic inclusivity and relevance.
- Working closer and in a more integrated manner with stakeholders.

An analysis and commentary by key departments/ areas is presented below.

## 1.1 Investment Promotion

The subdued economic conditions together with the increased demand for FDI globally (from a reduced capital availability) had created a more competitive environment for the organisation (in attracting investment and trade). The summary of investment promotion efforts is shown below in Table 2 below.

Table 2: Summary of Investment Promotion Efforts (2015 – 2019)

	2015			2016			2017			2018			2019		
	Act	Tar	Var	Act	Tar	Var	Act	Tar	Var	Act	Tar	Var	Act	Tar	Var
<b>Investment Promotion</b>															
Investment (Billions Rands)	1,68	1,40	0,28	1,98	1,40	0,58	10,88	1,60	9,28	2,18	2,50	-0,32	2,66	2,00	0,66
Jobs	1 900	4 564	-2 664,00	5 170	2 100	3 070,00	6 270	2 300	3 970	3 650	2 500	1 150	2 549	2 750	-201
No of projects /investments (actual)	12			9			8			15			8		
Pipeline projects added	81	80	1,00	51	100	-49,00	65	120	-55	74	80	-6	71	80	-9
Investment attractions missions				47	16	31,00	20	20	0	22	25	-3	32	30	2
Investments projects facilitated for black youth and woman owned													10	5	5

A review of the above performance dashboard shows the following:

1. Targets that have been set for the organisation, have been met in the majority of areas. However, as mentioned previously, targets have not been segmented by sector and region and will have to be done so in the future.
2. A large investment flow has been noted during year ending 2017, with investment at Zimbali facilitated. This total new investment performance against target is shown pictorially in the graph below (Figure 2):

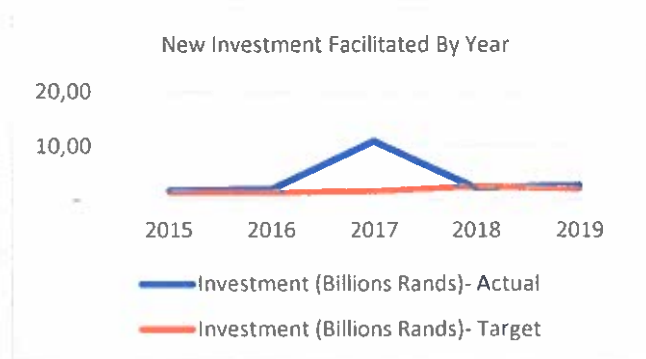


Figure 2: New Investments Facilitated by Year

3. New targets have been developed during year ending 2019 to strengthen economic inclusivity (with a focus on youth and woman). This should be continued with increased resource allocation. In addition, domestic investment promotion (together with regional focus) should be given greater focus.
4. The number of pipeline projects has not been met in 4 of the 5 years. Overall, for the five-year period, 342 pipeline projects were introduced the organisation and 52 have been reported as successfully facilitated (as part of the approx. R19 billion of new investments facilitated by the organisation) over a 5-year period)

The above performance on investment facilitation was across various industry types (as reflected in Table 3 below), with key sectors being Property (66 %), ICT (12 %) and manufacturing (9%). Overall, close onto R19 billion had been reported as facilitated for the period under review. A review of the sector investment facilitation performance shows:

1. A need to increase efforts in manufacturing (which are aligned to economic planning for the Province)
2. A greater focus to be placed on agriculture and tourism, which are priority sectors (and which has higher labour absorption rates- than other sectors)
3. A review of efforts in the retail and services sectors (which are also currently key industries of the local economy)

Table 3: 5-Year Historical Performance by Sector/ Industry

Sector	2015	2016	2017	2018	2019	Total	Percentage
Property		1 200 000 000	10 000 000 000	22 000 000	1 341 000 000	12 563 000 000	66%
ICT	838 600 000	560 000 000	300 000 000	630 000 000		2 328 600 000	12%
Manufacturing	292 100 000	50 000 000	465 000 000	560 000 000	311 000 000	1 678 100 000	9%
Medical	90 000 000	8 000 000		293 900 000	612 000 000	1 093 900 000	6%
Agriculture	230 600 000		120 000 000	413 000 000		763 600 000	4%
Tourism		11 000 000		243 700 000		254 700 000	1%
Mining	187 200 000	62 300 000				249 500 000	1%
Retail/Wholesale	27 000 000				23 000 000	50 000 000	0%
Education				15 500 000		15 500 000	0%
<b>Total</b>	<b>1 665 500 000</b>	<b>1 981 300 000</b>	<b>10 885 000 000</b>	<b>2 178 100 000</b>	<b>2 287 000 000</b>	<b>18 996 900 000</b>	<b>100%</b>

The split of investments over the period 2015 to 2019 by domestic versus international investments facilitated is reflected in Table 4 and 5 below, respectively. There has been an increase in domestic investments facilitated over the period 2015 to 2019, with heavier weighting on domestic investments facilitated versus international (bar 2017 with a spike in the international investment facilitated, owing to the Zimbali investment deal). This is aligned to the subdued national economy which is experiencing difficult condition as well as greater competition for FDI globally.

The split of international investments facilitated was not done by regional (Africa) and international (beyond Africa). However, it appears the African investments facilitated have not been a focus area in the past and should be a priority target market for facilitating new investment opportunities. It is further recommended that IP&F targets be split by domestic, regional (Africa) and international (beyond Africa).

Table 4: Analysis of Domestic and International Investments Facilitated for 2015 to 2019

Year	Domestic	International	Total
2015	R 1,19	R 0,47	R 1,67
2016	R 1,98	R -	R 1,98
2017	R 0,74	R 10,15	R 10,89
2018	R 1,62	R 0,56	R 2,18
2019	R 2,10	R 0,19	R 2,29
	<b>R 7,63</b>	<b>R 11,37</b>	<b>R 19,00</b>

Table 5: Percentage split of Domestic versus International Investments Facilitated for the Period 2015 to 2019

	2015	2016	2017	2018	2019
<b>Domestic</b>	72%	100%	7%	74%	92%
<b>International</b>	28%	0,00	93%	26%	8%

The geography spend of the facilitated investment (over the last 4 years- split not available for 2015) were eThekweni (81%), iLembe (5%), Umhlathuze (3%), uThukela (3%), Umkhanyakude (3%), Zululand (2%), Harry Gwala (2%), uThungulu (1%), Amajuba (0%). There has been an increase in focus in areas outside eThekweni in the latter years (such as iLembe and Zululand - as shown in Table 6 below). This focus should continue, as eThekweni has its own resources for attracting investment. The focus on rural economies is aligned to both national and provincial planning priorities (as well as feedback from stakeholders).



Table 6: Geographic Spread of Facilitated Investments over the Period 2016 - 2019

District	2015	2016	2017	2018	2019	Total	
eThekweni		1 590 000 000	10 300 000 000	712 000 000	1 401 000 000	14 003 000 000	81%
iLembe		220 000 000	420 000 000	9 900 000	191 000 000	840 900 000	5%
Umhlatuze			45 000 000	500 000 000		545 000 000	3%
Uthukela		113 000 000		400 000 000		513 000 000	3%
Umkhanyakude		11 000 000	120 000 000	336 200 000	23 000 000	490 200 000	3%
Zululand		47 300 000		26 000 000	350 000 000	423 300 000	2%
Harry Gwala					262 000 000	262 000 000	2%
Uthungulu				194 000 000		194 000 000	1%
Amajuba					60 000 000	60 000 000	0%
<b>Total</b>		<b>1 981 300 000</b>	<b>10 885 000 000</b>	<b>2 178 100 000</b>	<b>2 287 000 000</b>	<b>17 331 400 000</b>	

The one stop shop performance has been reflected in the 2019 annual report (for the first time). It includes the following key targets reported:

1. No of project and companies assisted with compliance (actual of 14 versus a target of 12)
2. No of policy guideline session facilitated (an actual performance of 6 sessions versus a target of 6)

Engagement of stakeholders have shown the need to increase marketing and promoting this service (in particular to emerging businesses). Aligned to this the organisation needs to consider revised targets for the service offering as it appears to be low (volumes) in the context for demand for such compliance related services (found nationally)

## 1.2 Export Development

Export development is a key programme for TIKZN, and the table below (Table 7) shows a key summary of actual versus targeted performance, of the organisation over the five years under review.

Table 7: Summary of Actual vs Targeted Performance – Export Development (2015 – 2019)

	2015			2016			2017			2018			2019		
	Act	Tar	Var	Act	Tar	Var	Act	Tar	Var	Act	Tar	Var	Act	Tar	Var
<b>Export Development</b>															
Trade opportunities supported for KZN businesses	67	64	3	121	64	57	67	65	2	114	70	44	111	72	39
Exporters showcased at trade events	103	64	39	178	70	108	113	76	37	143	80	63	143	90	53
Incentive assistance	117	40	77	115	100	15	119	110	9	169	120	49	182	130	52
Export training for companies	34	32	2	42	35	7	381	45	336	364	360	4	145	100	45
No of black and youth business participated in trade events	0	0	0	0	0	0	0	0	0	0	0	0	12	10	2
Emerging companies in export readiness	0	0	0	0	0	0	291	35	256	288	246	42	0	0	0

A review of the above dashboard reveals the following:

1. Targets that have been set, have been met in all categories. There appears to be an increasing demand for the service. As mentioned previously there will be a need to align these targets to the new treasury regulations being currently implemented
2. There has been an alignment of targets in later years to improve focus on empowered entities. This drive needs to increase in order to be more closely aligned to the economic plans of the Province and Country. This was also evident as an increased focus area for the future, with engagement with some stakeholders
3. Incentive facilitation targets have been increased from 40 during 2015 to 130 during 2019. Our review and engagement with stakeholders indicated that this target should be more quality focus – by assistance provided to companies that have and will have the ability to export (in other words be more selective to companies assisted

with facilitation of incentives). In addition, a great focus was requested to support black owned businesses. This needs to be implemented together with other development agencies/bodies that are responsible for developing empowered exporters such as SEDA and EDTEA.

### 1.3 Business Retention and Expansion

Business retention and expansion has been a key program with increased focus in the last 5 years- with efforts being focussed on roll-out to the various municipalities and districts. This is aligned to the needs of the economy (of being subdued for the most of the last 5 years- with higher prevalence of business risk and failure). The table below (Table 8) shows actual versus targeted performance for this program:

Table 8: Summary of Actual vs Targeted Performance – Business Retention and Expansion (2015 – 2019)

	2015			2016			2017			2018			2019		
	Act	Tar	Var	Act	Tar	Var	Act	Tar	Var	Act	Tar	Var	Act	Tar	Var
<b>Business Retention</b>															
Expansion projects committed ( R millions)	0	0	0	509	400	109	859	600	259	1260	800	460	1155	900	255
Jobs created/retained	1614	6000	-4386	1531	1500	31	2452	1800	652	2264	2000	264	3148	2200	948
New Programs to improve business competitiveness	10	6	4	5	9	-4	11	10	1	7	6	1	19	12	7
No of distressed companies supported	0	0	0	0	0	0	0	0	0	17	8	9	15	10	5
No of business support interventions	25	20	5	32	20	12	46	30	16	49	36	13	0	0	0

An overall analysis of the above shows that:

1. Targets that have been set have been met in the majority (and in some cases exceeded). As mentioned previously there will be a need to align these targets to the new treasury regulations being currently implemented.
2. There appears to be an increasing need for the services provided. This is aligned with the tough trading conditions that have been experienced in recent years. However, the resourcing of this unit will have to be reconsidered as stakeholder feedback has shown a need for increased resourcing (as well as a review of the portfolio of service offered).
3. The partner to deliver model would assist in delivering more of these services required- with limited additional resources. This needs to be considered together with possibly re-prioritising and redeployment of resourcing internally.

### 1.4 Knowledge Management

The knowledge management unit provides a key service offering to line function departments as well as external beneficiaries of the organisation. The table below (Table 9) shows the performance over the last 5 years.

Table 9: Summary of Actual vs Targeted Performance – Knowledge Management (2015 – 2019)

	2015			2016			2017			2018			2019		
	Act	Tar	Var	Act	Tar	Var	Act	Tar	Var	Act	Tar	Var	Act	Tar	Var
<b>Knowledge Management</b>															
No of sector reports of fact sheets	18	12	6	9	8	1	32	16	16	21	16	5	18	12	6
Export related research reports	9	8	1	12	12	0	23	14	9	17	16	1	16	12	4
Concept documents developed for investment trends and opportunities (catalytic included)	9	8	1	11	8	3	11	10	1	10	12	-2	15	12	3
Dialogue forums	0	0	0	0	0	0	4	4	0	9	8	1	6	16	-10

Overall, this unit has achieved the targets that it has been set for the period of review. However, stakeholder feedback has indicated that the future role to be played by this programme, will require greater focus on knowledge generation as well as generating quality opportunities and leads for the line function programmes to deliver more with less resourcing. This should be considered when developing impact indicators in future years



### 1.5 International Relations (Gauteng Office)

The Gauteng office of TIKZN has reported performance separately over the five-year period. Key areas of focus included: lead generation, supporting inward missions as well as international investor sessions. The reported performance from the annual reports have been tabulated below (Table 10):

Table 10: Actual vs Targeted Performance – Gauteng Office (2015 – 2019)

	2015			2016			2017			2018			2019		
	Act	Tar	Var	Act	Tar	Var	Act	Tar	Var	Act	Tar	Var	Act	Tar	Var
<b>Gauteng Office</b>															
No of qualifies leads from Gauteng	32	20	12	38	30	8	45	40	5	61	45	16	54	50	4
International investor sessions hosted	10	6	4	13	8	5	11	10	1	16	12	4	29	25	4
Inwards missions secured for KZN	24	4	20	19	5	14	12	6	6	14	8	6	15	12	3
Business development initiatives undertaken in Foreign Markets	4	4	0	5	5	0	7	6	1	8	9	-1	8	10	-2
Sector specific linkages hosted for KZN offices	0	0	0	11	0	11	16	8	8	14	10	4	18	18	0

The physical footprint offered by the Gauteng office, allows the organisation to increase reach, especially to international missions and embassy (who choose to operate out of Gauteng). A review of the targets shows an increasing trend for increased service utilisation. In addition, this office has a key role to play in:

1. Advocacy (based on their location and good relationships with national Government)
2. Linkages to embassies (pre and post mission support)

### 1.6 Support Programs (Human Resources, Finance Marketing and ICT)

An integrated support services offering is key to the operations of TIKZN. Our review over the five years show some of the key items in these areas to include the following:

1. The majority of targets set support programmes have been met over the five years of the review. As mentioned previously there will be a need to align these targets to the new treasury regulations being currently implemented. In particular support function will have to spend greater emphasis on helping to address strategic focus areas of the organisation- in a more integrated and streamlined manner.
2. The HR function has reported to meet targets in most areas. A large effort has been invested in skills development. Overall, that has seen an increasing trend in the number of vacancies in the organisation as shown in the graph below (Figure 3). The core area for the increased vacancies rate appears to be in the area of technical and skilled staff (across programmes). Additionally, our review has shown that (in addition to these vacancies) there appears to be some key skills and experience missing from the organisation.

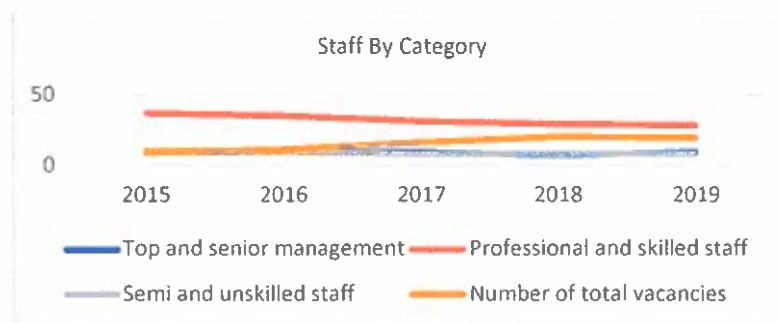


Figure 3: Staff Vacancies vs Occupied Positions over the Period 2015 to 2019

3. There has been a large effort to increase marketing and the promotion of the organisation. These included several key events as well as the number of annual marketing campaigns increasing from 7 during 2016 to 18 during 2019.

However, some stakeholders have indicated that event-based engagements – must be complemented with one on one focussed engagements.

4. ICT has executed (on average) four businesses improvement initiatives annually. This is in addition to the first phase of ISO 9001- reported to have commenced during 2018.
5. The organisation has received a clean audit in two of the five years. In the remaining three years an unqualified audit report has been received, with emphasis of matter in some areas. In addition, the annual statements have been re-stated in one year.
6. The organisation has started to B-BBEE rate itself since 2018 and is currently a level 8 (non-compliant). In addition, it has aligned itself to procure from 51 % black owned forms (as opposed to BEE-compliant organisations)

a) Stakeholder Engagements

A detailed process of stakeholder engagement was undertaken to solicit feedback on the organization with respect to its strengths, weaknesses, opportunities and threats. This process largely entailed:

- Interviews with key External Stakeholders,
- Interviews with TIKZN Board Members and Executive Management,
- Focus Groups with TIKZN Management,
- Strategic Facilitation Session with TIKZN Board and Executive Management and
- Staff Survey

The stakeholder feedback was analysed and grouped into themes, with a summary of findings presented below:

Summary of Findings
<ul style="list-style-type: none"> <li>• <b>Partners to Deliver</b> – there is need for more effective stakeholder collaborations and partnerships. Collaboration with related government agencies and the private sector is needed to accelerate investment promotion through closer coordination of cross-cutting strategic economic development opportunities</li> <li>• <b>Compliance</b> - TIKZN is currently Level 8 B-BBEE compliant. TIKZN needs to improve on its BEE scorecard that will include increasing procurement spend on black-owned enterprises, with a particular focus on women and youth-owned enterprises. TIKZN will also be required to promote special projects that create linkages with local suppliers, in particular industries that will allow for beneficiation to local resources.</li> <li>• <b>Human Capital</b> - TIKZN is a knowledge-based organization (owing to its mandate) with a current staff complement of 47. Staff are qualified and experienced. A staff survey cited need for improvement in areas of communication, engagement, work overload. There is a need to review the skills base of the organization for realignment to the mandate of the organization</li> <li>• <b>Governance/ Leadership</b> – The Board of Directors composition/ mix (both public sector and private sector) makes for diverse thinking. An Investment Committee in place (starting to gain momentum on new ideas/concepts)</li> <li>• <b>Compliance</b> – The organization is compliant from a financial and regulatory perspective and has largely delivered on its mandate (aligned to the TIKZN Act of 2010)</li> <li>• <b>Performance</b> – the organization has achieved (and in several areas) exceeded its APP targets in the past. Duplicate reporting with peer organizations has been cited, hence the need to review roles and responsibilities review reporting of the various structures.</li> <li>• <b>Budget Constraints</b> have been cited, with a large cost based owed to staff. Certain programmes, such as Business Retention &amp; Expansion are resource constrained.</li> <li>• <b>Reprioritisation of the Budget:</b> As a result of COVID-19, EDTEA is required to surrender to the national coffers R678million for which the entities account R278million. The funds will be used to support the COVID-19 relief funding measures. TIKZN has thus been required to reprioritise its budget in support of this initiative</li> </ul>

#### Summary of Findings

- The assessment findings of the historical performance of the organization (5-year) is presented in Section 8.2.2 below.

#### **Proposed Strategic Focus Areas (Rationale for Part C)**

Based on the external and internal environment findings (as per Section above), key themes emerged which influenced the development of strategic influencers and proposed new/ revised strategic focus areas/ programmes for the organization, as illustrated in Figure 1 below. These proposed focus areas informed the development of the impact-oriented *TIKZN Corporate Plan 2020/21 – 2024/25* (this report) and *Annual Performance Plan 2020/21*, respectively.

The strategic influences and proposed focus areas are presented below and explained in detailed. Their strategic influencers have been crafted from a combination of reviewing findings of past performance review, engagement of stakeholders, review of key strategies/plans/ legislation as well as benchmarking with other similar organisations. These key influencers are elaborated below:

#### *Alignment of TIKZN Strategic Programs with the KwaZulu-Natal Integrated Trade and Investment Strategy*

The above proposed focus areas have been developed, taking into account the *Gateway 2030 KwaZulu-Natal Integrated Trade and Investment Strategy* for the Province, a priority strategy for TIKZN that was finalised in 2019. This strategy plans to increase new expansionary investment to a total of R76 billion from 2020 to 2024. It also plans to create 68 000 jobs, whilst increase the value of exports to R1.28 trillion from 2020 to 2024. It plans to achieve this by focusing on:

1. Effective partnerships between all stakeholders, enhanced capacity, and stronger advocacy efforts.
2. Coordinated research activities, optimised information systems and the sharing of information between all stakeholders.
3. Focused and targeted export and investment promotion activities and coordinated and streamlined investment facilitation.
4. Supportive exporter development activities and access to export finance.
5. Effective investor aftercare and business retention and expansion services.

We have mapped the programmes of this key strategy to the envisaged programs of TIKZN to show alignment. This has been tabularised in the table below (Table 11):

Table 11: Alignment of the TIKZN Corporate Strategy to the Gateway 2030 KZN Integrated Trade and Investment Strategy

Programmes	Strategies of the Gateway 2030 - KZN Integrated Trade and Investment Strategy		TIKZN Focus (Programmes) as per its Strategy
<b>Programme 1: Institutional Partnerships, Capacity and Advocacy</b>	1	Enhance regional capacity and coordination between provincial and local government	<ul style="list-style-type: none"> <li>Using the One Stop Shop as the nerve centre for information assimilation and dissemination relating to Regulations, relief measures, project brokering and permits support.</li> <li>This is addressed by the focused stakeholder engagements portfolio that has been housed at the office of the CEO.</li> <li>In addition, Policy and Advocacy has also been housed in the Knowledge Management programme</li> <li>This is to include partnering with international associates such as PUM to provide remote coaching to new and existing clients</li> </ul>
	2	Formalise and establish coordination mechanisms between critical stakeholders	
	3	Strengthen industry partnerships and ensure regular engagement	
	4	Enhance advocacy and lobbying efforts with critical institutions	
<b>Programme 2: Research and Information Systems</b>	5	Develop research capacity in partnership with private and public stakeholders	<ul style="list-style-type: none"> <li>The Knowledge Management programme address these 4 strategies by offering key services that include research and Information; sector intelligence development; project conceptualization and packaging and business intelligence.</li> <li>This is to include collaborating with Industry Clusters and Industry Associations in developing business Health Index, Business Continuity Recovery Support Programs and Sector Intelligence Reports.</li> <li>Additionally, digital platforms will be a critical channel for delivery of information and other business support services, especially now owing to the limited travel and physical contact restrictions placed by COVID-19, that will eventually allow for evolving of the entity to operate more virtually</li> </ul>
	6	Strengthen the dissemination of information to exporters, investors, and decision makers	
	7	Ensure packaging of opportunities and other important information	
	8	Investigate future trade and investment trends influencing the Province	
<b>Programme 3: Export and Investment Promotion and Facilitation</b>	9	Optimise export and investment promotion activities across all responsible institutions	<ul style="list-style-type: none"> <li>TIKZN export and trade and Investment Promotion programmes provide facilitation services</li> <li>The organisation also engages (as part of stakeholder engagement) between the various institutions in the investment and export value chains</li> </ul>
	10	Provide efficient facilitation services to exporters and investors	
<b>Programme 4: Exporter Development and Finance</b>	11	Undertake exporter training and development with existing and potential exporters	<ul style="list-style-type: none"> <li>The organisations export and trade program are tasked with training, capacity building of export skills as well as providing the facilitation function businesses</li> <li>Enhance existing organisational business financial support schemes to respond to COVID-19 challenges</li> </ul>
	12	Develop a culture of exporting throughout the Province	
	13	Facilitate access to trade finance for existing and potential exporters	
<b>Programme 5: Business</b>	14	Strengthen and expand business environment improvement efforts across the Province	<ul style="list-style-type: none"> <li>The business retention and expansion programs of the organization has been</li> </ul>

Programmes	Strategies of the Gateway 2030 - KZN Integrated Trade and Investment Strategy		TIKZN Focus (Programmes) as per its Strategy
Retention & Expansion	15	Provide turnaround solutions to distressed businesses	<p>elevated to align accordingly (such as via Enterprise and Supplier Development programmes and business support to distressed companies)</p> <ul style="list-style-type: none"> <li>Using the One Stop Shop as the nerve centre for information assimilation and dissemination relating to Regulations, relief measures, project brokering and permits support.</li> <li>Strengthen compliance, foster, and enhance collaboration with businesses through focused visitation program to high valued businesses and Industrial Parks.</li> <li>Implement KZN Buy Local Campaign Initiative with KZN Growth Coalition and Municipalities (Business Stability Initiative)</li> </ul>
	16	Undertake trade and investment related supplier development activities	

The above mapping shows that the identified strategic programs of the *KZN Integrated Trade and Investment Strategy (2019)* has been adequately addressed in the strategic programs planned for the organisation. However, consideration needs to be given as to whether the 5-year targets of the organisation with respect to expansionary investments, jobs and export trade expansion are adequate to achieve the planned targets of this strategy.

#### Identification of Key Strategic Influencers

In addition to the *KZN Integrated Trade and Investment Strategy (2019)*, findings from desk-top review of key documents and stakeholder engagements, as well as the current macro-economic factors (such as global political instability, negative effects of COVID-19 on the global economy) have resulted in the development of key strategic influencing themes:

##### **a. Partner to Deliver**

There is a need for the organization to identify, build and maintain effective partnerships across various stakeholder types, such that key value-added services can be identified for the organization, and to use partners/ collaborations to leverage resources (skills, infrastructure, funding etc) and reach (across the province, nationally, regionally and internationally). This will result in reduced duplication of resources and efforts, improved return on investment, and an opportunity for the organization to 'do more with less' but still strengthen impact as per mandate.

##### **b. Strengthened Domestic and Regional (Africa) Investment Focus**

Engagement with various key stakeholders during the situational analysis phase has found that, there is greater a need for TIKZN to further increase its investment promotion and facilitation efforts domestic investors/ markets (due to increased global competition, lower costs/ease to promote investment promotion to existing local investors) and African investors/ markets (due to opportunities presented by the African Continental Free Trade Agreement (AFCFTA) signed in 2018). The COVID 19 pandemic and the investment downgrade (by Moody's) of the country's investment grade, are further compelling reasons to strengthen domestic trade and localisation efforts.

##### **c. Streamline and Innovate**

Engagements with both internal and external stakeholders have indicated that the organization could do better at prioritisation of its resources, strengthen its focus on knowledge management and key business trends in the province (first mover advantage and be the 'go to organization' for economic and sector-specific outlook data in the province), and



roll out the one-stop shop physical facilities for improved reach and convenience for domestic investors and enterprises (using key partners such as DDAs).

The need for an innovative thinking approach, 'doing more with less', and streamlining operations (support services umbrella) is necessary to curb costs, more with less and be aligned to government's plans for rationalisation of state-owned entities. This 'doing more with less' approach by the entity has become even more of a priority, in light of budget reductions as a result of the reprioritisation of funds towards COVID-19 relief fund measures.

#### **d. Smart Measurement**

Smart measurement principles that the organization is required to adopt (as required by its sole shareholder and per mandate) include moving towards impactful targets and an impact-oriented approach to managing its own organizational objectives, and to managing those expectations of its external stakeholders (investors, enterprises, key development institutions, national, provincial and local government spheres, etc). As a result, there is a need for the organization to ensure that it is able to provide an adequate return on its shareholder's investment. Key would also be to remove the duplicate reporting by the various IP agencies that share a similar mandate, and to create agility and efficiency through the use of automated business systems (business intelligence software, Early Warning, CRM, etc).

#### **e. Inclusivity**

A key economic imperative of the country as per the National Development Plan is the need for greater inclusivity in and transformation of the economy. This is further clearly stipulated in key economic plans of the province (PGDS, PGDP, KZN Integrated Investment and Export Plan, etc). Each of the key programme areas (specifically investment promotion, export and trade and business development) of the organization will require "continued" integration and focus on targeted/ priority groups (black-owned business/ beneficiaries, women, youth, etc).

#### **f. Focus**

Key findings during the situational analysis phase have indicated that there is a need for strengthening the strategic focus of the Board and Executive of the organisation. In addition, reinforcing roles and expectations of the organization with its shareholder are required. In addition to strategy, there is a need for the organization to focus on value-added/ high-potential sectors (such as manufacturing, tourism, agriculture & agri-processing, ICT, maritime, etc). It has further been found that the organization needs to be at the economic pulse point of the province, and hence requires a business intelligence system/ knowledge management unit to allow it to better respond to trends, risks and for effective decision-making- as well as the implementation of an economic war room.

#### **g. Human Capital Development and Positive Workplace Culture**

A staff survey was conducted in the organization. Key findings have indicated low staff morale, silos between departments in the organization, limited engagements with staff, and heavy workloads (owing to a number of vacant positions), amongst other findings. The prevalence of siloed thinking within the organisation also extended to some external stakeholders, who felt that relationships could be improved.

There is a need for improving the morale of staff and building relationships with internal (and external) stakeholders of the organization, respectively. Additionally, work overload needs to be reviewed and key positions filled. This would be a critical enabling factor for improved productivity and attaining higher levels of impact.

Key findings relating to the skills base of the organization are listed below:

- Diversity of Board (public sector and private sector, experience and skills) is a strength to the organization) - this should continue and possibly be strengthened



- There are qualified, experienced, staff in the organization, but there appears to be more procedural vs knowledge workers. A skills audit is required to determine the relevant skills that are required for this knowledge-based institution (aligned to its mandate)
- There is a need for key specialized skills (commercial, BR&E, IP&F specialism) to effectively drive the mandate of the organization
- Employee professional/ skills development should be needs-based (based on skills findings, aligned to the needs of the organization).
- Upskilling of staff to be able to work remotely

Development of Proposed Strategic Focus Areas for TIKZN

The key strategic influencers and proposed key focus areas for TIKZN are illustrated in Figure 4 below. The focus areas are further unpacked below<sup>2</sup>.

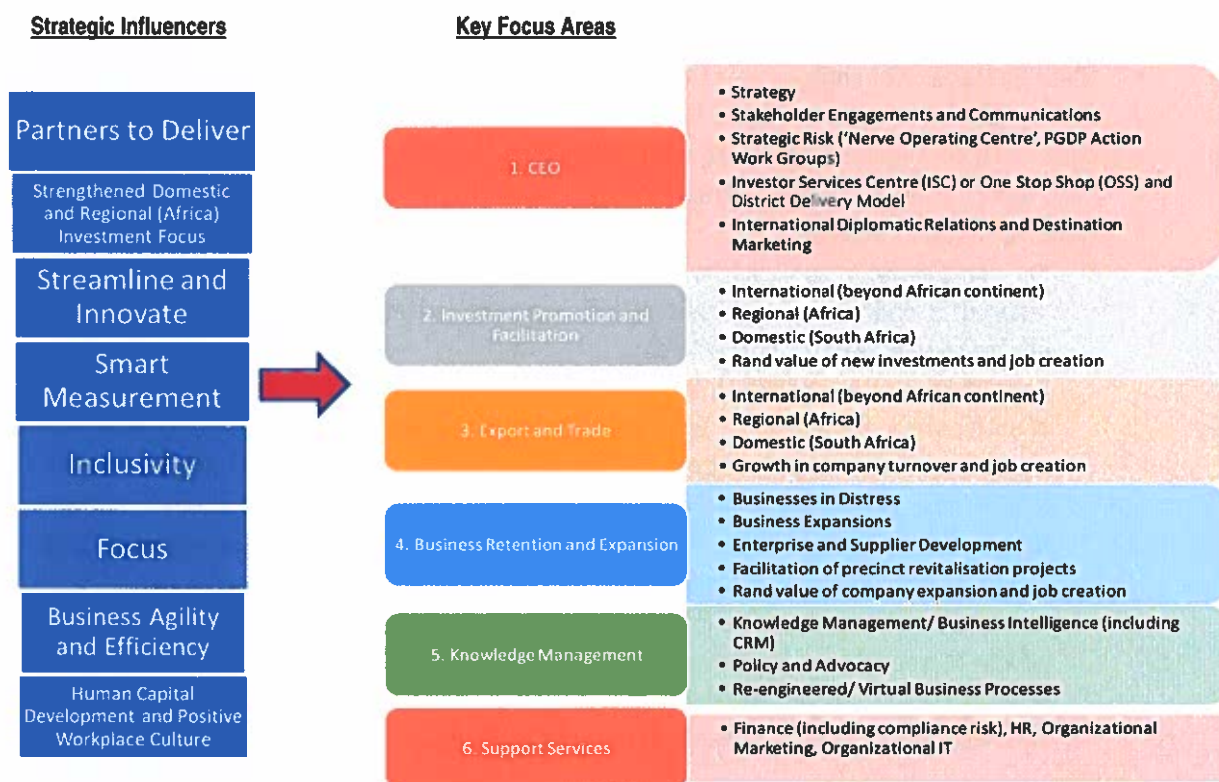


Figure 4: Strategic Influencers and Proposed Key Focus Areas for TIKZN

The proposed updated strategic focus areas above have taken into account the overall findings of the situation analysis and detailed discussion of strategy findings with the Board and Senior Executive Management. The proposed programmes are intended to be a balance of the findings (internal and external), aligned to the mandate of the organisation, whilst trying to maximise the impact.

<sup>2</sup> These are strategic influencers and focus areas for TIKZN and not a proposed organogram

## 1. CEO

- Strategy
- Stakeholder Engagements and Communications
- Strategic Risk ('Nerve Operating Centre', PGDP Action Work Groups)
- Investor Services Centre (ISC) or One Stop Shop (OSS) and District Delivery Model
- International Diplomatic Relations and Destination Marketing

a.

The first key strategic focus area/ programme proposed for the organization pertains to the CEO portfolio. The proposed areas to be focused on in this portfolio are:

- Organizational strategy (and its implementation) – The Office of the CEO to champion the development and implementation of the Corporate strategy, annual APP and Monitoring and Evaluation Framework (aligned to the newly amended DPME framework) and ensure its alignment with key economic priorities of the province and the country. The implementation of a performance management system is key to ensure the intended impact (as per indicated in this strategy, are realised)
- Strategic stakeholder engagements and communications – A “Partner to Deliver” approach is proposed to allow the organization to leverage support from its key partners and stakeholders, to be able to achieve outcomes as proposed here, and ultimately to deliver on its mandate.
- The management of strategic risk for the organization, respectively. The latter is to specifically include the following key areas of focus:
  - the management of an economic '*Nerve Operating Centre*' to allow the organization to proactively identify, respond to and manage strategic risk. This Centre/ structure is to comprise key provincial partners championed by the TIKZN CEO to proactively, swiftly and collectively respond to key economic risks (and help mitigate as best possible) that impact the effectively delivery of its mandate in the province. An example of such a risk is the current COVID-19 crisis facing the province (and globally) and the economic recovery plan as part of risk mitigation effort.
  - PGDP Action Work Groups – Action Work Groups (AWGs) have been formulated by provincial government to actualise the KZN PGDP's seven strategic goals and thirty strategic objectives. TIKZN, and more specifically the CEO, is meant to play a pivotal role within the PGDP AWG, that is intended to champion and expedite the implementation of PGDP projects in the province. Additionally, the AWG structure will provide access to a number of key stakeholders (both government and non-government), via which TIKZN can leverage (using its partner to deliver approach) for its strategy implementation .Response to COVID-19 and other work-streams will be key agenda items for the AWGs.
- The TIKZN 'One Stop Shop' (One SS) is meant to provide a physical 'go to' place for project compliance related support and other investor information, as well as to provide seamless and efficient service to potential investors and other enterprises requiring support). Consideration is to be given (as a medium-term objective) to 'decentralise' the One SS physical infrastructure facilities/ service offering to the province's districts/ district development agencies (DDAs) to make convenient and accessible to business (using a partner to deliver model). However, a key success factor for the One SS would be the need for capacitation of local offices/ points of presence and TIKZN to utilise these ISCs as part of its district delivery model, together with KZN Growth Coalition strategic support initiatives. Given the challenges currently facing business and potential investors owing to COVID-19, the One SS will serve as a critical platform for information, advice and support relating to compliance and access to finance/ relief funding, the services of which would also need to be made available virtually.

District Delivery Model – In late 2019, the President launched the District Coordination Service Delivery Model, which is intended to synchronise planning by all spheres of government and involve citizens and civil society in

the development of South Africa's 44 municipal districts and eight (8) Metros. It is intended that all developmental initiatives will be viewed through a district-level lens. Development will be pursued through single, integrated plans per district – one district, one plan – that will outline the role of each sphere of government as well as the role of communities and civil society sectors in each district. TIKZN will be required to align their strategy implementation efforts to the District Delivery Model that will holistically bring together key partners to implement district level initiatives (together with KZN Growth Coalition strategic support initiatives). The One SS (currently housed at TIKZN's headquarters in Durban) is one such project/ service offering that would require TIKZN to align using the District Delivery Model.

- The CEO of TIKZN is the lead ambassador of the organization in building, facilitating and strengthening international diplomatic relations. Additionally, it is the role of the CEO to ensure that the KZN province is adequately and effectively marketed in key and targeted markets as per this strategy, including international (beyond Africa), regional (within Africa) and domestic (within South Africa), respectively. Additionally, the Gauteng office, is expected to play a key role in strengthening International Diplomatic Relations and destination marketing of the KZN province (through key international marketing initiatives). As a key economic hub of the country, the Gauteng office is also strategically located and presents a link for potential market opportunities for KZN companies. Hence, the organization will harness potential opportunities through the set-up of intra-provincial platforms or structures (envisaged to be both physical and digital in nature), as well as sectoral based to align to KZN's economic priorities, that will connect with key stakeholders/ partners and expand access to market opportunities for KZN-based companies. Additionally, the Gauteng office is expected to play a key role in the hosting of sessions with strategic/ potential strategic partners (trade and investment-related). These initiatives are envisaged to allow for improvement in the number of qualified leads generated for KZN, that will strengthen investment opportunities and/ or projects for KZN and KZN-based companies.

The above proposed programme and sub-programmes will help strengthen the strategic focus of the organization, reduce the operational risk, strengthen international ties and destination marketing efforts, and help prioritise resourcing to ensure a return of investment.

## 2. Investment Promotion and Facilitation

- International (beyond African continent)
- Regional (Africa)
- Domestic (South Africa)
- Rand value of new investments and job creation

b.

The proposed key strategic focus areas for the second key programme of the organization, Investment Promotion should segment the Rand value IP&F target for the organization according to: i) international IP (beyond the African continent), ii) regional (African continent- with particular focus on Sub Saharan Africa) IP, and iii) domestic IP, respectively. Historical performance analysis has shown strong performance on domestic investments facilitated, which must continue and with strengthened focus. Additionally, investment promotion activities targeting African markets (in particular, Sub-Saharan Africa) to be strengthened, to leverage the African Continental Free Trade Agreements, and the opportunities presented on the continent. The Gauteng office operations (and potentially other provinces) would continue to be key to attracting investments to the province. With the international travel/ trade restrictions as a result of COVID-19, the rationale for localisation will lean to domestic investment promotion.

Impact-based targets including Rand value of new investments and job creation, respectively, are devised for the IP&F Unit.

### 3. Export and Trade

- International (beyond African continent)
- Regional (Africa)
- Domestic (South Africa)
- Growth in company turnover and job creation

c.

The third key programme of the Agency will continue to focus on export and trade as per mandate. However, there is need (and significant opportunity), in addition to the current focus on international (beyond the African continent), to strengthen export and trade initiatives in regional markets i.e. Africa (specifically Sub-Saharan Africa).

The focus on the domestic (South Africa) market is to include advocacy efforts for the promotion of the localisation of trade (especially now) (including import substitution).

A targeted, segmented approach/plan to the three markets are required. Additionally, cost considerations need to be applied with the expected impact-driven return on investments per intervention. Impact-based targets including growth in company turnover and job creation, respectively, are devised for the Export and Trade Unit.

### 4. Business Retention and Expansion

- Businesses in Distress
- Business Expansions
- Enterprise and Supplier Development
- Facilitation of precinct revitalisation projects
- Rand value of company expansion and job creation

d.

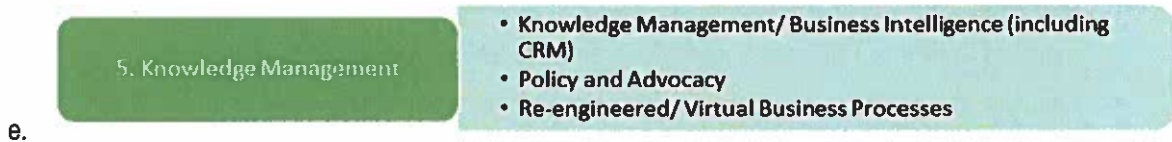
The strategic focus areas of the fourth programme i.e. the *Business Retention & Expansion (BR&E)* programme are based on the need for TIKZN to align to the economic development (including transformation and inclusivity) and economic growth imperatives of the province, through enterprise development and industrial revitalisation, respectively. The BR&E programme strategic areas of focus are described below:

- BR&E initiatives to support businesses (both distressed business and business expansion projects) through key programs focusing on strengthening and growing of existing enterprises/ suppliers. This is to include targeted and effective enterprise and supplier development (ESD) programmes (including effective collaborations with key business development partners). The aim of BR&E support here is to ensure that distressed businesses (in key economic sectors) are resuscitated, that jobs are retained as best possible, and through the facilitation of effective ESD programmes, business turnovers grow with additional jobs created. Supplier development is intended to generate a new capabilities or competencies in suppliers. By developing suppliers, organisations can generate competitive advantage. This can manifest itself in a new product for sale, a new streamlined process or the implementation of a new standard.
- In addition, TIKZN should support those key projects with a strong potential to impact the local economy, stimulating key sector growth and high job-creating potential. The organization should therefore play a role in the facilitation and/ or implementation of select projects (vetted to show high growth potential). This is to include taking the lead/ championing efforts in facilitating 'precinct revitalisation' projects (such as trade zones, industrial/ business parks and other precincts). Each project considered here would initially require a mini-feasibility and/ or detailed business case that would have to be approved by the TIKZN Board, prior to TIKZN's involvement in the project. This would also provide an opportunity to ensure clarity of roles and responsibilities (both of TIKZN and other key partners), the availability of adequate resourcing, the feasibility of precinct revitalisation efforts, and show the proposed sustainability of impact. Each case will vary, and the involvement of the organisation will need to be carefully crafted to ensure high impact that is aligned to its core mandate.



The above proposed strategic focus areas are aligned to the economic transformation and inclusivity agenda of the province, with a strong focus on priority groups (women, youth, PWD, and black-owned).

Impact-based targets including Rand value of company expansion and job creation, respectively, are devised for the BR&E Unit. The programme is envisaged to be an elevated one both during and post COVID-19.



The Knowledge Management or Business Intelligence service offering is meant to provide the organization (including potential investors and clients) with information pertaining to key business/ sector/ environmental trends. The latter is envisaged to influence the organization with respect to decision-making, risk management and potential opportunities for the organization to explore (first mover advantage with respect to potential anchor or legacy projects). Key services envisaged to include research and Information; sector intelligence development; project conceptualization and packaging and business intelligence. This unit is also expected to service internal clients and develop quality leads. The partner to deliver approach would be key in knowledge management delivering on its mandate. This will require practical partnerships with key knowledge houses such as Universities and industry associations, respectively.

Additionally, the Unit is envisaged to take a lead role with respect to policy and advocacy initiatives around investment promotion and facilitation, export and trade promotion and BR&E initiatives in the province, and submissions thereof.

In addition to the current *ISO 9001:2015 Quality Management System* of the organization, there is a need to create 'smart systems and processes' within the organization, to help to improve productivity, efficiencies and effectiveness. These include the need to review, 're-engineer' and where possible to make virtual/ online key business processes both internal (within the organization) and customer interfacing processes.



The sixth and final programme is an additional programme i.e. *Support Services*, which is a consolidation of the key support functions to the organization. The sub-programmes include Finance (including compliance risk), HR, Organizational Marketing and Organizational IT services, respectively. In addition to managing regulatory compliance, this integrated support programme is intended to provide strategic input into the core/ line function programmes to help with decision-making, manage risk, and help improve impact.

For a knowledge-based entity such as TIKZN, the HR function has a strategic role in ensuring that knowledge is nurtured and strengthened to allow for effective delivery of services (improving the organizational impact). In this regard, there is a need to inculcate a cultural trend of 'self-drive' or chasing of knowledge to deliver the organizational mandate.

In responding to the business challenges emanating from the COVID-19 impact, the organisation has adopted a 'future model of operating' (FMO), encompassing the following key areas:

- Using the 'One-Stop Shop' as the nerve centre for information assimilation and dissemination relating to

Regulations, relief measures, project brokering and permits support.

- Partnering with international associates such as the PUM programme to provide remote coaching to new and existing clients
- Implementation of the KZN '*Buy Local*' Campaign Initiative with KZN Growth Coalition and Municipalities (Business Stability Initiative)
- Collaborate with Industry Clusters and Industry Associations in developing a Business Health Index, Business Continuity Recovery Support Programs and Sector Intelligence Reports
- Enhance the existing organisational business financial support schemes to respond to COVID-19 challenges
- Strengthen compliance, foster, and enhance collaboration with businesses through focused visitation programmes to high-valued businesses and Industrial Parks



## Part C: Measuring Our Performance

### 1. Institutional Performance Information

Institutional performance will be measured using this newly introduced Revised Framework for Strategic Plans and Annual Performance Plans, as per the DPME (Department of Planning, Monitoring and Evaluation).

The impact statement for TIKZN is based the mandate of the organization and aligned to the TIKZN Act of 2010. Stemming from this impact statement are eight key outcomes statements and have been crafted based on the key findings (internal and external environment of the organization, historical performance assessment of the organization, and development of the strategic themes/ influencers). Further, these outcome statements are aligned to the mandate of the organization, and to key economic priorities and plans of the province and country, respectively. Each outcome statement comprised a set of impactful, customised outcome indicators, together with a baseline target and 5-year targets to achieve.

### 2. Impact Statement

#### Measuring the Impact

Impact statement	Improved inclusive economic growth of the province through investment and export trade promotion and facilitation
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### 3. Measuring Outcomes (Implementation Delivery Model)

**Table 12: Measuring Outcomes (Implementation Delivery Model)**

MTSF Priority:			
1: Economic Transformation and Job Creation			
4: Spatial Integration, Human Settlements and Local Government			
7: Better Africa and World			
Outcome	Outcome indicator	Baseline	Five-year target
1. Growth and expansion (including transformation) of the economy through new Greenfields fixed investments	Rand value of new domestic and foreign investments committed	Not Finalised (NF)	R15 billion
	Number of jobs created from new projects	NF	18,000
	Number of successful investment opportunities facilitated for priority groups (youth/ women/PWD/ black-owned)	NF	108
	Number of high impact and catalytic projects facilitated/ implemented with a focus on localisation and import replacement	New	50
2. Increased investment opportunities through targeted destination marketing	Number of international investment and trade platforms hosted (buying, selling, investment generation, localisation and E-lead generation)	NF	170
	Number of provincial/ international online investment conferences Coordinated / webinars hosted in the province	NF	5
3. Growth and expansion (including transformation) of the economy through export promotion activities	Rand value increase in the turnover of KZN Exporters (Existing and Seasoned) assisted	New	Rand value base year to be determined during 2020/21
	Number of markets access platforms created for companies	New	460
	No. of jobs created by KZN Exporters assisted	New	2,500

<b>MTSF Priority:</b>			
<i>1: Economic Transformation and Job Creation</i>			
<i>4: Spatial Integration, Human Settlements and Local Government</i>			
<i>7: Better Africa and World</i>			
<b>Outcome</b>	<b>Outcome Indicator</b>	<b>Baseline</b>	<b>Five-year target</b>
	Number of Export Ready and registered companies developed	NF	200
	Number of Existing and Seasoned Exporters assisted with focused Training and Capacity Building	NF	350
	Number of exporting deals/ orders secured for KZN Exporters in New Markets	NF	600
4. Transforming of the economy through expansion and retention of investments and jobs	Number of distressed businesses supported through business retention interventions	17 (NF)	500
	Rand value of expansion projects committed	NF	R4.5billion
	Number of jobs created and retained from expansion projects	NF	13,400
	Number of businesses supported via enterprise / supplier development interventions undertaken (as part of COVID-19 relief measures)	New	590
	Number of precinct revitalisation projects facilitated/ implemented	New	19
5. Strengthened service delivery for a conducive business environment through good leadership, governance and strategic direction	<b>Strategy and Operations</b>		
	Number of Corporate Strategies, Annual Performance Plans, Operational Plans and Monitoring and Evaluation Frameworks	1	5
	Number of strategic partnerships/programs created and/ or leveraged	NF	40
	Number of Action Work Group Engagements (relating to COVID-19 and other work-streams)	New	50
	Percentage of risks identified and properly mitigated or resolved (As identified through the risk management process and documented in the risk register)	NF	95%
	<b>One Stop Shop (One SS)</b>		
	Number of business support interventions in support of COVID-19 relief measures	New	10,000
	Number of high impact projects resolved through project brokering support interventions	New	40
	Number of strategic partnerships with District Development Agencies for One SS services.	New	37
	Number of district delivery model engagements, with KZN Growth Coalition strategic support interventions	New	55
6. An enabling business environment through improved knowledge and business intelligence	Number of investment and export-led investment projects packaged for investors and traders (localisation/ import substitution)	NF	59
	Number of comprehensive Sector profiles with insights, positioning TIKZN positively to undertake its mandate. These profiles to include (but not limited to): 1. Global/ Local performance/ outlook for sector key developments/ trends 2. Key policy/ regulation 3. Employment/ capital/ other key indicators 4. Trade and/ or investment information 5. Investment opportunities 6. Export markets/ targeted customers	NF	80
	Number of KZN 'Ease of Doing Business' Reports (Province and eThekweni Metro), and trade investment publications, including	New	25

**MTSF Priority:**

1: Economic Transformation and Job Creation

4: Spatial Integration, Human Settlements and Local Government

7: Better Africa and World

Outcome	Outcome Indicator	Baseline	Five-year target
	in support of COVID-19 relief measures. To also include (but not limited to): 1. Areas of improvement 2. Benchmark against neighbouring/ other countries		
	Number of Quarterly KZN Economic Overviews, trend analysis, board reports and country targeting reports and Business Intelligence Documents	NF	65
	Number of trend analysis, board reports and country-targeting Reports	New	45
	Number of trade investment publications.	New	15
	Number of policy advocacy initiatives facilitated (via e-platforms)	TBF	15
	<b>Information Technology</b>		
	Number of business improvement digitisation initiatives implemented for TIKZN.	New	15
	Number of ICT Infrastructure Systems implemented	New	40
7. Effective service delivery through integrated and strategic support to the organization	<b>Finance</b>		
	Unqualified Audit Report	NF	5
	Percentage of Internal Audit Findings resolved prior to AG audit	NF	95%
	Improve on B-BBEE rating for TIKZN	Non-compliant	Level 1
	Percentage of payments made within 30 days to TIKZN suppliers	95%	95%
	<b>Human Resources</b>		
	Annual Performance Reviews	New	100%
	Number of staff trained (e-platforms)	New	100%
	Number of Organizational Development Programmes Implemented (e-platforms)	New	17
	Number of monitoring activities conducted	New	20
	<b>Marketing and Communications</b>		
	Number of strategic marketing campaigns and activations.	New	52
	Number of 'Proudly Made in KZN' and "Buy Local" awareness Campaigns	New	60
	Number of strategic stakeholder and media Engagements	New	54
	Produce the Annual Report in line with the Treasury and AG stipulated deadlines.	New	5
	Develop and Manage TIKZN digital platforms.	New	35
8. Strengthened international relations, investment attraction and destination marketing	<b>International Diplomatic Relations and Destination Marketing (Gauteng Office)</b>		
	Number of Qualified leads generated (e-leads)	55	275
	Number of international marketing initiatives implemented (e-platforms)	25	60
	Number of investment, trade, sector-based and international organizational platforms (e-platforms)	30	170
	Number of intra-trade platforms created for KZN companies	New	120

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

a) The following tables (Tables 13 - 16) shows the Outcomes Contribution to Achieving the Aims of the Medium-Term Strategic Framework (MTSF).

**Table 13: Outcomes Contribution to Achieving Aims of the MTSF and Other Key Priorities**

MTSF Priority: 1 (Economic Transformation and Job Creation)			
MTSF Area of Emphasis: 3 (Investment, jobs, and inclusive growth)			
Provincial Priority: 2 (Job Creation)			
MTSF Outcome	TIKZN Outcome	TIKZN Outcome Alignment to MTSF	TIKZN Outcomes Contribution (5-Year Target)
More decent jobs created and sustained, with youth, women and persons with disabilities prioritised	1. Growth and expansion (including transformation) of the economy through new Greenfields fixed Investments	Number of successful investment opportunities facilitated for priority groups (youth/ women/PWD/ black-owned)	Designated groups prioritisation for inclusion in the economy
	4. Transforming of the economy through expansion and retention of investments and jobs	Number of jobs from new projects Number of jobs created and retained from Expansion projects Enterprise development initiatives (as part of COVID-19 relief measures) targeting priority groups	Job Creation and Retention through BR&E Transformation through enterprise development Diversification of the economy
	3. Growth and expansion (including transformation) of the economy through export promotion activities	Percentage increase in jobs created by KZN Exporters assisted Number of Export Ready and registered companies developed Number of Qualified Leads Number of markets access platforms created for companies Number of international marketing initiatives (inward and outward)	Job Creation through exports Designated groups prioritisation for exports Development of export ready business in KZN Market access facilitation for export business Diversification of the economy
	8. Strengthened international relations, investment attraction and destination marketing	Number of investment, trade, sector-based and/or international organization platforms Number of intra-provincial platforms created for KZN	Increase Qualified Leads, facilitation of strategic partner sessions and intra-provincial platforms created for KZN companies, that will result in the generations of new projects for economic growth, through strengthened international relations, investment attraction and destination marketing (via Gauteng office)
Investing for accelerated growth	1. Growth and expansion (including transformation) of the economy through new Greenfields fixed investments	Number of high impact and catalytic projects facilitated/ implemented with a focus on localisation and import replacement Number of high impact projects resolved through project brokering support interventions	Job creation and economic development and growth through new investments Alignment of the economy to future industries
	6. An enabling business environment through improved knowledge and business intelligence	Number of investment and export projects packaged for investors and traders Number of KZN 'Ease of Doing Business' Reports (Province and eThekweni Metro), and trade investment publications, including in support of COVID-19 relief measures. Number of Quarterly KZN Economic Overviews, trend analysis, board reports and country targeting reports and Business Intelligence Documents	Job creation and economic development and growth through new investments and export development Improving Investor and Business Confidence

MTSF Priority: 1 (Economic Transformation and Job Creation)			
MTSF Area of Emphasis: 3 (Investment, jobs, and inclusive growth)			
Provincial Priority: 2 (Job Creation)			
MTSF Outcome	TIKZN Outcome	TIKZN Outcome Alignment to MTSF	TIKZN Outcomes Contribution (5-Year Target)
	8. Strengthened international relations, investment attraction and destination marketing	<p>Number of policy advocacy initiatives facilitated (e-platforms)</p> <p>Number of Qualified Leads (e-leads)</p> <p>Number of International investment and trade platforms hosted (buying, selling and investment generation), localisation and e-leads generation)</p> <p>Number of investment, trade, sector-based and/ or international organizational platforms</p> <p>Number of intra-provincial platforms created for KZN companies</p>	Increase Qualified Leads, facilitation of strategic trade and investment partner sessions and intra-provincial platforms created for KZN companies, that will result in the generations of new projects for economic growth, through strengthened international relations, investment attraction and destination marketing (via Gauteng office)

Table 14: Outcomes Contribution to Achieving Aims of the MTSF and Other Key Priorities

MTSF Priority: 1 (Economic Transformation and Job Creation)			
MTSF Area of Emphasis: 3 (Investment, jobs, and inclusive growth)			
Provincial Priority: 2 (Growing the Economy)			
MTSF Outcome	TIKZN Outcome	TIKZN Outcome (Indicator) Alignment to MTSF	TIKZN Outcomes Contribution (5-Year Target)
Reduce concentration of monopolies and expanded small business sector	4. Transforming of the economy through expansion and retention of investments and jobs	<p>Number of businesses supported with enterprise / supplier development interventions undertaken</p> <p>Percentage increase in the turnover of Exporters (Existing and Seasoned)</p>	Business retention and business growth
Investing for accelerated growth	6. An enabling business environment through improved knowledge and business intelligence	<p>Number of comprehensive sector profiles with insights positioning KZN positively to undertake its mandate</p> <p>Number of investment and export-led investment projects packaged for investors and traders (localisation/ import substitution)</p> <p>Number of Quarterly KZN Economic Overviews, trend analysis, board reports and country targeting reports and Business Intelligence Documents</p> <p>Number of policy advocacy initiatives facilitated (e-platforms)</p>	Key sector development/ prioritisation Economic diversification
Industrialisation, localisation and exports	5. Strengthened service delivery for a conducive business environment through good leadership, governance, and strategic direction	<p>Number of effective district delivery model engagements together with KZN Growth Coalition strategic support initiatives</p> <p>Number of business support interventions as part of COVID-19 relief measures</p> <p>Number of strategic partnerships with DDAs for OSS services</p>	Supporting a developmental mandate through integrated, coordinated support at district level
Quality and Quantum of investment to support growth and job creation improved adoption	5. Strengthened service delivery for a conducive business environment through good leadership, governance and strategic direction	<p>Number of effective district delivery model engagements, with KZN Growth Coalition strategic support interventions</p> <p>Number of Action Work Group engagements (COVID-19 and other work-streams)</p>	<p>As per above</p> <p>Through contribution to Action Work Group engagements, realise economic development/ investments in KZN</p>



MTSF Priority: 1 (Economic Transformation and Job Creation)			
MTSF Area of Emphasis: 3 (Investment, jobs, and inclusive growth)			
Provincial Priority: 2 (Growing the Economy)			
MTSF Outcome	TIKZN Outcome	TIKZN Outcome (Indicator) Alignment to MTSF	TIKZN Outcomes Contribution (5-Year Target)
	<p>2. Increased investment opportunities through targeted destination marketing</p> <p>8. International relations, investment attraction and destination marketing (Gauteng office)</p>	<p>Number of provincial/ international online investment conferences coordinated / webinars hosted in the province</p> <p>Number of Qualified leads generated (e-leads)</p> <p>Number of international marketing initiatives implemented (e-platforms)</p> <p>Number of investment, trade, sector-based, international organizational platforms (e-platforms)</p>	<p>Using targeted destination marketing (including via e-platforms) to attract and secure international investment leads/ opportunities resulting in investment projects for economic growth and job creation</p> <p>Generation of new projects for investment that will result in economic growth, through international relations, investment attraction and destination marketing (via Gauteng office)</p>
Supply of energy Secured	1. Growth and expansion (including transformation) of the economy through new Greenfields fixed investments	<p>Number of High impact and catalytic projects facilitated / implemented with a focus on localisation and import replacement</p> <p>Number of investment and export projects packaged for investors and traders</p>	Job creation and economic development and growth through expansion projects
Water Security Secured	5. Strengthened service delivery for a conducive business environment through good leadership, governance and strategic direction	No. of District Delivery Model/ DDA partnerships (One SS services implementation across districts) with KZN Growth Coalition strategic support	<p>Improving quality of life for all citizens</p> <p>Creating and supporting an enabling environment for business to succeed</p>

Table 15: Outcomes Contribution to Achieving Aims of the MTSF and Other Key Priorities

MTSF Priority: 4: Spatial Integration, Human Settlements and Local Government			
MTSF Area of Emphasis: 4: Effective Land Reform Programme			
Provincial Priority: 6: Human Settlement and Sustainable Livelihood			
MTSF Outcome	TIKZN Outcome	TIKZN Outcome Alignment to MTSF	TIKZN Outcomes Contribution (5-Year Target)
Integrated service delivery, settlement transformation and inclusive growth in urban and rural places.	<p>1. Growth and expansion (including transformation) of the economy through new Greenfields fixed investments</p> <p>4. Transforming of the economy through expansion and retention of investments and jobs</p>	<p>Rand value of new domestic and foreign investments committed</p> <p>Number of successful investment opportunities facilitated for priority groups</p> <p>Number of distressed businesses supported through business retention interventions</p>	<p>Supporting a developmental mandate through integrated, coordinated support at district level</p> <p>Job creation and inclusive economic development and growth through expansion projects</p>
Municipal preparedness to deal with climate change	5. Strengthened service delivery for a conducive business environment through good leadership, governance and strategic direction	Number of policy advocacy initiatives facilitated	<p>Improving quality of life for all citizens</p> <p>Environmentally responsible organization</p>



Table 16: Outcomes Contribution to Achieving Aims of the MTSF and Other Key Priorities

MTSF Priority: 7: Better Africa and World			
MTSF Area of Emphasis: 8: Better Africa and World			
Provincial Priority: 8: Better Africa and World			
MTSF Outcome		MTSF Outcome	MTSF Outcome
Increased and diversified exports resulted / contributed to an export-oriented economy	3. Growth and expansion (including transformation) of the economy through export promotion activities	Number of emerging export companies developed to export readiness status – entry-level, including women, youth and PWD groups	Supporting a developmental mandate through integrated, coordinated support at district level
	4. Transforming of the economy through expansion and retention of investments and jobs	Number of existing and seasoned exporters assisted with focused training and capacity Building	Job creation and inclusive economic development and growth through export and trade promotion
	1. Growth and expansion (including transformation) of the economy through new Greenfields fixed investments	Number of KZN Exporters assisted in accessing new markets	Job retention
		Rand value of Expansion projects facilitated	Job creation and inclusive economic development and growth through expansion projects
		Rand value of new domestic and foreign investments committed	Job creation and economic development and growth through new investments
Growth in Tourism sector resulting in economic growth	5. Strengthened service delivery for a conducive business environment through good leadership, governance and strategic direction	Number of domestic and international marketing activations	Showcasing the province as an attractive destination
	6. An enabling business environment through improved knowledge and business intelligence	Number of comprehensive Sector (including tourism) profiles with insights, positioning TIKZN positively to undertake its mandate	Increased investments through DM efforts
		Number of policy advocacy initiatives facilitated (via e-platforms)	Job creation and economic growth in the tourism sector

Additionally, the Outcomes Contribution as per Outcomes Indicators align to the needs of the organization's mandate, as well as prioritising designated groups (including women, youth and PWD) (refer Table 17 below):

Table 17: TIKZN Outcomes Contribution Aligned to PGDP Objectives, TIKZN Act and Other Key Economic Priorities

Alignment to PGDP Objectives	TIKZN Outcome Statements	Alignment to TIKZN Act, National Priorities and Other Provincial Priorities, Strategies Plans
1.2 Enhance sectoral development through trade investment and business retention 1.3 Enhance spatial economic development 3.7 Promote youth, gender and disability advocacy and the advancement of women 1.5 Promote SMME Development	1. Growth and expansion (including transformation) of the economy through new Greenfields fixed investments	This outcome is directly aligned to the TIKZN Act of 2010, the KZN Investment Promotion Strategy, the PGDP and PGDS, with respect to contribution to economic growth and transformation priorities through investment facilitation
	2. Increased investment opportunities through targeted destination marketing	This outcome is directly aligned to the TIKZN Act of 2010, the KZN Investment Promotion Strategy, the PGDP and PGDS, with respect to economic growth of the province through investment promotion efforts
	3 Growth and expansion (including transformation) of the economy through export promotion activities	The third outcome statement is a key programme of the Agency and is meant to drive economic growth of the province of Kwazulu-Natal through trade and export promotion. This outcome statement is aligned to TIKZN's mandate/ Act. The outcome of improving and transforming the economy through export and trade activities is directly linked with government's economic plans and strategies (IPAP, PGDS, NDP) to grow the economy via export and trade, and to drive economic inclusivity and promote localisation of trade (including import substitution)
	8. International relations, investment attraction and destination marketing	This outcome statement falls within the portfolio of the 'Gauteng office'. Key outcome indicators include the hosting of sessions with strategic trade and investment partners, facilitation of intra-provincial platforms created for KZN companies and the facilitation of a number of international marketing initiatives (using digital platforms), with the aim of securing qualified leads (e-leads), and strengthening destination marketing efforts. These are aligned to the PGDP, TIKZN Act and other provincial economic plans to strengthen investments in KZN
1.2 Enhance sectoral development through trade investment and business retention 1.3 Enhance spatial economic development 1.5 Promote SMME and Entrepreneurial Development.	4. Transforming of the economy through expansion and retention of investments and jobs	The fourth outcome statement pertains specifically to the significant potential and opportunity presented by enterprises to grow the economy. Subsequently, a standalone programme has been proposed for the organization and is based on the need for TIKZN to provide impetus to the economic development (including transformation and

Alignment to PGDP Objectives	TIKZN Outcome Statements	Alignment to TIKZN Act, National Priorities and Other Provincial Priorities, Strategies Plans
		<p>inclusivity) and economic growth imperatives of the province, respectively, via business development. This has become a national priority owing to COVID-19</p> <p>The outcome is strongly aligned to the economic imperatives of inclusive business development in the province (PGDS, PGDP) and the country (NDP), respectively, and include reducing the rate of business closures in the province, via business retention efforts; growing existing businesses to help grow and expand the KZN economy and driving inclusive economic growth.</p> <p>TIKZN is envisaged to play a lead role in identifying and facilitation of high impact projects and precinct revitalisation. These are new areas of focus that have been incorporated based on reviewing past 5 years operations</p>
<p>6.1 Strengthen policy and strategy coordination and inter-governmental relations.</p> <p>6.4 Promote participative, facilitative, and accountable governance.</p> <p>1.4 Improve the efficiency, innovation, and variety of government-led job creation programmes</p> <p>6.2 Build government capacity.</p>	<p>5. Strengthened service delivery for a conducive business environment through good leadership, governance, and strategic direction</p>	<p>The outcome statement herein falls within the CEO's portfolio, and include strategy, effective stakeholder engagements and communications, policy and advocacy, and the management of strategic risk for the organization, respectively. This outcome is meant to proactively manage organisational risk, whilst ensuring good governance and strategic leadership. Achievements of the outcomes will enable effective delivery of the organizational mandate (which is aligned to the PGDP)</p>
<p>1.6 Enhance the knowledge economy</p> <p>1.4 Improve the efficiency, innovation, and variety of government-led job creation programmes.</p> <p>2.2 Support skills alignment to economic growth.</p> <p>6.2 Build government capacity.</p> <p>6.4 Promote participative, facilitative, and accountable governance.</p> <p>4.3 Develop ICT infrastructure</p> <p>1.3 Enhance Spatial Economic Development.</p>	<p>6. An enabling business environment through improved knowledge and business intelligence</p>	<p>This outcome statement, aligned to the PGDP, is borne out of the need to improve the ease of doing business; for the organization to better respond to and identify potential opportunities/ trends through key business intelligence; and to provide convenient and accessible support and relevant information to potential investors, enterprises and key institutions, including sector profiles. In the case of TIKZN, this is a critical requirement to attract and build investor confidence in our province.</p> <p>Additionally, the Unit will use key business intelligence/ trends findings to drive the facilitation of policy and advocacy initiatives for the organization.</p> <p>Implementation of business improvement digitisation platforms as well as strengthening and prioritisation of ICT</p>

Alignment to PGDP Objectives	TIKZN Outcome Statements	Alignment to TIKZN Act, National Priorities and Other Provincial Priorities, Strategies Plans
		<p>infrastructure systems are aligned to economic priorities to improve the efficiency of government-led programmes, especially now during owing to the COVID-19 lockdown restrictions with individuals and business forced to operate virtually.</p> <p>This outcome is therefore aligned to key objectives of the PGDP as shown.</p>
<p>6.4 Promote participative, facilitative, and accountable governance. 1.4 Improve the efficiency, innovation, and variety of government-led job creation programmes 6.2 Build government capacity.</p>	<p>7. Effective service delivery through integrated and strategic support to the organization</p>	<p>For a medium-sized organization such as TIKZN, there is a need to streamline support functions, as is proposed under the umbrella of a <i>Support Services</i> programme. This will be aligned to National priorities for budget reduction and rationalisation of state-owned enterprises. The outcome statement here is '<i>to provide integrated support and strategic input to the organization for effective delivery on its mandate</i>'. This outcome is aligned to key objectives of the PGDP as shown.</p>

b) A description of the enablers intended to assist with achieving the five-year targets is tabulated below (Table 18).

Table 18: Description of Enablers to Assist with Achievement of the 5-Year Targets

Outcome Statements for TIKZN	Description of Enablers intended to assist with achieving the five-year targets
Outcome 1 - Growth and expansion (including transformation) of the economy through new greenfield fixed investments	<ul style="list-style-type: none"> <li>• IP&amp;F specialism and commercial skills to strengthen the current IP skills portfolio in the organization</li> <li>• Capacitation of and working closely with District Development Agencies and Municipalities to achieve outcomes</li> <li>• Re-alignment of the organogram to the strategic requirements of the organisation</li> <li>• Place focus on virtual platforms of engagement (owing to COVID-19 travel restrictions)</li> <li>• Using the One SS as the nerve centre for information assimilation and dissemination relating to Regulations, relief measures, project brokering and permits support</li> </ul>
Outcome 2 - Increased investment opportunities through targeted destination marketing	<ul style="list-style-type: none"> <li>• Prioritising resourcing for destination marketing efforts,</li> <li>• The need for a customised destination marketing plan segmented for international, SADC and domestic markets, respectively</li> <li>• Increased use of e-platforms of marketing</li> <li>• ICT infrastructure implementation</li> </ul>
Outcome 3 - Growth and expansion (including transformation) of the economy through export promotion activities	<ul style="list-style-type: none"> <li>• Re-alignment of the organogram to the strategic requirements of the organisation</li> <li>• Working closely with Business Development Agencies and the Province for an integrated approach to making business export-ready</li> <li>• To create and lobby for an enabling environment for KZN-based business to trade and export (easing regulatory burden, export processing zones for access to facilitate access to export markets, promoting import substitution, incentives and duty remission e.g. exemption on duties and VAT on raw materials used to manufacture exports)</li> <li>• Place special focus on developing priority groups (women, youth and black-owned business)</li> <li>• Place focus of export and trade on domestic and international markets, in addition to international markets</li> <li>• Baseline the businesses to be supported</li> <li>• Place focus on virtual platforms of engagement (owing to COVID-19 travel restrictions)</li> <li>• Partnering with international associates (such as PUM) to provide remote coaching to new and existing clients</li> </ul>
Outcome 4 - Transforming of the economy through expansion and retention of investments and jobs	<ul style="list-style-type: none"> <li>• Re-alignment of the organogram to the strategic requirements of the organisation</li> <li>• Baseline the businesses to be supported</li> <li>• Working in an integrated manner with Business Development Agencies (and Financiers), District Municipalities and the private sector to ensure the growth and development of businesses (distressed and high potential)</li> <li>• Keeping beneficiary groups (targeted/ priority groups) top of mind in the identification of anchor/ legacy projects for the province</li> <li>• Strong commercial and enterprise development skills</li> <li>• Using the One SS as the nerve centre for information assimilation and dissemination relating to Regulations, relief measures, project brokering and permits support</li> <li>• Partnering with international associates such as PUM to provide remote coaching to new and existing clients</li> <li>• Implement KZN 'Buy Local' Campaign Initiative with KZN Growth Coalition and Municipalities (Business Stability Initiative)</li> <li>• Strengthen compliance, foster, and enhance collaboration with businesses through focused visitation program to high valued businesses and Industrial Parks</li> </ul>
Outcome 5. Strengthened service delivery for a conducive business environment through good leadership, governance and strategic direction	<ul style="list-style-type: none"> <li>• Prioritised focus on strategy and strategic partnership building by the organizational leadership/ CEO</li> <li>• Economic 'nerve operating centre' to be implemented</li> <li>• Effective strategic financial management to improve the impact of the organisation</li> <li>• Re-alignment of the organogram to the strategic requirements of the organisation</li> <li>• Strategic risk management focus and mitigation as best possible</li> <li>• Strategic partners to expand the number of business support services at the planned satellite One SS facilities (district level)</li> <li>• Implementation of district delivery model to deliver the One SS services, through key engagements, including KZN Growth Coalition strategic support interventions</li> </ul>





Outcome Statements for TIKZN	Description of Enablers intended to assist with achieving the five-year targets
	<ul style="list-style-type: none"> <li>• Partnering with District Development Agencies for One SS services</li> <li>• Using the One SS as the nerve centre for information assimilation and dissemination (virtually) relating to Regulations, relief measures, project brokering and permits support</li> <li>• Collaborate with Industry Clusters and Industry Associations in developing a Business Health Index, Business Continuity Recovery Support Programs and Sector Intelligence Reports</li> <li>• Place focus on e-platforms of engagement (owing to COVID-19 travel restrictions)</li> </ul>
Outcome 6 - An enabling business environment through improved knowledge and business intelligence	<ul style="list-style-type: none"> <li>• Employing a 'partner to deliver' approach with respect to decentralizing one-stop shop facilities (partner with DDAs), partner with research houses, such as <i>Moses Kotane Institute, UKZN, etc</i></li> <li>• Re-alignment of the organogram to the strategic requirements of the organisation</li> <li>• Business intelligence and trends analysis/ findings to drive policy and advocacy initiatives</li> <li>• Collaborate with Industry Clusters and Industry Associations in developing a Business Health Index, Business Continuity Recovery Support Programs and Sector Intelligence Reports</li> <li>• Strengthen IT platforms to enhance digital information offerings</li> <li>• Improve ICT infrastructure to implement business continuity platforms</li> <li>• Place focus on virtual platforms of engagement (owing to COVID-19 travel restrictions)</li> </ul>
Outcome 7 - Effective service delivery through integrated and strategic support to the organization	<ul style="list-style-type: none"> <li>• Identifying and satisfying key skills requirements for the organization, including implementing training programs for existing staff</li> <li>• Using a partner to deliver approach for the organization leverage resources (such as secondments, working closer with DDAs, MKI, etc) such that it effectively delivers on its mandate</li> <li>• Employing a 'doing more with less' attitude will encourage innovation and creativity in the organization and how the organization can capitalise on its existing resources/assets</li> <li>• Inculcating a culture of 'chasing knowledge' and 'positivity' amongst existing staff</li> <li>• Improving productivity and communication levels using a variety of methods (team-building, performance managed incentives and rewards, etc)</li> <li>• Improving the B-BBEE rating for the organization</li> <li>• Re-alignment of the organogram to the strategic requirements of the organisation</li> <li>• Implementation of performance management systems, regular monitoring and annual reviews that will ensure achievement of the 5-Year target</li> <li>• Strengthen marketing campaigns, including the use of digital platforms and awareness campaigns, such as the 'Proudly Made in KZN' campaign</li> <li>• Reporting that is in line with AG and Treasury requirements</li> </ul>
Outcome 8 – International relations, investment attraction and destination marketing	<ul style="list-style-type: none"> <li>• Leveraging the Gauteng office and its competencies to strengthen and improve lead generation and generating new projects for the organization</li> <li>• Additionally, the Gauteng office is strategically located to host sessions with strategic (and potential) trade and investment partners for the organization and the facilitation of intra-provincial platforms created for KZN companies</li> <li>• The Gauteng office is a key enabler for driving international marketing initiatives (inward and outward) to improve the number of qualifying leads for TIKZN</li> <li>• Consider offices (or points of presence) beyond Gauteng (other provinces) to strengthen destination marketing efforts</li> <li>• Place focus on e-platforms of engagement (owing to COVID-19 travel restrictions)</li> </ul>

c) An explanation of the outcomes' contribution to achieving the intended impact is tabulated below (Table 19)

Table 19: Outcomes Contribution to achieving the Intended Impact

Outcome Statements of TIKZN	Explanation of the Outcomes Contribution to Achieving the Intended Impact
<p>Outcome 1 - Growth and expansion (including transformation) of the economy through new Greenfields fixed investments.</p>	<p>The related proposed outcome indicators comprise a segmented/ targeted approach to investment promotion i.e. investment promotion segmented by international and domestic. The impact per region will be measured by Rand value investment, number of jobs created and number of jobs created from priority group (youth, women, PWD black-owned) investment opportunities. The latter will assist in TIKZN playing a key role in facilitating radical economic transformation imperatives of the province.</p> <p>Rand value investments facilitated (segmented by domestic, regional and international investors and priority groups), and the no. of potential jobs created are envisaged to achieve the intended economic growth impact in an inclusive manner, i.e. <i>to facilitate new fixed investments in the province of Kwazulu-Natal.</i></p>
<p>Outcome 2 - Increased investment opportunities through targeted destination marketing</p>	<p>In achieving the above, strengthened destination marketing, customised to the requirements of the various investor types (regional, domestic, international), is necessary. Outcome indicators include the number of international investment generation activities (using virtual means) as well as the number of investment conferences (using e-platforms) coordinated in the province.</p> <p>Targeted destination marketing is envisaged to achieve the intended economic growth impact in an inclusive manner, i.e. <i>to promote new fixed investments in the province of Kwazulu-Natal, with focus on promoting localisation and import substitution.</i></p>
<p>Outcome 3 - Growth and expansion (including transformation) of the economy through export promotion activities</p>	<p>There is a need for the organization (and significant opportunity), to further, grow and strengthen export development initiatives. Outcome indicators have been developed with Rand value (increase in business turnover), number of companies assisted with market access platforms, and number of jobs created as key indicators. In addition, business growth by turnover (percentage) has been included.</p> <p>Additionally, outcome indicators for assisting emerging exporters (in priority groups) to become export ready and the registering of business, the training and capacity development of existing and seasoned exporters, as well as and facilitation of export deals/ orders secured for KZN Exporters in new markets have been included.</p> <p>The achievement of outcomes and outcome indicators (increase in turnover and number of jobs of exporters (with focus on priority groups) in various market segments will assist businesses to become export ready and business savvy, and provide market access opportunities for business, aimed at ultimately assisting to grow and develop an inclusive and transform economy.</p>
<p>Outcome 4 - Transforming of the economy through expansion and retention of investments and jobs</p>	<p>The meeting of outcome 4, i.e. to transform the economy through expansion and retention of investments and jobs is envisaged through key outcome indicators, including supporting distressed businesses (to be prioritized now owing to COVID-19), and as part of provincial governments' relief support to business, supporting expansion projects, job creation through expansion projects created/ retained, support via Enterprise and Supplier Development interventions and facilitation/ implementation of precinct revitalisation projects, respectively. The achievement of this key outcome is envisaged to achieve the intended impact of <i>'retaining and expanding existing businesses and revitalising industries (precinct development) for job retention and creation, sector development, and economic development and growth.</i></p>
<p>Outcome 5 - Strengthened service delivery for a conducive business environment through good leadership, governance and strategic direction</p>	<p>The proposed outcome indicators are intended to strengthen the strategic focus of the organization, build effective partnerships for leveraged and value-added resourcing, strengthen advocacy and policy efforts, ensure that the operational risk of the organization is reduced, prioritise organizational resourcing to ensure a return of investment, and to grow and build investor confidence in KZN.</p>

Outcome Statements of TIKZN	Explanation of the Outcomes Contribution to Achieving the Intended Impact
	<p>The prioritised focus on key areas (i.e. strategy, risk and operations, the One SS, and stakeholder engagements, including the District Delivery Model engagements, with KZN Growth Coalition strategic support and Action Work Group engagement) by the CEO is envisaged to allow for achievement of impact with respect to good leadership, governance and strategic direction for the organization for a conducive business environment.</p> <p>Increasing points of physical presence in the province via the One SS facility (currently housed at TIKZN's headquarters in Durban) is meant to ensure convenient and accessible service is provided to potential domestic investors and local enterprises. A key measure would be the number of business interventions facilitated via the One SS across the province. Strategic partnerships with the District Development Agencies to leverage One SS facilities in a shared manner would be key in implementing as a quick win project of the District Delivery Model</p>
<p>Outcome 6 - An enabling business environment through improved knowledge and business intelligence</p>	<p>Key outcome indicators relating to knowledge management/ business intelligence is meant to provide the organization (including potential investors and clients) with information pertaining to key business/ sector/ environmental trends that will influence the organization with respect to decision-making. The achievement of the key outcome indicators i.e. improving ease of doing business and providing relevant business intelligence/information to grow the economy.</p> <p>Additionally, there is a need for the enhancement of digital business support/ improvement platforms .and ensuring robust ICT infrastructure/ business continuity systems that will allow the organization to seamlessly meet its 5-year strategic target as planned.</p>
<p>Outcome 7 - Effective service delivery through integrated and strategic support to the organization</p>	<p>The key support functions of the organization comprise Finance (and compliance risk), HR, and Marketing and Communications (organizational) provide support across all the other programmes of the organization. In addition to managing regulatory compliance, this integrated support programme is intended to provide strategic input into the line function programmes to help improve impact, effectiveness and productivity, and help the organization achieve intended outcomes and impact across all other key programmes/ areas, in addition to its own.</p> <p>Being a knowledge-based entity, the HR function of TIKZN has a strategic role in ensuring that the requisite key skills are in place/ developed and that knowledge is nurtured and strengthened to allow for effective delivery of services (improving the organizational impact).</p> <p>The outcome indicators are meant to provide integrated strategic support to the organization and relate to receiving an unqualified audit as part of compliance, improving the B-BBEE level rating of the organization, understanding the current skills gaps for improving/ strengthening, including organogram realignment to skills requirement, and impact-oriented performance management within the organization.</p> <p>Fulfilling this outcome is key critical to the organization fulfilling its other key outcomes, and hence its ability meet its required impact obligations.</p> <p>The implementation of strategic marketing campaigns and activations, KZN awareness campaigns, strategic stakeholder and media engagements, Annual reporting and improving organizational visibility through digital platforms will be key marketing and communications activities of the organization.</p>
<p>Outcome 8 – Strengthened international relations, investment attraction and destination marketing</p>	<p>The Gauteng Office will be largely responsible for delivery of Outcome 8, which is strengthened international relations, investment attraction and destination marketing</p> <p>The organization will leverage of the Gauteng Office, of which an assessment of the last 5 years, has shown to play a key role in securing qualified leads for the organization. The strategic location of the Gauteng Office will allow for hosting of sessions with strategic partners of TIKZN, as well as the facilitation of intra-provincial platforms created for KZN companies which is a key outcome indicator here.</p> <p>Additionally, the facilitation of international marketing initiatives (inward and outward) to improve the number of qualifying leads for TIKZN and increase the number of projects generated, is another key outcome indicator.</p>

Outcome Statements of TIKZN	Explanation of the Outcomes Contribution to Achieving the Intended Impact
	Targeted destination marketing, strengthened international relations and investment attraction are envisaged to achieve the intended economic growth impact in an inclusive manner, i.e. to promote and facilitate new fixed investments in the province of Kwazulu-Natal



## 4. Key risks and mitigations

Table 20: Key Risks and Mitigations

Outcome	Key Risk	Risk Mitigation
Outcome 1 - Growth and expansion (including transformation) of the economy through new Greenfields fixed investments.	<ul style="list-style-type: none"> <li>• Moody's rating downgrade to sub-investment grade</li> <li>• Sluggish economy with low growth rates</li> <li>• Poor national infrastructure (e.g. power supply)</li> <li>• The increased cost of doing business</li> <li>• COVID-19 (and declaration as a National Disaster)</li> </ul>	<ul style="list-style-type: none"> <li>• Policy and advocacy focus of the organization</li> <li>• The planned economic war room</li> <li>• Stakeholder engagement elevated to the office of the CEO</li> <li>• The organisation has adopted 'future' model of operating (FMO), that will encompass key support measures/ initiatives (for the business, the local economy and the organization itself) in response to the COVID-19 pandemic</li> </ul>
Outcome 2 - Increased investment opportunities through targeted destination marketing	<ul style="list-style-type: none"> <li>• Moody's rating downgrade to sub-investment grade</li> <li>• Sluggish economy with low growth rates</li> <li>• Increased competition for FDI (other countries)</li> <li>• COVID-19 (and declaration as a National Disaster)</li> </ul>	<ul style="list-style-type: none"> <li>• Partner to deliver (do more with less)</li> <li>• The planned economic war room</li> <li>• The organisation has adopted 'future' model of operating (FMO), that will encompass key support measures/ initiatives (for the business, the local economy and the organization itself) in response to the COVID-19 pandemic</li> </ul>
Outcome 3 - Growth and expansion (including transformation) of the economy through export promotion activities	<ul style="list-style-type: none"> <li>• Sluggish economic growth</li> <li>• Weak/ poor performing currency</li> <li>• Skills deficit</li> <li>• Declining manufacturing base</li> <li>• Non-tariff trade barriers (especially in Africa)</li> <li>• Inadequate support mechanisms to bring about economic transformation</li> <li>• In adequate resources (human and financial)</li> <li>• Xenophobia</li> <li>• COVID-19</li> <li>• Confidentiality from a company information-sharing perspective</li> </ul>	<ul style="list-style-type: none"> <li>• Requisition incentives to support Manufacturers (especially SME's)</li> <li>• Practical solutions at factory level (increase sustainability and productivity, raw material sourcing, tooling support etc.)</li> <li>• Develop SLAs with companies based in sound incentives offered</li> <li>• Non-disclosure agreements</li> <li>• Balance between Outcomes and Impact Indicators</li> <li>• The organisation has adopted 'future' model of operating (FMO), that will encompass key support measures/ initiatives (for the business, the local economy and the organization itself) in response to the COVID-19 pandemic</li> </ul>

Outcome	Key Risk	Risk Mitigation
Outcome 4 - Transforming of the economy through expansion and retention of investments and jobs	<ul style="list-style-type: none"> <li>• Sluggish economy with low growth rates</li> <li>• Poor national infrastructure (e.g. power supply)</li> <li>• COVID-19 (and declaration as a National Disaster)</li> <li>• Moody's rating downgrade to sub-investment grade</li> </ul>	<ul style="list-style-type: none"> <li>• Policy and advocacy focus of the organization</li> <li>• The planned economic war room</li> <li>• Stakeholder engagement elevated to the office of the CEO</li> <li>• The organisation has adopted 'future' model of operating (FMO), that will encompass key support measures/ initiatives (for the business, the local economy and the organization itself) in response to the COVID-19 pandemic</li> </ul>
Outcome 5 - Strengthened service delivery for a conducive business environment through good leadership, governance and strategic direction	<ul style="list-style-type: none"> <li>• Skills deficit / vacancies in the organization</li> <li>• Continued less focus on strategy</li> <li>• Duplicate of role with peer organizations</li> </ul>	<ul style="list-style-type: none"> <li>• Focused organization</li> <li>• Focus on ICT infrastructure and ICT skills strengthening (as part of the organization's endeavor to support its planned future model of operating)</li> </ul>
Outcome 6 - An enabling business environment through improved knowledge and business intelligence	<ul style="list-style-type: none"> <li>• Skills deficit</li> </ul>	<ul style="list-style-type: none"> <li>• Partner to deliver (do more with less)</li> <li>• Focus on ICT infrastructure and ICT skills strengthening (as part of the organization's endeavor to support its planned future model of operating)</li> </ul>
Outcome 7 - Effective service delivery through integrated and strategic support to the organization	<ul style="list-style-type: none"> <li>• Prevalence of siloed mentality in the organization</li> </ul>	<ul style="list-style-type: none"> <li>• Increased focus on internal engagement</li> </ul>
Outcome 8 - Strengthened international relations, investment attraction and destination marketing	<ul style="list-style-type: none"> <li>• Moody's rating downgrade to sub-investment grade</li> <li>• COVID-19 (and declaration as a National Disaster)</li> </ul>	<ul style="list-style-type: none"> <li>• The planned economic war room</li> <li>• Partner to deliver (do more with less)</li> <li>• The organisation has adopted 'future' model of operating (FMO), that will encompass key support measures/ initiatives (for the business, the local economy and the organization itself) in response to the COVID-19 pandemic</li> </ul>

## 5. Public Entities

Dube Trade port	Primarily to facilitating economic growth and attracting long term investment to the Province	Facilitation of priority sector projects.
Richards Bay IDZ	To provide a conducive environment that attracts appropriate investment for sustainable economic development.	Facilitation of priority sector projects.
Tourism KwaZulu-Natal (TKZN)	To collaborate in the air-route development for KwaZulu-Natal in order to market and promote KZN as an investment destination and a magnet for tourists	Create inter-connectivity for airlines through Durban
KZN Film Commission	To provide a conducive environment that attracts film sector investment for sustainable economic development.	Facilitation of the film sector investment projects and to market KZNs' value proposition for film makers

## Part D: Technical Indicator Description (TIDs)

### Outcome 1 - Growth and expansion (including transformation) of the economy through new Greenfields fixed investments

Indicator Title	<ul style="list-style-type: none"> <li>• Rand value of new domestic and foreign investments committed</li> </ul>
Definition	<ul style="list-style-type: none"> <li>• The value of domestic and foreign investment secured/ committed to the province over the five-year period</li> </ul>
Source of data	<ul style="list-style-type: none"> <li>• Commitment letter from the client specifying the Rand value of the investment committed</li> </ul>
Method of Calculation / Assessment	<ul style="list-style-type: none"> <li>• Number</li> </ul>
Assumptions	<ul style="list-style-type: none"> <li>• The organisation will conduct specific investment promotion and facilitation activities to attract domestic and foreign investment, respectively into the province</li> </ul>
Disaggregation of Beneficiaries (where applicable)	<ul style="list-style-type: none"> <li>• Shareholder/ Government</li> <li>• Government (at different levels/spheres), including District Development Agencies</li> <li>• Relevant Stakeholders (public and private sector organizations), including development financiers, business development agencies</li> <li>• Business</li> <li>• Chambers of Commerce</li> <li>• Industry associations</li> <li>• Communities (civil society)</li> <li>• Priority groups</li> </ul>
Spatial Transformation (where applicable)	<ul style="list-style-type: none"> <li>• All KZN districts targeted</li> <li>• Special Economic Zones (SEZs)</li> <li>• Industrial Hubs/ Parks</li> <li>• Rural and Township Development</li> <li>• Development Corridors</li> </ul>
Desired performance	<ul style="list-style-type: none"> <li>• R15 billion (cumulative at Year 5) in new Greenfields fixed investment committed</li> </ul>
Indicator Responsibility	<ul style="list-style-type: none"> <li>• Executive Manager Investment Promotion</li> </ul>

Indicator Title	<ul style="list-style-type: none"> <li>• Number of jobs created from new projects</li> </ul>
Definition	<ul style="list-style-type: none"> <li>• The number of jobs that could be created through new Greenfields fixed investment projects (domestic and foreign) committed to the province</li> </ul>
Source of data	<ul style="list-style-type: none"> <li>• Commitment letter from the client/ investor specifying the potential number of jobs that could be created</li> </ul>
Method of Calculation / Assessment	<ul style="list-style-type: none"> <li>• Number</li> </ul>
Assumptions	<ul style="list-style-type: none"> <li>• The organisation will conduct specific investment promotion and facilitation activities to attract domestic and foreign investment, respectively, to the province</li> </ul>
Disaggregation of Beneficiaries (where applicable)	<ul style="list-style-type: none"> <li>• Shareholder/ Government</li> <li>• Government (at different levels/spheres), including District Development Agencies</li> <li>• Relevant Stakeholders (public and private sector organizations), including development financiers, business development agencies</li> <li>• Business</li> <li>• Industry associations</li> <li>• Communities (civil society)</li> <li>• Unemployed individuals targeting Priority groups</li> </ul>
Spatial Transformation (where applicable)	<ul style="list-style-type: none"> <li>• All KZN districts targeted</li> <li>• SEZs</li> <li>• Industrial Hubs/ Parks</li> <li>• Rural and Township Development</li> <li>• Development Corridors</li> </ul>
Desired performance	<ul style="list-style-type: none"> <li>• 18,000 potential jobs created after 5 Year Period</li> </ul>
Indicator Responsibility	<ul style="list-style-type: none"> <li>• Executive Manager Investment Promotion</li> </ul>



Indicator Title	<ul style="list-style-type: none"> <li>Number of successful investment opportunities facilitated for priority groups (youth/ women/PWD/ black-owned)</li> </ul>
Definition	<ul style="list-style-type: none"> <li>Successful investment opportunities facilitated for priority groups in the KZN province</li> </ul>
Source of data	<ul style="list-style-type: none"> <li>Client Enquiry Form / Client Service Plan / Completed template with details of investment projects that have been accepted to the pipeline signed by GM and EM for IP</li> </ul>
Method of Calculation / Assessment	<ul style="list-style-type: none"> <li>Number</li> </ul>
Assumptions	<ul style="list-style-type: none"> <li>The organisation will target the facilitation of investment opportunities for priority groups</li> </ul>
Disaggregation of Beneficiaries (where applicable)	<ul style="list-style-type: none"> <li>Priority groups: <ul style="list-style-type: none"> <li>Target for Women: 60%</li> <li>Target for Youth: 40%</li> <li>Target for People with Disabilities: 5%</li> <li>Target for black-owned: 100%</li> </ul> </li> </ul>
Spatial Transformation (where applicable)	<ul style="list-style-type: none"> <li>Province-wide (all districts targeted)</li> <li>SEZs</li> <li>Industrial Hubs/ Parks</li> <li>Rural and Township Development</li> <li>Corridor Development</li> </ul>
Desired performance	<ul style="list-style-type: none"> <li>108 investment opportunities facilitated (cumulative at end of 5-Year period)</li> </ul>
Indicator Responsibility	<ul style="list-style-type: none"> <li>Executive Manager Investment Promotion</li> </ul>

Indicator Title	<ul style="list-style-type: none"> <li>Number of high impact and catalytic projects facilitated/ implemented with a focus on localisation and import replacement</li> </ul>
Definition	<ul style="list-style-type: none"> <li>Facilitation/implementation of high impact and catalytic projects, which are projects with significant job creating and economic development / growth potential, meant to catalyse or stimulate growth of the KZN economy, with a focus on localisation and import replacement</li> </ul>
Source of data	<ul style="list-style-type: none"> <li>Client enquiry form / Client Service Plan / Completed template with details of projects that have been accepted to the pipeline signed by GM and EM for IP</li> </ul>
Method of Calculation / Assessment	<ul style="list-style-type: none"> <li>Number</li> </ul>
Assumptions	<ul style="list-style-type: none"> <li>The organisation will facilitate high impact and catalytic projects during the period</li> <li>Due diligence and feasibility on projects to establish if high impact / growth potential</li> <li>'Partner to deliver' model in implementation to leverage resourcing</li> <li>In some instances (such as where there is limited in-house resourcing for implementation), TIKZN will play a facilitatory role</li> </ul>
Disaggregation of Beneficiaries (where applicable)	<ul style="list-style-type: none"> <li>Shareholder/ Government (at different levels/spheres), including District Development Agencies</li> <li>Relevant Stakeholders (public and private sector organizations), including development financiers, business development agencies</li> <li>Business</li> <li>Industry associations</li> <li>Communities (civil society)</li> <li>Priority groups</li> </ul>
Spatial Transformation (where applicable)	<ul style="list-style-type: none"> <li>All KZN districts targeted</li> <li>SEZs</li> <li>Industrial Hubs/ Parks</li> <li>Rural and Township Development</li> <li>Development Corridors</li> </ul>
Desired performance	<ul style="list-style-type: none"> <li>50 projects facilitated/ implemented (cumulative at end of 5-Year period)</li> </ul>
Indicator Responsibility	<ul style="list-style-type: none"> <li>Executive Manager Investment Promotion</li> </ul>

**Outcome 2. Increased investment opportunities through targeted destination marketing**

Indicator Title	<ul style="list-style-type: none"> <li>• Number of international investment and trade platforms hosted (buying, selling and investment generation) via e-lead generation</li> </ul>
Definition	<ul style="list-style-type: none"> <li>• International investment generation activities facilitated/ implemented (inward and outward, via e-lead generation) by the IP&amp;F Unit</li> </ul>
Source of data	<ul style="list-style-type: none"> <li>• <b>Inward:</b> Itinerary and communications prior to, and post the mission</li> <li>• <b>Outward:</b> Approved Submission, itinerary, close out report and communications post mission verifying interactions that took place whilst on the mission</li> </ul>
Method of Calculation / Assessment	<ul style="list-style-type: none"> <li>• Number</li> </ul>
Assumptions	<ul style="list-style-type: none"> <li>• The IP&amp;F Unit of TIKZN will be responsible for key and specific investment generation activities (inward and outward)</li> <li>• The IP&amp;F activities of the Unit may be impacted for 2020 period, given the impact of COVID-19 pandemic</li> <li>• Make use of e-channels to generate leads</li> </ul>
Disaggregation of Beneficiaries (where applicable)	<ul style="list-style-type: none"> <li>• Potential Investors</li> <li>• Shareholder/ Government (at different levels/spheres), including District Development Agencies</li> <li>• Relevant Stakeholders (public and private sector organizations) including development financiers, business development agencies</li> <li>• Business</li> <li>• Chambers of Commerce</li> <li>• Industry associations</li> </ul>
Spatial Transformation (where applicable)	<ul style="list-style-type: none"> <li>• All KZN districts targeted</li> <li>• SEZs</li> <li>• Industrial Hubs/ Parks</li> <li>• Rural and Township Development</li> <li>• Development Corridors</li> </ul>
Desired performance	<ul style="list-style-type: none"> <li>• 170 investment generation activities held (cumulative at end of 5-Year period)</li> </ul>
Indicator Responsibility	<ul style="list-style-type: none"> <li>• Executive Manager Investment Promotion</li> </ul>

Indicator Title	<ul style="list-style-type: none"> <li>• Number of international investment conferences coordinated in the province</li> </ul>
Definition	<ul style="list-style-type: none"> <li>• TIKZN facilitates an annual KZN International Investment Conference (virtual or otherwise), as a means of: <ul style="list-style-type: none"> <li>○ further promoting the province as an investment destination of choice,</li> <li>○ enticing potential investors (foreign and international) to invest in the province</li> <li>○ bringing together key stakeholders to share learnings/ lessons learnt, particularly during a difficult economy</li> <li>○ profiling the good work being done by TIKZN and the province, and key success stories</li> </ul> </li> </ul>
Source of data	<ul style="list-style-type: none"> <li>• Approved submission and close out reports for conferences held</li> </ul>
Method of Calculation / Assessment	<ul style="list-style-type: none"> <li>• Number</li> </ul>
Assumptions	<ul style="list-style-type: none"> <li>• The organisation will facilitate one annual International Investment conference during the period</li> <li>• The conference may or may not be likely in the 2020 period, given the impact of COVID-19 pandemic.</li> <li>• The conference may be hosted virtually, depending on the impact of the pandemic</li> </ul>
Disaggregation of Beneficiaries (where applicable)	<ul style="list-style-type: none"> <li>• Potential Investors</li> <li>• Shareholder/ Government (at different levels/spheres), including District Development Agencies</li> <li>• Relevant Stakeholders (public and private sector organizations) including development financiers, business development agencies</li> <li>• Business</li> <li>• Chambers of Commerce</li> <li>• Industry associations</li> </ul>
Spatial Transformation (where applicable)	<ul style="list-style-type: none"> <li>• All KZN districts targeted</li> <li>• SEZs</li> <li>• Industrial Hubs/ Parks</li> <li>• Rural and Township Development</li> <li>• Development Corridors</li> </ul>
Desired performance	<ul style="list-style-type: none"> <li>• 5 international investment conferences facilitated by TIKZN (cumulative at end of 5-Year period)</li> </ul>
Indicator Responsibility	<ul style="list-style-type: none"> <li>• Executive Manager Investment Promotion</li> </ul>

**Outcome 3 - Growth and expansion (including transformation) of the economy through export promotion activities**

Indicator Title	<ul style="list-style-type: none"> <li>• Rand value increase in the turnover of KZN exporters (existing and seasoned) assisted</li> </ul>
Definition	<ul style="list-style-type: none"> <li>• Facilitation of key and specific export trade promotion activities that result in the increase in turnover of those KZN exporters assisted, with the ultimate objective of business growth through export</li> </ul>
Source of data	<ul style="list-style-type: none"> <li>• Confirmation letters of percentage increase in those KZN exporters assisted</li> </ul>
Method of Calculation / Assessment	<ul style="list-style-type: none"> <li>• Number (at baseline – before assistance and measured periodically after assistance)</li> </ul>
Assumptions	<ul style="list-style-type: none"> <li>• The organisation will assist KZN Exporters and monitor turnover generated as a measurement of impact</li> </ul>
D'ssaggregation of Beneficiaries (where applicable)	<ul style="list-style-type: none"> <li>• KZN-based Exporters</li> <li>• Shareholder/ Government (at different levels/spheres), including District Development Agencies</li> <li>• Relevant Stakeholders (public and private sector organizations) including development financiers, business development agencies</li> <li>• Chambers of Commerce</li> <li>• Industry associations</li> <li>• Exporter Council</li> </ul>
Spatial Transformation (where applicable)	<ul style="list-style-type: none"> <li>• All KZN districts targeted</li> <li>• Special Economic Zones</li> <li>• Industrial Hubs/Parks</li> <li>• Rural Development</li> <li>• Development Corridors</li> </ul>
Desired performance	<ul style="list-style-type: none"> <li>• Rand value base year to be determined in 2020</li> </ul>
Indicator Responsibility	<ul style="list-style-type: none"> <li>• Executive Manager Export Development and Promotion</li> </ul>



Indicator Title	<ul style="list-style-type: none"> <li>• Number of markets access platforms created for KZN companies</li> </ul>
Definition	<ul style="list-style-type: none"> <li>• Creation of markets access platforms for KZN-based companies (via e-trade platforms or missions)</li> </ul>
Source of data	<ul style="list-style-type: none"> <li>• Confirmation letters from KZN companies of market access opportunities facilitated</li> <li>• Evidence of missions facilitated for companies</li> <li>• Statistics / evidence from e-platforms</li> </ul>
Method of Calculation / Assessment	<ul style="list-style-type: none"> <li>• Number (at baseline – before assistance and measured periodically after assistance)</li> </ul>
Assumptions	<ul style="list-style-type: none"> <li>• The organisation will assist KZN companies and monitor turnover generated as a measurement of impact</li> </ul>
Disaggregation of Beneficiaries (where applicable)	<ul style="list-style-type: none"> <li>• KZN-based companies</li> <li>• Shareholder/ Government (at different levels/spheres), including District Development Agencies</li> <li>• Relevant Stakeholders (public and private sector organizations) including development financiers, business development agencies</li> <li>• Chambers of Commerce</li> <li>• Industry associations</li> <li>• Exporter Council</li> </ul>
Spatial Transformation (where applicable)	<ul style="list-style-type: none"> <li>• All KZN districts targeted</li> <li>• Special Economic Zones</li> <li>• Industrial Hubs/Parks</li> <li>• Rural Development</li> <li>• Development Corridors</li> </ul>
Desired performance	<ul style="list-style-type: none"> <li>• 460 KZN companies assisted (cumulative at end of 5-Year period)</li> </ul>
Indicator Responsibility	<ul style="list-style-type: none"> <li>• Executive Manager Export Development and Promotion</li> </ul>

Indicator Title	<ul style="list-style-type: none"> <li>No. of jobs created by KZN Exporters assisted</li> </ul>
Definition	<ul style="list-style-type: none"> <li>Facilitation of key and specific export trade promotion activities that result in the creation of jobs of those exporters assisted, with the ultimate objective of business growth through export.</li> </ul>
Source of data	<ul style="list-style-type: none"> <li>Signed Confirmation letters with staff complements from exporters assisted</li> </ul>
Method of Calculation / Assessment	<ul style="list-style-type: none"> <li>Number of jobs (at baseline – before assistance and measured periodically after assistance)</li> </ul>
Assumptions	<ul style="list-style-type: none"> <li>The organisation will assist exporters and monitor jobs created</li> </ul>
Disaggregation of Beneficiaries (where applicable)	<ul style="list-style-type: none"> <li>KZN-based Exporters</li> <li>Unemployed Individuals</li> <li>Exporter Council</li> <li>Shareholder/ Government (at different levels/spheres), including District Development Agencies</li> <li>Relevant Stakeholders (public and private sector organizations) including development financiers, business development agencies</li> <li>Chambers of Commerce</li> <li>Industry associations</li> </ul>
Spatial Transformation (where applicable)	<ul style="list-style-type: none"> <li>All KZN districts targeted</li> <li>SEZs</li> <li>Industrial Hubs/ Parks</li> <li>Rural and Township Development</li> <li>Development Corridors</li> </ul>
Desired performance	<ul style="list-style-type: none"> <li>2500</li> </ul>
Indicator Responsibility	<ul style="list-style-type: none"> <li>Executive Manager Export Development and Promotion</li> </ul>

Indicator Title	<ul style="list-style-type: none"> <li>• Number of 'Export Ready' and registered companies developed</li> </ul>
Definition	<ul style="list-style-type: none"> <li>• Targeted and specific capacity-building interventions geared for entry level, emerging export companies (and targeting priority groups and sector development) such that they can confidently be branded 'Export-Ready'</li> </ul>
Source of data	<ul style="list-style-type: none"> <li>• Signed attendance registers / feedback forms / submission signed by EM or Terms of Reference for the training/ capacity-building intervention</li> </ul>
Method of Calculation / Assessment	<ul style="list-style-type: none"> <li>• Number</li> </ul>
Assumptions	<ul style="list-style-type: none"> <li>• The organisation will prepare emerging export companies to export readiness</li> </ul>
Disaggregation of Beneficiaries (where applicable)	<ul style="list-style-type: none"> <li>• KZN-based Exporters (Priority Groups): <ul style="list-style-type: none"> <li>○ Target for Women: 60%</li> <li>○ Target for Youth: 40%</li> <li>○ Target for People with Disabilities: 5%</li> <li>○ Target for black-owned: 100%</li> </ul> </li> <li>• Exporter Council</li> <li>• Shareholder/ Government (at different levels/spheres), including District Development Agencies</li> <li>• Relevant Stakeholders (public and private sector organizations) including development financiers, business development agencies</li> <li>• Chambers of Commerce</li> <li>• Industry associations</li> </ul>
Spatial Transformation (where applicable)	<ul style="list-style-type: none"> <li>• All KZN districts targeted.</li> <li>• Special Economic Zones</li> <li>• Industrial Hubs/Parks</li> <li>• Rural Development</li> <li>• Development Corridors</li> </ul>
Desired performance	<ul style="list-style-type: none"> <li>• 200 emerging export companies assisted</li> </ul>
Indicator Responsibility	<ul style="list-style-type: none"> <li>• Executive Manager Export Development and Promotion</li> </ul>

Indicator Title	<ul style="list-style-type: none"> <li>Number of Existing and Seasoned Exporters assisted with focused Training and Capacity-building segmented by small, intermediary, medium and large business</li> </ul>
Definition	<ul style="list-style-type: none"> <li>Existing and seasoned export companies will be provided with the relevant and targeted training and capacity-building support. Support will be segmented by size of the business so that a needs-based approach to training and capacity building is provided, and businesses from priority sectors in the province (such as agriculture, etc) is targeted</li> </ul>
Source of data	<ul style="list-style-type: none"> <li>Signed attendance registers / feedback forms / submission signed by EM or Terms of Reference for the training/ capacity-building intervention</li> </ul>
Method of Calculation / Assessment	<ul style="list-style-type: none"> <li>Number</li> </ul>
Assumptions	<ul style="list-style-type: none"> <li>The organisation will prepare existing export companies to export readiness</li> <li>Business training interventions segmented based on size/ needs of the business</li> <li>Selection of business from priority sectors</li> <li>Existing and Seasoned export companies supported</li> </ul>
Disaggregation of Beneficiaries (where applicable)	<ul style="list-style-type: none"> <li>KZN-based Export Business (existing/ seasoned) selected based on size i.e. Small, Intermediary, Medium and Large</li> <li>Exporter Council</li> <li>Shareholder/ Government (at different levels/spheres), including District Development Agencies</li> <li>Relevant Stakeholders (public and private sector organizations) including development financiers, business development agencies</li> <li>Chambers of Commerce</li> <li>Industry associations</li> </ul>
Spatial Transformation (where applicable)	<ul style="list-style-type: none"> <li>All KZN districts targeted</li> <li>SEZs</li> <li>Industrial Hubs/ Parks</li> <li>Rural and Township Development</li> <li>Development Corridors</li> </ul>
Desired performance	<ul style="list-style-type: none"> <li>350 existing and/ or seasoned companies assisted</li> </ul>
Indicator Responsibility	<ul style="list-style-type: none"> <li>Executive Manager Export Development and Promotion</li> </ul>

Indicator Title	<ul style="list-style-type: none"> <li>• Number of exporting deals/ orders secured for KZN Exporters in New Markets</li> </ul>
Definition	<ul style="list-style-type: none"> <li>• TIKZN to facilitate assistance to KZN Exporters to access new markets</li> </ul>
Source of data	<ul style="list-style-type: none"> <li>• Signed feedback forms Confirmation letter / correspondence</li> </ul>
Method of Calculation / Assessment	<ul style="list-style-type: none"> <li>• Number</li> </ul>
Assumptions	<ul style="list-style-type: none"> <li>• The organisation will assist exporters to access new markets</li> </ul>
Disaggregation of Beneficiaries (where applicable)	<ul style="list-style-type: none"> <li>• KZB-based Export Companies</li> <li>• Exporter Council</li> <li>• Shareholder/ Government (at different levels/spheres), including District Development Agencies</li> <li>• Relevant Stakeholders (public and private sector organizations) including development financiers, business development agencies</li> <li>• Chambers of Commerce</li> <li>• Industry associations</li> </ul>
Spatial Transformation (where applicable)	<ul style="list-style-type: none"> <li>• All KZN districts targeted</li> <li>• SEZs</li> <li>• Industrial Hubs/ Parks</li> <li>• Rural and Township Development</li> <li>• Development Corridors</li> </ul>
Desired performance	<ul style="list-style-type: none"> <li>• 600 exporters assisted</li> </ul>
Indicator Responsibility	<ul style="list-style-type: none"> <li>• Executive Manager Export Development and Promotion</li> </ul>

**Outcome 4 - Transforming of the economy through expansion and retention of investments and jobs**

Indicator Title	<ul style="list-style-type: none"> <li>• Number of distressed businesses supported through business retention interventions</li> </ul>
Definition	<ul style="list-style-type: none"> <li>• Number of distressed companies (companies facing job losses/ retrenchments and poor turnovers) supported through business retention interventions facilitated by TIKZN</li> </ul>
Source of data	<ul style="list-style-type: none"> <li>• Letter including other correspondence from the company that received support, indicating the interventions provided</li> </ul>
Method of Calculation / Assessment	<ul style="list-style-type: none"> <li>• Number</li> </ul>
Assumptions	<ul style="list-style-type: none"> <li>• The organisation will provide/ facilitate structured turnaround assistance to distressed companies</li> <li>• Feasibility/ due diligence of distressed business to identify potential for saving/ i.e. jobs to be retained/ created, sector, impact to local communities, etc)</li> <li>• TIKZN BR&amp;E to use the partner to deliver model (such as working closely with IDC) to assist the distressed business</li> </ul>
Disaggregation of Beneficiaries (where applicable)	<ul style="list-style-type: none"> <li>• KZN-based Business</li> <li>• Shareholder/ Government (at different levels/spheres), including District Development Agencies</li> <li>• Relevant Stakeholders (public and private sector organizations) including development financiers, business development agencies</li> <li>• Chambers of Commerce</li> <li>• Industry associations</li> </ul>
Spatial Transformation (where applicable)	<ul style="list-style-type: none"> <li>• All KZN districts targeted</li> <li>• SEZs</li> <li>• Industrial Hubs/ Parks</li> <li>• Rural and Township Development</li> <li>• Development Corridors</li> </ul>
Desired performance	<ul style="list-style-type: none"> <li>• 500 businesses supported (cumulative as at end of 5-Years)</li> </ul>
Indicator Responsibility	<ul style="list-style-type: none"> <li>• General Manager Business Retention and Expansion</li> </ul>



Indicator Title	<ul style="list-style-type: none"> <li>• Rand value of expansion projects committed</li> </ul>
Definition	<ul style="list-style-type: none"> <li>• Value of expansion projects (businesses ready to diversify, grow, expand) committed by companies</li> </ul>
Source of data	<ul style="list-style-type: none"> <li>• Commitment letter specifying the Rand value of the company expansion project</li> </ul>
Method of Calculation / Assessment	<ul style="list-style-type: none"> <li>• Number</li> </ul>
Assumptions	<ul style="list-style-type: none"> <li>• The organisation will identify and facilitate expansion projects for companies in KZN</li> <li>• Due diligence and business case assessment to be reviewed with key developmental partners (such as IDC)</li> </ul>
Disaggregation of Beneficiaries (where applicable)	<ul style="list-style-type: none"> <li>• KZN-based Business</li> <li>• Shareholder/ Government (at different levels/spheres), including District Development Agencies</li> <li>• Relevant Stakeholders (public and private sector organizations) including development financiers, business development agencies</li> <li>• Chambers of Commerce</li> <li>• Industry associations</li> <li>• Communities where targeted expansion projects take place</li> </ul>
Spatial Transformation (where applicable)	<ul style="list-style-type: none"> <li>• All KZN districts targeted</li> <li>• SEZs</li> <li>• Industrial Hubs/ Parks</li> <li>• Rural and Township Development</li> <li>• Development Corridors</li> </ul>
Desired performance	<ul style="list-style-type: none"> <li>• R 4,5 billion committed (cumulative as at end of Year 5)</li> </ul>
Indicator Responsibility	<ul style="list-style-type: none"> <li>• General Manager Business Retention and Expansion</li> </ul>

Indicator Title	<ul style="list-style-type: none"> <li>• Number of jobs created and retained from expansion projects</li> </ul>
Definition	<ul style="list-style-type: none"> <li>• Number of potential jobs retained and created from expansion projects</li> </ul>
Source of data	<ul style="list-style-type: none"> <li>• Confirmation letter from companies assisted specifying jobs retained and created</li> </ul>
Method of Calculation / Assessment	<ul style="list-style-type: none"> <li>• Number</li> </ul>
Assumptions	<ul style="list-style-type: none"> <li>• Expansion projects aligned to provincial economic priorities and sectors</li> <li>• Due diligence and feasibility mandatory for expansion facilitation</li> <li>• Projects to show focus on priority groups and spatial transformation</li> <li>• The organisation will facilitate targeted BR&amp;E programmes activities to retain and create jobs</li> </ul>
Disaggregation of Beneficiaries (where applicable)	<ul style="list-style-type: none"> <li>• KZN-based Business</li> <li>• Unemployed Individuals</li> <li>• Shareholder/ Government (at different levels/spheres), including District Development Agencies</li> <li>• Relevant Stakeholders (public and private sector organizations) including development financiers, business development agencies</li> <li>• Chambers of Commerce</li> <li>• Industry associations</li> <li>• Communities where targeted expansion projects take place</li> </ul>
Spatial Transformation (where applicable)	<ul style="list-style-type: none"> <li>• All KZN districts targeted</li> <li>• SEZs</li> <li>• Industrial Hubs/ Parks</li> <li>• Rural and Township Development</li> <li>• Development Corridors</li> </ul>
Desired performance	<ul style="list-style-type: none"> <li>• 13,400 jobs retained/ created (cumulative at end of 5-Year period)</li> </ul>
Indicator Responsibility	<ul style="list-style-type: none"> <li>• General Manager Business Retention and Expansion</li> </ul>

Indicator Title	<ul style="list-style-type: none"> <li>Number of businesses supported with enterprise /supplier development intervention undertaken including as part of COVID-19 relief support measures to business</li> </ul>
Definition	<ul style="list-style-type: none"> <li>Number of businesses supported with business capacity-building initiatives owing to opportunities presented by enterprise /supplier development initiatives (corporate spend aligned to mandatory B-BBEE Scorecard implementation), including as part of COVID-19 relief support measures to business</li> </ul>
Source of data	<ul style="list-style-type: none"> <li>Client enquiry form / Client Service Plan / Completed template with details of projects that have been accepted to the pipeline signed by GM and EM for BR&amp;E</li> </ul>
Method of Calculation / Assessment	<ul style="list-style-type: none"> <li>Completed client templates /enquiry forms</li> <li>Client signed appreciation letters emanating from ESD initiatives</li> </ul>
Assumptions	<ul style="list-style-type: none"> <li>The organisation will identify businesses to support with the enterprise and supplier development initiatives.</li> </ul>
Disaggregation of Beneficiaries (where applicable)	<ul style="list-style-type: none"> <li>KZN-based Business</li> <li>Corporates (that invest in ESD initiatives)</li> <li>Shareholder/ Government (at different levels/spheres), including District Development Agencies</li> <li>Relevant Stakeholders (public and private sector organizations) including development financiers, business development agencies</li> <li>Chambers of Commerce</li> <li>Industry associations</li> <li>Communities where targeted ESD initiatives take place</li> </ul>
Spatial Transformation (where applicable)	<ul style="list-style-type: none"> <li>All KZN districts targeted</li> <li>Special Economic Zones</li> <li>Industrial Hubs/Parks</li> <li>Rural Development</li> <li>Development Corridors</li> </ul>
Desired performance	<ul style="list-style-type: none"> <li>590 businesses supported</li> </ul>
Indicator Responsibility	<ul style="list-style-type: none"> <li>General Manager Business Retention and Expansion</li> </ul>

Indicator Title	<ul style="list-style-type: none"> <li>• Number of precinct revitalisation projects facilitated/ implemented</li> </ul>
Definition	<ul style="list-style-type: none"> <li>• Precincts referred to include industrial parks or business parks/ hubs where businesses are clustered geographically/ regionally that are considered significant to the economy from an employment, GDP contribution and/ or sector development point of view. Some of these parks would require revitalisation/ stimuli support measures (to key issues such as community protests resulting in destruction of factories, job losses/ retrenchments owing to tough economic trading conditions/ climate, etc). TIKZN has a role to play via its BR&amp;E unit to facilitate or where possible implement precinct key industry revitalisation support measures, with key provincial partners</li> </ul>
Source of data	<ul style="list-style-type: none"> <li>• Project proposals and approvals by GM and EM BR&amp;E</li> </ul>
Method of Calculation / Assessment	<ul style="list-style-type: none"> <li>• Number</li> </ul>
Assumptions	<ul style="list-style-type: none"> <li>• The organisation will identify precinct revitalisation projects</li> <li>• Partner to deliver model to approach support</li> </ul>
Disaggregation of Beneficiaries (where applicable)	<ul style="list-style-type: none"> <li>• KZN-based Business,</li> <li>• Targeted Industrial Parks/ Business Parks/ Precincts</li> <li>• Shareholder/ Government (at different levels/spheres), including District Development Agencies</li> <li>• Relevant Stakeholders (public and private sector organizations) including development financiers, business development agencies</li> <li>• Chambers of Commerce</li> <li>• Industry associations</li> <li>• Communities where targeted precinct revitalisation projects take place</li> </ul>
Spatial Transformation (where applicable)	<ul style="list-style-type: none"> <li>• All KZN districts</li> <li>• Special Economic Zones</li> <li>• Industrial Parks</li> <li>• Industrial Hubs</li> <li>• Rural Development</li> <li>• Development Corridors</li> </ul>
Desired performance	<ul style="list-style-type: none"> <li>• 19 projects facilitated (cumulative till end of 5-Year period)</li> </ul>
Indicator Responsibility	<ul style="list-style-type: none"> <li>• General Manager Business Retention and Expansion</li> </ul>

**Outcome 5 - Strengthened service delivery for a conducive business environment through good leadership, governance and strategic direction**

Indicator Title	<ul style="list-style-type: none"> <li>Corporate Strategy, Annual Performance Plan, Operational Plan (including monitoring and evaluation framework)</li> </ul>
Definition	<ul style="list-style-type: none"> <li>Development and submission of Corporate Strategy, Annual Performance Plan, Operational Plan (including monitoring and evaluation framework)</li> </ul>
Source of data	<ul style="list-style-type: none"> <li>Approved Corporate Strategy, Annual Performance Plan, Operational Plan (including monitoring and evaluation framework)</li> </ul>
Method of Calculation / Assessment	<ul style="list-style-type: none"> <li>Number</li> </ul>
Assumptions	<ul style="list-style-type: none"> <li>The organisation will complete its Corporate Strategy, Annual Performance Plan, Operational Plan (including Monitoring and Evaluation Framework) timeously</li> </ul>
Disaggregation of Beneficiaries (where applicable)	<ul style="list-style-type: none"> <li>Shareholder</li> <li>TIKZN Board</li> </ul>
Spatial Transformation (where applicable)	<ul style="list-style-type: none"> <li>All KZN districts targeted</li> <li>SEZs</li> <li>Industrial Hubs/ Parks</li> <li>Rural and Township Development</li> <li>Corridor Development</li> </ul>
Desired performance	<ul style="list-style-type: none"> <li>5 Completed Corporate Strategies, Annual Performance Plans, Operational Plans (including Monitoring &amp; Evaluation Framework) (cumulative at end of 5-Year period)</li> </ul>
Indicator Responsibility	<ul style="list-style-type: none"> <li>Office of the Chief Executive Officer</li> <li>Executive Manager: Strategy and Operations</li> </ul>

Indicator Title	<ul style="list-style-type: none"> <li>Number of strategic partnerships/ programs created and or leveraged</li> </ul>
Definition	<ul style="list-style-type: none"> <li>Leveraged support to strategic programs through formal relationships/ collaborations with key partners</li> </ul>
Source of data	<ul style="list-style-type: none"> <li>Signed contracts and programs implemented</li> </ul>
Method of Calculation / Assessment	<ul style="list-style-type: none"> <li>Number</li> </ul>
Assumptions	<ul style="list-style-type: none"> <li>The organisation will engage with key partners to leverage strategic programs in order to reduce costs and improve delivery on its mandate</li> </ul>
Disaggregation of Beneficiaries (where applicable)	<ul style="list-style-type: none"> <li>Shareholder</li> <li>Industry Associations</li> <li>Chambers</li> <li>Clusters</li> </ul>
Spatial Transformation (where applicable)	<ul style="list-style-type: none"> <li>All KZN districts targeted</li> <li>SEZs</li> <li>Industrial Hubs/ Parks</li> <li>Rural and Township Development</li> <li>Corridor Development</li> </ul>
Desired performance	<ul style="list-style-type: none"> <li>40 strategic partnerships/ programs created and/or leveraged</li> </ul>
Indicator Responsibility	<ul style="list-style-type: none"> <li>Office of the Chief Executive Officer</li> <li>Executive Manager: Strategy and Operations</li> </ul>

Indicator Title	<ul style="list-style-type: none"> <li>Number of effective Action Work Group engagements</li> </ul>
Definition	<ul style="list-style-type: none"> <li>The CEO is envisaged to play a pivotal role in the PGDP Action Work Group (AWG) such that key projects identified in the PGDP are expeditiously, effectively, and collectively implemented/ actioned. The AWG structure could also be a platform for TIKZN to seek and leverage potential partnerships/ high-impact projects for TIKZN, as well as contribute to and prioritise COVID-19 relief support measures and other key workstream agendas of the AWG</li> </ul>
Source of data	<ul style="list-style-type: none"> <li>Close out reports/submissions/agenda/ minutes of meetings</li> </ul>
Method of Calculation / Assessment	<ul style="list-style-type: none"> <li>Number of close out reports/agendas/ minutes/ resolutions</li> </ul>
Assumptions	<ul style="list-style-type: none"> <li>The organisation will engage with key partners related to the Action Work Group</li> </ul>
Disaggregation of Beneficiaries (where applicable)	<ul style="list-style-type: none"> <li>Priority Groups</li> </ul>
Spatial Transformation (where applicable)	<ul style="list-style-type: none"> <li>Shareholder</li> <li>Stakeholders</li> <li>Strategic Partners</li> </ul>
Desired performance	<ul style="list-style-type: none"> <li>50 Action Work Group engagements</li> </ul>
Indicator Responsibility	<ul style="list-style-type: none"> <li>Office of the Chief Executive Officer</li> <li>Executive Manager: Strategy and Operations</li> </ul>



Indicator Title	<ul style="list-style-type: none"> <li>Percentage of risks identified and properly mitigated or resolved (as identified through the risk management process and documented in the risk register)</li> </ul>
Definition	<ul style="list-style-type: none"> <li>Timeous identification and resolution of risks</li> </ul>
Source of data	<ul style="list-style-type: none"> <li>Risk register</li> </ul>
Method of Calculation / Assessment	<ul style="list-style-type: none"> <li>Number</li> </ul>
Assumptions	<ul style="list-style-type: none"> <li>The organisation will implement the required risk management processes</li> </ul>
Disaggregation of Beneficiaries (where applicable)	<ul style="list-style-type: none"> <li>TIKZN Board</li> <li>Shareholder</li> </ul>
Spatial Transformation (where applicable)	<ul style="list-style-type: none"> <li>N/A</li> </ul>
Desired performance	<ul style="list-style-type: none"> <li>95% identification and resolution of identified risks</li> </ul>
Indicator Responsibility	<ul style="list-style-type: none"> <li>Office of the Chief Executive Officer</li> </ul>

## One Stop Shop (One SS)

Indicator Title	<ul style="list-style-type: none"> <li>Number of business support interventions at One Stop Shop (One SS) Entities in support of COVID-19 relief measures</li> </ul>
Definition	<ul style="list-style-type: none"> <li>The One SS is intended to be rolled out province wide (over time) to allow for an inclusive, convenient and accessible approach. The One SS is expected to provide holistic support in the form of key information, registration and compliance desk for potential investors, and other key services), using both physical and virtual infrastructure. There will be a need to expand business service offerings of the One SS (as implied) that will include the need for key entities to participate in the One SS. TIKZN will be committed to identifying key participating entities to enhance service offerings of the One SS</li> <li>The business support interventions facilitated via the One SS will prioritise COVID-19 relief measures</li> </ul>
Source of data	<ul style="list-style-type: none"> <li>Approvals and detailed reports</li> <li>Signed commitment/ pledges by participating entities for service offerings</li> </ul>
Method of Calculation / Assessment	<ul style="list-style-type: none"> <li>Number</li> </ul>
Assumptions	<ul style="list-style-type: none"> <li>The organisation will engage with key and relevant entities to enhance service offerings of the One SS</li> <li>Provincial wide support</li> <li>Both physical and virtual support</li> <li>Holistic support for businesses/ potential investors at all levels</li> <li>Prioritisation of COVID-19 relief measures to business and the KZN economy</li> </ul>
Disaggregation of Beneficiaries (where applicable)	<ul style="list-style-type: none"> <li>Shareholder</li> <li>Investors</li> <li>Exporters</li> <li>Economic Development Partners</li> </ul>
Spatial Transformation (where applicable)	<ul style="list-style-type: none"> <li>All KZN districts targeted</li> <li>SEZs</li> <li>Industrial Hubs/ Parks</li> <li>Rural and Township Development</li> </ul>
Desired performance	<ul style="list-style-type: none"> <li>10,000 business support service offerings at OSS entities, in support of COVID-19 relief measures (cumulative at end of 5-Year period)</li> </ul>
Indicator Responsibility	<ul style="list-style-type: none"> <li>Office of the Chief Executive Officer</li> <li>General Manager: One SS</li> </ul>

Indicator Title	<ul style="list-style-type: none"> <li>Number of high impact projects resolved through project brokering support interventions</li> </ul>
Definition	<ul style="list-style-type: none"> <li>The OSS is envisaged to provide a platform to identify potential investors. High impact projects committed through project brokering efforts of the OSS are applicable here</li> </ul>
Source of data	<ul style="list-style-type: none"> <li>Project proposals and approvals by GM and EM</li> </ul>
Method of Calculation / Assessment	<ul style="list-style-type: none"> <li>Number</li> </ul>
Assumptions	<ul style="list-style-type: none"> <li>The organisation will identify high impact projects</li> </ul>
Disaggregation of Beneficiaries (where applicable)	<ul style="list-style-type: none"> <li>Shareholder</li> <li>Investors</li> <li>Exporters</li> <li>Economic Development Partners</li> </ul>
Spatial Transformation (where applicable)	<ul style="list-style-type: none"> <li>All KZN districts targeted</li> <li>SEZs</li> <li>Industrial Hubs/ Parks</li> <li>Rural and Township Development</li> <li>Corridor Development</li> </ul>
Desired performance	<ul style="list-style-type: none"> <li>40 high impact projects (cumulative as at end of 5-year period)</li> </ul>
Indicator Responsibility	<ul style="list-style-type: none"> <li>Office of the Chief Executive Officer</li> <li>General Manager: OSS</li> </ul>

Indicator Title	<ul style="list-style-type: none"> <li>Number of strategic partnerships with District Development Agencies for OSS services</li> </ul>
Definition	<ul style="list-style-type: none"> <li>Increase the points of presence of OSS facilities across the province</li> </ul>
Source of data	<ul style="list-style-type: none"> <li>Agreements and MOUs with District Development Agencies</li> </ul>
Method of Calculation / Assessment	<ul style="list-style-type: none"> <li>Number</li> </ul>
Assumptions	<ul style="list-style-type: none"> <li>The organisation will engage with District Development Agencies</li> </ul>
Disaggregation of Beneficiaries (where applicable)	<ul style="list-style-type: none"> <li>District Development Agencies</li> <li>Municipalities</li> <li>Business</li> </ul>
Spatial Transformation (where applicable)	<ul style="list-style-type: none"> <li>Priority Sectors</li> <li>Priority Population Groups</li> </ul>
Desired performance	<ul style="list-style-type: none"> <li>37 strategic partnerships (cumulative at end of 5-Year period)</li> </ul>
Indicator Responsibility	<ul style="list-style-type: none"> <li>Office of the Chief Executive Officer</li> <li>General Manager: OSS</li> </ul>

Indicator Title	<ul style="list-style-type: none"> <li>• Number of effective district delivery model engagements, with KZN Growth Coalition strategic support interventions</li> </ul>
Definition	<ul style="list-style-type: none"> <li>• Effective district delivery model engagements, the model of which is government's response to tackle key economic priorities collectively (all spheres of government) and in an integrated manner, and implementing priority projects identified at a district level, using a partner delivery model, including social partners. TIKZN, being a provincial entity, is envisaged to play a key role with respect to implementation of its key projects (such as the OSS) using the district delivery model, and via KZN Growth Coalition strategic support partnerships</li> </ul>
Source of data	<ul style="list-style-type: none"> <li>• Close out reports/ submissions/ agenda/ minutes of meetings/resolutions</li> </ul>
Method of Calculation / Assessment	<ul style="list-style-type: none"> <li>• Number</li> </ul>
Assumptions	<ul style="list-style-type: none"> <li>• The organisation will engage with key partners related to district delivery models</li> </ul>
Disaggregation of Beneficiaries (where applicable)	<ul style="list-style-type: none"> <li>• Shareholder</li> <li>• Investors</li> <li>• Exporters</li> <li>• Municipalities</li> <li>• Chambers</li> <li>• Economic Development Partners</li> </ul>
Spatial Transformation (where applicable)	<ul style="list-style-type: none"> <li>• Priority Sectors</li> <li>• Special Economic Zones</li> <li>• Industrial Hubs</li> <li>• Rural Development</li> <li>• Development Corridors</li> </ul>
Desired performance	<ul style="list-style-type: none"> <li>• 55 district delivery model engagements (cumulative as at end of 5-year period)</li> </ul>
Indicator Responsibility	<ul style="list-style-type: none"> <li>• Office of the Chief Executive Officer</li> <li>• General Manager: OSS</li> </ul>

**Outcome 6 - An enabling business environment through improved knowledge and business intelligence**

Indicator Title	<ul style="list-style-type: none"> <li>• Number of investment and export projects packaged for investors and traders, to stimulate the KZN economy post-COVID-19</li> </ul>
Definition	<ul style="list-style-type: none"> <li>• Packaging of projects for investors and traders (such as development of business plans), with focus on localisation/ import substitution</li> </ul>
Source of data	<ul style="list-style-type: none"> <li>• Hard copies of developed business plans and other reports</li> <li>• Letters/ e-mails from investors/ traders confirming support</li> </ul>
Method of Calculation / Assessment	<ul style="list-style-type: none"> <li>• Number</li> </ul>
Assumptions	<ul style="list-style-type: none"> <li>• The organisation will assist clients to package projects (together with key developmental partners, such as IDC)</li> </ul>
Disaggregation of Beneficiaries (where applicable)	<ul style="list-style-type: none"> <li>• Potential Investors</li> <li>• Business</li> <li>• Development Financiers</li> <li>• Business Support Agencies</li> <li>• District Partners (DDAs, DMs)</li> </ul>
Spatial Transformation (where applicable)	<ul style="list-style-type: none"> <li>• Priority Sectors</li> <li>• Special Economic Zones</li> <li>• Industrial Hubs</li> <li>• Rural Development</li> <li>• Development Corridors</li> </ul>
Desired performance	<ul style="list-style-type: none"> <li>• 59 projects packaged (cumulative at end of 5-Year period)</li> </ul>
Indicator Responsibility	<ul style="list-style-type: none"> <li>• Executive Manager Knowledge Management</li> </ul>

Indicator Title	<ul style="list-style-type: none"> <li>• Number of comprehensive Sector profiles with insights, positioning TIKZN positively to undertake its mandate.</li> <li>• These profiles to include but not be limited to: <ul style="list-style-type: none"> <li>○ Global/local performance/ outlook for sector</li> <li>○ key developments/ trends</li> <li>○ key policy/ regulation</li> <li>○ employment/capital /other key indicators</li> <li>○ trade and/or investment information.</li> <li>○ investment opportunities.</li> <li>○ export markets/ targeted customers</li> </ul> </li> </ul>
Definition	<ul style="list-style-type: none"> <li>• Comprehensive sector profiles providing insights for TIKZN</li> </ul>
Source of data	<ul style="list-style-type: none"> <li>• Inquiry form / completed reports</li> </ul>
Method of Calculation / Assessment	<ul style="list-style-type: none"> <li>• Number</li> </ul>
Assumptions	<ul style="list-style-type: none"> <li>• The organisation will fulfil requests for information by internal and other parties</li> </ul>
Disaggregation of Beneficiaries (where applicable)	<ul style="list-style-type: none"> <li>• Potential Investors</li> <li>• Business</li> <li>• Shareholder/ Government (at different levels/spheres)</li> <li>• Research houses, Academia,</li> <li>• DDAs</li> <li>• Development financiers</li> <li>• Business Support Agencies</li> <li>• Chambers of Commerce</li> <li>• Industry Associations</li> </ul>
Spatial Transformation (where applicable)	<ul style="list-style-type: none"> <li>• All KZN districts targeted</li> <li>• SEZs</li> <li>• Industrial Hubs/ Parks</li> <li>• Rural and Township Development</li> <li>• Development Corridors</li> </ul>
Desired performance	<ul style="list-style-type: none"> <li>• 80 completed Sector profiles (cumulative at end of 5-Year period)</li> </ul>
Indicator Responsibility	<ul style="list-style-type: none"> <li>• Executive Manager Knowledge Management</li> </ul>



Indicator Title	<ul style="list-style-type: none"> <li>Number of KZN Business Reports (Province and eThekweni Metro), and Trade Investment publications, including in support of COVID-19 relief measures</li> </ul>
Definition	<ul style="list-style-type: none"> <li>Completed Business Reports (including Ease of Doing Business) for KZN, that are intended to relay key information to potential investors, and build investor confidence, as well as strengthen the profile of KZN as a destination of choice for investment</li> <li>Completed trade investment publications for TIKZN and its stakeholders</li> </ul>
Source of data	<ul style="list-style-type: none"> <li>Completed reports</li> </ul>
Method of Calculation / Assessment	<ul style="list-style-type: none"> <li>Number</li> </ul>
Assumptions	<ul style="list-style-type: none"> <li>The organisation will complete ease of doing business reports and trade investment publications</li> <li>Emphasis on COVID-19 relief measures</li> </ul>
Disaggregation of Beneficiaries (where applicable)	<ul style="list-style-type: none"> <li>Shareholder</li> <li>Investors</li> <li>Exporters</li> <li>Economic Development Partners</li> </ul>
Spatial Transformation (where applicable)	<ul style="list-style-type: none"> <li>Municipalities</li> </ul>
Desired performance	<ul style="list-style-type: none"> <li>25 completed reports (cumulative at end of 5-Year period)</li> </ul>
Indicator Responsibility	<ul style="list-style-type: none"> <li>Executive Manager Knowledge Management</li> </ul>

Indicator Title	<ul style="list-style-type: none"> <li>Number of Quarterly KZN Economic Overviews, trend analysis, Board reports, country-targeting reports and Business Intelligence Documents</li> </ul>
Definition	<ul style="list-style-type: none"> <li>Completed Quarterly KZN Economic Overviews, trend analysis, Board reports, country-targeting reports, Business Intelligence Documents (critical information tools) for strategic decision-making both for TIKZN as well as its key stakeholders</li> </ul>
Source of data	<ul style="list-style-type: none"> <li>Completed reports</li> <li>Contributions towards Quarterly Ezomnotho Publications</li> </ul>
Method of Calculation / Assessment	<ul style="list-style-type: none"> <li>Number</li> </ul>
Assumptions	<ul style="list-style-type: none"> <li>The organisation will fulfil complete Quarterly KZN Economic Overviews, trend analysis, Board reports, country-targeting reports, Business Intelligence Documents</li> <li>Timely availability of economic data, will be a key dependency.</li> </ul>
Disaggregation of Beneficiaries (where applicable)	<ul style="list-style-type: none"> <li>Shareholder</li> <li>Investors</li> <li>Exporters</li> <li>Economic Development Partners</li> </ul>
Spatial Transformation (where applicable)	<ul style="list-style-type: none"> <li>N/A</li> </ul>
Desired performance	<ul style="list-style-type: none"> <li>65 completed reports (including contributions towards Quarterly Ezomnotho Publications) (cumulative at end of 5-Year period)</li> </ul>
Indicator Responsibility	<ul style="list-style-type: none"> <li>Executive Manager Knowledge Management</li> </ul>

Indicator Title	<ul style="list-style-type: none"> <li>Number of policy advocacy initiatives facilitated (via e-platform)</li> </ul>
Definition	<ul style="list-style-type: none"> <li>Policy and advocacy initiatives facilitated with relevant authorities, using e-platforms</li> </ul>
Source of data	<ul style="list-style-type: none"> <li>Submissions/ correspondence with relevant authority and stakeholders</li> </ul>
Method of Calculation / Assessment	<ul style="list-style-type: none"> <li>Number</li> </ul>
Assumptions	<ul style="list-style-type: none"> <li>The organisation will facilitate and/ or contribute towards policy and advocacy papers to relevant authorities in line with its mandate</li> </ul>
Disaggregation of Beneficiaries (where applicable)	<ul style="list-style-type: none"> <li>Shareholder</li> <li>Investors</li> <li>Exporters</li> <li>Economic Development Partners</li> </ul>
Spatial Transformation (where applicable)	<ul style="list-style-type: none"> <li>N/A</li> </ul>
Desired performance	<ul style="list-style-type: none"> <li>15 policy submissions (cumulative as at end of 5-Year period)</li> </ul>
Indicator Responsibility	<ul style="list-style-type: none"> <li>Office of the Chief Executive Officer</li> <li>Executive Manager Knowledge Management</li> </ul>

Indicator Title	<ul style="list-style-type: none"> <li>Number of digitisation initiatives implemented for TIKZN</li> </ul>
Definition	<ul style="list-style-type: none"> <li>Digitisation initiatives implemented to improve business processes for TIKZN</li> </ul>
Source of data	<ul style="list-style-type: none"> <li>Project approvals/supporting documents</li> </ul>
Method of Calculation / Assessment	<ul style="list-style-type: none"> <li>Number</li> </ul>
Assumptions	<ul style="list-style-type: none"> <li>The organisation will engage in initiatives to improve business processes</li> </ul>
Disaggregation of Beneficiaries (where applicable)	<ul style="list-style-type: none"> <li>Shareholder</li> <li>TIKZN Board</li> <li>TIKZN Staff</li> <li>Investors</li> <li>Exporters</li> <li>Economic Development Partners</li> </ul>
Spatial Transformation (where applicable)	<ul style="list-style-type: none"> <li>N/A</li> </ul>
Desired performance	<ul style="list-style-type: none"> <li>15 digitisation initiatives (cumulative as at end of 5-Year period)</li> </ul>
Indicator Responsibility	<ul style="list-style-type: none"> <li>Executive Manager Knowledge Management</li> </ul>

Indicator Title	<ul style="list-style-type: none"> <li>Number of ICT Infrastructure Systems implemented</li> </ul>
Definition	<ul style="list-style-type: none"> <li>Implementation of ICT infrastructure systems to ensure the organisation performs its mandate efficiently</li> </ul>
Source of data	<ul style="list-style-type: none"> <li>Project approvals, assets registers and/ or other supporting documents</li> </ul>
Method of Calculation / Assessment	<ul style="list-style-type: none"> <li>Number</li> </ul>
Assumptions	<ul style="list-style-type: none"> <li>The organisation will engage in initiatives to ensure the maintenance and improvement of its ICT infrastructure Systems</li> </ul>
Disaggregation of Beneficiaries (where applicable)	<ul style="list-style-type: none"> <li>Shareholder</li> <li>Investors</li> <li>Exporters</li> <li>Economic Development Partners</li> </ul>
Spatial Transformation (where applicable)	<ul style="list-style-type: none"> <li>N/A</li> </ul>
Desired performance	<ul style="list-style-type: none"> <li>40 initiatives implemented (cumulative as at end of 5-Year period)</li> </ul>
Indicator Responsibility	<ul style="list-style-type: none"> <li>Executive Manager Knowledge Management</li> </ul>

**Outcome 7 - Effective service delivery through integrated and strategic support to the organization**

**Finance**

Indicator Title	<ul style="list-style-type: none"> <li>Clean Audit Report</li> </ul>
Definition	<ul style="list-style-type: none"> <li>The outcome of the annual external audit</li> </ul>
Source of data	<ul style="list-style-type: none"> <li>Annual Audit Report</li> </ul>
Method of Calculation / Assessment	<ul style="list-style-type: none"> <li>Number</li> </ul>
Means of verification	<ul style="list-style-type: none"> <li>Annual audit report</li> </ul>
Assumptions	<ul style="list-style-type: none"> <li>The organisation will prepare for audit of its Annual Financial Statements</li> </ul>
Disaggregation of Beneficiaries (where applicable)	<ul style="list-style-type: none"> <li>TIKZN Board</li> <li>Shareholder</li> </ul>
Spatial Transformation (where applicable)	<ul style="list-style-type: none"> <li>N/A</li> </ul>
Calculation Type	<ul style="list-style-type: none"> <li>Non-Cumulative (Year-End)</li> </ul>
Reporting Cycle	<ul style="list-style-type: none"> <li>Annually</li> </ul>
Desired performance	<ul style="list-style-type: none"> <li>5 clean audit reports (cumulative at end of 5-Year period)</li> </ul>
Indicator Responsibility	<ul style="list-style-type: none"> <li>Chief Financial Officer</li> </ul>

Indicator Title	<ul style="list-style-type: none"> <li>Percentage of internal audit findings resolved prior to AG audit</li> </ul>
Definition	<ul style="list-style-type: none"> <li>Timeous resolution to internal audit findings</li> </ul>
Source of data	<ul style="list-style-type: none"> <li>Internal audit reports</li> </ul>
Method of Calculation / Assessment	<ul style="list-style-type: none"> <li>Number</li> </ul>
Assumptions	<ul style="list-style-type: none"> <li>The organisation will resolve internal audit findings timeously</li> </ul>
Disaggregation of Beneficiaries (where applicable)	<ul style="list-style-type: none"> <li>TIKZN Board</li> <li>Shareholder</li> </ul>
Spatial Transformation (where applicable)	<ul style="list-style-type: none"> <li>N/A</li> </ul>
Desired performance	<ul style="list-style-type: none"> <li>95% resolution of internal audit findings</li> </ul>
Indicator Responsibility	<ul style="list-style-type: none"> <li>Chief Financial Officer</li> </ul>

Indicator Title	<ul style="list-style-type: none"> <li>Improve on B-BBEE rating for TIKZN</li> </ul>
Definition	<ul style="list-style-type: none"> <li>Improve on B-BBEE rating for the organisation</li> </ul>
Source of data	<ul style="list-style-type: none"> <li>B-BBEE Report</li> </ul>
Method of Calculation / Assessment	<ul style="list-style-type: none"> <li>Number</li> </ul>
Assumptions	<ul style="list-style-type: none"> <li>The organisation will aim towards achieving Level 1 rating at end of 5-year period</li> </ul>
Disaggregation of Beneficiaries (where applicable)	<ul style="list-style-type: none"> <li>TIKZN Board</li> <li>Shareholder</li> </ul>
Spatial Transformation (where applicable)	<ul style="list-style-type: none"> <li>N/A</li> </ul>
Desired performance	<ul style="list-style-type: none"> <li>Level 1 (after 5-Year period)</li> </ul>
Indicator Responsibility	<ul style="list-style-type: none"> <li>Chief Financial Officer</li> </ul>

Indicator Title	<ul style="list-style-type: none"> <li>Percentage of payments made within 30 days to TIKZN suppliers</li> </ul>
Definition	<ul style="list-style-type: none"> <li>Timeous payment of valid invoices received</li> </ul>
Source of data	<ul style="list-style-type: none"> <li>Payments records</li> </ul>
Method of Calculation / Assessment	<ul style="list-style-type: none"> <li>Percentage</li> </ul>
Assumptions	<ul style="list-style-type: none"> <li>The organisation will pay all valid invoices received within 30 days.</li> </ul>
Disaggregation of Beneficiaries (where applicable)	<ul style="list-style-type: none"> <li>Priority designated groups</li> </ul>
Spatial Transformation (where applicable)	<ul style="list-style-type: none"> <li>N/A</li> </ul>
Desired performance	<ul style="list-style-type: none"> <li>95% of payments due made within 30 days</li> </ul>
Indicator Responsibility	<ul style="list-style-type: none"> <li>Chief Financial Officer</li> </ul>



## Human Resources

Indicator Title	<ul style="list-style-type: none"> <li>Annual performance reviews</li> </ul>
Definition	<ul style="list-style-type: none"> <li>Annual performance reviews conducted for all staff to assess staff</li> </ul>
Source of data	<ul style="list-style-type: none"> <li>Completed Annual Performance Reviews</li> </ul>
Method of Calculation / Assessment	<ul style="list-style-type: none"> <li>Number</li> </ul>
Assumptions	<ul style="list-style-type: none"> <li>The organisation will complete all staff Annual Performance Reviews as required</li> </ul>
Disaggregation of Beneficiaries (where applicable)	<ul style="list-style-type: none"> <li>Shareholder</li> <li>Employees</li> <li>Clients</li> </ul>
Spatial Transformation (where applicable)	<ul style="list-style-type: none"> <li>N/A</li> </ul>
Desired performance	<ul style="list-style-type: none"> <li>100 % of Annual Performance Reviews completed</li> </ul>
Indicator Responsibility	<ul style="list-style-type: none"> <li>Executive Manager: Corporate Services</li> </ul>

Indicator Title	<ul style="list-style-type: none"> <li>Number of staff trained (using e-platforms)</li> </ul>
Definition	<ul style="list-style-type: none"> <li>Training and capacity building of staff (using e-platforms) to improve skills for a high-performance culture.</li> </ul>
Source of data	<ul style="list-style-type: none"> <li>Attendance register.</li> <li>Training report form</li> </ul>
Method of Calculation / Assessment	<ul style="list-style-type: none"> <li>Percentage</li> </ul>
Assumptions	<ul style="list-style-type: none"> <li>The organisation will develop its human resource capacity to align with the strategy</li> <li>E-platforms will used for staff training initiatives</li> </ul>
Disaggregation of Beneficiaries (where applicable)	<ul style="list-style-type: none"> <li>TIKZN Employees</li> </ul>
Spatial Transformation (where applicable)	<ul style="list-style-type: none"> <li>N/A</li> </ul>
Desired performance	<ul style="list-style-type: none"> <li>100% of staff will receive training</li> </ul>
Indicator Responsibility	<ul style="list-style-type: none"> <li>Executive Manager: Corporate Services</li> </ul>

Indicator Title	<ul style="list-style-type: none"> <li>Number of organisational development programmes implemented (using e-platforms)</li> </ul>
Definition	<ul style="list-style-type: none"> <li>Organisational development programmes facilitated (using e-platforms)</li> </ul>
Source of data	<ul style="list-style-type: none"> <li>List of facilitators / programme manuals or attendance register or report by facilitator / annual climate survey</li> </ul>
Method of Calculation / Assessment	<ul style="list-style-type: none"> <li>Number</li> </ul>
Assumptions	<ul style="list-style-type: none"> <li>The organisation will develop its human resource capacity to align with its values</li> <li>E-platforms will be used for organization development initiatives</li> </ul>
Disaggregation of Beneficiaries (where applicable)	<ul style="list-style-type: none"> <li>TIKZN Employees</li> </ul>
Spatial Transformation (where applicable)	<ul style="list-style-type: none"> <li>N/A</li> </ul>
Desired performance	<ul style="list-style-type: none"> <li>17 organisational development programmes implemented (cumulative at end of 5-Year period)</li> </ul>
Indicator Responsibility	<ul style="list-style-type: none"> <li>Executive Manager: Corporate Services</li> </ul>

Indicator Title	<ul style="list-style-type: none"> <li>Number of monitoring activities conducted</li> </ul>
Definition	<ul style="list-style-type: none"> <li>Monitoring activities to ensure compliance with Human Resource policies and procedures</li> </ul>
Source of data	<ul style="list-style-type: none"> <li>Monitoring reports</li> </ul>
Method of Calculation / Assessment	<ul style="list-style-type: none"> <li>Number</li> </ul>
Assumptions	<ul style="list-style-type: none"> <li>The organisation will perform monitoring activities to ensure policy and procedure compliance during the year</li> </ul>
Disaggregation of Beneficiaries (where applicable)	<ul style="list-style-type: none"> <li>Shareholder</li> <li>TIKZN Board</li> <li>TIKZN Employees</li> </ul>
Spatial Transformation (where applicable)	<ul style="list-style-type: none"> <li>N/A</li> </ul>
Desired performance	<ul style="list-style-type: none"> <li>20 monitoring activities (cumulative at end of 5-Year period)</li> </ul>
Indicator Responsibility	<ul style="list-style-type: none"> <li>Executive Manager: Corporate Services</li> </ul>

## Marketing and Communications

Indicator Title	<ul style="list-style-type: none"> <li>Number of strategic marketing campaigns and activations</li> </ul>
Definition	<ul style="list-style-type: none"> <li>Domestic and international market campaigns or activations held to strengthen the province as a destination of choice for investment</li> </ul>
Source of data	<ul style="list-style-type: none"> <li>Tear sheets and soundbites for media coverage</li> <li>Media attendance registers</li> <li>Delegates and stakeholder attendance registers</li> <li>Video clips</li> <li>Publications</li> <li>Media mentions</li> </ul>
Method of Calculation / Assessment	<ul style="list-style-type: none"> <li>Number</li> </ul>
Assumptions	<ul style="list-style-type: none"> <li>The organisation will engage in national and international marketing campaigns or activities</li> </ul>
Disaggregation of Beneficiaries (where applicable)	<ul style="list-style-type: none"> <li>TIKZN core business units</li> <li>KZN Business Community</li> <li>Potential Investors</li> </ul>
Spatial Transformation (where applicable)	<ul style="list-style-type: none"> <li>KZN Business Community</li> </ul>
Desired performance	<ul style="list-style-type: none"> <li>52 strategic marketing campaigns and activations (cumulative at end of 5-Year period)</li> </ul>
Indicator Responsibility	<ul style="list-style-type: none"> <li>Executive Manager: Corporate Services</li> <li>General Manager: Marketing and Communications</li> </ul>

Indicator Title	<ul style="list-style-type: none"> <li>• Number of "Proudly Made in KZN" and "Buy Local" awareness campaigns</li> </ul>
Definition	<ul style="list-style-type: none"> <li>• 'Proudly Made in KZN' and "Buy Local" awareness campaigns held to advocate/ promote localisation efforts and strengthen profile of KZN</li> </ul>
Source of data	<ul style="list-style-type: none"> <li>• Tear sheets and soundbites for media coverage</li> <li>• Delegates and stakeholder attendance registers</li> <li>• Media attendance registers</li> <li>• Video clips</li> <li>• Publications</li> <li>• Media mentions</li> </ul>
Method of Calculation / Assessment	<ul style="list-style-type: none"> <li>• Number</li> </ul>
Assumptions	<ul style="list-style-type: none"> <li>• The organisation will engage in a campaign to promote 'Proudly Made in KZN; products and promoting 'Buy Local' products that will profile the province as an eminent trade partner and investment destination</li> </ul>
Disaggregation of Beneficiaries (where applicable)	<ul style="list-style-type: none"> <li>• KZN Business community</li> <li>• KZN Exporters</li> </ul>
Spatial Transformation (where applicable)	<ul style="list-style-type: none"> <li>• KZN Exporters</li> </ul>
Desired performance	<ul style="list-style-type: none"> <li>• 60 awareness campaigns held (cumulative at end of 5-Year period)</li> </ul>
Indicator Responsibility	<ul style="list-style-type: none"> <li>• Executive Manager: Corporate Services</li> <li>• General Manager: Marketing and Communications</li> </ul>

Indicator Title	<ul style="list-style-type: none"> <li>Number of strategic stakeholder and media engagements</li> </ul>
Definition	<ul style="list-style-type: none"> <li>Strategic stakeholder and media engagements held to strengthen marketing efforts of the organization and profile TIKZN and the province</li> </ul>
Source of data	<ul style="list-style-type: none"> <li>Tear sheets and soundbites for media coverage</li> <li>Media attendance registers</li> <li>Video clips</li> <li>Publications</li> <li>Stakeholder engagement attendance registers</li> </ul>
Method of Calculation / Assessment	<ul style="list-style-type: none"> <li>Number</li> </ul>
Assumptions	<ul style="list-style-type: none"> <li>The organisation will engage in engagement sessions with media and strategic stakeholders</li> </ul>
Disaggregation of Beneficiaries (where applicable)	<ul style="list-style-type: none"> <li>TIKZN Core Business Units</li> <li>KZN Business Community</li> <li>Potential Investors</li> </ul>
Spatial Transformation (where applicable)	<ul style="list-style-type: none"> <li>KZN Business community</li> </ul>
Desired performance	<ul style="list-style-type: none"> <li>54 strategic stakeholder and media engagements (cumulative at end of 5-Year period)</li> </ul>
Indicator Responsibility	<ul style="list-style-type: none"> <li>Executive Manager: Corporate Services</li> <li>General Manager: Marketing and Communications</li> </ul>

Indicator Title	<ul style="list-style-type: none"> <li>Produce the Annual Report in line with the Treasury and AG stipulated deadlines</li> </ul>
Definition	<ul style="list-style-type: none"> <li>Publish the Annual Report for the organisation in line with Treasury and Auditor General stipulations by the required deadline.</li> </ul>
Source of data	<ul style="list-style-type: none"> <li>Published Annual Report</li> </ul>
Method of Calculation / Assessment	<ul style="list-style-type: none"> <li>Number</li> </ul>
Assumptions	<ul style="list-style-type: none"> <li>The organisation will comply with the requirements to publish the Annual Report as stipulated by Treasury and the Auditor General</li> </ul>
Disaggregation of Beneficiaries (where applicable)	<ul style="list-style-type: none"> <li>Shareholder</li> </ul>
Spatial Transformation (where applicable)	<ul style="list-style-type: none"> <li>N/A</li> </ul>
Desired performance	<ul style="list-style-type: none"> <li>1 Annual Report per Annum</li> </ul>
Indicator Responsibility	<ul style="list-style-type: none"> <li>Executive Manager: Corporate Services and CFO</li> </ul>

Indicator Title	<ul style="list-style-type: none"> <li>Develop and Manage TIKZN digital platforms</li> </ul>
Definition	<ul style="list-style-type: none"> <li>Enhance the visibility of organisational activities through digital platforms</li> </ul>
Source of data	<ul style="list-style-type: none"> <li>Amendment/development approvals by management</li> </ul>
Method of Calculation / Assessment	<ul style="list-style-type: none"> <li>Number</li> </ul>
Assumptions	<ul style="list-style-type: none"> <li>The organisation will enhance the visibility of its activities through digital platforms</li> </ul>
Disaggregation of Beneficiaries (where applicable)	<ul style="list-style-type: none"> <li>TIKZN</li> <li>KZN Business Community</li> <li>Potential Investors</li> </ul>
Spatial Transformation (where applicable)	<ul style="list-style-type: none"> <li>KZN Business Community</li> <li>Potential Investors</li> </ul>
Desired performance	<ul style="list-style-type: none"> <li>35 digital platform developments (cumulative at end of 5-Year period)</li> </ul>
Indicator Responsibility	<ul style="list-style-type: none"> <li>Executive Manager: Corporate Services</li> <li>General Manager: Marketing and Communications</li> </ul>



**Outcome 8: Strengthened international Relations, investment attraction and destination marketing (Gauteng Office)**

Indicator Title	<ul style="list-style-type: none"> <li>• Number of Qualified leads generated (e-leads)</li> </ul>
Definition	<ul style="list-style-type: none"> <li>• Portfolio of qualified e-leads generated and handed over by source, leads category, sector</li> </ul>
Source of data	<ul style="list-style-type: none"> <li>• Project sheet, company profile, business plans, feasibility studies, handover sheet containing info source, leads category and sector</li> </ul>
Method of Calculation / Assessment	<ul style="list-style-type: none"> <li>• Number</li> </ul>
Assumptions	<ul style="list-style-type: none"> <li>• The organisation is providing marketing and support activities to generate investment leads, convert investment leads to investment projects (through contacting companies, processing inquiries and hosting campaigns) and converting investment projects to investment decisions through active follow-up</li> <li>• Use e-platforms to generate leads</li> </ul>
Disaggregation of Beneficiaries (where applicable)	<ul style="list-style-type: none"> <li>• Shareholder</li> <li>• Investors</li> <li>• Exporters</li> </ul>
Spatial Transformation (where applicable)	<ul style="list-style-type: none"> <li>• KZN Investment Destination</li> </ul>
Desired performance	<ul style="list-style-type: none"> <li>• 275 (cumulative at end of 5-Year period)</li> </ul>
Indicator Responsibility	<ul style="list-style-type: none"> <li>• Office of the Chief Executive Officer</li> <li>• Manager: Gauteng Office</li> </ul>

Indicator Title	<ul style="list-style-type: none"> <li>• Number of international marketing initiatives implemented (online)</li> </ul>
Definition	<ul style="list-style-type: none"> <li>• Facilitate international marketing initiatives (online) that leverage off its Gauteng presence (Gauteng office)</li> </ul>
Source of data	<ul style="list-style-type: none"> <li>• <b>Inward:</b> programmes and communications prior to, and post the facilitation</li> <li>• <b>Outward:</b> Approved Submission, itinerary, close out report and communications post facilitation</li> </ul>
Method of Calculation / Assessment	<ul style="list-style-type: none"> <li>• Number</li> </ul>
Assumptions	<ul style="list-style-type: none"> <li>• The Gauteng Office will be key in facilitating trade and investment generation activities</li> <li>• Online channels will be the primary form of facilitation / implementation of international marketing initiatives</li> </ul>
Disaggregation of Beneficiaries (where applicable)	<ul style="list-style-type: none"> <li>• Shareholder</li> <li>• Investors</li> <li>• Exporters</li> </ul>
Spatial Transformation (where applicable)	<ul style="list-style-type: none"> <li>• N/A</li> </ul>
Desired performance	<ul style="list-style-type: none"> <li>• 60 trade and investment initiatives (cumulative at end of 5-Year period)</li> </ul>
Indicator Responsibility	<ul style="list-style-type: none"> <li>• Office of the Chief Executive Officer</li> <li>• Manager: Gauteng Office</li> </ul>

Indicator Title	<ul style="list-style-type: none"> <li>• Number of investment, trade, sector-based, international organizational (e- platforms)</li> </ul>
Definition	<ul style="list-style-type: none"> <li>• Online events hosted with provincial representatives, funders, bilateral chambers, government departments and company representatives.</li> </ul>
Source of data	<ul style="list-style-type: none"> <li>• Event submissions, event programme, participant database</li> </ul>
Method of Calculation / Assessment	<ul style="list-style-type: none"> <li>• Number</li> </ul>
Assumptions	<ul style="list-style-type: none"> <li>• The organisation will engage with provincial representatives, funders and business to attract investment to the province</li> </ul>
Disaggregation of Beneficiaries (where applicable)	<ul style="list-style-type: none"> <li>• Shareholder</li> <li>• Investors</li> <li>• Exporters</li> </ul>
Spatial Transformation (where applicable)	<ul style="list-style-type: none"> <li>• N/A</li> </ul>
Desired performance	<ul style="list-style-type: none"> <li>• 170 engagements held (cumulative at end of 5-Year period)</li> </ul>
Indicator Responsibility	<ul style="list-style-type: none"> <li>• Office of the Chief Executive Officer</li> <li>• Manager: Gauteng Office</li> </ul>

Indicator Title	<ul style="list-style-type: none"> <li>• Number of intra-trade platforms created for KZN companies</li> </ul>
Definition	<ul style="list-style-type: none"> <li>• Sessions facilitated with provincial representatives, funders, bilateral chambers, government departments and company representatives.</li> </ul>
Source of data	<ul style="list-style-type: none"> <li>• Event submissions, event programme, participant database</li> </ul>
Method of Calculation / Assessment	<ul style="list-style-type: none"> <li>• Number</li> </ul>
Assumptions	<ul style="list-style-type: none"> <li>• The organisation will engage with provincial representatives, funders and business to attract investment to the province</li> </ul>
Disaggregation of Beneficiaries (where applicable)	<ul style="list-style-type: none"> <li>• Shareholder</li> <li>• KZN Businesses</li> </ul>
Spatial Transformation (where applicable)	<ul style="list-style-type: none"> <li>• N/A</li> </ul>
Desired performance	<ul style="list-style-type: none"> <li>• 120 platforms created (cumulative at end of 5-Year period)</li> </ul>
Indicator Responsibility	<ul style="list-style-type: none"> <li>• Office of the Chief Executive Officer</li> <li>• Manager: Gauteng Office</li> </ul>

## ANNEXURES TO THE STRATEGIC PLAN

### Annexure A: District Development Model

Areas of Intervention	Five-Year Planning Period					
	Project Description	Budget Allocation	District Municipality	Location: GPS Coordinates	Project Leaders	Social Partners
1. Investor Services Centre (One Stop Shop)	Province-wide, OSS facilities through key strategic partnerships (for high impact projects resolved through project brokering support interventions)		All	Province-wide	TIKZN/DDAs	EDTEA, Chambers of Commerce, District Municipality, Local Municipalities, Local Business, Development Financiers
2. IP&F	Province-wide facilitation of new Greenfields fixed investment projects		All	Province-wide (based on project leads identified and secured)	TIKZN	DDAs, District Municipalities, Chambers of Commerce, Development Financiers
3. Export	Province-wide training and capacity development of emerging and seasoned exporters (focus on priority groups)		All	Province-wide	TIKZN	EDTEA, DDAs, District Municipalities, Chambers of Commerce, Business Development Agencies, Development Financiers
4. BR&E	Province-wide enterprise and supplier development programmes (focus on priority groups)		All	Province-wide	TIKZN	EDTEA, DDAs, District Municipalities, Chambers of Commerce, Business Development Agencies, Development Financiers
5. BR&E	Facilitation of expansion projects for job creation, key sector development and economic growth		Any	Based on expansion projects identified for investment support	TIKZN/IDC	EDTEA, DDAs, District Municipalities, Chambers of Commerce, Business Development Agencies,
6. BR&E	Precinct revitalisation projects facilitated/ implemented (for the rehabilitation, regeneration and expansion of existing industrial/ business parks)		Any	Based on precinct/ park identified for support	TIKZN/IDC	EDTEA, DDAs, District Municipalities, Chambers of Commerce, Business Development Agencies,



Annexure C – Benchmarking Reports







# **TRADE & INVESTMENT KWAZULU-NATAL**

## **STRATEGIC PLAN**

**2020/2021 to 2024/2025**

## **SITUATIONAL ANALYSIS**

**12 NOVEMBER 2019**

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## 1. Executive Summary

Trade & Investment KwaZulu-Natal (TIKZN) is mandated to contribute to economic development by promoting the province of KwaZulu-Natal as the premier investment destination and leader in export trade. TIKZN was legislated as a public entity in October 2010, effectively changing its legal status from a Section 21 company to a provincial public entity listed under schedule 3C of the Public Finance Management Act (PFMA) of 1999. Following this change in TIKZN's legal status, the MEC for Economic Development, Tourism and Environmental Affairs (EDTEA) appointed a new Board (following consultation with the provincial Cabinet) effective from December 2017 in accordance with the requirements of the Trade and Investment Act number 5 of 2010. The TIKZN Board is well balanced and comprises of highly skilled representatives from relevant key sectors of the economy, from both the private and public sector, in line with the requirements of the Act.

In order to contribute meaningfully to the economic development of the province, as well as South Africa at large, TIKZN must position itself strategically by implementing programmes that promote effective service delivery. This can only be achieved by developing a strategy that is aligned with the National and Provincial development plans. TIKZN, therefore, aims to become a catalyst in fast-tracking the economic transformation of the province and South Africa. This requires the implementation of a relevant strategy in collaboration with other key partners, clients and stakeholders.

With its large ports, industrial economic hubs, special economic zones, trade zones and world-class logistics infrastructure, KwaZulu-Natal (KZN) is well-positioned to be the gateway for trade into the region. TIKZN, under the auspices of EDTEA, developed the integrated KZN Investment and Export Strategy to assist in the implementation of the new strategy. These will be implemented during the 2020/2021 to 2024/2025 5-year strategic plan period. This will play a significant role in ensuring improved collaboration between public and private entities in KZN.

The strategic review and planning process undertaken is aligned with the Government-Wide Monitoring and Evaluation Framework (GWM&E). The prior TIKZN Corporate Strategy (2014/2015 to 2018/2019) has been utilised as a base for developing the new 5-year TIKZN Strategic Plans. In line with National Treasury and the Department of Planning, Monitoring and Evaluation's (DPME) framework for strategic plans and annual performance plans, the entity will focus on the implementation of policies and government priorities.

In addition to this, some of the key performance measures, indicators and initiatives will be based on the external as well as internal business environments. The setting of targets incorporates lessons from the past, which include prior year performances, benchmarking with similar entities as well as any other internal factors such as capacity and budgets. The 2019/2020 APP also has taken cognisance of the State of the Nation Address June 2019 by the President of South Africa (viz. seven priorities for South Africa) and the State of the Province Address June 2019 by the Premier of KwaZulu-Natal (viz. theme of 'breaking the grimy restraints for a united, healthy, safe, and prosperous KwaZulu-Natal').

## 2. Trade and Investment KwaZulu-Natal Mandate

Trade and Investment KwaZulu-Natal is a South African trade and inward investment promotion agency, established to promote the province of KwaZulu-Natal as an investment destination and to facilitate trade by assisting local companies to access international markets. The organisation identifies, develops and packages investment opportunities in KwaZulu-Natal; provides a professional service to all clientele; brands and markets KwaZulu-Natal as an investment destination; retains and expands trade and export activities and links opportunities to the developmental needs of the KwaZulu-Natal community.

TIKZN aims to deliver effective services and support to its clients and stakeholders through job creation, spatial development, sector development, promotion of economic transformation and rural development. This will be achieved through attracting, developing and retaining high-performing employees who have the skills and competencies required to manage key internal business processes, including the marketing of TIKZN as an investment promotion agency; enhancing the research and knowledge capabilities of TIKZN and making use of technology as an enabler for TIKZN's business; ensuring compliance with corporate governance and financial reporting standards; and advocating for a conducive business environment in KZN and marketing the province as a premier business destination.

## 3. Legislative and Other Mandates

The mandate of Trade and Investment KZN, as per Act No.5 of 2010, is to:

- Identify, develop, market and promote investment opportunities in the Province to international and domestic investors;
- Develop the export capacity of the Province;
- Develop the export markets of the Province;
- Foster trade and investment within the Province;
- Develop a Provincial Investment and Export plan; and
- Keep and maintain a database of opportunities within the Province in such a manner as to benefit all sectors of the economy in terms of the PFMA, No. 1 of 1999, as TIKZN is a 3(c)-public entity.

## 4. Vision

To be the leader in developing and promoting export trade in KwaZulu-Natal and to position the Province as a premier destination for investment.

## 5. Mission

The mission of TIKZN is to:

- Identify and package trade and investment opportunities in KZN;
- Brand and market KZN as an investment destination;
- Link opportunities to the developmental needs of the KZN community; and
- Ensure easy access to investment and export trade opportunities.

## 6. Strategic Goals

TIKZN's strategic outcome-oriented goals are currently as follows:

- To achieve a radically transformed economy in KwaZulu-Natal;
- To promote effective and inclusive stakeholder engagements; and
- To achieve operational excellence through effective core business processes.

### 6.1 TIKZN Strategic Driver Model

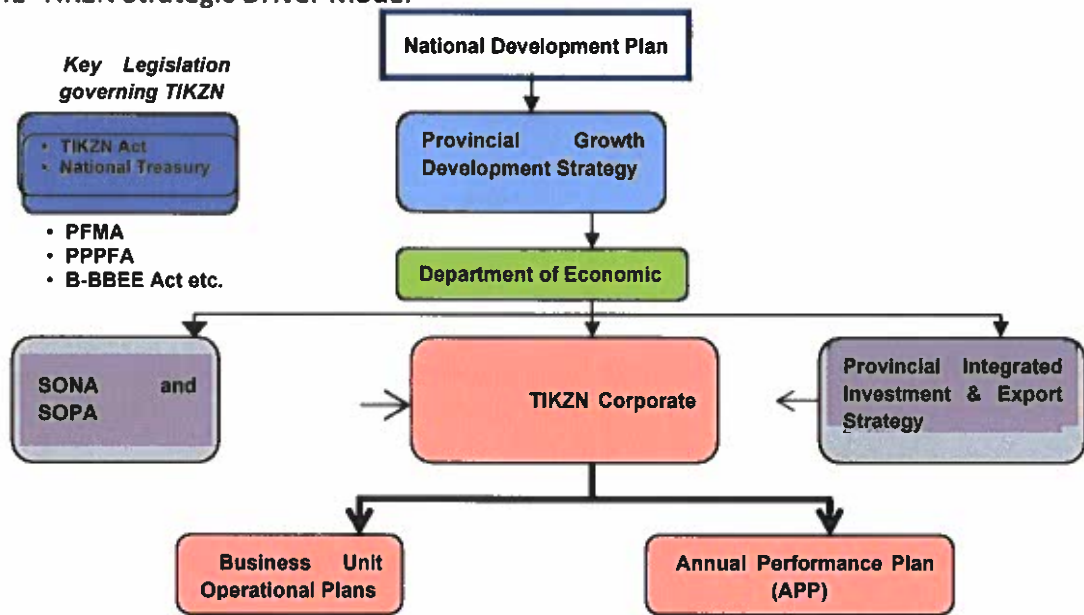


Figure 1 TIKZN STRATEGIC MODEL

## 7. Values

TIKZN's management and staff will strive to uphold the following values and ethics in all its business activities:

- Passion;
- Integrity; and
- Professionalism.



## 8. Radical Economic Transformation

According to the United Nations Economic Commission for Africa, "Economic transformation is associated with a fundamental change in the structure of the economy and its drivers of growth and development. It involves a reallocation of resources from less productive to more productive sectors and activities; an increase in the relative contribution of manufacturing to Gross Domestic Product".

Radical Economic Transformation indicates a new phase of accelerated implementation of long-standing economic policies of government through building a more equitable society through sustained inclusive growth and TIKZN recognises and accepts that poverty reduction and economic growth cannot be sustained without economic transformation and productivity change must be aligned to the transformation agenda. Within TIKZN's core deliverables and through its programmes, economic transformation is prioritised and will be implemented radically.

## 9. Investment Promotion

TIKZN's assistance to Investors includes:

- Assisting foreign investors with business permit applications;
- Provision of reliable information to investors;
- Assisting investors to locate suitable premises; and
- Assisting investors to access project and operational finance.

Commitment to driving Broad-Based Black Economic Empowerment (B-BBEE) in new investments (ensuring a greater focus on linkages with black business partners and support for black industrialists) is emphasised. This is done by:

- Contributing to economic transformation by encouraging economic geographical spread – spatial development (driving and making opportunities available for investors in smaller towns/municipalities throughout KwaZulu Natal to engender entrepreneurship and job creation).
- Strategic Opportunity Project Implementation in collaboration with related government agencies and the private sector to accelerate investment promotion through closer coordination of cross-cutting strategic economic development opportunities.

## 10. Export Development and Promotion

TIKZN offers traders an array of export services:

- Assistance with incentive and export marketing incentives;
- Export Training – TIKZN has tailored training and employs a team of export specialists with international business experience and international business contacts to provide export training and export capability assessment and assistance.
- Export Advisory Services for existing and emerging KZN exporters viz. Introductions to government and private sector contacts, tariff implications for certain products, trade agreements compliance requirements, advise on the suitability of products and services, assistance with identifying potential business partners and customers, assistance with the identification of domestic suppliers of products and services and export supply chain advice are included.
- Capacitating and developing emerging black-owned businesses into formidable exporters; and
- Black-owned businesses assisted with new export markets for KZN manufactured products.

## 11. Procurement

TIKZN's will strive to increase procurement spend on black-owned enterprises, with a particular focus on women and youth-owned enterprises. TIKZN will promote special projects that create linkages with local suppliers, in particular industries that will allow for beneficiation to local resources. An example of this is the Women in Business Dialogue held 30 August 2019, one of the prospects emerging from those talks is a women-owned project looking at mineral beneficiation in partnership with Chinese investors.

## 12. Knowledge Management

Knowledge Management is an integrated approach to identify, capture, evaluate, retrieve and share all an enterprise's information assets, inclusive of databases, documents, policies, procedures and the previously un-captured expertise and experience of individual workers.

At Trade & Investment KwaZulu-Natal, Knowledge Management includes the processes necessary to generate, capture, codify and transfer knowledge across the organisation in order to achieve a competitive advantage (for both internal and external users). Knowledge Management focuses on the exploitation and development of knowledge assets through the capture and dissemination of knowledge. It has been identified that knowledge is not beneficial to the organisation if it remains with individuals or small groups.

As 'your knowledge partner in business,' Trade & Investment KwaZulu-Natal has elevated Knowledge Management to become a core business strategy, with the business unit providing support services with regard to:

- Sister departments;
- Research;
- Data;
- Database management;
- Information technology systems; and
- Organisational learning.

### 13. Policy Analyses (Context)

In order to position itself correctly and play a vital role in economic development, TIKZN must continue with aligning its strategy to the National and Provincial Economic Development Plans (and priorities) in order to deliver effective services and support to its clients and stakeholders. Below are some of the key alignment influencers to the organisation:

#### 13.1 National Development Plan

The National Development Plan represents a vision for South Africa in 2030. It states that "... by 2030, we seek to eliminate poverty and reduce inequality. We seek a country wherein all citizens have capabilities to grasp ever-broadening opportunities available." The NDP have very specific plans and interventions across all sectors of the socio-economic spectrum to enable the achievement of this vision.

It aims to achieve the critical targets set namely: attaining a real gross domestic product growth of 5%, a crucial reduction of the unemployment rate from 29.1% to 6%, and the reduction of income inequality, and the creation of 11million jobs. The Industrial Policy Action Plans (IPAP) remains the anchor strategy to support the National Development Plan (NDP) in ensuring the government achieves the aforementioned development imperatives. The emphasis of these policies is on expanding the manufacturing capabilities in order to be globally competitive and create sustainable jobs.

#### 13.2 Seven Priorities (SONA 2019)

In June 2019, in his State of the Nation Address (SONA) for the 2019 year, President Cyril Ramaphosa unveiled seven priorities for economic recovery and growth in South Africa. The seven priorities are responses to surmountable challenges affecting South Africa, which included electricity challenges, inadequate economic infrastructure in general, unwieldy regulatory processes which delay investment; and insufficient government coordination, which contributes to investor uncertainty.

The seven priorities identified in the 2019 SONA, for which TIKZN has aligned its strategy are:

1. Economic transformation and job creation;
2. Education, skills and health;
3. Consolidating the social wage through reliable and quality basic services;

4. Spatial integration, human settlements and local government;
5. Social cohesion and safe communities;
6. A capable, ethical and developmental state; and
7. A better Africa and World.

### **13.3 New Growth Path**

The New Growth Path is the South African government's vision to place jobs and decent work at the centre of economic policy. It sets a target of five million new jobs to be created by 2020 which includes two million more young people will be in employment. It sets out the key jobs drivers and the priority sectors. It is based on strong and sustained, inclusive economic growth and the rebuilding of the productive sectors of the economy.

### **13.4 Medium Term Strategic Framework**

The Medium-Term Strategic Framework (MTSF) is the Government's strategic plan for the electoral term. The MTSF sets out the actions Government will take and targets to be achieved. It also provides a framework for the other plans of national, provincial and local government.

### **13.5 Provincial Policy Framework**

The Provincial Growth and Development Strategy (PGDS) has been formulated as a plan to enable the province to embark on a sustainable growth and development trajectory with the vision 2035. The role of TIKZN will feed, but not be limited to:

- Creating a "Stable and sustainable economic growth supported by world-class infrastructure, a skilled and stable workforce"; and
- Being the "Preferred Southern African business, investment and tourism destination.

The KZN Industrial Development Strategy and Provincial Spatial Economic Development Strategy (PSEDS) are the economic anchor strategies to bolster the implementation of the PGDS. Furthermore, the province established partnership vehicles to mobilize and marshal all social partners towards the implementation of the Provincial Growth and Development Strategy. These institutions include the Growth Coalition, BBEEE Council and KZN Economic Council and they comprise of the representatives of business, civil society, labour and government.

KZN Provincial Growth and Development Plan

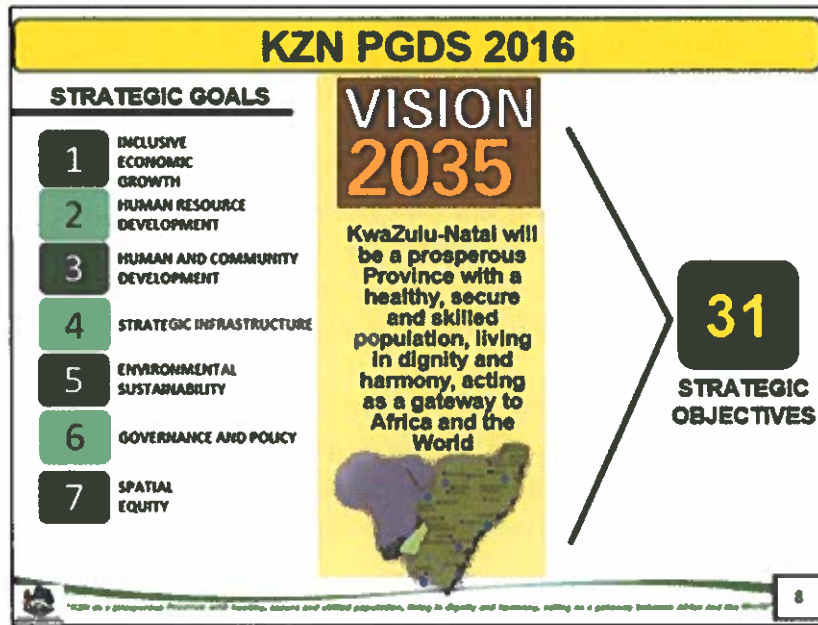


Figure 2 KZN Provincial Growth and Development Plan

Source- Kwa Zulu Natal Provincial Growth and Strategy Plan

The KZN PGDP is an implementation plan anchoring the KZN Growth and Development Strategy. Its vision 2035 is to ensure that "KwaZulu-Natal will be a prosperous Province with a healthy, secure and skilled population, acting as a gateway to Africa and the World". The KZN Investment Strategy and the draft KZN Exporter Strategy, informs TIKZN on its core mandate.

The PGDP, in turn, informs the growth and development plans of the eleven municipalities in the province. A summary of their findings can be seen below.

#### 14. Operation Phakisa Overview

Operation Phakisa is an initiative of the South African government. This initiative was designed to fast track the implementation of solutions on critical development issues. This is a unique initiative to address issues highlighted in the National Development Plan (NDP) 2030 such as poverty, unemployment and inequality.

Operation Phakisa is an innovative and pioneering approach to translate detailed plans into concrete results through dedicated delivery and collaboration. In August 2013, President Jacob Zuma undertook a state visit to Malaysia. He was introduced to the Big Fast Results Methodology through which the Malaysian government achieved significant government and economic transformation within a very short time. Using this approach, they addressed national key priority areas such as poverty, crime and unemployment.

With the support of the Malaysian government, the Big Fast Results approach was adapted to the South African context. To highlight the urgency of delivery the approach was renamed to Operation Phakisa (“phakisa” meaning “hurry up” in Sesotho). Through Operation Phakisa, Government aims to implement priority programmes better, faster and more effectively.

Operation Phakisa is a fast, results delivery programme that we launched in July 2014 to help us implement the National Development Plan, with the goal of boosting economic growth and create jobs. Operation Phakisa is a cross-sector programme where various stakeholders engage to implement initiatives and concrete actions to address constraints to delivery in a prioritised focused area for public accountability and transparency.

Operation Phakisa is a results-driven approach, involving setting clear plans and targets, ongoing monitoring of progress and making these results public. The methodology consists of eight sequential steps. It focusses on bringing key stakeholders from the public and private sectors, academia as well as civil society organisations together to collaborate in:

- Detailed problem analysis;
- Priority setting;
- Intervention planning; and
- Delivery.

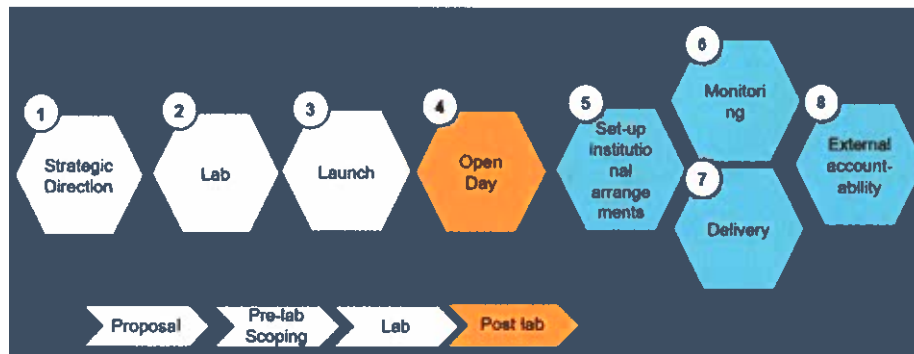


Figure 3 Operation Phakisa Model

Source- Operation Phakisa

These collaboration sessions are called laboratories (labs). The results of the labs are detailed (3 foot) plans with ambitious targets as well as a public commitment to the implementation of the plans by all stakeholders. The implementation of the plans is rigorously monitored and reported on. Implementation challenges are actively managed for effective and efficient resolution.



## 15. KZN Industrial Economic Hubs

Industrial development remains an apex priority of economic development in KZN and the entire country at large. As such, the Department of Economic Development Tourism and Environmental Affairs (EDTEA) has over the years endeavoured to develop industry-oriented interventions to stimulate the local economy. These include inter-alia, various sector development programmes, Richards Bay Industrial Development Zone, Dube Trade Port Industrial Development Zone and other industrial stimuli. In that regard, TIKZN has supported EDTEA in its development of the Industrial Economic Hubs (IEH) to drive industrial development thereby creating a globally sustainable and resilient regional economy. TIKZN has identified this initiative as a great potential to spearhead the government job creation drive, as such will be focusing on its marketing, recruitment of investors and supporting EDTEA in its quest to package industry support measures.

Recent strategic engagements in collaboration with related public sector bodies highlighted a need for TIKZN to accelerate and exploit the full potential of the Economic Hubs and Strategic Economic Zones through more intensive coordination and linkage towards the implementation, identification, development and packaging of investment opportunities and catalytic projects.

## 16. District Development Plans

TIKZN has identified the critical need to collaborate and align its efforts in the recruitment of investment and local economic development with municipalities. Municipalities have Integrated Development Planning (IDP) which is an approach to planning that involves the entire municipality and its citizens in finding the best solutions to achieve good long-term development. An Integrated Development Plan is a super plan for an area that gives an overall framework for development. TIKZN's strategic planning takes cognisance of the municipal IDPs.

The quest for inclusive equitable growth necessitates more intensive support and collaboration with DDAs (District Development Agencies). To this end, TIKZN, together with relevant public sector bodies, will increase its support and collaboration with DDA's through capacity building, strategic linkages and joint marketing initiatives.

## 17. KZN Municipalities' Economic Overview

Below are the breakdowns of the 11 KwaZulu Natal municipalities. Each municipality, through their integrated development planning and in some instances their district development agencies have identified crucial areas of economic growth, as well as various challenges facing their respective areas.

The key points that have been identified across the province are:

### Key Strengths and Focus Areas

- Tourism and agriculture are key sectors in all districts.
- Significant linkages between transport, tourism, and ocean economy must be explored and realised.
- Rural areas offer massive growth potential.
- Strong infrastructure base in urban areas.

### Key Challenges

- Poverty reduction and inequality are key challenges in all district, along with employment creation.
- Lack of key infrastructure in rural areas constrains potential growth.
- Amajuba, King Cetshwayo, umZinyathi currently do not have district development agencies, with the uThukela District's agency having no online presence.
- The landlocked districts must not be left behind as the costal districts benefit from increased growth from the ocean economy.

18. District Summaries

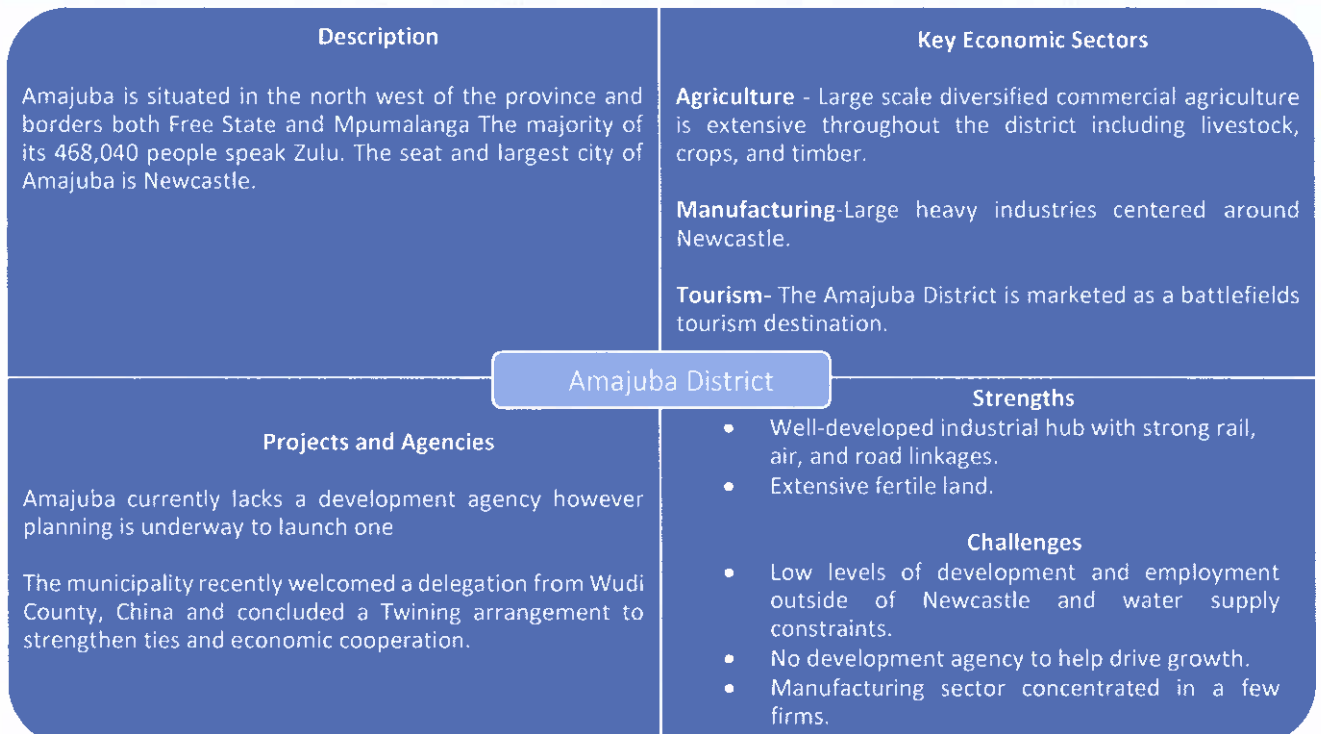


Figure 4 Amajuba Overview

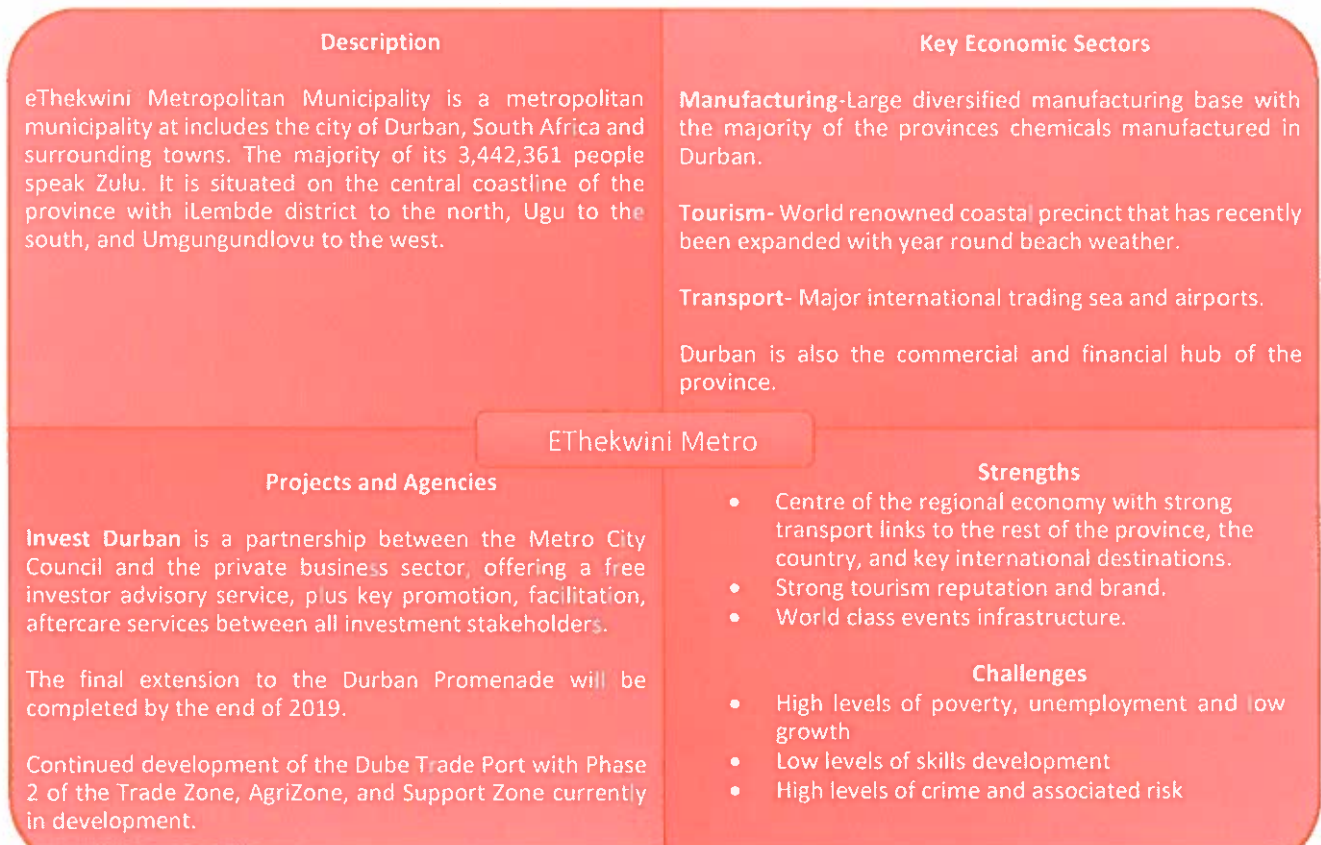
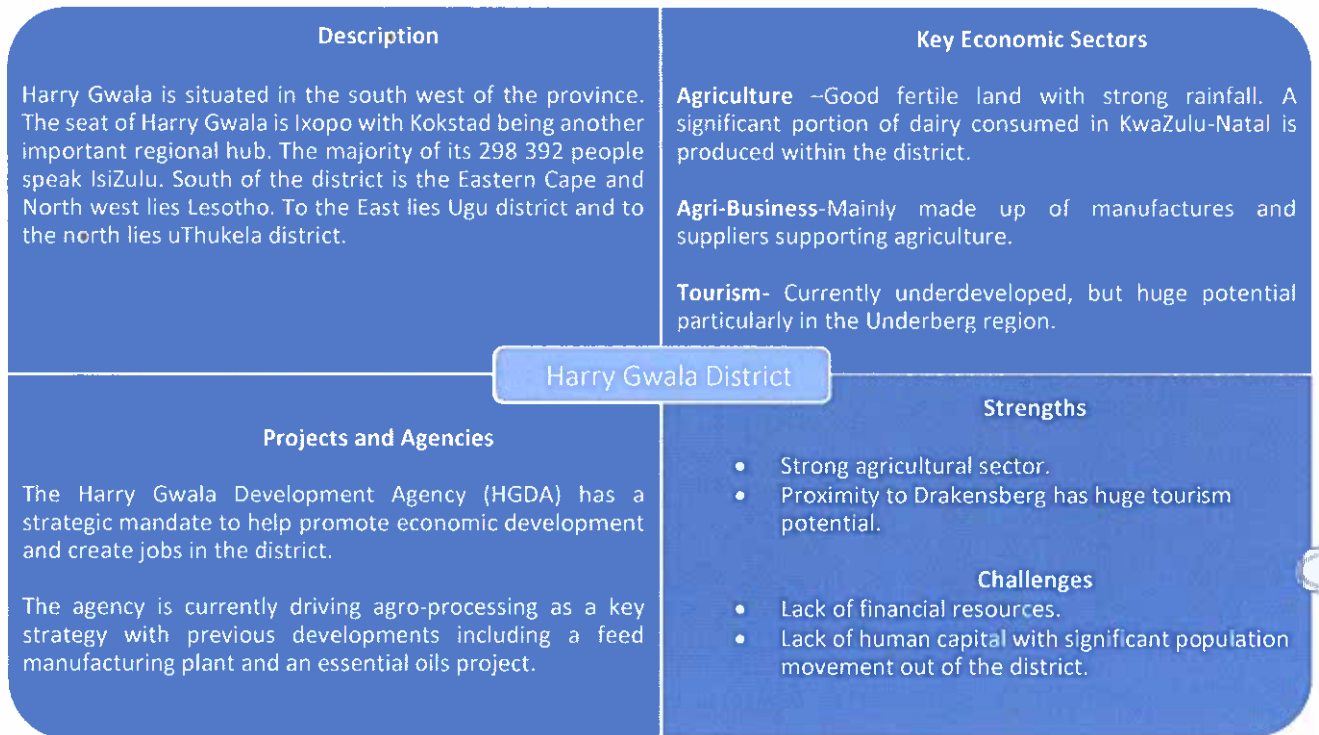
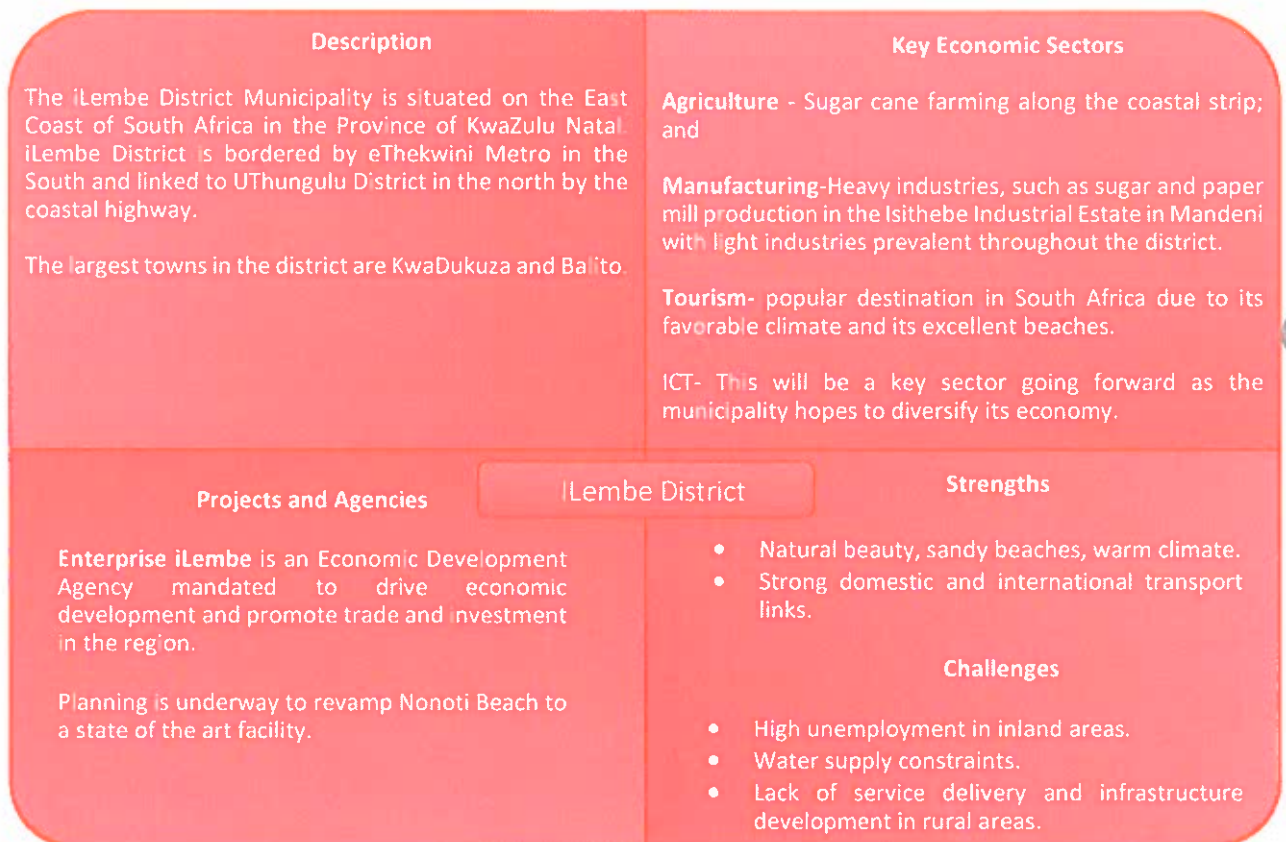


Figure 5 Ethekewini Overview

**Trade & Investment KwaZulu-Natal**  
**TIKZN STRATEGIC PLAN (2020/2021 to 2024/2025) SITUATIONAL ANALYSIS**



*Figure 6 Harry Gwala Overview*



*Figure 7 iLembe Overview*

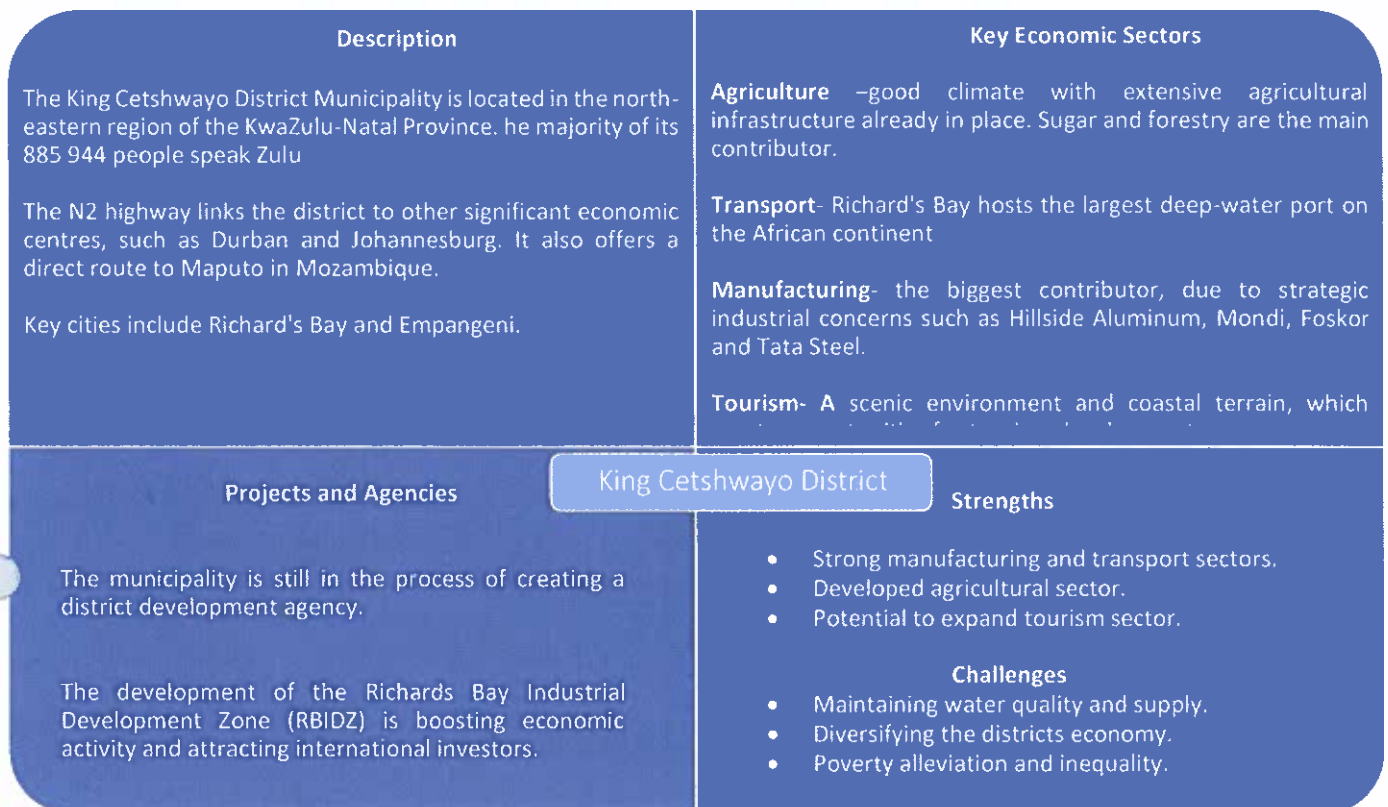


Figure 8 King Cetshwayo Overview

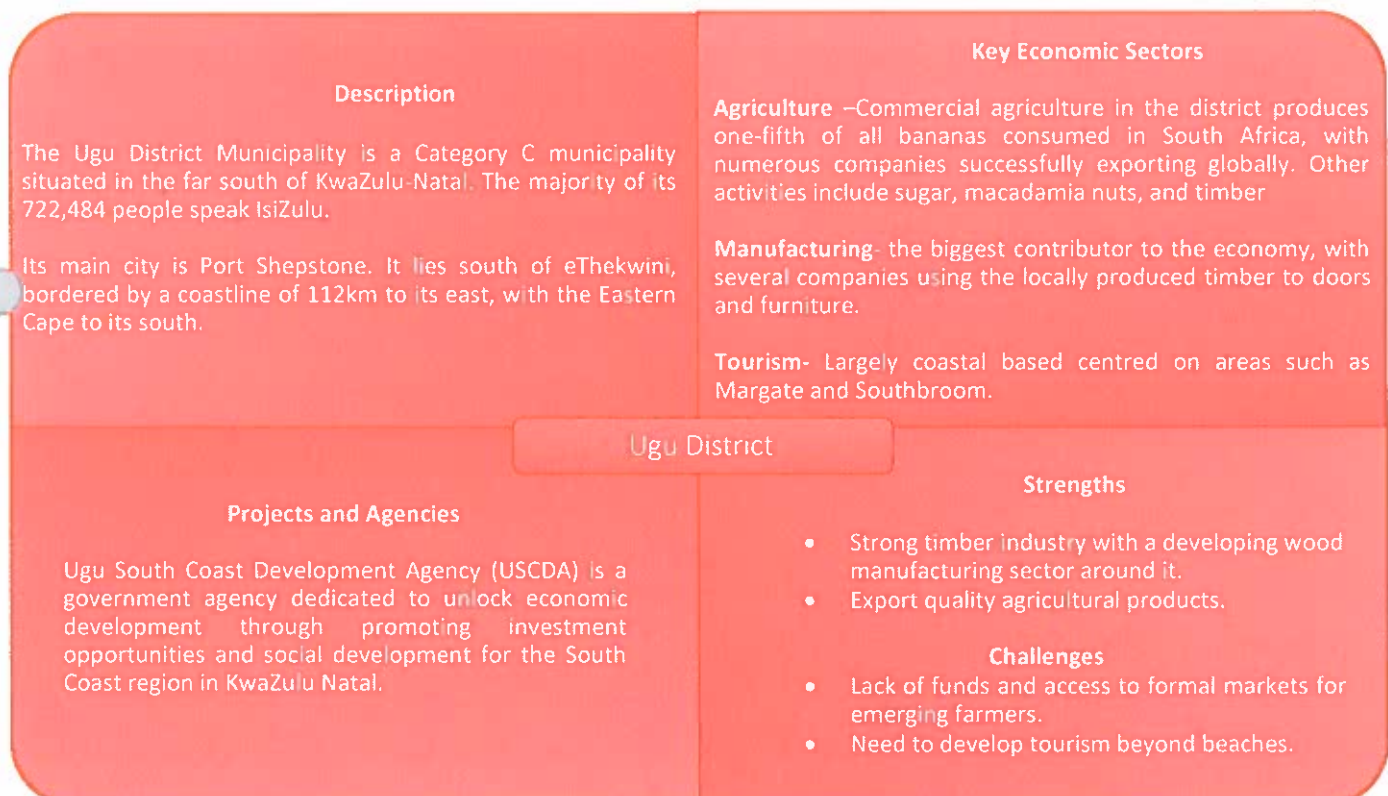


Figure 9 Ugu Overview



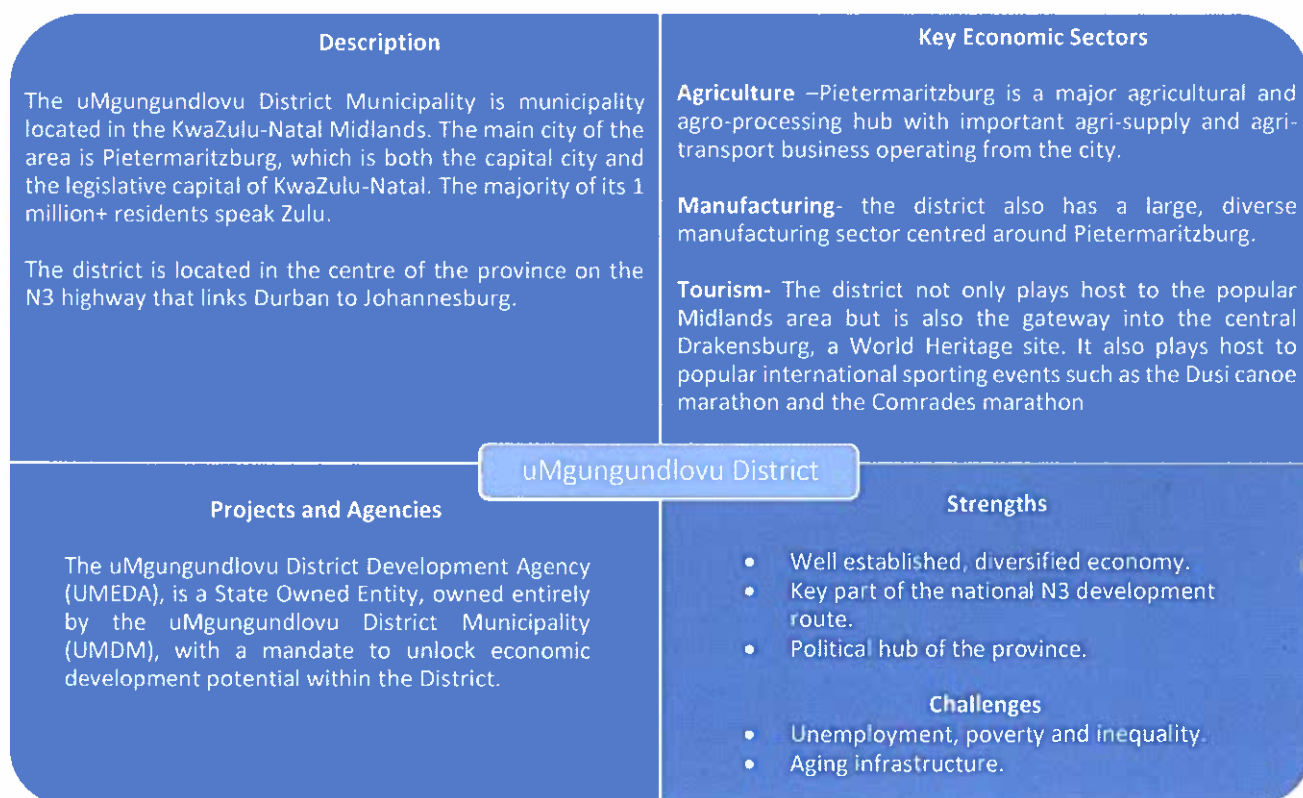


Figure 10 uMgungundlovu Overview

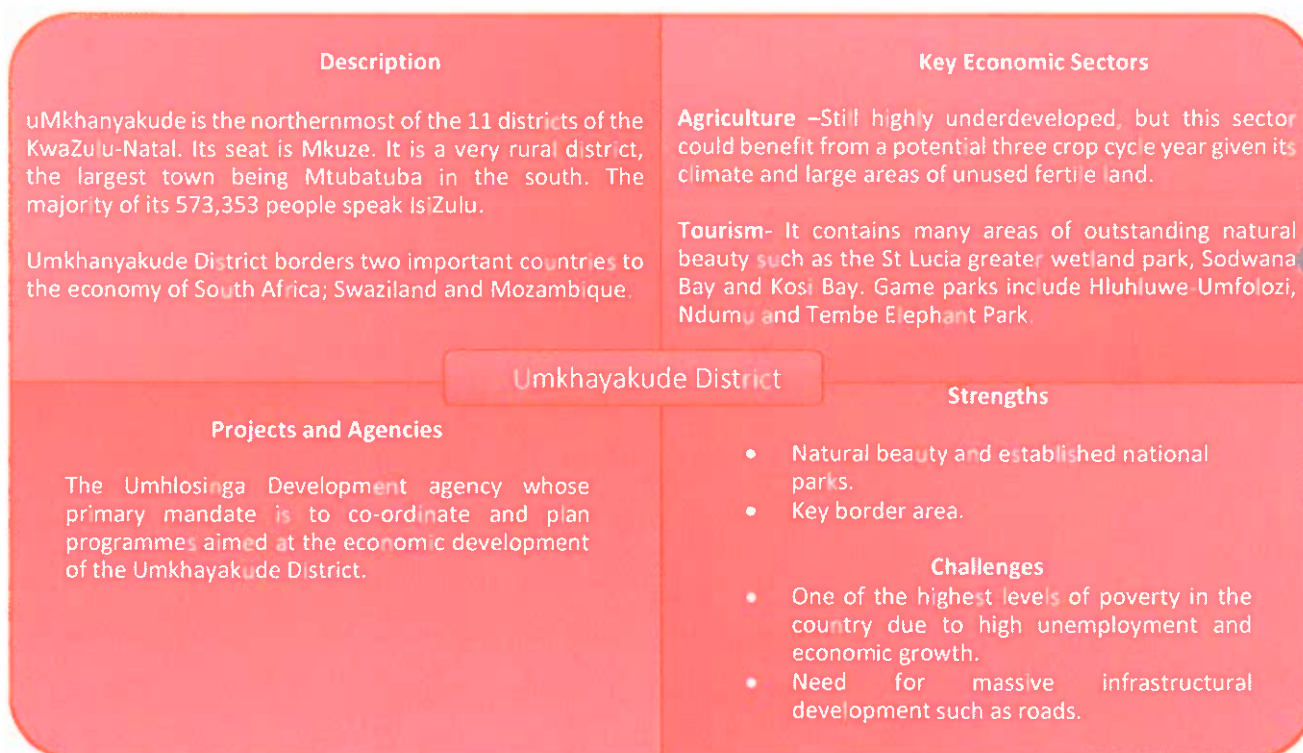


Figure 11 uMkhayakude Overview

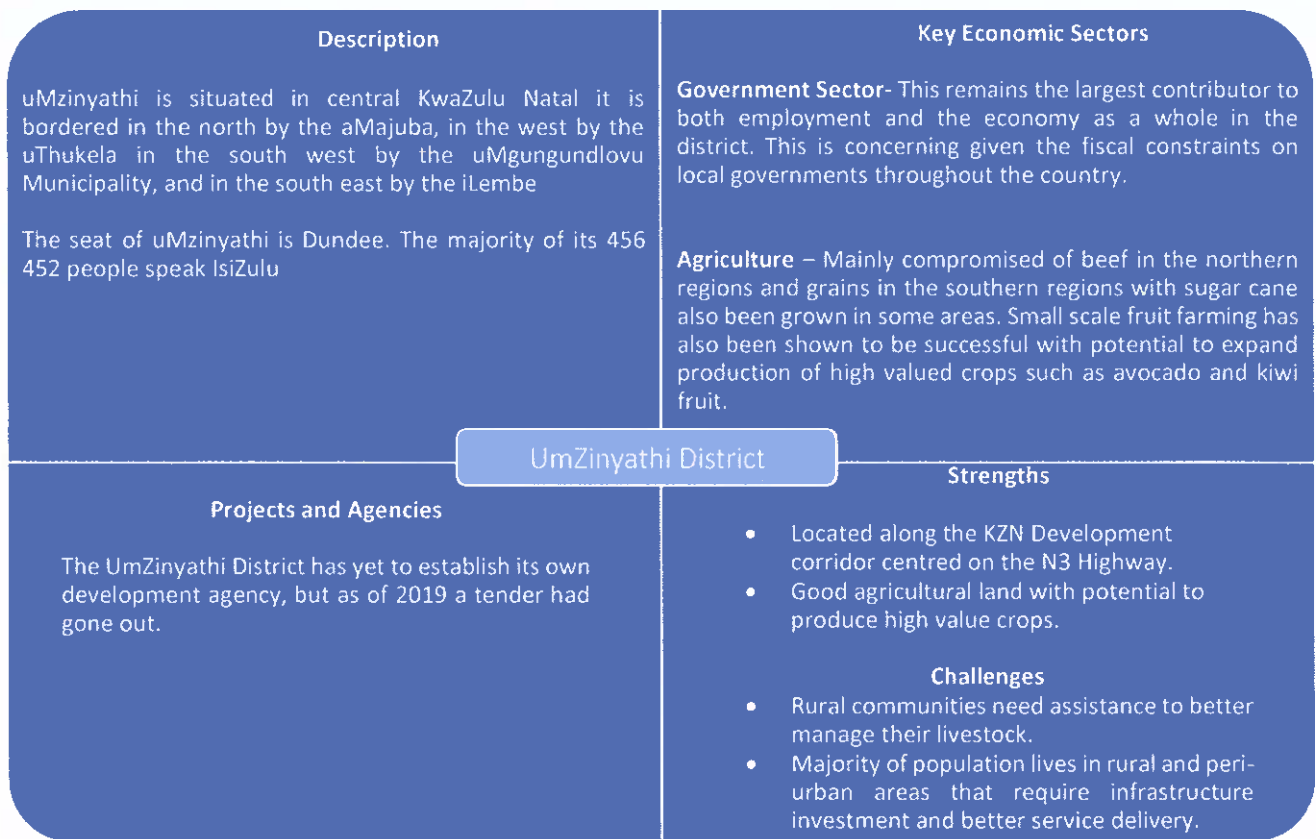
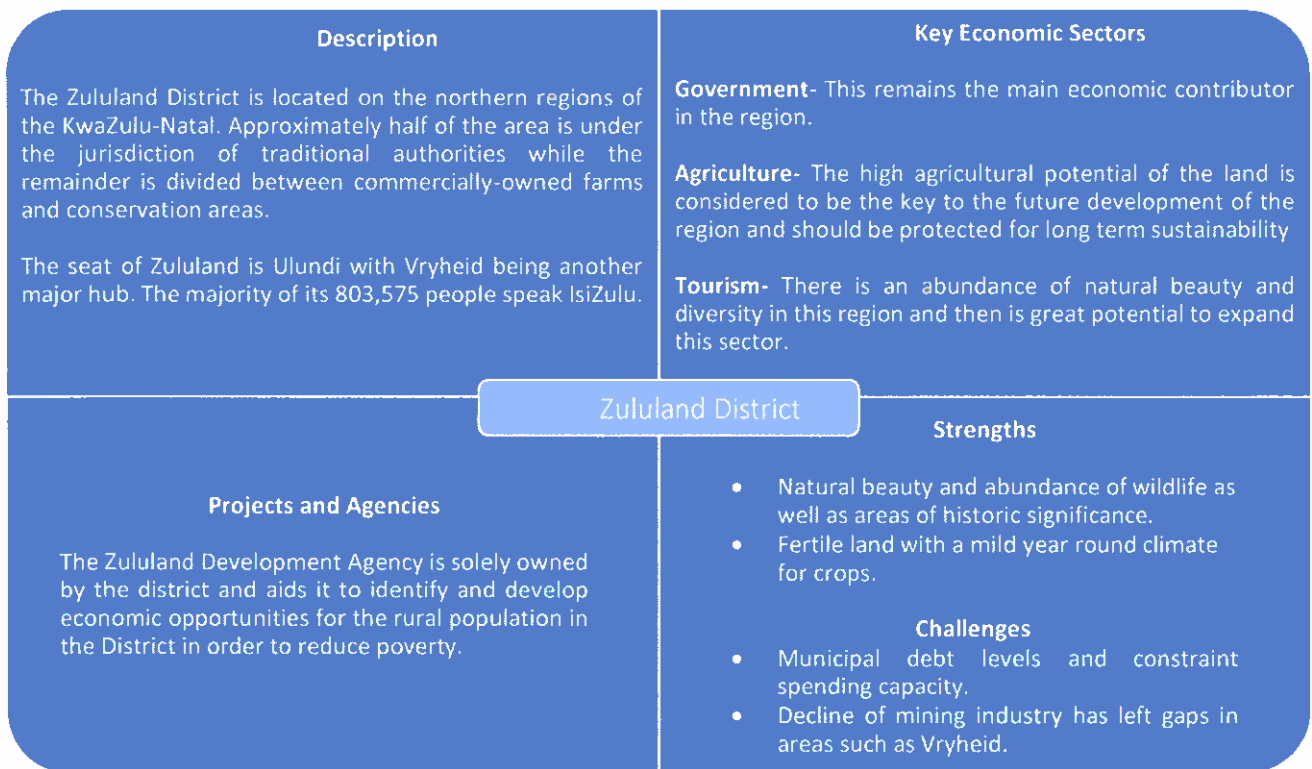


Figure 12 UmZinyathi Overview



Figure 13 uThukela Overview





*Figure 12 Zululand Overview*

## 19. Kwa-Zulu Natal Economic Context and Overview

Despite the immense progress made since 1994, South Africa a country has a number of key challenges facing its economy, and in this regard, the province of KwaZulu-Natal (KZN) is no different from the rest of the country. The socio-economic development challenges facing our country coupled with slow economic growth demand vigorous, innovative and decisive approaches to economic development. Amongst the exposure to global economic trends and developments and the mishaps that come with it, the following key domestic issues need proactive attention:

- Low Economic Growth;
- High Levels of Poverty;
- High levels of Inequality;
- High Levels of Unemployment;
- High Levels of Government Debt;
- Low attainment of education and availability of technical and vocational skills;
- Declining infrastructure investment;
- Condition of State-Owned Enterprises and unreliable electricity supply;
- Crime and corruption;
- Fiscal Environment, High levels of debt and below investment grade by Credit rating agencies;
- Low Business and Consumer Confidence;
- Labour rigidity and relations;
- Cost of Doing business;
- Policy Uncertainty and how to address Land Redistribution issue;
- Uncertainty over the impact of the Fourth Industrial Revolution; and
- Climate Change.

KwaZulu-Natal is connected to the global sphere through various economic linkages and activities and as such, it is susceptible to changes in the global economic environment. This knowledge is vital for planning, implementing and devising strategies to respond to external or exogenous factors that pose downside risks to the provincial economy. While economic prospects at the global level have improved over the past two years, a build-up of short-term risks is threatening global growth prospects. There are concerns over global economic growth as a confluence of risks are converging that could severely disrupt economic global economic activity and inflict significant damage on longer-term development prospects. These risks include an escalation of trade disputes (particularly between the United States and China that have led to heightened tension and imposition of tariffs), an abrupt tightening of global financial conditions, both industrial production and trade volume growth has slowed down sharply and there is intensifying climate risks at hand. The macroeconomic conditions have led to a weaker economic outlook, and as a small open economy such as South Africa and subsequent province, we are impacted by events on the global economic stage.

## 20. World Economic Growth and Performance

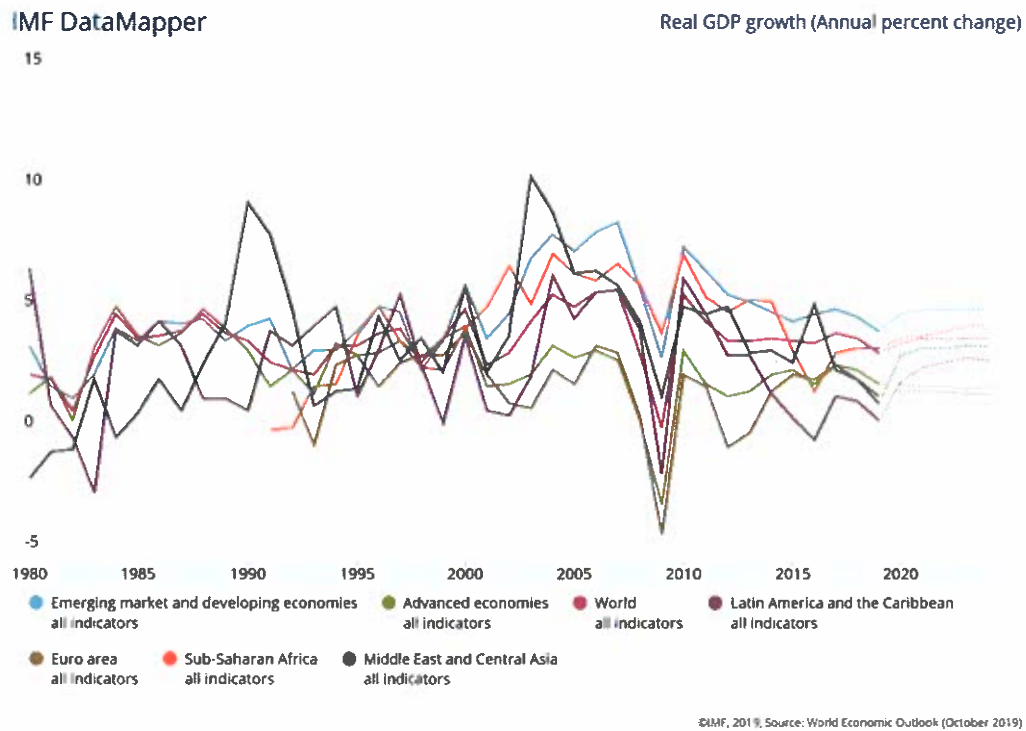


Figure 13 Real GDP Growth per Region

Source: IMF WEO, 2019.

The International Monetary Fund (IMF) in their October 2019 World Economic Outlook reports that the global economy is in a synchronized slowdown, with growth for 2019 downgraded again—to 3 per cent—its slowest pace since the global financial crisis. This is a serious climb down from 3.8 per cent in 2017 when the world was in a synchronized upswing. This subdued growth is a consequence of rising trade barriers; elevated uncertainty surrounding trade and geopolitics; idiosyncratic factors causing macroeconomic strain in several emerging market economies; and structural factors, such as low productivity growth and ageing demographics in advanced economies.

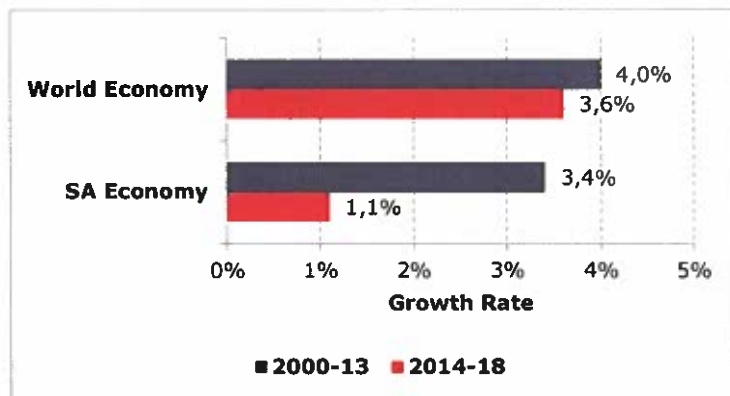
Global growth in 2020 is projected to improve modestly to 3.4 per cent, a downward revision of 0.2 per cent from our April projections. However, unlike the synchronized slowdown, this recovery is not broad-based and is precarious. Growth for advanced economies is projected to slow to 1.7 per cent in 2019 and 2020 while emerging market and developing economies are projected to experience a growth pick-up from 3.9 per cent in 2019 to 4.6 per cent in 2020. About half of this is driven by recoveries or shallower recessions in stressed emerging markets, such as Turkey, Argentina, and Iran, and the rest by recoveries in countries where growth slowed significantly in 2019 relative to 2018, such as Brazil, Mexico, India, Russia, and Saudi Arabia.

A notable feature of the sluggish growth in 2019 is the sharp and geographically broad-based slowdown in manufacturing and global trade. A few factors are driving this. Higher tariffs and prolonged uncertainty surrounding trade policy have dented investment and demand for capital goods, which are heavily traded. The automobile industry is contracting owing also to idiosyncratic shocks, such as disruptions from new emission standards in the euro area and China that have had durable effects. Consequently, trade volume growth in the first half of 2019 is at 1 per cent, the weakest level since 2012. In contrast to weak manufacturing and trade, the services sector across much of the globe continues to hold up; this has kept labour markets buoyant and wage growth healthy in advanced economies the divergence between manufacturing and services has persisted for an atypically long duration, which raises concerns of whether and when weakness in manufacturing may spill over into the services sector. Some leading indicators, such as new services orders, have softened in the United States, Germany, and Japan while remaining robust in China.

Growth in 2019 has been revised down across all large emerging market and developing economies, linked in part to trade and domestic policy uncertainties. In China, the growth downgrade reflects not only escalating tariffs but also slowing domestic demand following needed measures to rein in debt. In a few major economies, including India, Brazil, Mexico, Russia, and South Africa, growth in 2019 is sharply lower than in 2018, also for idiosyncratic reasons, but is expected to recover in 2020.

## 21. South African Comparative Economic Performance

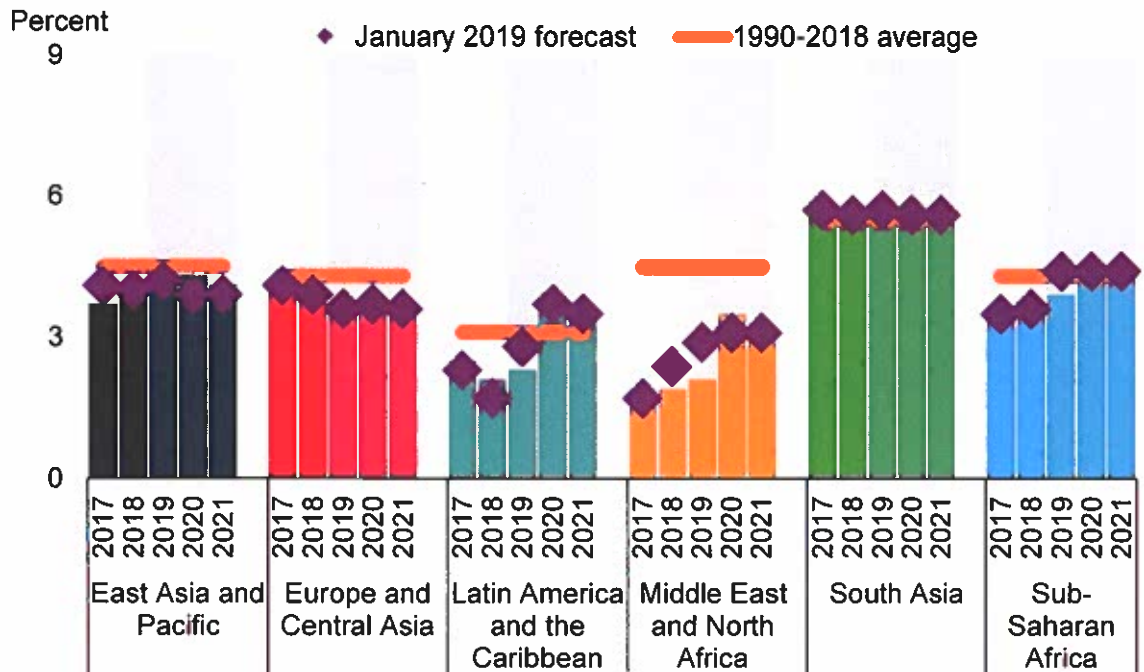
Figure 14 Average Economic Growth, World and RSA



Source: IMF WEO, 2019

Over the period 2000-2013, South Africa's real GDP growth was more or less equivalent to World GDP growth, i.e. 4% vs 3.4% pa. However, the South African economy slowed more drastically from 2014 to 2018 suggesting a decoupling from the world economy. Even more worrisome is the comparison of South African GDP growth over this period with other Sub-Saharan nations and with other emerging economies.

Figure 15 Unweighted GDP Growth per Region

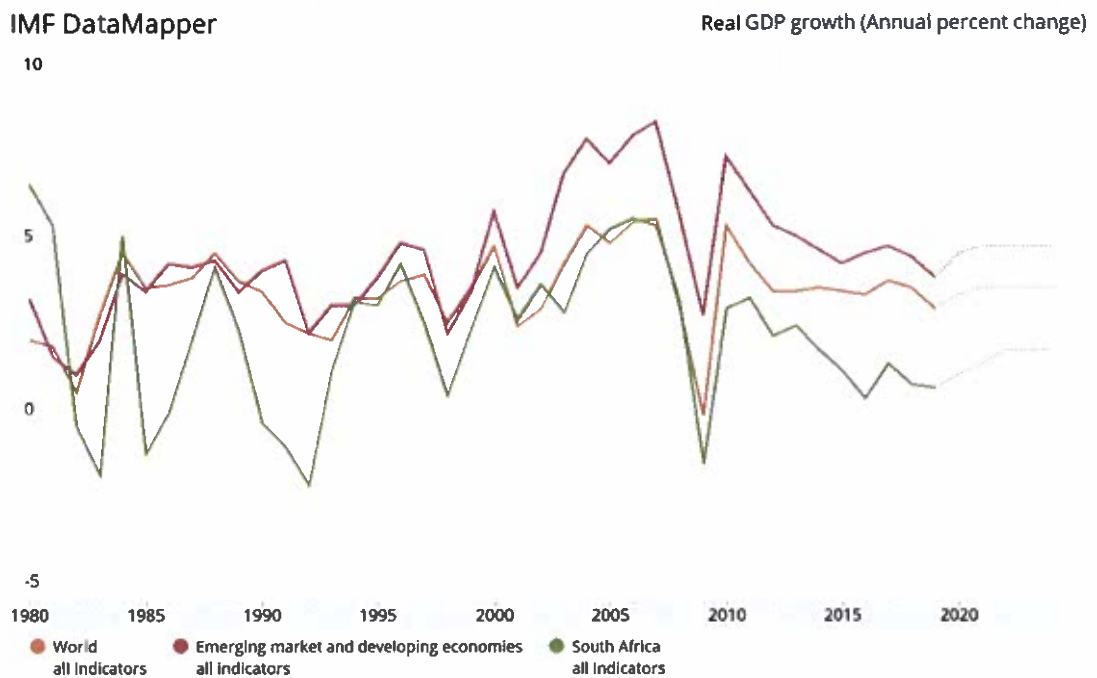


Source: World Bank, June 2019

The International Monetary Fund (IMF) reports in October 2019 that in sub-Saharan Africa, growth is expected at 3.2 percent in 2019 and 3.6 percent in 2020, slightly lower for both years than in the April 2019 WEO. Higher, albeit volatile, oil prices earlier in the year have supported the subdued outlook for Nigeria and some other oil-exporting countries in the region, but Angola’s economy – because of a decline in oil production – is expected to contract this year and recover only mildly next year. In South Africa, despite a moderate rebound in the second quarter, growth is expected to be weaker in 2019 than projected in the April 2019 WEO report following a very weak first quarter, reflecting a larger-than-anticipated impact of labour strikes and energy supply issues in mining, together with weak agricultural production.

As we can see above, South Africa has fallen behind its Sub-Saharan neighbours, albeit off a much larger base. The World Bank has noted that regional growth is expected to accelerate to 3.3% in 2020, assuming that investor sentiment toward some of the large economies of the region improves, that oil production will recover in large exporters, and that robust growth in non-resource-intensive economies will be underpinned by continued strong agricultural production and sustained public investment. While per capita GDP is expected to rise in the region, it will nevertheless be insufficient to significantly reduce poverty. In 2020, growth in South Africa is anticipated to rise to 1.5%; growth in Angola is anticipated to pick up to 2.9%, and growth in Nigeria is anticipated to edge up to 2.2% in 2020.

Figure 16 RSA vs Emerging Economies GDP



©IMF, 2019, Source: World Economic Outlook (October 2019)

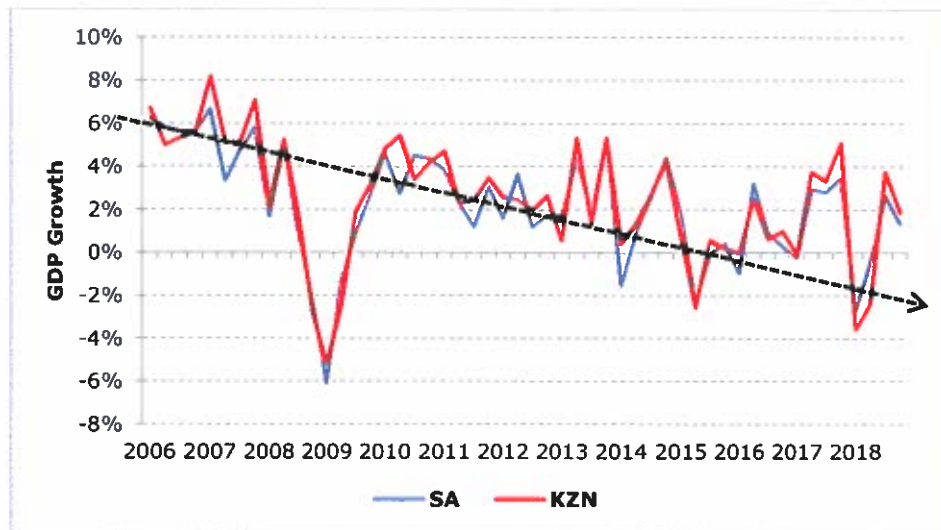
Source- IMF

According to the International Monetary Fund, South Africa's growth has consistently stayed well below its Emerging Market and Developing Economies peers. This will constrain any effort to reduce inequality and poverty until major economic reform is properly implemented.

## 22. National Economic Performance (KwaZulu Natal Context)

The low economic environment is placing strain on all sectors of the economy including government and this is negatively affecting service delivery and job creation. Employment growth will be limited by the lacklustre economic activity and difficult operating conditions in the local business environment – including higher input costs, taxes and unreliable electricity supply. The national purse is adversely affected by the poor economic performance dampening the fiscal environment and the country has become highly indebted.

Figure 17 Quarterly Annualised Seasonality GDP Growth, SA and KZN



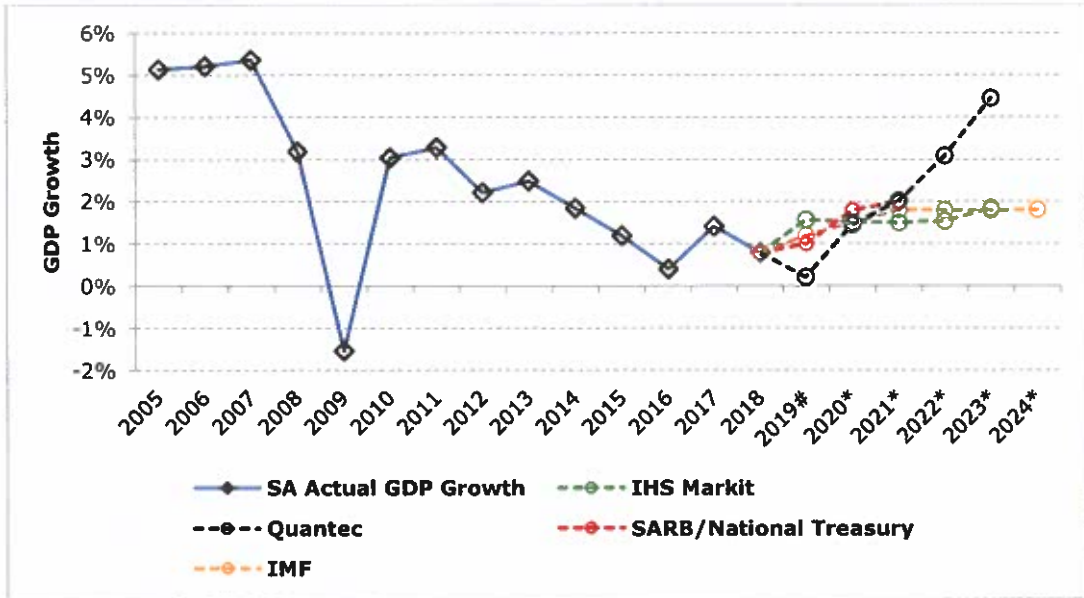
Source: Stats SA and Quantec Research, 2019.

Quarterly economic growth has trended downwards even during the period leading prior to the global financial crisis creating too much credit and liquidity in the market hence higher GDP growth rates of up to 8% were experienced. However, when it came time to pay back the overextended credit, much of the liquidity and circulation of money dried up leading to a downward trend of the South African and Provincial economy. Although the Global Financial Crisis significantly impacted the economy negatively, it was already at a period when economic activity was slowing and trending downwards and seemed almost a type of an anomaly or with continued dwindling growth post this economic catastrophe. The KwaZulu-Natal Economy closely matches the South African Economy and is fortunate in that it has one of the most diversified provincial economies shielding it from sector-specific shocks. However, its economy is unequal in levels of development and investment with high urban density areas such as eThekweni, Msunduzi and uMhlatuze receiving the bulk of the attention. This issue is addressed by the Provincial Spatial Economic Development Strategy (PSEDS) outlining where investment should take place and what investments should take place across the province.

In 2018, the province experienced a technical recession, contracting in the first and second quarter by a -3.6% and -2.4% respectively. The annual GDP growth for 2018 for KwaZulu-Natal was 0.8%, far below what is needed in order to create jobs and tackle the high level of poverty.



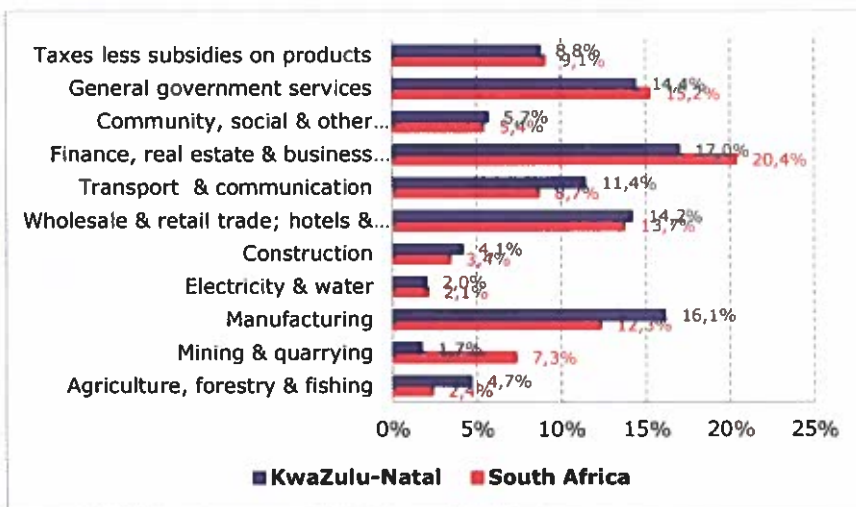
Figure 18 RSA GDP Growth Forecasts 2005-2024



Forecasts are difficult to predict beyond a three-year period and as in past, we tend to be overzealous at the beginning of each new calendar year only to revise downwards as reality of economic situation sinks in. With the 2019 elections over, there is much need to focus on a turnaround plan to our economic misfortunes and addressing structural challenges we are faced with.

The IMF estimates that South Africa will expand by 1.2% in 2019 and is forecast to grow by 1.5% in 2020, 1.8% in 2021. Compared to the SARB/National Treasury prediction, the economy is expected to grow by 1% in 2019, 1.8% in 2020 and 2% in 2021 and projects KwaZulu-Natal at 1.5% for 2019. It is therefore assumed that it is not expected for our economy to expand beyond 2% in the near future in a sustainable manner.

Figure 19 Sectoral GDP Contributions



Source: Quantec Research, 2019.

As mentioned earlier, KwaZulu-Natal has one of the most diversified economies, making it more resilient to major fluctuations or disruptions in a particular sector. The Provincial Growth and Development Strategy and Plan (PGDS/P) targets five main broad sectors:

- **Agriculture, forestry and fishing:** Although the Agriculture sector has a relatively low direct contribution to GDP at 4%, it still remains a key growth sector with significant employment creation and radical socio-economic transformation opportunities and food security.
- **Manufacturing:** This sector contributes significantly to the GDP of the provincial economy. Manufacturing has a number of strong linkages with Agricultural sector such as 'food, beverages and tobacco', and 'wood and paper' industries that are very important for the provincial economy through employment and export activities. There is a need for re-industrialisation and create industry support measures for the sector
- **Wholesale and retail trade; hotels and restaurants:** The sector plays a pivotal role in Tourism sub-sector. High household debt to disposable income and low consumer confidence has put pressure on consumerism. A number of traditionally strong manufacturing bases or areas in the province have transitioned into retail hubs such as Newcastle which services areas such as Vryheid and also neighbouring southern Mpumalanga. However, there is a need for supporting, purchasing and procuring local products.
- **Transport and communication:** Sea Port throughput and greater route connectivity at King Shaka International Airport is paramount to supporting this sector. Public transportation, and in particular its predominant reliance on taxi services, remains an area of concern. This trend is placing enormous pressure on road networks and traffic congestions. The completion of the new bridge and tarring of the road in Mozambique near Kosi Bay Border offers a new and more efficient opportunity to trade with the country and other southern African countries. Opportunities will arise from the new proposed Cruise Ship Terminal at the Port of Durban bolstering foreign tourism and increasing the product offering strengthening relations between the Sea Port of Durban and King Shaka International Airport. The under-sea cables and broadband roll out in the province provide an opportunity to ride 4<sup>th</sup> Industrial revolution and develop data centres in province.
- **Finance, real estate & business services:** Sector offers new access to finance, markets, trading facilities and infrastructure with linked services. The sector share has gradually increased over time in the province due to White Collar occupations becoming more attractive to new graduates over the Blue-Collar profession. There has been a significant drive to develop SMME, Cooperatives and Entrepreneurship to support the absorption of youth and women and there is a greater need to support priority groups who want to participate in the work and business sphere.

Sector growth shows broadly the under-performing sectors of the South African and KwaZulu-Natal economy.

The largest losers for the country when comparing the average Gross Value Added (GVA) growth from 2000 to 2013 with 2014 to 2018 was 'Manufacturing', 'Electricity & Water' and 'Construction'. Following the hosting of the 2010 FIFA Soccer World Cup, construction has been under severe pressure with little large projects coming on board, sought with a number of corruption scandals and with a number of companies filing for business rescue and liquidation. The economy was also affected by Eskom's electricity supply disruptions as it faces generation challenges. The introduction of new technologies and Independent Power Producers (IPP) is set to bolster this segment. The release of the government's latest energy plan in October 2019 sees an increase in the use of renewables, whilst still relying on large coal bases, albeit from newer hopefully more reliable and purportedly cleaner coal stations that should stabilise the country's energy supply.

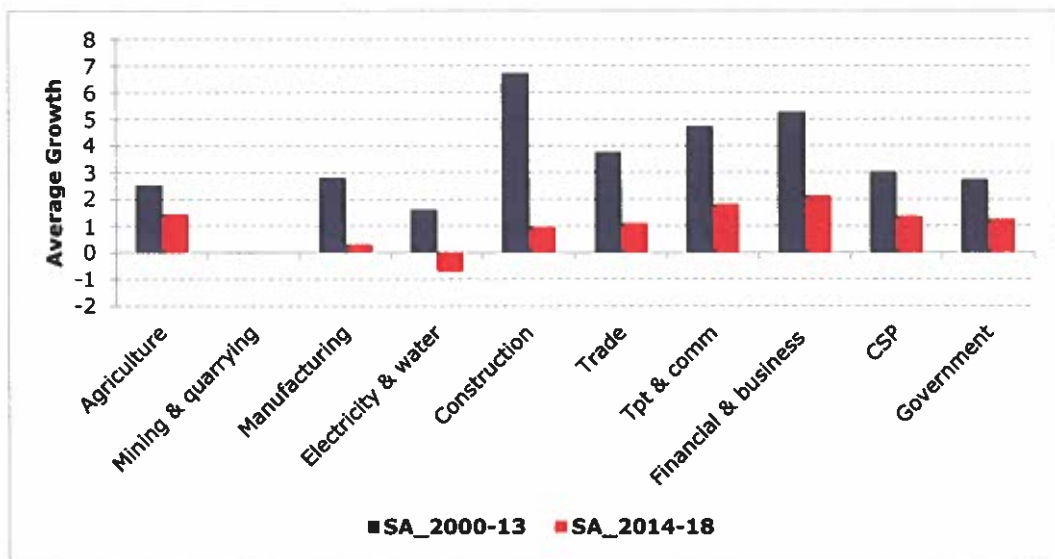


Figure 20 Average GVA Growth by Sector, RSA and KZN

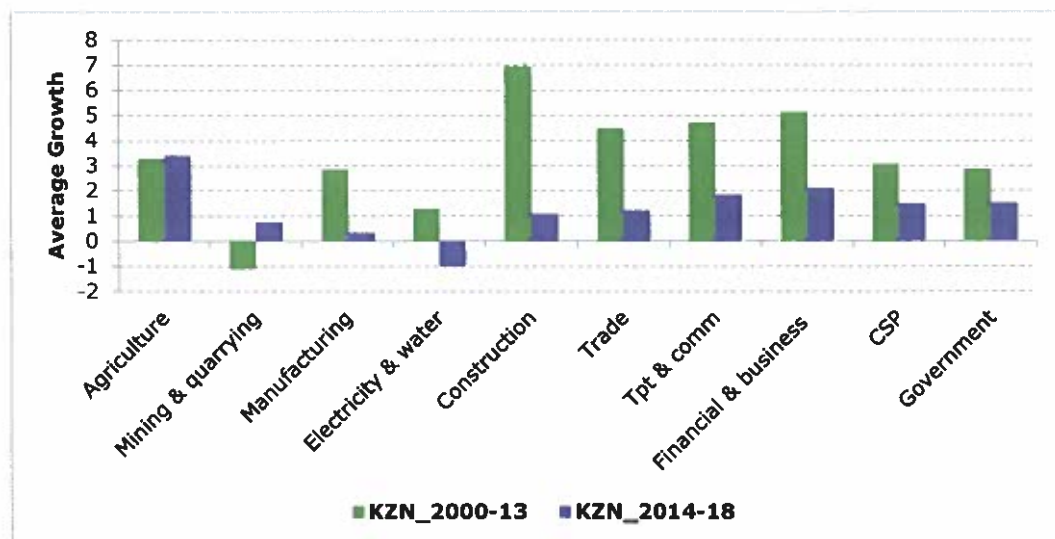


Figure 21 Average Growth per Sector, KZN

Source: Quantec Research, 2019

The sector performance for KwaZulu-Natal surprisingly showed an increase in average growth for the Agricultural and Mining sectors. The province contributes the highest proportion toward the Agricultural sector in the country and is highly diversified.

While the drought of 2015 and 2016 put much strain on the sector. However, this growth was marginally better than the average growth experience between 2000 and 2013. Of great concern is that the Manufacturing output slowed significantly along with construction, following the same trend as the country. Manufacturing has been declining as a percentage of GDP-R due to a number of reasons amongst others including:

- Cost of Energy;
- Cost of Transport;
- Low Rates of Economic Growth;
- Exchange Rate Volatility and Rand Depreciation;
- Crime and Theft; and
- Low Skill Workforce.



Figure 22 Contribution of Manufacturing to GDP

Source: Quantec research, 2019

While it has been observed that the share of manufacturing to GDP has been declining in the province and is also evident in the Country, doesn't mean that the sector hasn't been growing, but means that it hasn't been growing as fast as other sectors in the economy such as 'Finance and Business Services' and 'Wholesale and Retail Trade'.

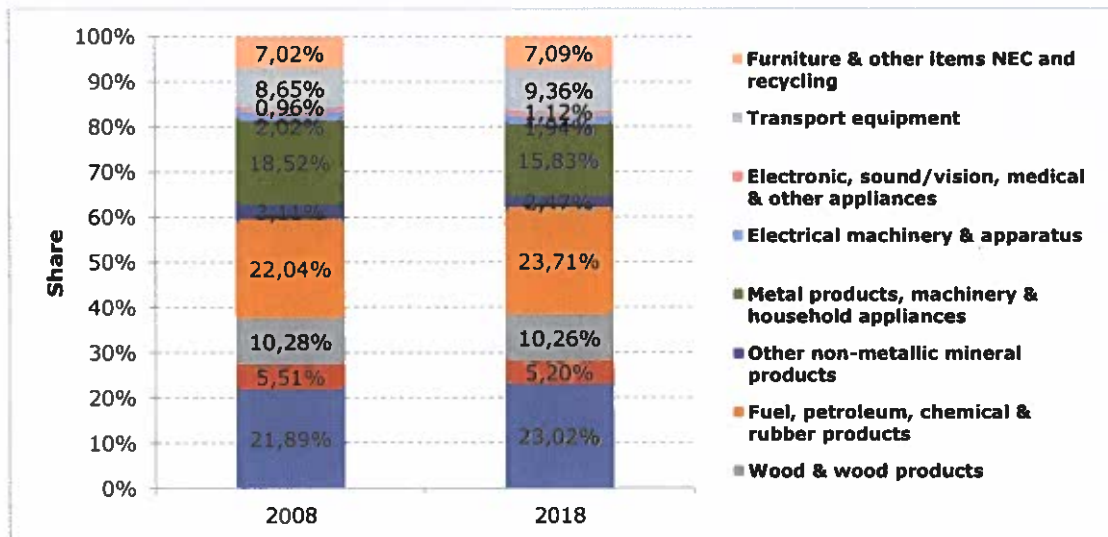


Figure 23 Proportion of Sub-Sectors to Manufacturing KZN

Source: Quantec research, 2019

Delving into the more detailed sub-sectors of Manufacturing when comparing 2008 to 2018, shows increased proportion by agricultural products from 21.9% to 23.0% and 'Fuel, petroleum, chemical & rubber products' from 22.0% to 23.7%. Transport equipment' also showed a notable increase from 8.7% in 2008 to 9.4% in 2018. This was displaced by reductions in 'Metal products, machinery & household appliances' from 18.5% to 15.8% and 'Other non-metallic mineral products' from 3.1% to 2.5%.

## 23. Labour Market Overview

Overall, weak performance in output growth remains evident in the long-term trends of key labour market aggregates. In KwaZulu-Natal province, employment has been declining gradually from its peak of 2.58 million in the fourth quarter of 2008. The provincial employment remained below the pre-recession level for 9 years rising above the pre-crisis level for the first time in fourth quarter of 2017. In other words, it took more than 9 years to overcome the remnants of a crisis which lasted just over a year.

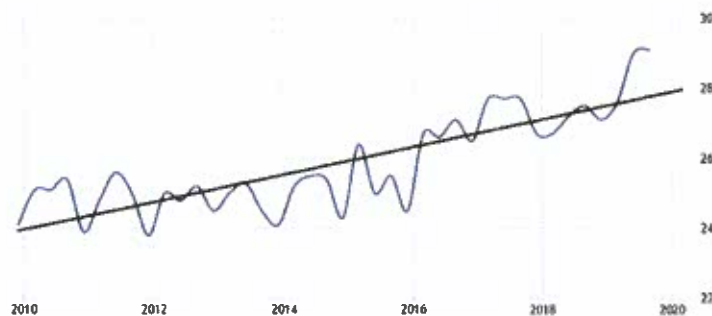


Figure 24 South African Unemployment Rate

Source: Trading Economics



The unemployment rate in South Africa edged up to 29.1% in the Q3 2019, the highest level since comparable data began in Q1 2008, matching market expectations. The number of unemployed rose by 78 thousand to 6.73 million while employment increased by 62 thousand to 16.38 million. A year earlier, the jobless rate was lower at 27.5%. Unemployment Rate in South Africa averaged 25.77% from 2000 until 2019, reaching an all-time high of 31.20% in the first quarter of 2003 and a record low of 21.50% in the fourth quarter of 2008.

**Comparison Summary of 5 Year Cycles, SA & KZN, 2002 – 2019**

Cycle	Avg Population	Avg Population Growth	Avg Unemployment Rate	Avg GDP
<b>South Africa</b>				
2002-2007	47 000 769	1.17%	27.1%	4.39%
2008-2013	51 126 747	1.58%	24.5%	2.11%
2014-2019	55 720 782	1.50%	26.3%	1.14%
<b>KwaZulu-Natal</b>				
2002-2007	9 829 900	0.55%	31.3%	4.38%
2008-2013	10 297 761	1.01%	21.3%	2.48%
2014-2019	11 006 470	1.29%	22.8%	1.28%

From the above, we can see that both South Africa's and KwaZulu Natal's economic growth is too inadequate to support the growing population. Without real growth, the country will not be able to significantly address its employment crises.

**Skill Needs and Development**

According to the Department of Trade and Industry (DTI), the evidence of a skills mismatch is confirmed by the fact that the overwhelming majority of practising artisans have less than a matric qualification, while just below one-third has matric. It is estimated that only 6,4% of the workforce is qualified. Also, the artisan workforce is getting older and the shift to matric appears to have held no advantage for the improved entry of young people into the trades. There is little evidence of a skills pipeline to grow the number of those with matric (or the unqualified) to attain a trade test to become qualified. A more nuanced approach is required to renew and revitalise the artisan workforce in a balanced manner, as a key cofactor in shifting manufacturing towards more value-added activities and beneficiation.

The Itukise Internship for Unemployed Graduates programme (Itukise) is a graduate work placement programme aimed at providing relevant work experience to unemployed graduates. The programme's overall objective is to improve the employability of unemployed graduates through work experience placements in enterprises supported by the DTI as well as other manufacturing and service enterprises.

The following emerged from interviews conducted with host companies, mentors and interns:

- 93, 5% of mentors, 84,1% of interns and 93,6% of host companies agreed (65,9% strongly) that interns were provided with the necessary work experience;
- 78,3% of interns agreed that the programme was successful in assisting them with finding a job;
- 98,5% of host enterprises and 89,2% of mentors believe the Itukise programme should continue (which is a proxy for satisfaction); and
- 81,71% of interns believe their internship was successful.

At a provincial level, several skills development initiatives are being developed to address skills shortages in various sectors.

The IEDS Branch's goal is to advance economic growth and job creation initiatives that prioritize historically disadvantaged individuals and groups through:

- Enterprise Development
- Economic Empowerment
- Regional and Local Economic Development.

In order to address the lack of entrepreneurial skills within small enterprises, the provincial department has set a baseline goal of reaching 2119 SMMes/Cooperatives and supporting them with training, mentorship, funding, incubation and business advisory when necessary. This will hopefully greatly increase the chances of these small enterprises to survive.

The province will also launch several Strategic Industrial Interventions, the purpose of this sub-programme is to unlock KwaZulu-Natal's economic potential through the implementation of provincial strategic initiatives that include Maritime, Durban Aerotropolis, Industrial Economic Hubs (IEHs) and Special Economic Zones (SEZs). These initiatives form part of the Department's strategic pillars identified as instruments for economic development in the province. These programmes will include Promotion of sector-based Skills development for Industrial Economic Hubs, Aerotropolis and Maritime Industry.



## 24. Key Sectors and Industries

### Overview

To support the PGDS/P, EDTEA has identified a number of high-performance industries that bode well for the provincial economy and that support the provincial ambitions. Some of the investments and work have already been undertaken and some of which have been identified as potential sectoral opportunities that should be explored.

- **Pharmaceuticals:** KwaZulu-Natal has the potential to become a Pharmaceuticals hub in Southern Africa and Dube Trade Port Special Economic Zone, supported by EDTEA, is already developing a pharmaceuticals cluster. To date, R1.4 billion worth of investment in the Pharmaceutical sector has been secured.
- **Electronics:** Potential to turn KZN into an Electronics hub for South Africa bolstered by the R584 million investment in the electronics & communication sectors are currently operational within Dube Trade Port Corporation (DTPC).
- **Innovation and Industry 4.0:** The Fourth Industrial Revolution is synonymous with uncharted growth in digitisation and internet connectivity. It has the potential to drive Africa forward like never before, enabling innovation, spurring new business models and improving the delivery of public services. In KwaZulu-Natal, EDTEA runs a Technology Transfer (Innovation Fund) to support the development of innovative technologies. It also has three completed Technology Hubs, one at Port Shepstone, one at Newcastle Airport and one at Richards Bay Industrial Development Zone. Plans are underway to develop another at Pietermaritzburg Airport and construction has begun for one at Dube Trade Port.
- **Aerotropolis Development, Aviation & Regional Airports:** Anchored by King Shaka International Airport (KSIA), the Durban Aerotropolis will enhance urban and national competitiveness through improved multi-modal transport access and planned, coordinated, aviation-linked commercial development. It has a 50-year implementation horizon leveraging Existing Assets: Airport, Seaport, SEZ, Land, Environment, People, Culture, Climate, Broadband. Priorities include growing Route Development and critical infrastructures such as Water & Sanitation and Public Transportation and for the development of Maintenance, repair and Overhaul (MRO) facility at Dube Trade Port. There are a number of KZN Regional Airports that can support King Shaka International Airport.  
The Regional Airports can support many other sectors of the economy including tourism sector, high-value light cargo, services sector, pilot and maintenance training and Fire and rescue services. Many airports have developable land available for non-aviation activities.
- **Tourism:** Tourism is regarded as a modern-day engine of growth and is one of the largest industries globally. There is a need to increase KwaZulu-Natal tourism competitiveness through technological innovation. Priorities include a) Attract Investment for Tourism Resorts, b) Cultural Tourism, c) Increase innovation in Gastronomic/ Food tourism, d) thrive for Blue status for provincial beaches, e) Medical tourism and f) Drakensberg cable

car. The development of the New Cruise Ship Terminal at the Port of Durban will also present the opportunity to offer offshore activities.

- **Maritime:** KwaZulu-Natal Province has the unique value offering of two of the busiest ports in Africa and has 600 kilometres of unspoilt coastline and inland waterways. Key sub-sectors include Oil & Gas exploration and subsequently the development of a Hub, Aquaculture & Fisheries and Boat & Ship manufacturing.
- **Automotive Industry:** The Automotive sector in KwaZulu-Natal is well developed with the potential to grow. There is a need to leverage off existing automotive value and supply chains and increase competitiveness close to Port of Durban by placing both automotive manufacturers and suppliers in a single park and support current industrial growth. Initiatives include the Auto Supplier Park and the Auto Service Hubs (Township Government Garages).
- **Clothing & Textile:** The Textile and Clothing Industry in South Africa, particularly KwaZulu-Natal has been challenged with several issues recently. These have adversely impacted the employment potential leading to social implications. These businesses employ a substantial workforce but many of them are informal and even home-based. iThala in support by EDTEA has appointed it as the implementation Agency who have begun with the implementation of the Clothing and Textiles hub in Amajuba.
- **Leather Processing:** Being an agricultural region, KwaZulu-Natal has a comparative advantage in the value chain of leather processing, i.e. Livestock production, leather processing and product development. Currently, South Africa is a net importer of leather products, particularly from Brazil and China. Plans are afoot to develop The Leather Processing Hub in uMsunduzi Local Municipality designed to develop leather processing and manufacturing of leather products using animal skins and hides.
- **Agro-Processing:** KwaZulu-Natal has the highest contribution by Agriculture in the Country and presents enormous opportunities for agro-processing. Products include the likes of Fish Farming (Mozambique tilapia), vegetables (English cucumber), fresh horticultural products and fresh-cut flowers produced and delivered to local and international markets and essential oils. This sector bodes well to drive the Radical Economic Transformation Programme (RASET).
- **Renewable Energy:** The largest current risk facing the economy is an unreliable electricity supply. The economy is more than 90% dependent on electricity and in light of climate change concerns KwaZulu-Natal has the enormous potential to produce renewable energy especially biofuels using Sugar cane bi-products. EDTEA is exploring renewable energy opportunities such as Bioethanol, Biodiesel, Biogas. Value Added Products include animal feed, fertilizer and glycerin.
- **Mineral Beneficiation:** Despite the huge mineral endowments in South Africa, only around 11% of minerals produced in the country are beneficiated. The following 4 mineral groups are relevant to KZN: 'Mineral Sands', 'Ferroalloys; Iron & Steel; Aluminum; Phosphorous', 'Coal; Gold', and 'Dimension stone; Clay & brick; Refractories; Sand & aggregate'. The Richards Bay IDZ has set up Metals beneficiation hub focusing on Aluminum mid-stream processing.

- **Creative Industries:** Sometimes referred to as Africa's untapped market, the cultural and creative industries (CCIs) have become a prominent element of economic strategy and policy dialogue globally and in South Africa over the past several decades. There is enormous potential to develop arts and craft, film and music industries in the province. KwaZulu-Natal also recognizes the importance of cultural and creative industry in economic development and job creation.

Four of these key sectors are of particular importance to the future growth of the province and additional detail is given to them below.

## 25. Ocean Economy

According to the Institute for Security Studies (ISS), the development of a South African oceans economy lies at the heart of its maritime security and ocean governance policies and practices at national, regional and international levels, yet maritime has only recently risen to become an important political priority. South Africa is a unique maritime country. It has the third-longest coastline of any African state and its location at the most southerly point of Africa means it is bordered by three oceans – the Atlantic Ocean lies to the west and the Indian Ocean to the east. This places South Africa at a strategic point astride one of the world's major shipping routes. The Southern Ocean surrounds South Africa's Marion and the Prince Edward Islands in the Antarctic Convergence. South Africa also has jurisdiction over a vast sea area totalling approximately 1.5 million km<sup>2</sup>. This exceeds its total land territory of 1.2 million km<sup>2</sup> and is the site of considerable traffic and activity. An estimated 30 000 vessels sail through South African waters annually. This exclusive economic zone (EEZ) grants it the rights to develop marine resources contained therein.

The Operation Phakisa: Oceans Economy project commenced with operational work after the October 2014 launch. Overall progress to date for directly funded Oceans Economy projects impacts includes government having unlocked investments amounting to approximately R29.4 billion in the Oceans Economy with over 7 093 jobs have been created in the various sectors.

The long term job creation goal of the project is to have the total employment contribution for the sector be at approximately 1 million jobs by 2033 (from estimated employment of 316 000 in the sector in 2010).

Four sectors or 'critical development areas' were initially selected – Marine Transport and Manufacturing (MTM), Oil and Gas (O&G), Aquaculture, and Marine Protection and Governance (MPG). This was later expanded to six with the inclusion of Small Harbours Development and Coastal and Marine Tourism. Two cross-cutting and enabling areas were also identified to highlight the education and vocational skills and capacity gaps that hinder efforts to grow an oceans economy in the other labs.

## 26. Fourth Industrial Revolution

The Fourth Industrial Revolution (4IR) will bring about a fundamental shift in the way economies are structured and grow. At a World Economic Forum (WEF) meeting in Davos (2016), it was announced that the world stands on the brink of this technological revolution that will irrevocably alter its current socio-economic and industrial landscape. 4IR is a convergence of the physical and digital worlds and represents a “fundamental shift in how we produce, consume and relate to one another” and is characterised by the speed of technological change and the emergence of new trends and sectors such as the Internet of Things, robotics, artificial intelligence and 3D printing. The new technologies that have evolved as part of the 4IR allow for digital communication between machines, and entire factories, and are dependent on the evolution of smart technology which has combined to revolutionise industries in some parts of the world while destabilising industries elsewhere. Governments and companies that do not take concrete steps to embrace this shift and put in place programs that allow their citizens and employees to thrive in this new paradigm risk economic decay as they are left behind.

For most of the 20th century, the pathway to development seemed relatively clear: lower-income countries would be expected to develop through progressive industrialization by leveraging unskilled labour. Today, the sequence has become less clear. For example, robotics is making light manufacturing less labour-intensive.

However, the 4IR is also making it more feasible for lower-income countries to leapfrog in certain areas. ICTs, for instance, have been shown to facilitate access to basic services and enable new business models. ICTs and globalization enable the rapid transfer of ideas and technologies and lower the barriers to innovation, offering new ways to develop. The 4IR is reshaping the economic landscape by changing the drivers of growth and competitiveness. It is no longer possible to rely solely on efficiency and cost-cutting for economic success: innovation, flexibility and adaptation to change are becoming the key ingredients. When change is the only constant, economies that can adopt new ideas, methods or products more quickly will have an edge. That’s why embracing opportunities and leveraging innovations can accelerate growth and development for every economy.

It is important to take heed of these developments with respect to South Africa's and Kwa Zulu Natal's ease of doing business and overall global economic competitiveness. The World Economic Forum's (WEF) Global Competitiveness Index 4.0 (GCI) has been modelled to emphasise the need to embrace 4IR technologies and practices. With the inclusion of these new concepts and extensive new data-gathering efforts, the GCI 4.0 provides novel and more nuanced insights on the factors that will grow in significance as the 4IR gathers pace: human capital, innovation, resilience and agility.

South Africa is making strides in this area, with the release of the 2019 edition of the WEF's GCI, South Africa's overall ranking improved position from 67 out of 140 nations in 2018, to position 60 out 141 nations in 2019. This is encouraging but two areas that are crucial for

effective growth in the 4IR require urgent interventions to preserve and grow South Africa's economy. The first is the need for human capital, particularly in the Science, Technology, Engineering, and Mathematics (STEM) field. According to the 2019 GCI, the skillset of graduates declined from 85 to 102 out of 141. Coupled with the fact that ease of hiring foreign labour also declined from 102 to 123 out of 141 it is clear that urgent reform is needed to not only upskill the South African workforce but attract skills from abroad. Recent xenophobic attacks must be addressed to eliminate any further alienation of foreign nations within South Africa and without.

As the lead Trade and Investment body for the KwaZulu Natal Province, TIKZN takes cognisance of the impact ICT and the Fourth Industrial Revolution, and as such is engaging and co-ordinating relevant Government bodies to ensure that the infrastructure or foundations that will enable these advents are laid.

#### **Digital disruption and the future of production:**

Over the past decade, the world has undergone a process of by rapid innovation that has irrevocably altered the face of business, our social behaviour and even the way entire industrial sectors are organised. In turning traditional growth models upside down, this process has also changed the way we perceive innovation, technology and business generally.

Termed Disruption or Disruptive Innovation, this trend describes the way that the innovative introduction of a new product or service, through simplicity, convenience and affordability, “upends an existing market and value network and displaces an earlier technology or process.” Disruption as a descriptive tool and as a period of economic development has coincided with another development which has come to define the modern world, in effect, another epoch.

Disruption was initially seen as an interruption of the normal course of things but having become so ubiquitous and commonplace, it is now a daily reality that we can scarcely do without. Examples of disruption abound and includes Amazon, personal computers, Wikipedia, Google, Uber, Airbnb, the iPod and recent innovations include smartphones which do banking, stream music and videos, while WhatsApp, is a free data and voice messaging service, that allows users to make voice calls – at a minimal data cost- and which will in all likelihood, supplant the traditional voice service offered by mobile service operators.

A local example of this disruption is the current shifts in the South African banking sector. Traditional banks are shifting to an online, smartphone-driven service, pushed towards this trend by newly launched branchless banks such as Tyme and Discovery Bank. This shift has resulted in the closure of branches and retrenchment of staff across the banking sector. However, the banks (and financial institutions at large) are also constantly recruiting new employees in the ICTs field to develop, maintain, and run their new online infrastructure. South Africans need to be given the skills and training to fill these new positions. For further examples of digital disruption, see **Annexure 2**.

In summary, the dawn of the Fourth Industrial Revolution presents significant challenges but also opportunities for South Africa and Kwa Zulu Natal. In the short term, all stakeholders must address the current constraints that may limit economic growth moving forward. These are the development of human capital in the STEM fields, access to affordable data for all, and ensuring that disruptions to the labour market do not adversely affect employment levels but rather enhance them.

## 27. Agriculture

The agricultural sector is widely recognised as having significant job creation potential and strategic links to beneficiation opportunities and land reform. However, the sector has demonstrated a combination of slow-to-modest growth and declining employment over the past 20 years. Constraints facing this sector include rising input costs; a challenging international trade environment; fluctuations in the global markets; lack of developmental infrastructure; effects of the drought conditions; and poor transformation of the sector. Taking on the nature of the Phakisa model, the initiatives proposed on Agriculture, Land Reform and Rural Development are products of public-private debates and partnerships.

They will be implemented as such. Commodity organisations that include the grains, fruit and livestock industries, the financial institutions and labour organisations have set the stage for public-private partnerships. The National Plan for Food and Nutrition Security is a collaborative effort and will require partnerships for successful implementation. Collaboration between government and financial institutions will ensure grants to support farmers and guarantee support to access loans. R100 million has been transferred to the Land Bank as part of the initiatives of integrating government grants with loan finance. Several private sector institutions participate in partnerships for increasing production where smallholder farmers have land and promote access to national import and export markets. Key partners include AB InBev on barley and hops production, Distell on apple concentrate, Clover on dairy products, and Tiger Brands on pulses and vegetables.

According to DAFF's 2018 annual report, the DAFF along with the Department of Rural Development and Land Reform (DRDLR), and the Department of Planning Monitoring and Evaluation (DPME) hosted a five-week "Lab" planning process as part of the Operation Phakisa methodology that developed 27 initiatives out of seven work-streams namely,

- 1) grains,
- 2) livestock,
- 3) horticulture,
- 4) producer support,
- 5) rural development,
- 6) land reform, and
- 7) labour.

The workstreams were conducted in parallel over the five-week period with various intervals of cross-cutting interactions. The objectives of the Phakisa initiatives are to:

- Stimulate rural economies;
- Ensure equitable access to land for economic development and agrarian transformation;
- Devise economic growth interventions for priority industries and commodities;
- Identify profitable markets and improve market access for commercial and smallholder;
- Address fragmented and low-impact support for producers;
- Improve sustainable productivity by balancing mechanisation and job creation; and
- Reduce the negative environmental impact of agricultural production through interventions to improve soil fertility, water management and pest control.

These 27 initiatives were organised into six fields of practice for implementation led by relevant line function units in various departments that include DAFF; DRDLR; the DTI and the Department of Labour. Under the joint leadership of DAFF and DRDLR institutional arrangements that include delivery units will be established with specific champions for the initiatives. The 27 strategic initiatives shall be implemented in phases considering readiness and resource availability.

According to DAFF's 2018/2019 Annual Performance Plan, in order to bring smallholder irrigation schemes to full production would require coordination and integration of efforts. The latest Operation Phakisa workshop has proposed the establishment of a Presidential War Room to unlock water for agriculture and fast track irrigation projects. The DAFF will follow up on the process to ensure that decisions are planned for and implemented when the resources have been coordinated.

The implementation of Phakisa outcomes will ensure that RAVAAC is strengthened and accelerated. In line with the outcomes of Operation Phakisa, the department aims to increase and support 450 sustainable and profitable black commercial producers participating in prioritised value chains over a five-year period through the reprioritisation of funds from Comprehensive Agricultural Support Programme. An estimated R270 million is expected to be used in the Black Producer Commercialisation Programme, which is intended to support investment that will unlock and enhance the output of black producers through targeted interventions. Further concessionary loans to emerging farmers will be accessed from the Micro Agricultural Finance Institutions of South Africa (MAFISA), which aims to address the financial services needs of smallholder farmers and agri-businesses.

Operation Phakisa is also an important pillar of the KwaZulu Natal Department of Agriculture and Rural Development's policy interventions. KwaZulu natal has also adopted the Phakisa model for poverty alleviation and unlocking agriculture and tourism potential. This is intended to achieve the goals of the NDP by engaging implementation of government strategic programmes on a faster trajectory. The use of the Phakisa methodology has informed the provinces formulation of Provincial Growth and Development Strategy and Plan (PGDP).



The PGDP is anchored on 7 strategic goals; 30 strategic objectives broken down into Action Working Groups with this Department leading Group 1- unleashing agricultural potential. The PGDP has assigned responsibility to this Department for the execution of the following priorities:

- Expedite implementation of Agricultural Policy Action Plan and KZN Rural Development Plan;
- Increase investment in agricultural infrastructure;
- Accelerate the settlement of remaining land claims;
- Ensure that all land-reform farms are productive;
- Work with commercial farmers to support emerging farmers;
- Empower rural communities to move from limited subsistence and food security activities to gain access to the formal economy;
- Strengthen agricultural college education;
- Promote the production of biofuels;
- Increase investment in rural industries and agro-processing;
- Explore alternative models for accessing finance for rural development initiatives;
- Improve the tenure security and administration of people living in the communal areas; and
- Expand school-feeding schemes.

## 28. Tourism

Over the last ten years, tourism in South Africa has emerged as a leading economic growth sector. It is now one of the largest contributors to the Gross Domestic Product (GDP) and offers significant employment and enterprise development opportunities. Tourism is the fastest-growing economic sector in South Africa, contributing close to 7.1% of the GDP. It is a labour-intensive industry that brings in foreign revenue and stimulates a broad range of other industries.

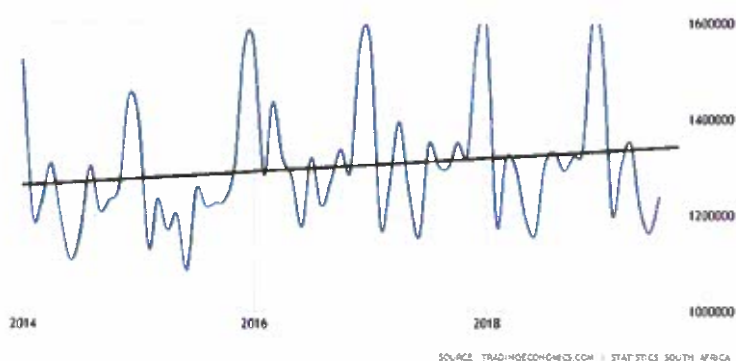


Figure 25 RSA International Arrivals

Source: Trading Economics

Tourist Arrivals in South Africa increased to 1 238 165 in July from 1 163 574 in June of 2019. Tourist Arrivals in South Africa averaged 545 306 from 1979 until 2019, reaching an all-time high of 1 598 893 in January of 2018.

### KwaZulu Natal Tourism

The provincial government is developing and leading numerous programmes to ensure the continued development of KZN tourism, taking advantage of the provinces abundant and diverse natural beauty to create sustainable economic growth. KwaZulu Natal, as hosts of the annual Tourism Indaba, is strongly placed to grow its tourism industry. There have been several recent positive developments. Bookings to Durban have increased by an incredible 176% since September 2018 with several international carriers now flying direct to King Shaka, including British Airways and Emirates. Since the airport opened nine years ago, the results have been telling: monthly international arrivals went from 87 466 to 170 341, a direct result of airlines flying direct to the airport and significant interest from tourists.

KwaZulu-Natal has plenty to offer, with lots of beautiful beaches and top-rated national parks such as Hluhluwe-Umfolozi Game Reserve and uMkhuze Game Reserve. The province will also soon play host to a world-class cruise terminal with designs for R200 million in a redevelopment project in the port almost complete. The province can also serve as a gateway into Mozambique with the completion of the new road and bridge linking the province directly to Maputo creating world-class road network that spans the entirety of South Africa's east coast. The contribution of tourism to the provinces GDP is fast approaching 10% an encouraging development that needs to be nurtured.

The Tourism Development Programme of the province aims to develop provincial tourism policies, strategies and ensure their implementation thereof. To ensure that the industry is properly managed through proper regulations. To create a conducive environment for tourism to flourish thus contribute to economic growth and job creation. For more detail see **Annexure 3**.

## 29. Local Investment Opportunities

The DTI stimulates and facilitates the development of sustainable, competitive enterprises through the provision of incentive programmes that support national priorities (i.e. sector strategies, as well as the National Industrial Policy Framework and its action plans). The department provides financial support to qualifying companies for various economic activities, including manufacturing, business competitiveness, export development and market access, as well as foreign direct investment.

These incentive programmes are grouped into the following clusters:

- Broadening Participation and Industrial Innovation promotes broadened economic participation and innovation and technology development. Its incentive programmes are the Black Industrialists Scheme (BIS), Support Programme for Industrial Innovation (SPII) and the Technology and Human Resources for Industry Programme (THRIP).
- Competitiveness Investment supports industrial competitiveness and consists of the Export Marketing and Investment Assistance (EMIA) programme, Sector Specific Assistance Scheme (SSAS), the Capital Projects Feasibility Programme (CPFP) and the Manufacturing Competitiveness Enhancement Programme (MCEP).
- Manufacturing Investment encourages additional investment in the manufacturing sector through the Aquaculture Development Enhancement Programme (ADEP), 12I Tax Allowance Incentive (12I TAI), Enterprise Investment Programme (EIP), which includes the Strategic Partnership Programme (SPP), and Automotive Investment Scheme (AIS), which includes the People-Carrier Automotive Investment Scheme (P-AIS).
- Services Investment stimulates increased investment and growth in the services sector through the Business Process Service (BPS) and Film and Television Production incentive programmes.

### Operation Vula

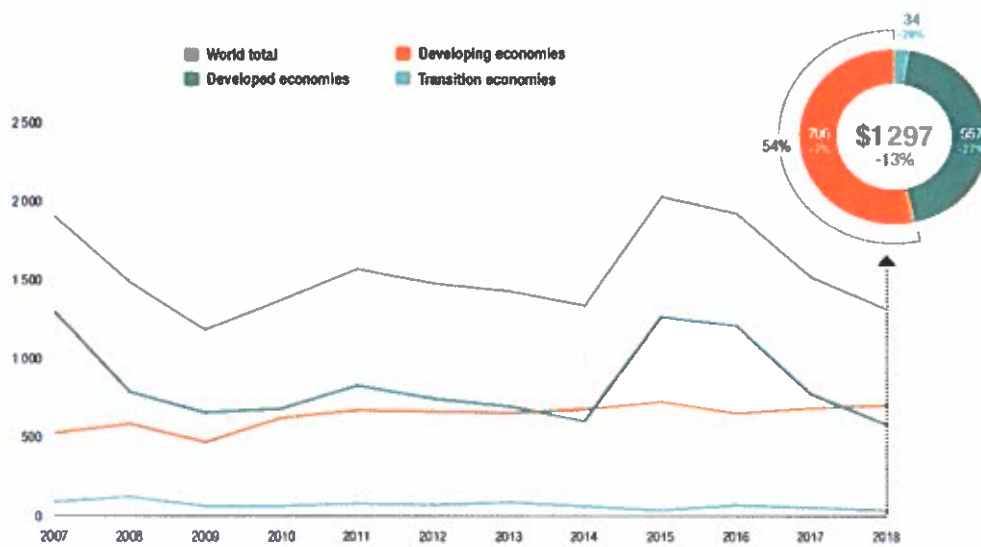
Using massive government procurement system worth billions of rand, the provincial government established a practical framework to help co-ordinate the transformation of the province's economy under the banner of Operation Vula.

The sectors that feature agriculture, fertilisers, bakery, clothing and textiles and as well as construction are tipped to draw more black people into the mainstream of the economy where government departments at all levels serve as the primary market for emerging black enterprises. Besides government's role in the economy, KwaZulu-Natal has taken a pole position with respect to the mobilising of investment commitments from local enterprises, especially those operating in the first economy space where in excess of R200 billion worth of investments had been declared by different business organisations. For a list of Operation Vula Interventions see **Annexure 4**.

### 30. Foreign Direct Investment

Global foreign direct investment (FDI) flows slid by 13% in 2018, to US\$1.3 trillion from \$1.5 trillion the previous year – the third consecutive annual decline, according to UNCTAD’s World Investment Report 2019. This is following 2017 FDI flows falling by 23% in 2017, to \$1.43 trillion from \$1.87 trillion in 2016.

The contraction was largely precipitated by United States multinational enterprises (MNEs) repatriating earnings from abroad, making use of tax reforms introduced by the country in 2017, designed for that purpose. Hardest hit by the earnings repatriation were developed countries, where flows fell by a quarter to \$557 billion - levels are last seen in 2004.



Source: United Nations Conference on Trade and Development 2019.

The tax-driven fall in FDI, which occurred in the first two quarters, was cushioned by increased transaction activity in the second half of 2018. The value of cross-border merger and acquisitions (M&As) rose by 18%, fuelled by the United States MNEs using liquidity in their foreign affiliates.

Developing country flows managed to hold steady (rising by 2%), which helped push flows to the developing world to more than half (54%) of global flows, from 46% in 2017 and just over a third before the financial crisis. Half of the top 20 host economies in the world are developing and transition economies.

Despite the FDI decline, the United States remained the largest recipient of FDI, followed by China, Hong Kong (China) and Singapore. In terms of outward investors, Japan became the largest followed by China and France. The United States was out of the top 20 list, due to its MNEs massive repatriation of investment earnings. FDI flows to Africa expanded by 11 per cent to \$46 billion, still below the annual average of the last 10 years (at about \$50 billion).

The rise inflows were mainly due to the continuation of resource-seeking investments, slowly expanding diversified investments in a few economies, and a more than doubling of FDI flows to South Africa (from \$2 billion to \$5.3 billion).

Growing demand for and prices of some commodities, as well as sustained non-resource-seeking investments in a few countries, were largely responsible for the higher FDI flows to the continent. However, lower than expected global economic growth, rising trade tensions and tepid economic growth in Sub-Saharan Africa limited the extent of this increase.

MNEs from developing economies were increasingly active in Africa, although investors from developed countries remained the major players.

FDI outflows from Africa dropped to \$10 billion, mainly due to reduced outward investment from Angola and South Africa. In 2019, the expected acceleration of economic growth in Africa, progress towards the implementation of the African Continental Free Trade Area Agreement and the possibility of some large announced greenfield investments materializing could result in higher FDI flows to the continent.

The KwaZulu Natal Provincial MEC for Economic Development, Tourism and Environmental Affairs is taking proactive steps to bring investment to the province. For example, on 2<sup>nd</sup> of July 2019 received and hosted investors from King Kong Organics (KKOG) in the United States of America who will be investing in the Dube Trade Port AgriZone. The Department, Premier's Office, Dube Trade Port and the Moses Kotane Institute were part of the briefing and a tour of the prospective facilities. The investment in the region of \$5 million (R71 million) will see KKOG establishing a cannabis greenhouse facility after attaining a cultivation and extraction licenses as well as the signing of a lease with the Dube Trade Port. The investment has the potential to create a huge value chain in the industry that will also help small growers with a market. KKOG is one of the world market- leaders in cannabis cultivation and are expanding their operations to South Africa and the African continent.

TIKZN has a key role to play in attracting further investment into the province, both from local and international investors. For the 2018/2019 Financial year, TIKZN facilitated a total of R1,155 billion worth of inward investment that led to the creation or retention of 3 148 jobs.

### 31. Summary

The current economic climate is one that presents significant risks but potentially also creates opportunities that Kwa Zulu Natal, and South Africa, need to explore, develop, and exploit. TIKZN must place itself at the heart of these discussions and offer support to the provincial government in order to maximise **investment, trade, and economic development**. South Africa has consistently underperformed with respect to both world growth and in comparison to other emerging economies. A strong, concerted effort must be made to reverse this trend.

TIKZN must aid and advise all relevant stakeholders as to the policy breakdown at a national, provincial, and municipal level. The current framework is informed by the **National Development Plan** and its **Vision 2030**. The 2030 vision, is to eliminate poverty and reduce inequality by empowering all citizens to have capabilities to grasp the ever-broadening opportunities that interventions and initiatives launched under the NDP will bring. These goals are to be achieved using the **Operation Phakisa** methodology that focuses on fast results. The strategies of TIKZN will be informed by these goals.

TIKZN must present the opportunities within the various **KwaZulu Natal Districts**, both rural and urban, to both local and foreign investors. This potentially will unlock key sectors in the province which otherwise might have been ignored by investors due to their lack of prior development.

Some of the key sectors that TIKZN has identified as areas with massive growth potential are:

- **Tourism,**
- **Agriculture,**
- **The Fourth Industrial Revolution,**
- **The Ocean Economy.**

Overall TIKZN will utilise its own expertise to help realise the national government's decision to divest investment promotion to the provinces and presents a seamless trade and inward investment promotion for, specifically, KwaZulu-Natal. TIKZN will continue to execute its mandate to **promote, brand, and market** KwaZulu-Natal as an **investment destination** and **facilitate trade** by assisting local companies to access international markets. This will result in an expansion of domestic and international trade throughout the province.

Overall Trade and Investment KwaZulu Natal will be the shepherd of growth in the province, developing its mandate with reference to the national 2030 vision. It will be the leader in developing and promoting export trade in KwaZulu-Natal and to position the province as a premier destination for investment.







## Benchmarking Synopsis

An Investment Promotion Agency (IPA) is a statutory government institution, agency or non-profit organisation that aims to attract investment into a country, state, region or city. The core function of an IPA is to build and market an image of a country, state, region or city to host Foreign Direct Investment (FDI), generate investment, manage investments and provide aftercare services for new investors. IPAs can be key institutions for creating sustainable economic development through productivity growth and for delivering increased levels of welfare through job creation. Some IPAs play a policy advocacy function, guiding the state in policy development and implementation.

Since the 1980s there has been a rapid increase in the number of IPAs across the globe and an increase in the amount of resources dedicated to promoting investments into a certain country, state, region or city. This is the case with both developing and developed nations.

### IPA Synopsis

- Autonomous public agencies, governmental departments or joint public-private agencies.
- Report to government departments or a ministry.
- Governed by boards.
- Promote inward investment.
- Export and innovation promotion.
- Promote investments that support socio-economic objectives, including the promotion of regional development, green investment and domestic investment.

There has been a focus on economic growth and transformation in South Africa since 1994. When the new constitution was developed in 1996 the South African government has been mandated to promote social and economic development through the development and implementation of policies and legislation. Despite these mandates, attracting inward investment has been poor since the transition into democracy and the country still has critical social and economic constraints that need to be addressed. This has led to the establishment of nine provincial, one regional and one national IPAs in South Africa in order to solve these investment issues, according to Brand South Africa (2013), InvestSA (2019) and Southern African Development Community (2019). However, it is crucial to consistently review the strategies of South African IPAs and improve their function of attracting inward investment and thus improve the South African economy.

This benchmarking exercise entails a review of twelve other IPAs nationally, regionally and across the globe, providing insight for TIKZN into what IPA strategies work well and what strategies do not work well or may not be applicable. This exercise will also assist TIKZN to identify what they can improve in their own strategies and functions (as well as provide DNA for strategy development). The benchmarking matrix will review the following:

- IPA location;
- Legal form;
- Applicable legislation;
- Year incorporated;
- Shareholders;

- Funding and mandate;
- Strategic model;
- Key success factors;
- Achievements versus targets; and
- Other parameters.

This benchmarking analysis has investigated four South African IPAs, three African IPAs and nine international IPAs. The IPAs that were analysis include the following:

**South Africa:**

- Wesgro;
- Free State Development Corporation;
- Gauteng Growth Development Agency; and
- Mpumalanga Economic Growth Agency.

**Africa:**

- Kenya Investment Authority (KenInvest);
- Botswana Investment and Trade Centre (BITC); and
- Ethiopian Investment Commission.

**International:**

- Economic Development Board Singapore;
- InvestKL Malaysia;
- InvestHK;
- Industrial Development Acts (IDA) Ireland;
- Investe Sao Paulo;
- Enterprise Georgia;
- Bahrain Economic Development Board; and
- Cinde (Costa Rica).

## Summary of Findings

In summary, each Investment Promotion Agency (IPA) had a variety of approaches of stimulating economic development in their respective countries, cities or regions. This section will summarise the key findings of the benchmarking analysis.

Key features and activities of IPAs:

- Government-tied
- Dual responsibility of brand promotion and investment destination promotion.
- Well-resourced and funded.
- Generally high focus on future industries, such as ICT and the green economy.
- Founded on state mandates; however, they operated in a private or independent capacity.
- Providing crucial link between state objectives and private industry.
- Policy advocacy to state bodies found in various models - Wesgro, Botswana Investment and Trade Centre and Invest Sao Paulo.
- Establishing networks or partnerships with key state departments and organisations with the aim is to create a crucial flow of information between the state and the private sector - InvestKL Malaysia, Wesgro, EDB Singapore and Investe Sao Paulo.
- Attracting inward investments through tax incentives and other strategic investment incentives in key sectors.
  - Eg. reduction or exemption in tax on exports, capital expenditure on equipment and machinery, guaranteed protection of property rights and intellectual property and carry-loss forward policies.
  - Primary purpose of tax and investment incentives is to improve the business environment and the ease of doing business.
  - Kenya Investment Authority (KenInvest) emphasised the decentralisation of investments in Kenya, placing the private sector as the sole engine of growth. This reduces the state's role and resources in growing the Kenyan economy.
- IPAs aimed to attract specific types of investments:
  - InvestKL Malaysia's objective is to attract large multinational corporations to establish headquarters and primary operations centres.
  - InvestHK emphasised the need to attract foreign small-to-medium sized enterprises.
- The establishment of strategic economic and trade zones to stimulate export potential.
  - Ethiopian Investment Commission established Industrial Parks.
  - These zones are also strategically located in underdeveloped regions. This was the case for IDA Ireland, that aims to stimulate high value-adding activities outside of the economic hub of Dublin.

## Best Practice Recommendations

- Directing investment to key value-adding sectors, preventing the over-development of primary sectors. Eg. InvestHK through FinTechHK initiative.
- Decentralise investment, meaning that the state does not direct investments towards a particular sector. It also includes liberalising trade and tax laws that allows more flexibility and ease of doing business for foreign and local investors. Firstly, this approach reduces government involvement and thus resources, as well as preventing government inefficiencies get in the way of private sector development. Secondly, it makes the ease-of-doing-business more conducive to foreign investors.
  - Eg. Kenya Investment Authority.
- Focusing on regional development through incentives and specially designed economic zones.
  - Eg. Ethiopian Investment Commission's industrial parks, creating linkages to local businesses.

Another important feature of some of the IPAs is the types of investments they aimed to attract. InvestKL Malaysia primary objective is to attract large multinational corporations to establish headquarters and primary operations centres. InvestHK had a similar approach, however also emphasised the need to attract foreign small-to-medium sized enterprises, especially those that were growing. Enterprise Georgia's primary mandate is to attract and grow SMMEs in the country.

According to SEDA (2016: 5), SMMEs can be the key drivers of economic growth, innovation and job creation. The South African IPAs also heavily focused on SMME creation, including Free State Development Corporation, Gauteng Growth Development Agency and Mpumalanga Economic Growth Agency. Therefore, it is important to note the possible benefits of attracting investment in the form of encouraging the growth of SMMEs. It is recommended that TIKZN focus on attracting foreign and domestic SMMEs to stimulate economic growth in the KwaZulu-Natal Province, due to the rationale listed below.

### SMME Focus in KwaZulu-Natal:

- Focus on foreign small-to-medium enterprises (SMMEs) through the creation of ideal business environment.
- SMMEs are the backbone of developed economies. Eg. In the US, small businesses accounted for 99.7% of employer firms and 64% of net new private sector jobs, according to the latest SBA Office of Advocacy's report.
- Only 40% of employer firms in South Africa are SMMEs (IOL, 2019). Eg. EDB Singapore's Global Investor Programme, which makes it easier for foreign investors to register their businesses and obtain residency with ease.
- A key focus would be in fourth industrial revolution, fintech and technology start-ups, which are driven by SMMEs. Eg. Bahrain EDB have developed clusters for technology-based start-ups, such as FinTech Bay.
- SMMEs would not need to adhere to complicated South African policies, such as BEE requirements and tribal community considerations.
- SMMEs would absorb existing high-skilled labour and create demand for high-skilled labour in the province.
- Lower costs of living in KwaZulu-Natal compared to international financial hubs, such as Singapore and Dubai. The lower costs of living would mean that foreign SMMEs' operating costs are lower,

due to lower wages. This would result in profitability and expansion of these SMMEs, creating more jobs and generating higher levels of income tax. However, TIKZN would need to formulate measures to counteract electricity and connectivity constraints.

- SMMEs do not require large infrastructure capabilities or industrial zones in order to operate. This would save on provincial expenditure costs.

## Benchmarking Analysis

### South African IPAs

Wesgro	
<b>Location</b>	<ul style="list-style-type: none"> <li>• 60 St Georges Mall, SA Reserve Bank Building, 18th Floor, Cape Town, South Africa.</li> <li>• Area of focus: Western Cape Province.</li> </ul>
<b>Legal Form</b>	<ul style="list-style-type: none"> <li>• Government Agency.</li> </ul>
<b>Applicable Legislation</b>	<ul style="list-style-type: none"> <li>• Wesgro Act, 1996</li> <li>• Functions according to the Western Cape Investment and Trade Promotion Agency Amendment Act, Act No. 6, 2013.</li> <li>• National policy mandates, including National Development Plan and Medium-Term Strategic Framework.</li> <li>• Provincial policy frameworks, including Project Khulisa, OneCape 2040, Provincial Strategic Plan, State of the Province Address, Green Economic Framework, The Western Cape Infrastructure Framework, International Relations strategy and relevant court rulings.</li> </ul>
<b>Year Incorporated</b>	<ul style="list-style-type: none"> <li>• 1982</li> </ul>
<b>Shareholders</b>	<ul style="list-style-type: none"> <li>• Western Cape Provincial Government</li> </ul>
<b>Funding</b>	<ul style="list-style-type: none"> <li>• Western Cape Provincial Government</li> </ul>
<b>Mandate and Functions</b>	<ul style="list-style-type: none"> <li>• Promotes tourism, trade and investment in the Western Cape Province.</li> <li>• Undertaking of activities which strengthen the Western Cape Province and promote equitable participation in the economy by sectors of the community, as well as regions of the Western Cape.</li> <li>• Attracts and retains direct investments into the Western Cape Province.</li> <li>• Grows exports.</li> <li>• Promotes the Western Cape Province as a competitive and sustainable tourism destination.</li> <li>• It is the facilitator in the link between business and government decision makers.</li> </ul>
<b>Strategic Model</b>	<ul style="list-style-type: none"> <li>• Increase trade and invest by focusing on key sectors and targeting specific markets in the province that have the potential to create the most amount of jobs.</li> <li>• Develop and implement international best practice in trade and investment promotion through business facilitating, investment incentives, aftercare services and policy advocacy.</li> </ul>



	<ul style="list-style-type: none"> <li>• Organisation is structured into key departments, including: <ul style="list-style-type: none"> <li>○ Strategic projects: Cape Town Air Access and Cape Health Technology Park.</li> <li>○ Film and Media Promotion.</li> <li>○ Investment and Agri-business.</li> <li>○ Trade.</li> <li>○ Convention Bureau and Tourism.</li> </ul> </li> </ul>
<p><b>Key Success Factors</b></p>	<ul style="list-style-type: none"> <li>• The trade and investment teams employ sector and market specialists.</li> <li>• Strong research capability.</li> <li>• Responsive to the needs of stakeholders.</li> <li>• Strong and established relationships with provincial departments, such as DOTP, DEDAT and DEADP.</li> <li>• Strong and well-established relationships with local government, such as CoCT and municipalities across the Western Cape.</li> <li>• Governance and financial controls are stable.</li> <li>• Historical track record and growing brand.</li> <li>• Well-developed website and tourism orientated.</li> </ul>
<p><b>Achievements versus Targets</b></p>	<ul style="list-style-type: none"> <li>• The investment promotion unit secured 12 investment projects at a value of R2.2 billion against a target of R1.05 billion to R1.8 billion. 1 014 jobs were created in 2018.</li> <li>• The agribusiness investment unit secured 6 investment projects to the value of R7.56 billion against a target of R300 million to R420 million. 1 412 jobs were created in 2018.</li> <li>• In 2018 the trade promotion unit secured 53 business agreements with a value of R2.83 billion against a target of R100 million to R200 million. 679 jobs were created.</li> <li>• The film and media promotion unit secured 9 film and media declarations to the value of R1.92 billion, generating over R33 million of AVE exposure for the agency in the 2018 financial year. 2 449 FTE jobs were created as a result.</li> <li>• During 2018 the marketing and communication unit released 100 press releases, which generated R72.02 million in advertising value equivalent (AVE). 46 strategic media engagements were hosted against a target of 7.</li> <li>• The destination marketing team supported 51 leisure events across the Western Cape, generating R29.08 in AVE exposure to the agency during the 2018 financial year.</li> </ul>
<p><b>Other Parameters</b></p>	<ul style="list-style-type: none"> <li>• Focus on key sectors, including agri-business, energy, hotels and real estate, ICT and services, manufacturing, and film and media.</li> </ul>

	<ul style="list-style-type: none"><li>• 14 board members composing of a Chairperson, Deputy Chairperson, 8 directors, Chairperson of the Audit, IT and Risk Committee Director, a Chief Executive Officer, board member representing the Provincial Government, board member representing the City of Cape Town and Chairperson of the Human Resource and Remuneration Committee. The board members have diverse professional backgrounds. Some are professors at local universities. For instance, the chairman is the Principal and Vice-Chancellor of the University of the Western Cape. Some board members are also serving as non-executive board members of private companies. For instance, the Deputy Chairman serves as a non-executive board member of Anglo American.</li><li>• Strategic projects in air access through Cape Town Air Access (CTAA).</li><li>• The Cape Health Technology Park (CHTP) project that entails investigation of the establishment of a health-innovation focussed technology park.</li></ul>
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<b>Mpumalanga Economic Growth Agency</b>	
<b>Location</b>	<ul style="list-style-type: none"> <li>• First Floor, 7 Government Boulevard, Building 4, Riverside Park, Mbombela, Mpumalanga Province.</li> <li>• Area of focus: Mpumalanga Province.</li> </ul>
<b>Legal Form</b>	<ul style="list-style-type: none"> <li>• State-Owned Enterprise.</li> </ul>
<b>Applicable Legislation</b>	<ul style="list-style-type: none"> <li>• The Mpumalanga Economic Growth Agency (MEGA) Act 1 of 2010</li> </ul>
<b>Year Incorporated</b>	<ul style="list-style-type: none"> <li>• 2010</li> </ul>
<b>Shareholders</b>	<ul style="list-style-type: none"> <li>• Mpumalanga Economic Development and Tourism.</li> </ul>
<b>Funding</b>	<ul style="list-style-type: none"> <li>• Mpumalanga Economic Development and Tourism.</li> </ul>
<b>Mandate and Functions</b>	<ul style="list-style-type: none"> <li>• Stimulate growth in key sectors of the provincial economy.</li> <li>• Provide funding in respect of property, business, enterprise and agricultural development with a particular emphasis on previously disadvantaged individuals and the growth of SMMEs.</li> <li>• Develop property including the granting of housing loans in Mpumalanga.</li> <li>• Deliver infrastructure in Mpumalanga.</li> <li>• Promote foreign trade and investment.</li> </ul>
<b>Strategic Model</b>	<ul style="list-style-type: none"> <li>• Overall strategy to fund SMMEs and co-operatives, housing, agriculture and agricultural processing to stimulate economic development and social welfare.</li> <li>• Provide access to international markets for black-owned agri-businesses.</li> <li>• Organisation is structured into key departments, including: <ul style="list-style-type: none"> <li>○ Legal.</li> <li>○ Funding.</li> <li>○ Properties and Infrastructure.</li> <li>○ Strategy and Communications.</li> <li>○ Corporate Services.</li> </ul> </li> </ul>
<b>Key Success Factors</b>	<ul style="list-style-type: none"> <li>• Nkomazi Special Economic Zone, which offers the investor a multi-sector base of operations along the Maputo Development Corridor.</li> <li>• Mpumalanga International Fresh produce Market, which links small-scale black farmers with international, regional and local buyers.</li> </ul>

<p><b>Achievements versus Targets</b></p>	<ul style="list-style-type: none"> <li>• Increased implementation of suitable high impact investments opportunities in the province by R285 million against target of R250 million.</li> <li>• Attracted investments to Nkomazi SEZ R12 billion against target R4 billion.</li> <li>• Attract investments to the Mpumalanga International Fresh Produce Market R307 million against targetR307 million.</li> <li>• Increased collection of revenue from existing property portfolio R123 million from target of R52.5 million</li> <li>• Increased access to export opportunities for 17 Mpumalanga-based export companies against a target of 10.</li> <li>• 5 NEDP export training workshops conducted in Mpumalanga against a target of 5.</li> </ul>
<p><b>Other Parameters</b></p>	<ul style="list-style-type: none"> <li>• Board comprising of 10 members, including a Chairperson, CEO, 7 board members and a company secretary.</li> <li>• Focus on key sectors, including agriculture and agro-processing, property development and tourism.</li> </ul>

<b>Gauteng Growth and Development Agency</b>	
<b>Location</b>	<ul style="list-style-type: none"> <li>• 124 Main Street, Marshalltown, Johannesburg.</li> <li>• Area of focus: Gauteng Province.</li> </ul>
<b>Legal Form</b>	<ul style="list-style-type: none"> <li>• Government Agency.</li> </ul>
<b>Applicable Legislation</b>	<ul style="list-style-type: none"> <li>• Blue IQ Investment Holdings Act (No. 3 of 2003).</li> <li>• Gauteng Tourism Act, 2001.</li> <li>• Gauteng Unfair Business Practices Act, 1996.</li> </ul>
<b>Year Incorporated</b>	<ul style="list-style-type: none"> <li>• 2012</li> </ul>
<b>Shareholders</b>	<ul style="list-style-type: none"> <li>• Gauteng Department of Economic Development.</li> </ul>
<b>Funding</b>	<ul style="list-style-type: none"> <li>• Gauteng Department of Economic Development.</li> </ul>
<b>Mandate and Functions</b>	<ul style="list-style-type: none"> <li>• Assist the Gauteng Department of Economic Development to lead, facilitate and manage sustainable job creation and inclusive economic growth through support growth of the cooperative's economy, facilitation of trade and investment and increased strategic economic infrastructure.</li> <li>• Implement policies developed by the Gauteng Department of Economic Development.</li> </ul>
<b>Strategic Model</b>	<ul style="list-style-type: none"> <li>• Economic growth must target key sectors (and sub-sectors) for development. The focus is biased towards growing manufacturing across the key target sectors.</li> <li>• Developing and improving key economic enablers, such as strategic economic infrastructure.</li> <li>• A strong emphasis on trade, investment and export promotion and facilitation within Southern and Sub-Saharan Africa.</li> <li>• Growth outcomes orientated around jobs, exports and SMME development.</li> </ul>
<b>Key Success Factors</b>	<ul style="list-style-type: none"> <li>• The agency has 5 subsidiary companies: Automotive Industry Development Centre (AIDC), The Innovation Hub (TIH), Gauteng Industrial Development Zone (IDZ) and the Constitution Hill Development Company (ConHill).</li> <li>• The agency has the Gauteng Investment Centre, which is South Africa's first One-stop Shop (OSS) for international investors and established local businesses where important government information and services can be accessed from a single platform.</li> </ul>

	<ul style="list-style-type: none"> <li>• Incubation centres at Rosslyn and Silverton aimed at changing ownership patterns to bring black people into the economic mainstream and create black industrialists.</li> <li>• eKasiLabs are extensions of The Innovation Hub (TIH) in the townships to promote the culture of innovation and entrepreneurship and innovative output in the community.</li> </ul>
<p><b>Achievements versus Targets</b></p>	<ul style="list-style-type: none"> <li>• In the 2018 financial year 4 927 jobs were created against a target of 4 160.</li> <li>• Successfully facilitated R5.9 billion worth of investment projects in the 2018 financial year, which was 19% above target.</li> <li>• 3 712 people took part in various skills development programmes against a target of 3 100 in the 2018 financial year.</li> <li>• 5 092 training sessions were completed against a target of 3 385 in 2018.</li> </ul>
<p><b>Other Parameters</b></p>	<ul style="list-style-type: none"> <li>• Focus on primary key sectors, including agro-processing, business processing outsourcing, capital equipment, infrastructure, manufacturing, mineral beneficiation, renewables and tourism.</li> <li>• 12 board members that consists of a Group Chairperson, Deputy Chairperson and 10 board members. There are 15 executives that lead the agency.</li> </ul>

<b>Free State Development Corporation</b>	
<b>Location</b>	<ul style="list-style-type: none"> <li>• 33 Kellner St, Bloemfontein Central, Bloemfontein, Free State Province.</li> <li>• Area of focus: Free State Province.</li> </ul>
<b>Legal Form</b>	<ul style="list-style-type: none"> <li>• State-Owned Enterprise.</li> </ul>
<b>Applicable Legislation</b>	<ul style="list-style-type: none"> <li>• Free State Development Corporation Act 6 of 1995.</li> <li>• Amended by: <ul style="list-style-type: none"> <li>○ Free State Development Corporation Amendment Act 9 of 1999.</li> <li>○ Free State Development Corporation Amendment Act 4 of 2006.</li> <li>○ Free State Development Corporation Amendment Act 5 of 2010.</li> </ul> </li> </ul>
<b>Year Incorporated</b>	<ul style="list-style-type: none"> <li>• 1995.</li> </ul>
<b>Shareholders</b>	<ul style="list-style-type: none"> <li>• Free State Provincial Government.</li> </ul>
<b>Funding</b>	<ul style="list-style-type: none"> <li>• Free State Provincial Government.</li> </ul>
<b>Mandate and Functions</b>	<ul style="list-style-type: none"> <li>• The promotion and development of SMMEs.</li> <li>• To assist Free State based SMMEs with funding by advancing loans.</li> <li>• To assist Free State based SMMEs in financial distress through payments arrangements.</li> <li>• To initiate economic empowerment projects that would benefit the Free State.</li> <li>• To promote investment in and trade with the Province.</li> </ul>
<b>Strategic Model</b>	<ul style="list-style-type: none"> <li>• Providing an enabling environment for Free State SMMEs to trade and exports.</li> <li>• Providing investor facilitation services to SMMEs investing below R10 million.</li> <li>• The provision of loan financing to SMMEs.</li> </ul>
<b>Key Success Factors</b>	<ul style="list-style-type: none"> <li>• Partnerships with the MTN Foundation and Mantsopa Local Municipality, enabling the public-private partnerships with the following organisations: <ul style="list-style-type: none"> <li>○ Southern Africa- Netherlands Chamber of Commerce (SANEC) - promoting the development of bilateral relations between the Free State Province and the Netherlands by providing a platform to discuss and explore business opportunities in trade, investment and the transfer of technology, services and products.</li> <li>○ Bloemfontein Chamber of Commerce and Industry (BCCI) – sharing of information and jointly participate on trade and investment missions and for Free State</li> </ul> </li> </ul>



	Development Corporation to effectively participate at BCCI events.
<b>Achievements versus Targets</b>	<ul style="list-style-type: none"> <li>• R2 billion fixed investments from Industrial Parks Project secured in 2018.</li> <li>• 4 business ventures committed to an investment amount of above R10 million in 2018 against a target of 2.</li> <li>• 30 SMMEs committed to investments below R10 million in 2018. The target was 30.</li> <li>• 73 FDC customers in financial distress that developed payment /debt resolution plans against a target of 60 in 2018.</li> </ul>
<b>Other Parameters</b>	<ul style="list-style-type: none"> <li>• Focus on key sectors of the Free State Province, including agriculture and agro-processing, mining, transport and logistics, ICT/BPO and Call Centres and Energy.</li> <li>• 6 members of the board consisting of a Chairperson, Deputy Chairperson, 3 board members and the CEO.</li> <li>• 3 executive managers, including CEO, Executive Co-Operations and Chief Financial Officer, that manage the corporation.</li> </ul>

## African IPAs

Kenya Investment Authority (KenInvest)	
<b>Location</b>	<ul style="list-style-type: none"> <li>• UAP Old Mutual Tower, 15th Floor, Upper Hill Road, Nairobi, Kenya.</li> <li>• Area of focus: Kenya.</li> </ul>
<b>Legal Form</b>	<ul style="list-style-type: none"> <li>• State Corporation.</li> </ul>
<b>Applicable Legislation</b>	<ul style="list-style-type: none"> <li>• Investment Promotion Act No. 6 of 2004.</li> </ul>
<b>Year Incorporated</b>	<ul style="list-style-type: none"> <li>• 1986.</li> </ul>
<b>Shareholders</b>	<ul style="list-style-type: none"> <li>• Republic of Kenya.</li> </ul>
<b>Funding</b>	<ul style="list-style-type: none"> <li>• Republic of Kenya.</li> </ul>
<b>Mandate and Functions</b>	<ul style="list-style-type: none"> <li>• Promotes and facilitates investment in Kenya by both domestic and international investors.</li> <li>• Policy advocacy – reviewing the investment environment and making recommendations to the Kenyan government and other stakeholders on changes that will promote and facilitate investment.</li> <li>• Obtaining investment certificates, as well as necessary licenses and permits.</li> <li>• Obtaining incentives or exemptions under various Acts and other regulations.</li> <li>• Providing information on investment opportunities and sources of capital.</li> <li>• Facilitating and managing investment sites, estates or land together with associated facilities on the sites, estates and land.</li> </ul>
<b>Strategic Model</b>	<ul style="list-style-type: none"> <li>• Emphasis on the growth of the private sector as the primary engine of economic growth.</li> <li>• Implementation of liberalisation measures and reform programmes, such as the decontrol of prices to let market forces set the prices, removal of discretionary clauses in the tax laws, repeal of the exchange rate act, removal of duty rates on capital goods and abolishing trade licenses.</li> <li>• Guarantees to investors, such as repatriation of profits after taxes have been paid and no expropriation of private property.</li> <li>• Providing investment incentives:             <ul style="list-style-type: none"> <li>○ MUB programme – 100% tax allowance and duty and VAT exemption on machinery, equipment and raw materials.</li> <li>○ Export Processing Zones programme – 10 year tax holiday, single license, exemption for tax duty, exemption for withholding tax</li> </ul> </li> </ul>

	<p>and 25% corporate tax rate after the first 10 years.</p> <ul style="list-style-type: none"> <li>○ Duty remission – exemption on duties and VAT on raw materials used to manufacture exports.</li> <li>○ Liberal depreciation rates based on book value.</li> <li>○ Loss-carry forward – businesses must recover losses before paying corporate tax.</li> <li>○ Capital expenditure – duties paid for capital expenditure over US\$70 000 can be recovered from corporate tax.</li> <li>○ Tourism – Waiver of duties and VAT for new hotels, 100% investment allowance and cars for personal use duty free for foreign investors.</li> <li>○ Exchange – computers are duty free.</li> </ul>
<p><b>Key Success Factors</b></p>	<ul style="list-style-type: none"> <li>● Investments are decentralised; therefore, the reduction in the need for state resources.</li> <li>● Reduction of bureaucracy inefficiencies through the abolishment of trading licenses and other trading requirements.</li> <li>● Encourages investments that: <ul style="list-style-type: none"> <li>○ Are labour intensive;</li> <li>○ Are local resource based;</li> <li>○ Earn or save foreign exchange; and</li> <li>○ Lead to efficient transfer of technology.</li> </ul> </li> </ul>
<p><b>Achievements versus Targets</b></p>	<ul style="list-style-type: none"> <li>● 1 059 new domestic and foreign investments with a capital outlay of Kshs 760.3 million and a potential to create 102 998 potential jobs between 2013 and 2017.</li> <li>● Foreign Direct Investment (FDI) grew from US\$360 million in 2012 to US\$2 billion in 2017.</li> <li>● Facilitated 99 inward and outward investment forums between 2013 and 2017.</li> <li>● Improved Kenya's rank in the Ease of Doing Business Index from 136 in 2013 to 61 in 2017.</li> <li>● Improved Kenya's rank in the Global Competitiveness Index from 99 in 2013 to 91 in 2017.</li> </ul>
<p><b>Other Parameters</b></p>	<ul style="list-style-type: none"> <li>● Focus on key sectors, including energy, financial services, ICT, agriculture, infrastructure, manufacturing, real estate, construction and tourism.</li> <li>● Special Economic Zones and Export Processing Zones that provide special access to world markets and duty reduction programmes, as well as the provision of facilitation services by the Export Processing Zones Authority.</li> </ul>

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|  | <ul style="list-style-type: none"><li>• 15 members of the board where 6 are industry focused. Some of the board members also serve as executives at other private companies and others serve as active directors in the agency, managing key departments within the agency.</li></ul> |
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Botswana Investment and Trade Centre	
<b>Location</b>	<ul style="list-style-type: none"> <li>Plot 54351, Off PG Matante Road, Exponential Building, Gaborone, Botswana.</li> <li>Area of focus: Botswana.</li> </ul>
<b>Legal Form</b>	<ul style="list-style-type: none"> <li>State Corporation.</li> </ul>
<b>Applicable Legislation</b>	<ul style="list-style-type: none"> <li>BITC Act.</li> </ul>
<b>Year Incorporated</b>	<ul style="list-style-type: none"> <li>2012.</li> </ul>
<b>Shareholders</b>	<ul style="list-style-type: none"> <li>Government of Botswana.</li> </ul>
<b>Funding</b>	<ul style="list-style-type: none"> <li>Government of Botswana.</li> </ul>
<b>Mandate and Functions</b>	<ul style="list-style-type: none"> <li>Investment promotion and attraction.</li> <li>Export promotion and development.</li> <li>Domestic investment.</li> <li>Promotion of locally manufactured goods.</li> <li>Improvement of investment climate through policy advocacy.</li> <li>Increase citizen participation in the economy.</li> <li>Create sustainable job opportunities.</li> </ul>
<b>Strategic Model</b>	<ul style="list-style-type: none"> <li>Creating a competitive and attractive business environment through policy advocacy.</li> <li>National image building and global awareness creation.</li> <li>Focused, selective and targeted investment promotion.</li> <li>National roll-out of special economic zones.</li> <li>Transforming into a third generation ITPA.</li> <li>Effective stakeholder engagement and alignment.</li> <li>Effective investor facilitation and aftercare.</li> <li>Business impact: <ul style="list-style-type: none"> <li>Investment growth.</li> <li>Export Growth.</li> <li>Nation brand awareness.</li> </ul> </li> <li>Customer impact: <ul style="list-style-type: none"> <li>Achieve stakeholder support for competitive business environment.</li> <li>Sell sector proposition.</li> <li>Improve BITC brand awareness.</li> </ul> </li> </ul>
<b>Key Success Factors</b>	<ul style="list-style-type: none"> <li>Focuses on a variety of key investment sectors, including agriculture, education, energy, health, ICT, manufacturing and tourism.</li> <li>The creation of the Botswana Trade Portal to serve as a single point of contact for all information relating to imports and exports into and from Botswana. Here, portal traders are able to obtain information on the regulatory requirements for cross-border trading.</li> <li>The agency provides contact information for government departments, councils, utilities and parastatals.</li> </ul>

	<ul style="list-style-type: none"> <li>• The provision of administrative and business support aimed at facilitating investor applications relating to business registration, licensing, work and residence permits.</li> <li>• Business-to-business exposition through the Global Expo Botswana.</li> <li>• The establishment of the Botswana One-Stop Service Centre (BOSSC), an investment facilitation centre that houses relevant government agencies as a single structure that promotes efficient and transparent services to investors.</li> <li>• Simplification of cross-border transactions through the Botswana Trade Portal.</li> <li>• Through the BOSSC investors are able to obtain government authorisations significantly quicker.</li> </ul>
<b>Achievements versus Targets</b>	<ul style="list-style-type: none"> <li>• Attracted 1 082 FDI investments in the 2017/2018 financial year against a target of 1 800.</li> <li>• 11 881 jobs were created in the 2017/2018 financial year against a target of 12 344.</li> <li>• BWP10.5 billion worth of export markets were achieved in the 2017/2018 financial year against a target of BWP10.1 billion.</li> </ul>
<b>Other Parameters</b>	<ul style="list-style-type: none"> <li>• Key industry focus: Agriculture, automotive, cargo freight and logistics, education, energy, financial and business services, health, ICT, leather and leather goods, manufacturing, mining and tourism.</li> <li>• 8 board of directors consisting of a Chairperson, Deputy Chairperson and 6 board members. The</li> <li>• Corporate Social Investment (CSI) in supporting academic institutions and non-profit organisations.</li> </ul>

<b>Ethiopian Investment Commission</b>	
<b>Location</b>	<ul style="list-style-type: none"> <li>• Airport Road, Addis Ababa, Ethiopia.</li> <li>• Key focus area: Ethiopia.</li> </ul>
<b>Legal Form</b>	<ul style="list-style-type: none"> <li>• State Agency.</li> </ul>
<b>Applicable Legislation</b>	<ul style="list-style-type: none"> <li>• Investment Proclamation No.769/2012 (as amended) and the Council of Ministers Regulation No. 313/2014.</li> </ul>
<b>Year Incorporated</b>	<ul style="list-style-type: none"> <li>• 2012.</li> </ul>
<b>Shareholders</b>	<ul style="list-style-type: none"> <li>• Ministry of Trade and Industry.</li> </ul>
<b>Funding</b>	<ul style="list-style-type: none"> <li>• Ministry of Trade and Industry.</li> </ul>
<b>Mandate and Functions</b>	<ul style="list-style-type: none"> <li>• Promoting the country's investment opportunities and conditions to foreign and domestic investors.</li> <li>• Approving investment incentives.</li> <li>• Generating and implementing policy issues required for creating suitable and competitive investment climate.</li> <li>• Negotiating and signing bilateral investment expansion and protection agreements with countries from which potential investment originates.</li> <li>• Preparation and dissemination of investment information in the form of texts films and digital mediums, hosting and undertaking exhibitions and trade fairs, holding research expos and seminars both within the country and abroad, participating in similar events hosted by others, and providing training on issues of promotion and expansion of investment.</li> </ul>
<b>Strategic Model</b>	<ul style="list-style-type: none"> <li>• Boosts exports of a number of strategic sectors of the economy.</li> <li>• Development of public industrial parks.</li> <li>• Investment facilitation and investment aftercare.</li> <li>• Increases industrial productivity through facilitation of technology transfer, skills development and extension services.</li> <li>• Initiates policy and implementation measures necessary for a conducive and competitive investment climate in collaboration with relevant stakeholders.</li> </ul>



<p><b>Key Success Factors</b></p>	<ul style="list-style-type: none"> <li>• The development of Hawassa IP phase I industrial park, which is the first sustainable textile and apparel park in Africa.</li> <li>• Focusing on key sectors of the economy to become globally competitive.</li> <li>• Enhancing skills and technology in identified key sectors of the economy.</li> <li>• Grow the country's industrial productivity.</li> <li>• The implementation of investment initiatives, including the following: <ul style="list-style-type: none"> <li>○ Customs duty exemptions of up to 100% on imports of capital goods for eligible areas of investment;</li> <li>○ Income tax exemptions for a period ranging between 1 and 9 years, depending on the specific activity and the location of the investor;</li> <li>○ With the exception of a few products, no export tax is levied on Ethiopian export products; and</li> <li>○ Guaranteed remittance of capital for foreign investors</li> </ul> </li> <li>• The Growth and Transformation Plans (GTP I &amp; II) have been successful in enhancing the role of investment in pursuing the country's economic transformation has been highlighted as the most vital.</li> </ul>
<p><b>Achievements versus Targets</b></p>	<ul style="list-style-type: none"> <li>• Foreign Direct Investments grew from US\$288 million in 2010 to US\$3.6 billion in 2017.</li> <li>• Merchandise exports increased from US\$2.3 billion in 2010 to US\$3.2 billion in 2017.</li> <li>• Investment licenses to 275 foreign projects with a combined capital of over US\$5 billion during the 2017/18 fiscal year.</li> </ul>
<p><b>Other Parameters</b></p>	<ul style="list-style-type: none"> <li>• Key sector focus: Leather and leather products, textiles and garments, horticulture, agriculture, construction, manufacturing, pharmaceuticals, tourism, energy and agro-processing.</li> <li>• Implementation of the Business Process Re-engineering (BPR) that has vastly improved the Commission's working procedures.</li> <li>• The EIC has conducted several empirically enriched researches to generate new policy insights and adopt strategic directions that foster better investment climate.</li> </ul>

## International IPAs

Economic Development Board Singapore	
<b>Location</b>	<ul style="list-style-type: none"> <li>• 250 North Bridge Road #28-00 Raffles City Tower Singapore.</li> <li>• Key focus area: Singapore.</li> </ul>
<b>Legal Form</b>	<ul style="list-style-type: none"> <li>• Statutory Body.</li> </ul>
<b>Applicable Legislation</b>	<ul style="list-style-type: none"> <li>• Economic Development Board Act (Chapter 45), 1961</li> </ul>
<b>Year Incorporated</b>	<ul style="list-style-type: none"> <li>• 1961.</li> </ul>
<b>Shareholders</b>	<ul style="list-style-type: none"> <li>• Ministry of Trade and Industry.</li> </ul>
<b>Funding</b>	<ul style="list-style-type: none"> <li>• Ministry of Trade and Industry.</li> </ul>
<b>Mandate and Functions</b>	<ul style="list-style-type: none"> <li>• Plans and executes strategies to enhance Singapore's position as the global business centre.</li> <li>• Plans and executes strategies that grow the Singapore economy.</li> <li>• Designing and delivering solutions that create value for investors and companies in Singapore.</li> <li>• Stimulates job opportunities in Singapore.</li> </ul>
<b>Strategic Model</b>	<ul style="list-style-type: none"> <li>• Providing incentive schemes, such as tax incentives to eligible companies.</li> <li>• Providing grants for research, training and productivity.</li> <li>• Connecting investors with government agencies to assist with business incorporation, taxation, legal matters and financial services.</li> </ul>
<b>Key Success Factors</b>	<ul style="list-style-type: none"> <li>• Pioneer Certificate Incentive (PC) and the Development and Expansion Incentive (DEI), which incentivises companies to grow capabilities and conduct new or expanded economic activities in Singapore.</li> <li>• Intellectual Property Development Incentive (IDI) to encourage the use of intellectual property (IP) arising from research and development.</li> <li>• The Aircraft Leasing Scheme (ALS) aims to encourage companies to develop aircraft leasing capabilities and grow the aircraft leasing industry in Singapore.</li> <li>• The Research Incentive Scheme for Companies (RISC) encourages the development of research and development capabilities and technologies through the support of projects in the areas of science and technology.</li> <li>• The Training Grant for Company (TGC) encourages manpower capability development in</li> </ul>

	<p>applying new technologies, industrial skills and professional know-how through the support of training programmes for companies' employees.</p> <ul style="list-style-type: none"> <li>• The IP Development Incentive (IDI) aims to encourage the use and commercialisation of intellectual property rights arising from research and development (R&amp;D) activities.</li> <li>• The Resource Efficiency Grant for Energy (REG(E)) supports industrial facilities in the manufacturing sector to be more energy efficient and improve competitiveness.</li> <li>• The Land Intensification Allowance (LIA) aims to promote the intensification of industrial land use towards more land-efficient and higher value-added activities.</li> </ul>
<b>Achievements versus Targets</b>	<ul style="list-style-type: none"> <li>• Created 22 500 jobs in 2017, whereas 20 100 jobs were created in 2016.</li> <li>• Expected value-added generation grew from US\$12.9 billion to US\$17.2 billion.</li> <li>• Investment commitments were valued at US\$6.5 billion in 2017.</li> </ul>
<b>Other Parameters</b>	<ul style="list-style-type: none"> <li>• 14 members of the board that are also executive managers of private corporations.</li> <li>• 12 corporate executive managers manage the agency, consisting of a Chairperson, managing director and 10 assistant managing directors.</li> <li>• Provides the Global Investor Programme (GIP), which provides permanent resident status for global investors who intend on starting a business from Singapore.</li> </ul>

InvestKL Malaysia	
<b>Location</b>	<ul style="list-style-type: none"> <li>• 16th Floor, Menara SSM@Sentral, No. 7, Jalan Stesen Sentral 5, Kuala Lumpur Sentral, 50623 Kuala Lumpur, Malaysia.</li> <li>• Key focus area: Kuala Lumpur.</li> </ul>
<b>Legal Form</b>	<ul style="list-style-type: none"> <li>• Government Agency.</li> </ul>
<b>Applicable Legislation</b>	<ul style="list-style-type: none"> <li>• Strategic Trade Act 2010 [Act 708].</li> </ul>
<b>Year Incorporated</b>	<ul style="list-style-type: none"> <li>• 2011.</li> </ul>
<b>Shareholders</b>	<ul style="list-style-type: none"> <li>• Ministry of International Trade and Industry</li> </ul>
<b>Funding</b>	<ul style="list-style-type: none"> <li>• Ministry of International Trade and Industry</li> </ul>
<b>Mandate and Functions</b>	<ul style="list-style-type: none"> <li>• Attracts large global multinational corporations to establish their regional business, innovation and talent hubs in Greater Kuala Lumpur.</li> </ul>
<b>Strategic Model</b>	<ul style="list-style-type: none"> <li>• Attract MNCs that already have the resources to set-up their operations in Kuala Lumpur.</li> <li>• Attract MNCs to Kuala Lumpur as a gateway to the Asean economies.</li> <li>• Introducing investors to the various specialised business hubs in GKL/KV.</li> <li>• Collaborating in the formation of an effective business strategy for GKL/KV, Malaysia and Asia.</li> </ul>
<b>Key Success Factors</b>	<ul style="list-style-type: none"> <li>• Has partnerships with various government agencies in order to attract multinational corporations, such as the Ministry of Finance, Economic Planning Unit, Malaysian Investment Development Authority and the Central Bank of Malaysia.</li> <li>• Global Talent Programme (GTP) talent development programme with the mandate to produce future Malaysian global corporate leaders.</li> <li>• Providing familiarisation programmes to new investors.</li> </ul>
<b>Achievements versus Targets</b>	<ul style="list-style-type: none"> <li>• 78 multinational companies attracted to greater Kuala Lumpur since 2011.</li> <li>• 11 693 regional high-skilled jobs created since 2011.</li> <li>• RM11.7 billion investments have been approved since the agency's inception in 2011.</li> <li>• RM2.27 billion investments were approved in 2018.</li> </ul>
<b>Other Parameters</b>	<ul style="list-style-type: none"> <li>• Key industry focus: aerospace, consumer business, creative industries, electronics, energy and chemicals, ICT, logistics and supply chain management, medical technology, natural resources, oil, gas equipment and services, pharmaceuticals, biotechnology, precision engineering, professional services and urban solutions and sustainability.</li> </ul>

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|  | <ul style="list-style-type: none"><li>• 3 members of the board.</li><li>• Assisting in providing direct for investors' organisations to the appropriate channels to help fulfil the requirements of their business.</li></ul> |
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Invest HK	
<b>Location</b>	<ul style="list-style-type: none"> <li>• Ex-Wanchai Police Station, 123 Gloucester Road, Wanchai, Hong Kong.</li> <li>• Key focus area: Hong Kong.</li> </ul>
<b>Legal Form</b>	<ul style="list-style-type: none"> <li>• Government Agency.</li> <li>• Hong Kong Special Administrative Region Government Department.</li> </ul>
<b>Applicable Legislation</b>	<ul style="list-style-type: none"> <li>• Not created and do not operate under any specific HKSAR legislation.</li> </ul>
<b>Year Incorporated</b>	<ul style="list-style-type: none"> <li>• 2000.</li> </ul>
<b>Shareholders</b>	<ul style="list-style-type: none"> <li>• Hong Kong Special Administrative Region Government.</li> </ul>
<b>Funding</b>	<ul style="list-style-type: none"> <li>• Hong Kong Special Administrative Region Government.</li> </ul>
<b>Mandate and Functions</b>	<ul style="list-style-type: none"> <li>• Attracts and Retains Foreign Direct Investment (FDI).</li> <li>• Assist foreign and domestic investors set-up or expand existing businesses in Hong Kong.</li> <li>• Provide business support facilitation to foreign and domestic investors.</li> </ul>
<b>Strategic Model</b>	<ul style="list-style-type: none"> <li>• Easing the process for foreign and Mainland China investors to relocate to Hong Kong and setting up their businesses. This is operated through StartmeupHK.</li> <li>• FinTechHK attracts foreign Fintech start-ups or FinTech companies wanting to expand into Hong Kong through its online portal.</li> <li>• Staff located in offices in 30 locations globally.</li> </ul>
<b>Key Success Factors</b>	<ul style="list-style-type: none"> <li>• Not only focuses on attracting foreign multinational corporations, but also international and domestic SMEs.</li> <li>• Focus on innovation and technology through a HK10 billion fund to support applied research and development.</li> <li>• Generating publicity to support the launch or expansion of the investor's Hong Kong business.</li> <li>• Emphasis on developing Hong Kong as an innovation and technology hub by leveraging on research and development.</li> </ul>
<b>Achievements versus Targets</b>	<ul style="list-style-type: none"> <li>• 436 completed jobs in 2018, an increase of 8.4% from the previous year.</li> <li>• 5 286 new jobs created in 2018, a 3.3% increase from the previous year.</li> </ul>
<b>Other Parameters</b>	<ul style="list-style-type: none"> <li>• Key sector focus: business and professional services, creative industries, FinTech, information technology, transport and industrial, consumer products, financial services, ICT and tourism and hospitality.</li> </ul>

	<ul style="list-style-type: none"><li>• 23 executives that are assigned to specific departments within InvestHK.</li><li>• New initiatives in four areas: biotechnology, artificial intelligence (AI), smart city and finance technologies.</li></ul>
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Industrial Development Acts (IDA) Ireland	
<b>Location</b>	<ul style="list-style-type: none"> <li>• Wilton Park House, Wilton Place, D02 YE35, Dublin, Ireland.</li> <li>• Key focus area: Ireland.</li> </ul>
<b>Legal Form</b>	<ul style="list-style-type: none"> <li>• Autonomous Non-Commercial Agency.</li> </ul>
<b>Applicable Legislation</b>	<ul style="list-style-type: none"> <li>• Industrial Development Acts 1986 – 2014.</li> </ul>
<b>Year Incorporated</b>	<ul style="list-style-type: none"> <li>• 1949.</li> </ul>
<b>Shareholders</b>	<ul style="list-style-type: none"> <li>• Irish State.</li> </ul>
<b>Funding</b>	<ul style="list-style-type: none"> <li>• Irish State.</li> </ul>
<b>Mandate and Functions</b>	<ul style="list-style-type: none"> <li>• Encourages investment into Ireland by foreign-owned companies.</li> <li>• Retains Foreign Direct Investment (FDI) in Ireland.</li> <li>• Issues grants and financial incentives to foreign investors.</li> </ul>
<b>Strategic Model</b>	<ul style="list-style-type: none"> <li>• Funding and grants offered to foreign direct investors for employment, R&amp;D and capital assets. The amount of funding is dependent on location and the size of the company.</li> <li>• Focus on regional development outside Dublin in high-value-adding industries, such as manufacturing.</li> <li>• Financial incentives to carry out in-house R&amp;D projects and collaborative projects with third-level institutes and industrial partners. There is also a 25% tax credit available for companies engaging in R&amp;D.</li> <li>• Lean/Green initiative to help IDA Ireland's clients to adopt lean business principles. Support is also available to client companies to introduce good Environmental management practices through its Lean/Green business offer.</li> <li>• Offering research and development (R&amp;D) reports to small multinational companies.</li> </ul>
<b>Key Success Factors</b>	<ul style="list-style-type: none"> <li>• Funding and grants focused on advanced manufacturing or office-based activities, which depend on highly skilled processes or are involved in high value-added activities e.g. ICT, knowledge-based industries and bio-technology.</li> <li>• Global offices situated in flagship cities in all global regions.</li> </ul>
<b>Achievements versus Targets</b>	<ul style="list-style-type: none"> <li>• 14 040 (net jobs) in 2018 were created, increasing from 10 684 (net jobs) in 2017.</li> <li>• Since its launch of its 2015-2019 Strategy IDA Ireland has created 80 246 jobs against a target of 80 000.</li> <li>• IDA client employment grew by 5.3% in 2017 against the national average of 2.3%.</li> </ul>

	<ul style="list-style-type: none"><li>• 265 new investment projects secured by IDA Ireland in 2018.</li><li>• IDA clients invested €5.7bn in capital projects in 2017</li></ul>
<b>Other Parameters</b>	<ul style="list-style-type: none"><li>• Key sectors: business services, clean tech, cloud computing, cyber security, financial services, engineering, ICT, internet, internet of things, software, medical technology and bio-pharmaceuticals.</li><li>• 11 members of the board, a number of which are executives in private corporations and professors at universities.</li><li>• Provision on advice and support on Brexit.</li></ul>

Investe Sao Paulo	
<b>Location</b>	<ul style="list-style-type: none"> <li>• Av. Escola Politécnica, 82 – Jaguaré, CEP 05350-000, São Paulo, Brazil.</li> <li>• Key focus area: São Paulo.</li> </ul>
<b>Legal Form</b>	<ul style="list-style-type: none"> <li>• State Agency.</li> </ul>
<b>Applicable Legislation</b>	<ul style="list-style-type: none"> <li>• Law No. 13,179 of August 19, 2008.</li> </ul>
<b>Year Incorporated</b>	<ul style="list-style-type: none"> <li>• 2008.</li> </ul>
<b>Shareholders</b>	<ul style="list-style-type: none"> <li>• State Secretariat for Economic Development.</li> </ul>
<b>Funding</b>	<ul style="list-style-type: none"> <li>• State Secretariat for Economic Development.</li> </ul>
<b>Mandate and Functions</b>	<ul style="list-style-type: none"> <li>• Developing the State of São Paulo through the promotion of investments, the increase of exports, incentive to innovation and the improvement of the business environment.</li> <li>• Supports investors in establishing companies in the State of Sao Paulo.</li> <li>• Stimulates the expansion of companies established in São Paulo.</li> </ul>
<b>Strategic Model</b>	<ul style="list-style-type: none"> <li>• Implementing incentives to exports of producers from São Paulo.</li> <li>• Articulation with public and private entities relevant to the process of attracting investments and exports.</li> <li>• Articulation with municipalities aiming to: <ul style="list-style-type: none"> <li>○ Identify opportunities to attract new investments.</li> <li>○ Support municipalities in attracting companies.</li> <li>○ Identify barriers to competitiveness and propose measures to overcome them.</li> <li>○ Provide support and training to companies to export their products, facilitating issues relating to logistics, compliance with international standards, infrastructure and providing assistance in the search for promising markets.</li> </ul> </li> <li>• Supports small and medium enterprises in the implementation of new projects and in the promotion of exports.</li> <li>• Manages technology parks, promoting innovation, science and technology and encouraging partnerships between the private sector and knowledge centres.</li> </ul>

<b>Key Success Factors</b>	<ul style="list-style-type: none"> <li>• A network of partners and cooperation agreements with other investment promotion agencies, chambers of commerce, consular and diplomatic agencies.</li> <li>• Emphasis on export promotion through the Poupatempo do Exportador programme that provides streamlined support to entrepreneurs from São Paulo interested in joining the international trade and existing exporters that wish to expand to new markets.</li> <li>• Newly established small and medium-sized companies are supported by the Chega Mais team – a project in partnership with the Board of Trade of the State of São Paulo (JUCESP), based at Investe Sao Paulo.</li> </ul>
<b>Achievements versus Targets</b>	<ul style="list-style-type: none"> <li>• 29 new projects with an investment value of R\$3.57 billion in 2014.</li> <li>• 7 companies invested R\$500 million in Sao Paulo's aerospace industry in 2018.</li> <li>• In 2018, R\$ 17 674 000 000 new investment was brought in, which had a return to project value of R\$21 878 000 000.</li> <li>• They handled a total of 231 projects internationally, totalling a capital investment of R\$42 715 000 000.</li> </ul>
<b>Other Parameters</b>	<ul style="list-style-type: none"> <li>• Key sector focus: aerospace and defences, agriculture, food, automobiles, green economy, machinery and equipment, real estate, research and development, oil and natural gas, healthcare, financial services and ICT.</li> <li>• 6 members of the board, where each member is assigned a specific department.</li> <li>• Connect and partner with other investment promotion agencies and other state departments abroad.</li> </ul>

<b>Enterprise Georgia</b>	
<b>Location</b>	<ul style="list-style-type: none"> <li>• 5/6 Marjanishvili Str. (18 Uznadze Str.) 0102 Tbilisi, GE.</li> <li>• Key focus area: Georgia.</li> </ul>
<b>Legal Form</b>	<ul style="list-style-type: none"> <li>• State Agency.</li> </ul>
<b>Applicable Legislation</b>	<ul style="list-style-type: none"> <li>• Decrees 30th of May 2014, N365 regarding the establishment of the program "Enterprise Georgia"; 29th of March 2014, N163 regarding the establishment of the program "Credit guarantee scheme"; and 26th of August 2014, N405 regarding the establishment of the program "Co-financing mechanisms for supporting the small and family-type hotel industry".</li> </ul>
<b>Year Incorporated</b>	<ul style="list-style-type: none"> <li>• 2014.</li> </ul>
<b>Shareholders</b>	<ul style="list-style-type: none"> <li>• The Ministry of Economy and Sustainable Development of Georgia.</li> </ul>
<b>Funding</b>	<ul style="list-style-type: none"> <li>• The Ministry of Economy and Sustainable Development of Georgia.</li> </ul>
<b>Mandate and Functions</b>	<ul style="list-style-type: none"> <li>• Promotes entrepreneurial activity in Georgia through the creation of new businesses and expanding existing businesses.</li> <li>• Implement SMME support programmes.</li> <li>• Expands the country's export potential and refurbish existing export operations.</li> <li>• Increases the competitiveness of local products and the overall volume of goods directed towards international markets.</li> </ul>
<b>Strategic Model</b>	<ul style="list-style-type: none"> <li>• Promotes export potential in the country by The Invest division that ensures access to updated information, provides an efficient means of communication with Government bodies, and serves as a "one-stop-shop," to support investors throughout the investment process.</li> <li>• The government programme "Produce in Georgia" developed in 2014 to support the development of the private sector, and SMEs in particular.</li> <li>• Currently developing educational and vocational training programmes to meet existing and future staffing requirements in the tourism and food service (HoReCa) industries, business process outsourcing services, energy and communications, construction and manufacturing industries, agriculture, etc.</li> </ul>

	<ul style="list-style-type: none"> <li>• Launched the new programme “Produce for Better Future” developed specifically for promoting business, trade and entrepreneurship to boost economic activities and for co-operation and confidence-building of the communities living on both sides of the dividing lines.</li> </ul>
<p><b>Key Success Factors</b></p>	<ul style="list-style-type: none"> <li>• Provides safe, predictable and stable business environment and all prerequisites for development to ensure that Georgia remains attractive for foreign direct investments and retains its reputation as a reliable trade partner in the region.</li> <li>• The trade and investment teams employ sector and market specialists.</li> <li>• Responsive to the needs of stakeholders.</li> <li>• Strong and established relationships with provincial departments – the Ministry of Economy and Sustainable Development of Georgia and Ministry of Agriculture; and it has ties with Georgia’s Innovations and Technology Agency, the National Agency of State Property, and the Agricultural Projects’ Management Agency.</li> <li>• Strong and well-established relationships with local government, such as the Ministry of Economy and Sustainable Development of Georgia.</li> </ul>
<p><b>Achievements versus Targets</b></p>	<ul style="list-style-type: none"> <li>• In 2018, the Produce in Georgia program supported 122 projects, investing a total value of over 255 million GEL. This created more than 3 500 jobs.</li> <li>• The industrial unit invested 129 million GEL in 66 projects, creating more than 2 400 jobs in 2018.</li> <li>• The hospitality unit invested 90 million GEL in 36 projects in 2018, creating more than 1000 accommodation rooms and 700 jobs.</li> <li>• The support for micro and small businesses unit supported 899 projects and 972 beneficiaries with an investment of 13 million GEL and co-funding of 8 million GEL.</li> <li>• Enterprise Georgia helped organise 17 entrepreneur fairs in 2018 with 500 participants and 500 000 visitors, which brought in a sales revenue of 340 000 GEL.</li> </ul>

	<ul style="list-style-type: none"> <li>• In 2018, the Film in Georgia programme supported 8 projects with a total investment of 18.6 million GEL, creating 3000 new jobs.</li> </ul>
<p><b>Other Parameters</b></p>	<ul style="list-style-type: none"> <li>• Key focus sectors: Energy, manufacturing, agriculture and agro-processing, hospitality and real estate.</li> <li>• 4 executives that manage the agency, consisting of a CEO, 2 Deputy CEOs and an Advisory CEO.</li> <li>• "Film in Georgia" is a joint initiative of the Ministry of Economy and Sustainable Development and the Ministry of Culture and Monuments Protection of Georgia, which offers 20-25% cash rebate on qualified expenses incurred in Georgia and aims to support the development of Georgia's film industry, attract international filmmakers to the country and position Georgia as the main Eastern European Filming Destination.</li> </ul>



<b>Bahrain Economic Development Board</b>	
<b>Location</b>	<ul style="list-style-type: none"> <li>• 3rd Floor, Arcapita, P.O. Box 11299, Bahrain Bay, Kingdom of Bahrain.</li> <li>• Key focus area: Bahrain.</li> </ul>
<b>Legal Form</b>	<ul style="list-style-type: none"> <li>• Public Agency.</li> </ul>
<b>Applicable Legislation</b>	<ul style="list-style-type: none"> <li>• Not publicly available.</li> </ul>
<b>Year Incorporated</b>	<ul style="list-style-type: none"> <li>• 2000.</li> </ul>
<b>Shareholders</b>	<ul style="list-style-type: none"> <li>• The Bahrain Government.</li> </ul>
<b>Funding</b>	<ul style="list-style-type: none"> <li>• The Bahrain Government and some private investors.</li> </ul>
<b>Mandate and Functions</b>	<ul style="list-style-type: none"> <li>• Promotes investment in key sectors of the economy, including manufacturing, logistics, tourism, financial services, Information Communication Technology and related industries.</li> </ul>
<b>Strategic Model</b>	<ul style="list-style-type: none"> <li>• They have an investor-centric approach that emphasises collaboration, agility and responsiveness.</li> <li>• Adheres to the trust laws set by Bahrain's government, as well as the protected cell companies law, the investment limited partnership law and guidelines for the Bahrain Investment Market equity.</li> </ul>
<b>Key Success Factors</b>	<ul style="list-style-type: none"> <li>• Launched \$100M Al Waha Fund of Funds and Export Bahrain initiative in 2018.</li> <li>• Strong and established relationships with Bahrain Government.</li> <li>• Highly tech savvy, educated and bilingual staff team.</li> <li>• Currently building ties with the Real Estate Regulatory Authority (RERA) to help enhance companies taking opportunities in real estate. This will support investors and boost the industry by regulating and overseeing development of the Kingdom's real estate development projects.</li> </ul>

<p><b>Achievements versus Targets</b></p>	<ul style="list-style-type: none"> <li>• Contributed US\$830 million new direct investment in 2018 towards 92 new and expanding businesses, creating 4 772 new jobs.</li> <li>• Since 2017, EDB Bahrain’s direct investment grew 13 percent, the businesses they aided grew 29 percent and the jobs they created increased by 68 percent.</li> <li>• Their Information Communication Technology unit made US\$39 010 786 direct investment in 2018, covering 20 projects and 444 new jobs.</li> <li>• Their manufacturing, transport and logistics unit made US\$200 325 654 direct investment in 2018, covering 32 projects and 2 222 new jobs.</li> <li>• Their financial services unit made US\$64 412 201 direct investment in 2018, covering 18 projects with 317 new jobs.</li> <li>• The tourism, real estate, education and healthcare units made US\$526 355 372 in 2018, covering 22 projects with 1 789 new jobs.</li> </ul>
<p><b>Other Parameters</b></p>	<ul style="list-style-type: none"> <li>• Key focus sectors: Financial services, manufacturing, logistics, tourism, real estate, healthcare, education and ICT.</li> <li>• 24 members of the board, comprising of a mix of government officials and executives of private corporations.</li> <li>• New focus on developing the industry 4.0 sector through hosting the International on Fourth Revolution.</li> </ul>

CINDE (Costa Rica)	
<b>Location</b>	<ul style="list-style-type: none"> <li>• 00 Park Avenue, 16<sup>th</sup> Floor, New York, NY.</li> <li>• Plaza Roble Los Balcones, 4<sup>th</sup> floor, Escazu, San Jose, Costa Rica.</li> <li>• Key focus area: Costa Rica.</li> </ul>
<b>Legal Form</b>	<ul style="list-style-type: none"> <li>• Private, non-profit organisation declared of public interest.</li> </ul>
<b>Applicable Legislation</b>	<ul style="list-style-type: none"> <li>• No applicable legislation.</li> </ul>
<b>Year Incorporated</b>	<ul style="list-style-type: none"> <li>• 1992.</li> </ul>
<b>Shareholders</b>	<ul style="list-style-type: none"> <li>• Comex and Procomer.</li> </ul>
<b>Funding</b>	<ul style="list-style-type: none"> <li>• Comex and Procomer.</li> </ul>
<b>Mandate and Functions</b>	<ul style="list-style-type: none"> <li>• CINDE reaffirms and reinforces its commitment to innovation and sustainable industrialisation, with the environment and infrastructure development to increase its competitiveness.</li> <li>• Functions to promote investment in Life Sciences, Corporate Services, Advanced Manufacturing, Light Manufacturing and the Food industry in Costa Rica.</li> <li>• CINDE follows the technical parameters set by INTECO for environmental sustainability activity and research.</li> <li>• Proposes, organises and coordinates business agendas with the government, universities, multinational companies, schools, law firms, recruiting agencies, tax consultants, and chambers.</li> </ul>
<b>Strategic Model</b>	<ul style="list-style-type: none"> <li>• The Free Trade Zone Regime is the mainstay of Costa Rica's export and investment promotion strategy aimed at specific industries, such as scientific research firms.</li> <li>• Establishment of Industrial Parks, Service Parks and Manufacturing Parks strategically located in certain regions outside of greater metropolitan areas.</li> <li>• Tax incentives through the Free Trade Zone Regime and Industrial, Service and Manufacturing Parks, including 100% tax exemption for the first 8 years and 50% tax exemption for the next 4 years for services and manufacturing companies.</li> <li>• Education incentives through the National Training Institute (INA), which offers free technical training in a number of fields, focusing in</li> </ul>

	<p>sectors, such as Industry, Graphic Industry, and Trade and Services.</p> <ul style="list-style-type: none"> <li>• Foreigners incentives, including no limits to property handling and foreign investors can conduct business activities freely, for there is free capital movement without foreign exchange controls.</li> <li>• CINDE collaborates with PROCOMER identifying linkage opportunities.</li> </ul>
<p><b>Key Success Factors</b></p>	<ul style="list-style-type: none"> <li>• CINDE promotes the English and Soft Skill program of the Skills for Life Project, which attracted 200 people from San Carlos and Puntarenas, between the ages of 18 and 45, in 2018.</li> <li>• Closing labour gaps and promoting gender equality.</li> <li>• Strong eco-friendly research, development and activities.</li> <li>• Strong relationships with multinational companies, ministries, organisations, chambers, government, universities and schools.</li> <li>• Facilitates capability building workshops with other IPAs around the world. For instance, Cinde has completed capability workshops in Zambia, Kenya, Ethiopia and Mozambique.</li> </ul>
<p><b>Achievements versus Targets</b></p>	<ul style="list-style-type: none"> <li>• 48 new investment projects and 12 961 new high quality jobs were created in Costa Rica during the 2018 financial year.</li> <li>• 57% of the new jobs created were occupied by women.</li> <li>• 106 707 cumulative jobs were created in the 2018 financial year.</li> <li>• 510 scholarships were delivered in 2018.</li> <li>• For 2018, the Board of Directors approved a budget of US\$4 896 530 to meet the objectives set by the Administration, US\$3 221 933 of which was contributed by the COMEX, PROCOMER, and CINDE agreement.</li> </ul>
<p><b>Other Parameters</b></p>	<ul style="list-style-type: none"> <li>• Key focus sectors: Services, advanced manufacturing, life sciences, light manufacturing and food.</li> <li>• 8 members of the board, consisting of a President, Vice President, Treasurer, Secretary, 3 board members and a Controller. The board of members all have private sector backgrounds.</li> </ul>

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|  | <ul style="list-style-type: none"><li>• Linking foreign investors with local outsourcing operations, such as such as treasury, back office, sales and marketing strategies, and talent management.</li></ul> |
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## Investments Made versus Investments Received

IPAs	Rands Invested	Number of Staff	Investments brought
Trade and Investment KwaZulu-Natal	R95 531 603 (2018)	46 (2018)	R3 755 000 000 (2018) New investment projects Committed plus company expansion projects committed.
Wesgro	R99 633 000 (2017)	168 (2017)	R758 200 000 (2017)
Mpumalanga Economic Growth Agency	R17 100 000 (2018)	598 (2018)	R12 688 000 000 (2018)
Gauteng Growth Development Agency	R145 017 000 (2018)	351 (2018)	R5 900 000 000 (2018)
Free State Development Corporation	R206 594 392 (2018)	136 (2018)	R2 000 000 000 (2018) Fixed investments from Industrial Parks Project.
Kenya Investment Authority (KenInvest)	Emailed 25/10/2019 – no response yet.	Emailed 25/10/2019 – no response yet.	R107 708 453,61 (2018)
Botswana Investment and Trade Centre	R112 510 068 (2018)	73 (2018)	R16 210 704 000 (2018)
Ethiopian Investment Commission	Cannot provide accurate figure.	300 (2018)	R73 286 000 000 (2018)
Economic Development Board Singapore	Will not provide information	Will not provide information	R12 176 540 182,80 (2018)
InvestKL Malaysia	Emailed 25/10/2019 – no response yet.	Emailed 25/10/2019 – no response yet.	R7 937 003 614,01 (2018)
Invest HK	R88 548 127 (2018)	47	R43 052 000 000
Industrial Development Acts (IDA) Ireland	R3 021 848 919,23 (2017)	151 (2017)	R92 834 326 800 (2017)
Investe Sao Paulo	Emailed 25/10/2019 – no response yet.	Emailed 25/10/2019 – no response yet.	R154 868 781 306,64 (2018)
Enterprise Georgia	R222 485 249 (2018)	89 (2018)	R1 267 843 533,88 (2018)
Bahrain Economic Development Board	Emailed 25/10/2019 – no response yet.	Emailed 25/10/2019 – no response yet.	R12 158 670 000 (2018)
CINDE (Costa Rica)	Will not provide information.	47 (2017)	Will not provide information.