

# GAUTENG ENTERPRISE PROPELLER

## Annual Performance Plan 2014 / 15

### 30 SEPTEMBER 2014

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#### DIRECTORS

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Ms K Onuoka (Company Secretary), Mr T Ratshitanga, Mr T Sithole, Mr R Kekana, Mr K Duba, Mr M Africa, Ms M Ramonyai,  
Ms M Ramusi, Ms C Busetti, Ms M Lehobye, Ms M Maroga.



# FOREWORD

The Board of the Gauteng Enterprise Propeller continues to ensure that the effort to reposition GEP as a leading SMME development agency and to sharpen its ability to deliver on its mandate as provided for by the Gauteng Enterprise Propeller Act, 2005 and the Gauteng Provincial Government 10 Pillar programme.

The Gauteng Provincial Government (GPG) has adopted a 10 Pillar programme to ensure radical socio-economic transformation of Gauteng. DED reviewed its 2014-2019 Strategic Plan and 2014/2015 Annual Performance Plan (APP) to reflect its accountability for the following Pillars in the GPG 10 Pillar programme:

**Pillar 1: Radical economic transformation**

**Pillar 6: Modernisation of the economy**

**Pillar 9: Re-industrialisation of Gauteng province and**

**Pillar 10: Taking the lead in Africa's new industrial revolution**

The DED's Strategic Plan includes amongst its objectives under Integrated and Economic Development Services (IEDS), SMME & Co-Operative Development and Support. This links directly to the goal of GEP, which is, *"To promote, support and develop sustainable SMMEs and Co-operatives in Gauteng"*. In this regard, GEP's 2014/2015 APP was also reviewed to reflect contribution to Pillar 1 and Pillar 9 in the Reviewed DED 2014/2015 APP.

The Board and the Executive have reviewed the agency's three year Strategic Plan and have taken into account the Departments' Reviewed 2014-2019 Strategic Plan and 2014/2015 Annual Performance Plan (APP).

Central to our Reviewed APP, is the continued commitment to fund and capacitate SMMEs, township enterprises and cooperatives to become effective businesses and propel their participation in mainstream economy. Thus the agency also seeks to focus on additional value creation through partnerships and resource mobilisation.

The on-going restructuring of the agency seeks to ensure that GEP is optimally structured to deliver on its mandate. The agency continues to follow the mandate set by the Department of Economic Development as well as Gauteng Provincial priorities as contained in the Gauteng Employment, Growth and Development Strategy (GEGDS) 2010-2014; the Co-operative and SMME strategies; the Medium Term Strategic Framework (MTSF) 2009-2014 and the Provincial Outcome Plan.

I am comfortable that this Annual Performance Plan addresses all the required areas with respect to the needs of SMMEs and Co-operatives in the province and that it positively contributes towards the attainment of the goals of the Gauteng Provincial Government.

A handwritten signature in black ink, appearing to read 'Dr. Matseke', written over a horizontal line.

**Dr. Peter Matseke**

**Chairperson**

**Gauteng Enterprise Propeller**

## OFFICIAL SIGN-OFF


It is hereby certified that this Annual Performance Plan:

- Was developed by the management team of the Gauteng Enterprise Propeller in consultation with staff and with input from the Department of Economic Development and under the guidance of the Board.
- Takes into account the mandates, policies and legislation that are applicable to the agency.
- Accurately reflects the performance targets which the Gauteng Enterprise Propeller will endeavour to achieve given the resources made available in the budget for the 2014/15 financial year.
- Takes into account the provincial outcomes as adopted by the Gauteng Executive Council, all the relevant policies, legislation and other mandates for which the Department of Economic Department and its agencies are responsible for.

**Bheki Lukhele**  
Chief Financial Officer

Signature: 

**Pilisiwe Twala-Tau**  
Chief Executive Officer

Signature: 

**Dr. Peter Matseke**  
Chairperson

Signature: 

**Recommend Approval by:**  
**Phindile Mbanjwa**  
HOD: Economic Development

Signature: 

**Approved by:**  
**MEC: Lebogang Maile**

Signature: 



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## PART A: STRATEGIC OVERVIEW

### 1. Updated situational analysis

#### Global and Regional Economy Outlook

Global economic activity has weakened further and become more uneven, confidence has dropped and downside risks are increasing. While further bailout arrangements have been proposed for Greece and Italy, the two year Eurozone sovereign debt crisis remains largely unresolved and fears of a “double dip” recession have risen sharply. Both the World Bank and the IMF have recently lowered their global growth forecasts, projecting a slight recession for the Eurozone in 2012.<sup>1</sup>

Despite the downward revisions (on the back of the downturn in developed economies), emerging nations are still expected to achieve rapid growth in 2012, of 5.4% according to both the IMF and the World Bank. Growth in the Sub-Saharan region is expected to remain lively in 2012 on the back of “increased investment flows, rising consumer spending and the coming on stream of new mineral exports in a number of countries” within the region. The Sub-Saharan region is projected to grow by 5.3% in 2012 and 5.6% in 2013 according to the World Bank. South Africa (which accounts for an estimated ¾ of the region’s growth) is set to expand at a slower pace according to the IMF, at 2.5 and 3.4 percent, in 2012 and 2013, respectively.<sup>1</sup>

#### South African Economy

Real gross domestic product (GDP) at market prices increased by 3,2 per cent during the second quarter of 2012. The seasonally adjusted real GDP at market prices for the second quarter of 2012 increased by an annualised rate of 3,2 per cent compared with an increase of 2,7 per cent during the first quarter of 2012. The contributors to the increase in economic activity for the second quarter of 2012 were the mining and quarrying industry (1,5 percentage points), finance, real estate and business services (0,5 of a percentage point), the wholesale, retail and motor trade, catering and accommodation industry (0,4 of a percentage point), general government services (0,3 of a percentage point), and the transport, storage and communication industry (0,2 of a percentage point). Negative contributions by other industries included the manufacturing industry (-0,2 of a percentage point), and the electricity, gas and water industry (-0,1 of a percentage point).<sup>2</sup>

The unadjusted real GDP at market prices for the second quarter of 2012 increased by 3,0 per cent compared with the second quarter of 2011. The estimate of GDP for the first six months of 2012 increased by 2,5 per cent compared with the corresponding period in 2011. The GDP estimates are preliminary, and may routinely be revised on the basis of additional evidence that has become available by the time the subsequent quarter’s estimates are released. Seasonally adjusted real annualised value added by primary and tertiary sectors recorded increase of 23,0 per cent and 2,3 per cent respectively and the secondary sector recorded a decrease of 0,5 per cent during the second quarter of 2012.<sup>2</sup>

1. *BUSA Economic outlook 2012*

2. *Stats SA : P0441 - Gross Domestic Product (GDP), 2nd Quarter 2012*

In its last MPC address, the South African Reserve Bank downwardly revised its growth forecasts to 2.8% for 2012 (from 3% previously), while growth expectations for 2013 fell to 3.8% (from 4.2% previously). This goes to show that the economic prospects for South Africa may be not as strong as the pre-recession prospects and unemployment will continue to be high.<sup>3</sup>

## Sector Analysis

The Financial sector continues to be the largest sector in the South African GDP, followed by Wholesale and retail trade, hotels and restaurants and Manufacturing, when excluding the Government sector.

**Figure 1. SA GDP per sector**

Table 2: GDP by Sector (percentage of GDP)		
	2006	2011
<b>Agriculture, forestry, fishing &amp; hunting</b>	2.9	2.4
<b>Mining and quarrying</b>	8.4	9.8
of which oil	-	-
<b>Manufacturing</b>	17.5	13.4
<b>Electricity, gas and water</b>	2.3	2.9
<b>Construction</b>	2.9	4.5
<b>Wholesale and retail trade, hotels and restaurants</b>	13.7	14.5
of which hotels and restaurants	-	-
<b>Transport, storage and communication</b>	9.8	8.2
<b>Finance, real estate and business services</b>	21.6	21.2
<b>Financial intermediation, real estate services, business and other service activities</b>	-	-
<b>General government services</b>	-	-
<b>Public administration &amp; defence; social security, education, health &amp; social work</b>	-	-
<b>Public administration, education, health</b>	14.6	16.3
<b>Public administration, education, health &amp; other social &amp; personal services</b>	-	-
<b>Other community, social &amp; personal service activities</b>	-	-
<b>Other services</b>	6.2	6.9
<b>Gross domestic product at basic prices / factor cost</b>	100	100

Source: African Economic Outlook 2012

3. BUSA Economic outlook 2012

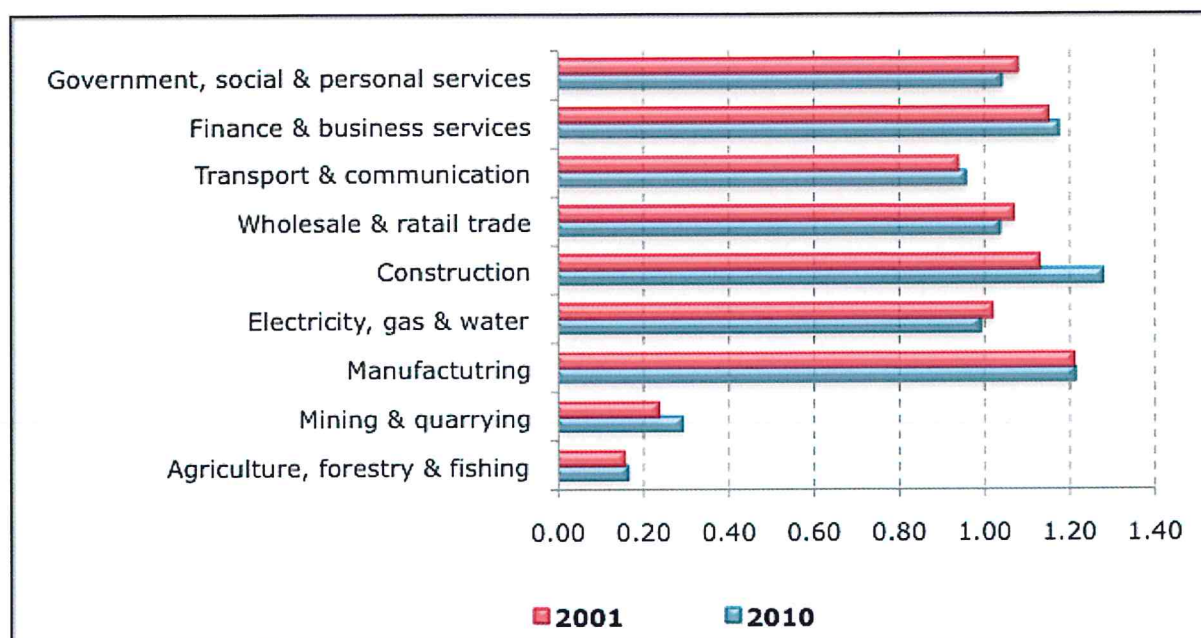
4. African Economic Outlook 2012



Manufacturing came out stronger in November at 2.6 y-o-y, this however is a slight improvement given that it has been under pressure for most part of the year in 2011. The Primary sector was also in the woods for most part of 2011, this is an indication that the production side of the economy was under pressure for most part of 2011. Manufacturing may have shown an improvement but it is not out of the woods yet given that exports will be under pressure for most of 2012 due to global demand. Furthermore, the sticky high unemployment rate could hinder consumer demand for domestically manufactured goods.<sup>5</sup>

Analysis of the location quotient below, aims to identify the strengths of the Gauteng economy and its potential growth areas.

**Figure 2 : Gauteng Economy Sectors**



Source: IHS Global Insight, 2011

Figure 2 shows the location quotient by sectors in Gauteng for 2001 and 2010. According to IHS Global Insight, Gauteng had its highest location quotient in the manufacturing sub-sector (1.21) for 2001, followed by finance & business services (1.15), closely contested by construction (1.13). For 2010, construction had the largest quotient (1.28) followed by manufacturing (1.21) recording the same quotient as for 2001. The construction sub-sector was boosted by projects for the 2010 FIFA World Cup, which are set to continue beyond 2010. In 2010, the finance & business services sub-sector had the third largest quotient at 1.17, an improvement from 1.15 in 2001.<sup>6</sup>

5. BUSA Economic outlook 2012

6. IHS Global Insight, 2011

## Gauteng Economy

In the same pattern as the above national figures, the structure of the provincial economy has been transformed into a sophisticated one with the tertiary sector and manufacturing taking the centre stage in production and services rendered. The manufacturing sub-sector was hardest hit by the recession and according to IHS Global Insight it only contributed 18.3 percent to the GDP-R in 2009, a decrease from 20.3 percent in 2008.<sup>7</sup>

**Figure 3: GDP-R Growth**



Source : Provincial Economic Review and Outlook (PERO), 2011.

Figure 3 depicts the GDP-R and growth rates in Gauteng from 2002 to 2010. The figure shows that the GDP-R increased from R474 billion in 2002 and estimates that it reached R644 billion by 2010. The GDP-R growth was 5 percent in 2002 and decreased to 3 percent in 2003, before increasing and reaching 6.5 percent in 2006. In 2007, the growth rate decreased to 6 percent before it slowed even further to 4 percent in 2008. The financial crisis depressed the economy to -1.8 percent by 2009. It is estimated to reach 3.1 percent for 2010.<sup>7</sup>

Gauteng comprises the largest share of the South African population. Approximately 11,3 million people (22,4%) live in this province. Of those younger than 15 years, 19,4% (3,07 million) live in Gauteng. Migration is an important demographic process in shaping the age structure and distribution of the provincial population. Gauteng is reported to have experienced a net inflow of approximately 367 100 migrants from other provinces between 2006 and 2011.<sup>8</sup>

7. Provincial Economic Review and Outlook (PERO), 2011

8. Statistics SA Population Survey 2011



## Employment

According to the Provincial Economic Review and Outlook for 2011, data for the gender sector compared second quarter 2010 and third quarter 2010. South Africa's female labour market participation rate decreased from 47.6% to 47.1%. This was a quarterly contraction in the female labour force of 1.1%. The number of professional female employees in the South African labour market decreased from 327 000 to 326 000. This was a quarterly contraction of 1 000 employees.

The June 2012 Quarterly Employment Statistics (QES) survey shows that the number of people employed in the formal non-agricultural sector of the South African economy increased by about 42 000 persons(+0,5%) from March 2012 (an estimated 8 383 000 employees) to June 2012 (an estimated 8 425 000 employees). The gross earnings paid to employees during the quarter ended June 2012 (April 2012 to June 2012) amounted to R352 479 million. This reflects a quarterly increase of R3 557 million (+1,0%) compared with the quarter ended March 2012 (January 2012 to March 2012).

The QES survey also shows that an estimated 8 425 000 people were employed in the formal non-agricultural sector of the South African economy. This reflects an annual increase of about 125 000 employees (+1,5%) compared with June 2011 (an estimated 8 300 000 employees).

The unemployment rate in South Africa in 2011 was 24.9%, considerably higher than the 22.9% in 2008, the eve of the recession. Among the young, the unemployment rate is double the national average, having risen from 45.5% in 2008 to 50.5% in 2010. A survey by Statistics South Africa in 2010 offered the following profile of youth unemployment in South Africa:

- About 42% of young people under the age of 30 are unemployed compared with fewer than 17% of adults over 30.
- Only 1 in 8 (13%) of working age adults under 25 years has a job, compared to 40% in most emerging economies.

Unemployed young people tend to be less skilled and more inexperienced: almost 86% do not have formal or tertiary education, while two-thirds have never worked. The problem of youth unemployment was aggravated by the 2008-09 economic recession, which saw South Africa's young people accounting for as much as 40.0% of the over one million jobs that were lost between the last quarter of 2008 and the third quarter of 2010.<sup>9</sup> This calls for concerted efforts to ensure that youth are the recipients of GEP services. This can be done through both transversal targets and specific programmes.

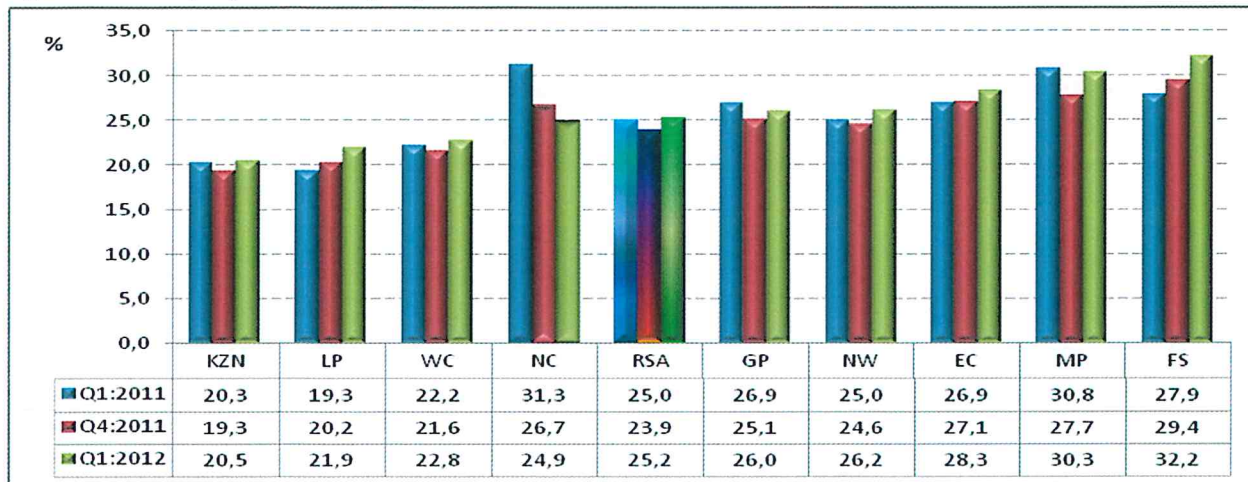
Among workers aged 15-24 employment levels fell by 21.8% (or 355 000 jobs), compared with an overall decline of 6.4%. The unemployment rate in the last quarter of 2011 edged down from 25.0% in the preceding quarter to 23.9%, confirming the hope that the recovery might be taking hold. Compared to nations at similar stages of economic development South Africa has an unusually high unemployment problem – in general and among the young. Only 40% of those of working age have jobs, compared to 65% in Brazil, 71% in China, and 55% in India. The emerging market average is 56%.<sup>9</sup>

9. African Economic Outlook 2012.

Low levels of education and skills, which tend to result in a mismatch between existing vacancies and available labour. Besides a shortage of skills, lack of work experience has also tended to impede the job prospects of young people. A recent study by the National Treasury found that the probability of finding a job within six months rises with age: an unemployed person aged 18-24 had about an 11% chance of finding a job within six months, compared to a 22% chance for someone aged 25-54, with the difference accounted for mainly by work experience.<sup>10</sup>

Gauteng is by far South Africa's most densely-populated province, with 374,7 persons per square kilometre compared to the national average of 33,8.

**Figure 4: Unemployment rate per province**



The population density in Gauteng affects the unemployment rate which is above the national rate despite the province being the most industrialised and the higher number of employment opportunities available. The NGP and the GEGDS have identified certain sectors that have the potential to have high labour absorption capacity:

NGP Sector Focus	GEGDS Sector Focus
<ul style="list-style-type: none"> <li>• Infrastructure</li> <li>• Agricultural value chain</li> <li>• Mining value chain</li> <li>• Green economy</li> <li>• Manufacturing</li> <li>• Tourism &amp; certain high-level services</li> </ul>	<ul style="list-style-type: none"> <li>• Construction</li> <li>• Capital goods and transport</li> <li>• Tourism and leisure</li> <li>• Agriculture and agro-processing</li> <li>• Food and beverages</li> <li>• Manufacturing (consumer and tradable goods, including clothing and textiles, furniture, paper products, etc.)</li> <li>• Green economy (Solar water heating production and installation, Recycling and environmental rehabilitation)</li> <li>• Finance and business services and BPO-O.</li> </ul>

10. BUSA Economic outlook 2012



The Gauteng Enterprise Propeller will be focusing primarily on the GEGDS sectors which are aligned to the NGP. In this regard, the specific cross-cutting drivers that GEP will focus on in this period as informed by the GEGDS are:

- *Green Jobs*
- *Community-led Local Economic Development*

The specific Ordinary Drivers are as follows:

<b>Pillar 2 : Sustainable employment creation</b>	<b>Pillar 3 : Increasing economic equity and ownership</b>
<ul style="list-style-type: none"> <li>• Labour –absorbing sectors</li> </ul>	<ul style="list-style-type: none"> <li>• Support to Co-operatives and Informal Business</li> <li>• Support to SMMEs and Formal Business</li> <li>• BBBEE</li> <li>• Strategic procurement</li> </ul>

Thus, the Agency intends to focus on these drivers by channelling more support to businesses operating within sectors that are proven to be labour absorbing and to implement programmes that increase the survival rate of such businesses. These will be primarily achieved by focusing on projects in Food Security; Agriculture and Agro-processing, primarily through the MAFISA fund as well as through other labour absorbing flagship projects.

The Agency will continue to support the community-led initiatives and Co-operatives operating in economically depressed areas to create jobs and contribute to GDP growth. Importantly, GEP will ensure that initiatives that increase inclusivity and promote the participation of Women, Youth and People with disabilities (PWD) in the economy are focused on with specific budget allocation targets being made for the 2013/14 financial year.

The Agency has reviewed its strategic objectives to ensure that they better reflect what is contained in the new three year strategy; the outcome plan and the DED Annual Performance Plan.

- 🚧 To build a sustainable organisation;
- 🚧 To fund businesses with the potential to succeed;
- 🚧 To build and secure the agency's capital base;
- 🚧 To sustain existing jobs and create new jobs through our programmes;
- 🚧 To establish meaningful partnerships with selected organisations.

## 1.1 Performance delivery environment

The Gauteng Provincial Government's 10 Pillar Programme provides the following key 11 sectors to focus on in the current term of office:

- ✚ Tourism;
- ✚ Finance;
- ✚ Automotive;
- ✚ Manufacturing;
- ✚ ICT;
- ✚ Pharmaceuticals;
- ✚ Creative Industries;
- ✚ Construction;
- ✚ Real Estate;
- ✚ Green Economy; and
- ✚ Mineral Beneficiation and Agro-processing.

Central to the key 11 sectors, is their ability to create jobs and potential contribution to economic growth linked to the Department's Outcome i.e. decent employment through inclusive economic growth and reverse the ownership patterns. Furthermore, fundamental to these priority sectors is to ensure the inclusion of previously marginalised businesses into the mainstream economy. The Gauteng's government strategic focus on manufacturing would rely heavily on GEP's acceleration of its incubation programme. This strategic shift would ensure that emerging businesses become the productive centers with potential to create sustainable jobs and stimulate economic growth. If properly supported, the emerging enterprises and cooperatives would emerge and rise above from the minimum survival threshold of 18 months to becoming sustainable businesses. Small businesses and cooperatives have a potential to turn around the country and the province from being a consumption state into becoming engines of growth. This would reduce deficit in terms of trade balance and begin to substitute imports.

The Gauteng Enterprise Propeller will continue to increase its reach to SMMEs and Co-operatives in the 11 key sectors and to specifically promote the participation of the targeted groups, i.e. Women, Youth and people with disabilities (PWD) in the economy. The Agency has begun to make some headway with the PWD category. The partnership with the Medunsa Organisation for Disabled Entrepreneurs to fund a total of 110 disabled entrepreneurs bears testimony to this.

In contributing to the Township Revitalisation Programme led by the Department, GEP will continue to support township-based enterprises through, amongst other programmes, the Township Business Renewal programme.

## 1.2 Organisational environment

### 1.2.1 Organisational structure

The diversity of GEP's target markets from formal SMEs to informal microenterprises to co-operatives emphasises the need to for the entity to have a developmental approach in delivering its broad range of financial and non-financial support. The impact of GEP will be measured by it ability among others:



- To have a leadership that is able to attract financial support from key stakeholders while at the same developing systems and relationships within and external to organisation;
- To provide products and services that add value to the business of the users, enhance users capacity for fuller participation in an economy or contribute to livelihood strategies, and can generate repeat business; and
- To become sustainable from a financial and operational perspective.
  - The financial perspective requires that the pricing models for the different products take into account the different needs for the different markets.
  - From an operational perspective, it is imperative to develop a model to ensure this, considerable progress has been made in this regard.

The Board has provided leadership on the review of the GEP business model to strengthen its capability and capacity to contribute to the National and Provincial priority of job creation. This review included, as alluded to in the chairman's foreword, a relook at the GEP's organisational structure to ensure that GEP can optimally deliver on its mandate, strategic objectives and within resource constraints. The measure of a successful developmental finance institution is its ability to become self-sustaining.

As such, a high level organisational structure has been approved by the board in June 2012 and includes the following divisions:

- **Office of the CEO;**
- **Company Secretariat;**
- **Loans, Business Development and Debt Management.**
- **Corporate Services and HR;**
- **Information and Systems Management; (Office of the CIO)**
- **Finance (Office of the CFO);**
- **Marketing and Communications;**

### 1.2.2 Stakeholder analysis

An overview of GEP's stakeholders is presented in Table 1. Furthermore, GEP's stakeholders can affect or be affected by the outcomes achieved by GEP. Stakeholders in turn can affect GEP through their ability to withhold participation essential to GEP's ability to meet its mandate and strategic objectives; survive; operate; and become sustainable for example.

**Table 1: GEP stakeholder analysis**

Stakeholder	Stakeholder's interest in GEP	Benefit(s) for GEP in meeting stakeholder interest	Vulnerability for GEP resulting from the interest
<b>DED</b>	<ul style="list-style-type: none"> <li>• Ability of GEP to deliver on mandate and meet service delivery expectations</li> <li>• Accountability of public funds</li> </ul>	<ul style="list-style-type: none"> <li>• Increase in funding</li> </ul>	<ul style="list-style-type: none"> <li>• Policy changes might require GEP to shift strategic focus</li> <li>• Competing stakeholder needs and expectations</li> <li>• Budget cuts might</li> </ul>



Stakeholder	Stakeholder's interest in GEP	Benefit(s) for GEP in meeting stakeholder interest	Vulnerability for GEP resulting from the interest
			impact delivery <ul style="list-style-type: none"> <li>Increased scope without compensatory budget increase</li> </ul>
<b>GEP Board</b>	<ul style="list-style-type: none"> <li>Ability of GEP to deliver on mandate and meet service Accountability of public funds</li> </ul>	<ul style="list-style-type: none"> <li>Support for GEP Management</li> <li>Board members become main lobbyists and advocates for GEP programmes</li> </ul>	<ul style="list-style-type: none"> <li>Lack of support for GEP Management which may have negative implications e.g. not approving programmes, budgets etc</li> </ul>
<b>Government (Provincial &amp; Local)</b>	<ul style="list-style-type: none"> <li>Deliver on economic development mandate</li> <li>Compliance</li> <li>Facilitate procurement spending through provision of pipeline of capable, resourced SMMEs</li> <li>Support local economic development initiatives</li> </ul>	<ul style="list-style-type: none"> <li>Sustainable access to information, procurement spend, funding, and markets for targeted SMMEs and co-ops programmes</li> </ul>	<ul style="list-style-type: none"> <li>Late payments for services rendered by SMMEs may impact on ability to repay GEP loans</li> </ul>
<b>DFIs</b>	<ul style="list-style-type: none"> <li>Benchmarking</li> <li>Funding leveraging &amp; co-funding opportunities</li> <li>Knowledge sharing</li> <li>Complementary relationship</li> <li>Referrals</li> </ul>	<ul style="list-style-type: none"> <li>Processes and systems in place can support service delivery as partnering with other DFIs will increase resource base to deliver on mandate</li> <li>Referrals will lead to better turn around time where GEP not support</li> </ul>	<ul style="list-style-type: none"> <li>Failure to deliver on agreements might result in reputation risk for GEP</li> </ul>
<b>Regulatory bodies</b>	<ul style="list-style-type: none"> <li>Ensuring growth in tax base through formalisation and</li> </ul>	<ul style="list-style-type: none"> <li>Accessibility of government regulatory services will lead to greater compliance</li> </ul>	<ul style="list-style-type: none"> <li>Reputation risk (e.g. if regulatory body can't deliver)</li> </ul>

Stakeholder	Stakeholder's interest in GEP	Benefit(s) for GEP in meeting stakeholder interest	Vulnerability for GEP resulting from the interest
	compliance of regulations		
<b>Business Chambers/ Industry Associations/ Professional bodies</b>	<ul style="list-style-type: none"> <li>• Networking</li> <li>• Leveraging their database and presence in the community</li> <li>• Access to GEP's clients database for procurement, leads etc.</li> <li>• Co-branding opportunities with GEP</li> <li>• Sector development</li> <li>• Provide technical skills</li> <li>• Ensuring industry compliance</li> <li>• Accreditation of material</li> </ul>	<ul style="list-style-type: none"> <li>• GEP could increase outreach capacity through appropriate partnerships in a much cheaper way</li> <li>• GEP might be able to access sector specialists, networks etc that they can leverage to support sector programmes</li> <li>• Enhances GEP's service offering</li> </ul>	<ul style="list-style-type: none"> <li>• Some business chambers might not have systems which may limit implementation</li> <li>• Lack of professionalism may expose GEP to reputation risk</li> </ul>
<b>Clients (SMMEs &amp; Co-ops)</b>	<ul style="list-style-type: none"> <li>• Access to affordable financial and non-financial support</li> <li>• Market exposure</li> </ul>	<ul style="list-style-type: none"> <li>• Relevant tailor made affordable interventions might increase ability of clients to repay loans at a faster rate thereby enhancing GEP's long-term sustainability</li> <li>• Facilitating job creation and/or poverty alleviation</li> </ul>	<ul style="list-style-type: none"> <li>• Reputation risk where perceived service delivery expectations are not met (entitlement culture)</li> <li>• Clients may look to access other entities providing funding/non-financial support which might lead to relevance of GEP brought to question</li> </ul>
<b>Staff</b>	<ul style="list-style-type: none"> <li>• Personal development</li> <li>• Growth opportunities</li> <li>• Stability of organisation</li> </ul>	<ul style="list-style-type: none"> <li>• Dedicated staff to meet mandate</li> </ul>	<ul style="list-style-type: none"> <li>• Political instability</li> <li>• Low staff morale will have an impact on ability to implement on GEP programmes</li> </ul>
<b>Service Providers</b>	<ul style="list-style-type: none"> <li>• Business opportunities ad</li> </ul>	<ul style="list-style-type: none"> <li>• Improves implementation</li> </ul>	<ul style="list-style-type: none"> <li>• Reputation risk in the event of poor client</li> </ul>



Stakeholder	Stakeholder's interest in GEP	Benefit(s) for GEP in meeting stakeholder interest	Vulnerability for GEP resulting from the interest
	service delivery implementation partners	capacity <ul style="list-style-type: none"> <li>It is also an opportunity to develop service providers as well</li> </ul>	service delivery experiences
<b>Media</b>	<ul style="list-style-type: none"> <li>Matters of public interest</li> </ul>	<ul style="list-style-type: none"> <li>Consumer education</li> <li>Greater brand awareness</li> </ul>	<ul style="list-style-type: none"> <li>Bad publicity</li> </ul>
<b>Academic institutions</b>	<ul style="list-style-type: none"> <li>Research &amp; technical skills</li> <li>Entrepreneurship programmes being developed further</li> <li>Innovation</li> <li>Internship opportunities (e.g. sector analysts)</li> </ul>	<ul style="list-style-type: none"> <li>Access to SMMEs and co-ops to conduct sector and provincial specific research</li> </ul>	<ul style="list-style-type: none"> <li>Research offerings may not provide value (relevance, timing, impact etc) for GEP work</li> </ul>
<b>Corporate</b>	<ul style="list-style-type: none"> <li>Access to GEP SMME database for procurement spend programmes</li> <li>Leveraging on BBBEE &amp; Enterprise Development</li> </ul>	<ul style="list-style-type: none"> <li>Provides GEP accredited/developed SMMEs/co-ops to access markets for their products</li> <li>Increased funding potential through partnerships</li> </ul>	<ul style="list-style-type: none"> <li>Lack of capacity in co-ordinating private sector participation</li> </ul>

### 1.2.3 Industry and competitive analysis

An industry and competitive situation analysis has been completed using Porter's 5 forces industry analysis tool and is presented in Table 2.

**Table 2: Industry and competitive situation analysis for GEP**

Force	Industry analysis	Competitive analysis
<b>Rivalry among service providers in the Gauteng market</b>	The main competitors for GEP currently include: <ul style="list-style-type: none"> <li>Agencies, Departments and Local Municipalities in the province offering some or a combination of products that GEP offers</li> <li>National entities/Departments such as SEDA (non-financial support), SEFA, IDC, NEF (financial</li> </ul>	Based on the overview of some competitors identified, it can be concluded that the market is <b>highly competitive</b> .  Thus, GEP needs to develop its



Force	Industry analysis	Competitive analysis
	<p>and/or non-financial), DTI (incentive schemes) that operate in the Province</p> <ul style="list-style-type: none"> <li>• Banking institutions offering financial products (although collateral-based while GEP is not, access to certain banking products such as overdrafts, credit card facilities, loans etc) as well as non-financial support tools (e.g. ABSA, FNB have certain tools)</li> <li>• Private entities such as Business Partners, venture capital funds that may be prepared to take higher levels of risk but compensate accordingly using various tools e.g. equity, quasi-equity etc.</li> <li>• Various institutions providing training and development support programmes such as Wits Business School, GIBS, UJ Centre for Small Business Development etc which also include an outreach element thereby making it potentially accessible to GEP's target market</li> <li>• Other business development organisations such as The Business Place, private business incubator programmes e.g. Raizcorp</li> <li>• Corporate entities providing enterprise development opportunities as part of B-BBEE or CSI initiatives</li> </ul>	<p>competitive advantage to meet the needs of a cross-section of potential users (formal – informal businesses; company – co-ops; start-ups - growth etc.)</p>
<b>Threat of substitute products and services</b>	<p>Substitute products include:</p> <ul style="list-style-type: none"> <li>• Other financial and non-financial products such as bank products (e.g. overdrafts)</li> <li>• Various grant-based incentives offered by DTI for example</li> </ul>	<p>The threat is moderate, however, it is important to factor in the highly competitive market that GEP operates in as indicated above</p>
<b>Potential entrants</b> <span style="float: right;"><b>new</b></span>	<p>New entrants include:</p> <ul style="list-style-type: none"> <li>• SEFA in some areas might provide products and services at a competitive pricing</li> </ul>	<p>While the threat of new entrants is somewhat weak, it is imperative that GEP develops appropriate barriers to entry (accessibility to products and services, quality &amp; affordable products, efficiency &amp; turnaround time etc.) to enhance its market share</p>
<b>Power of suppliers (in this case, funders)</b>	<p>GEP is primarily funded by the Gauteng Provincial Government Department of Economic Development</p>	<p>Given that GEP relies on DED to fund its activities, the threat of the power that DED has on its existence is high. However, this threat could be mitigated by GEP forging tighter relationships with other GPG Department / Agencies that would see</p>

Force	Industry analysis	Competitive analysis
		GEP generate alternative revenue streams by managing & implementing projects
<b>Power of users of products and services</b>	While, technically, the power of users of GEP products and services is moderate to limited given that the potential market for GEP's products and service is substantial; there is a real threat that buyers could use their political power if there is the perception that their needs are not being met. In addition, the high number of alternatives may exert some moderate to limited power over GEP	GEP's mandate and reasons for being established are clearly provided, thus, it becomes imperative that GEP develops appropriate products and services to remain relevant to the markets they need to serve

## 2. Revisions to legislative and other mandates

There have been no significant changes to the Gauteng Enterprise Propeller's legislative and other mandates. The Gauteng Enterprise Propeller therefore continues to draw its mandate from the following legislation and frameworks:

- Medium Term Strategic Framework
- DED Strategic Objectives
- Gauteng Employment, Growth and Development Strategy (2009-2014)
- Gauteng Enterprise Propeller Act, 2005
- Gauteng 10 Pillar Programme
- Gauteng Provincial Government (GPG) Outcome Plan.



### 3. Overview of 2014/15 budget and MTEF estimates

#### 3.1 Expenditure estimates

Table Y.1 Gauteng Enterprise Propeller

Programme	Audited outcomes			Adjusted appropriation		Medium-term expenditure estimate		
	2011/12	2012/13	2013/14	2014/15		2015/16	2016/17	2017/18
Office of the CEO	7 864	11 785	11 168	11 168		11 726	12 313	12 928
COO	2 527	2 125	-	-		-	-	-
CFO (Finance)	7 652	7 700	8 646	8 646		3 149	3 464	3 810
Investment Management	31 141	52 781	48 721	-		-	-	-
Enterprise Support	10 031	13 538	12 457	-		-	-	-
Regional Operations	28 759	33 439	37 554	-		-	-	-
Marketing and Communications	4 759	4 404	4 268	4 268		7 318	8 050	8 855
IT & Facilities	13 551	5 599	-	-		-	-	-
Human Resources	2 812	4 839	-	-		-	-	-
Company Secretariat	-	-	2 309	2 309		3 666	3 703	4 073
Corporate Services & HR	-	-	29 640	22 402		23 522	24 700	25 933
CIO	-	-	-	7 238		7 560	7 980	8 380
Loans, BDS & Debt Management	-	-	-	98 256		103 170	108 328	113 743
<b>total</b>	<b>109 096</b>	<b>137 282</b>	<b>154 767</b>	<b>154 291</b>		<b>195 033</b>	<b>214 536</b>	<b>235 988</b>

#### 3.2 Relating expenditure trends to strategic goals

- The Gauteng 10 pillar programme, which seeks to support the key themes of Transformation, Modernisation and Re-industrialisation of the economy, has led to several new programmes being added to this document, this includes the focused support of township based SMME as part of the Township Economy Revitalisation (TER) programme. New assistance programmes, such as Invoice Discounting, will be introduced in this financial year.
- There are some additional allocations required for the refurbishment of old township industrial parks as well as the establishment of township SMME hubs across the 11 priority sectors, this includes setting up Virtual Offices for professional or service businesses in the province.
- The agency has strengthened its capacity in the areas of partnerships and resource mobilisation; project management and research and development in order to position itself as an agile implementation agent on behalf of the department and to ensure that it maximise its revenue for core programs.
- The entity will continue to place an emphasis on the incubation programme to support start-up SMMEs and Co-ops, especially those owned by People with Disabilities (PwD); Women and by young people of Gauteng.
- Assistance to informal businesses, most of whom are in the retail space, will continue with the view to formalising these businesses as legal entities, thereby enabling them the opportunity to access the various assistance and incentive programmes delivered through various SMME Development bodies such as ourselves, Dti; SEDA; SEFA and others. It also enables them to participate in government and private sector procurement, funds have been allocated for this.
- GEP will continue to place unemployed youth with its partners to ensure that they gain the requisite technical skills within the 11 priority sectors with a view to forming these young people into co-operatives once their training programme is completed.

#### 4. TARGETS ALIGNED TO DED 2014/15 APP

Programme Performance Indicator (Per Strategic Objective)		GEP Programme	Audited/Actual Performance			Estimated Performance	Medium-Term Targets			Annual Target	Quarterly targets			
			2010/11	2011/12	2012/13	2013/14	2014/15	2015/16	2016/17	2014/15	1 <sup>st</sup>	2 <sup>nd</sup>	3 <sup>rd</sup>	4 <sup>th</sup>
1.	New, smart, knowledge-based economy and industries as part of a radically transformed Gauteng economy													
1.1	Innovation and knowledge-based economy interventions supported													
1.1.1	Revitalised Industrial Parks Number of small and emerging businesses incubated at the 5 revitalised industrial parks	Revitalisation of Industrial Parks Business Incubation Programme	-	-	-	-	75	75	75	75	-	-	-	75
1.1.2	Infrastructure development Number of SMMEs and Coop in Infrastructure and related industries incubated		-	-	-	729	100	150	200	100	-	-	-	100
1.1.3	Priority Sectors development Number of SMMEs and Coops incubated in the 11 sectors		-	-	-	-	280	280	280	280	-	-	140	280

Programme Performance Indicator (Per Strategic Objective)	GEP Programme	Audited/Actual Performance			Estimated Performance 2013/14	Medium-Term Targets			Annual Target 2014/15	Quarterly targets			
		2010/11	2011/12	2012/13		2014/15	2015/16	2016/17		1 <sup>st</sup>	2 <sup>nd</sup>	3 <sup>rd</sup>	4 <sup>th</sup>
1.1.4 Creative Industries development Number of SMMEs and Coops in Film and related industries incubated	Business Incubation Programme	-	-	60	60	60	60	60	60	-	-	30	60
1.2 Township SMMEs and Cooperatives supported financially and non-financially													
1.2.1 Township Enterprise Hubs Number of Township Entrepreneur Hubs established to accommodate SMME's and Co-ops in the 11 sectors)	Virtual Office Programme Special Projects Business Incubation through Partnerships	-	-	-	-	5	5	5	5	-	-	-	5
1.2.2 Number of existing SMME's supported financially in the	Captive Fund, Micro-finance and Community	360	1180	1373	1237	105	115	127	105	24	54	81	105



Programme Performance Indicator (Per Strategic Objective)	GEP Programme	Audited/Actual Performance			Estimated Performance 2013/14	Medium-Term Targets			Quarterly targets			
		2010/11	2011/12	2012/13		2014/15	2015/16	2016/17	1 <sup>st</sup>	2 <sup>nd</sup>	3 <sup>rd</sup>	4 <sup>th</sup>
11 sectors (Tourism, Finance, Automotive, Manufacturing, ICT, Pharmaceuticals , Creative Industries, Construction, Real Estate, Mineral Beneficiation and Agro- processing)	Fund deals  TBR  Integrated Incubation Support Programmes  Invoice Discounting											
1.2.3	Number of existing SMME's supported non- financially in the 11 sectors (Tourism, Finance, Automotive, Manufacturing, ICT, Pharmaceuticals , Creative Industries, Construction, Real Estate, Mineral Beneficiation	18000 (cumulative)	21820 (cumulative)	25122 (cumulative)	1216	1260	1386	1524	315	630	945	1260

Programme Performance Indicator (Per Strategic Objective)	GEP Programme	Audited/Actual Performance			Estimated Performance 2013/14	Medium-Term Targets			Annual Target 2014/15	Quarterly targets			
		2010/11	2011/12	2012/13		2014/15	2015/16	2016/17		1 <sup>st</sup>	2 <sup>nd</sup>	3 <sup>rd</sup>	4 <sup>th</sup>
1.2.4	and Agro-processing) Number of new SMME's supported financially in the 11 sectors (Tourism, Finance, Automotive, Manufacturing, ICT, Pharmaceuticals , Creative Industries, Construction, Real Estate, Mineral Beneficiation and Agro-processing)	-	-	1 417 (cumulative)	531 (cumulative)	230	165	180	230	58	116	174	230
1.2.5	Number of new SMME's supported non-financially in the 11 sectors (Tourism, Finance, Automotive, Manufacturing, ICT, Business Development Support Interventions Business Incubation Programme Market Access	-	-	24 232 (cumulative)	522 (cumulative)	540	1800	1800	540	135	270	405	540



Programme Performance Indicator (Per Strategic Objective)	GEP Programme	Audited/Actual Performance			Estimated Performance 2013/14	Medium-Term Targets			Annual Target 2014/15	Quarterly targets			
		2010/11	2011/12	2012/13		2014/15	2015/16	2016/17		1 <sup>st</sup>	2 <sup>nd</sup>	3 <sup>rd</sup>	4 <sup>th</sup>
	Pharmaceuticals , Creative Industries, Construction, Real Estate, Mineral Beneficiation and Agro- processing)												
1.2.6	Number of existing Co-ops supported financially in the 11 sectors (Tourism, Finance, Automotive, Manufacturing, ICT, Pharmaceuticals , Creative Industries, Construction, Real Estate, Mineral Beneficiation and Agro- processing)	-	-	55	65	70	100	100	70	3	30	50	70
	Programmes Training Mentorship Special Projects												
	Cooperative Assistance Programme Community Fund deals Integrated Incubation Support Programmes Invoice Discounting Special Projects												

Programme Performance Indicator (Per Strategic Objective)	GEP Programme	Audited/Actual Performance			Estimated Performance 2013/14	Medium-Term Targets			Annual Target 2014/15	Quarterly targets			
		2010/11	2011/12	2012/13		2014/15	2015/16	2016/17		1 <sup>st</sup>	2 <sup>nd</sup>	3 <sup>rd</sup>	4 <sup>th</sup>
1.2.7	Number of existing Co-ops supported non-financially in the 11 sectors (Tourism, Finance, Automotive, Manufacturing, ICT, Pharmaceuticals, Creative Industries, Construction, Real Estate, Mineral Beneficiation and Agro-processing)	-	731	935	210	210	231	254	210	65	130	170	210
1.2.8	Number of new Cooperatives supported financially in the 11 sectors (Tourism, Finance, Automotive, Manufacturing, ICT, Pharmaceuticals)	-	100 (cumulative)	160 (cumulative)	70	70	100	110	70	20	30	40	70

Programme Performance Indicator (Per Strategic Objective)	GEP Programme	Audited/Actual Performance			Estimated Performance 2013/14	Medium-Term Targets			Annual Target 2014/15	Quarterly targets			
		2010/11	2011/12	2012/13		2014/15	2015/16	2016/17		1 <sup>st</sup>	2 <sup>nd</sup>	3 <sup>rd</sup>	4 <sup>th</sup>
	Projects Creative Industries, Construction, Real Estate, Mineral Beneficiation and Agro-processing)												
1.2.9	Number of new Cooperatives supported non-financially in the 11 sectors (Tourism, Finance, Automotive, Manufacturing, ICT, Pharmaceuticals, Creative Industries, Construction, Real Estate, Mineral Beneficiation and Agro-processing)	365 (cumulative)	781 (cumulative)	400 (cumulative)	90	90	130	150	90	30	40	70	90
1.2.10	Township SMMEs and Cooperatives	-	-	-	300	425	425	425	425	106	212	318	425
	CIPC Registrations												



Programme Performance Indicator (Per Strategic Objective)	GEP Programme	Audited/Actual Performance				Estimated Performance 2013/14	Medium-Term Targets			Annual Target 2014/15	Quarterly targets			
		2010/11	2011/12	2012/13	2013/14		2014/15	2015/16	2016/17		1 <sup>st</sup>	2 <sup>nd</sup>	3 <sup>rd</sup>	4 <sup>th</sup>
Development Number of township based Informal Business Proposals Supported	Informal Trader Training Programme Integrated Informal Sector Support program													
2.	SMMES, township enterprises and cooperatives participating in mainstream economic activities as part of a radically transformed and reindustrialised Gauteng economy													
2.1	Township enterprise development interventions supported													
2.1.1	Number of Township Business Renewal Funding Schemes established	-	-	-	-	-	Establish the Fund, capitalize the Fund and its rules and procedures	1 each per identified township	100 Double per township	1 Fund established	-	-	-	1
3.	Appropriately skilled human resource and business capacity that meet the needs of a radically transformed and re-industrialised Gauteng economy.													
3.1	Industry sectors supported for re-industrialisation													
3.1.1	Number of small and emerging businesses that participate in supplier development	-	-	-	-	-	3	12	20	3	-	3	3	3
	Supplier Development Programme Special Projects													

Programme Performance Indicator (Per Strategic Objective)	GEP Programme	Audited/Actual Performance		Estimated Performance 2013/14	Medium-Term Targets		Annual Target 2014/15	Quarterly targets			
		2010/11	2011/12		2014/15	2015/16		1 <sup>st</sup>	2 <sup>nd</sup>	3 <sup>rd</sup>	4 <sup>th</sup>
programmes											

## PART B: PROGRAMME PLANS

### 5. LOANS & BUSINESS DEVELOPMENT

#### 5.1 Annual & Quarterly targets for 2014/15

Strategic Objective	Measurable Objectives	Indicator / Performance Standards	Baseline 2013/14	Annual Target 2014/15	Annual Target MTEF Period 2015/16	Annual Target MTEF Period 2016/2017	Annual Budget 2014/15	Quarterly targets			
								1 <sup>st</sup>	2 <sup>nd</sup>	3 <sup>rd</sup>	4 <sup>th</sup>
1.1 Provide accessible and timeous Financial solutions	Development of funding solutions	Number of funding solutions developed	-	2 new funding Solutions	-	1 funding Solution		-	-	-	2 New Solutions
	Provision of accessible and Timeous funding packages	Number of captive deals approved	30	40 Deals	50 Deals	60 Deals	R40 million	8 Deals	19 Deals	29 Deals	40 Deals
		Number of captive applications assessed	600 Applicatio ns	300 Applications	350 Applications	400 Applicatio ns		70 Applicatio ns	150 Applications	230 Applications	300 Applications
		Number of	70 Deals	100 Deals	120 Deals	150 Deals	R10	20 Deals	47 Deals	73 Deals	120 Deals



Strategic Objective	Measurable Objectives	Indicator / Performance Standards	Baseline 2013/14	Annual Target 2014/15	Annual Target MTEF Period 2015/16	Annual Target MTEF Period 2016/2017	Annual Budget 2014/15	Quarterly targets			
								1 <sup>st</sup>	2 <sup>nd</sup>	3 <sup>rd</sup>	4 <sup>th</sup>
		Micro deals approved					million				
		Number of micro applications assessed	720 Applications	250 Applications	250 Applications	250 Applications	-	62 Applications	125 Applications	188 Applications	250 Applications
<b>1.2</b>	Ensure increased funding of businesses owned by transversal groups	% of total amount Approved	-	% of approved amount 40% to Women owned 30% to Youth owned 2% to people with disabilities	% of approved amount 40% to Women owned 30% to Youth owned 2% to people with disabilities	% of approved amount 40% to Women owned 30% to Youth owned 2% to people with disabilities	-	40% to Women	40% to Women	40% to Women	40% to Women
								30% to Youth	30% to Youth	30% to Youth	30% to Youth
								2% to PWD	2% to PWD	2% to PWD	2% to PWD
<b>1.3</b>	To Ensure enhanced products, services, systems & interventions	Number of new systems and products developed/improved	4 products/systems	5 products/systems	5 products/systems	6 products/systems	R800k	-	2 systems/product	5 systems/product	Monitoring and evaluation
		Facilitate mentorship programme	200	160	180	200	R4m	20	90	160	Monitoring and Evaluation



Strategic Objective	Measurable Objectives	Indicator / Performance Standards	Baseline 2013/14	Annual Target 2014/15	Annual Target MTEF Period 2015/16	Annual Target MTEF Period 2016/2017	Annual Budget 2014/15	Quarterly targets			
								1 <sup>st</sup>	2 <sup>nd</sup>	3 <sup>rd</sup>	4 <sup>th</sup>
		Programme									
		Number of small and emerging businesses participating in the supplier development programme	Agreements with UNDP/BU SA & BBC	3 SMME's & Emerging Businesses				Finalisation of Business Plan with Partners	Identification and Assessments	3	Monitoring & Evaluation of businesses participating in SDP
	Youth Entrepreneurial Programme	Number of Youth Businesses Supported <sup>1</sup>	983 Youth Businesses	1000 Youth Businesses	1000 Youth Businesses	1000 Youth Businesses	R500k	50 Youth Businesses	450 Youth Businesses	950 Youth Businesses	1000 Youth Businesses
	Youth Entrepreneurial Skills Development Program	Number of Youth Participating in YESDP	1096 Youth	200 Youth	250 Youth	300 Youth	R7 m	Partner Negotiations & Agreements	Screening, Selecting & Registration of Youth Participants	100 First Intake of Youth	200 Final Intake of Youth Participants for FY
	Youth Entrepreneurial Skills Development	Number of FET /Tertiary Students in dual training	NEW	500 young people developed	750 young people developed	1000 young people developed	R7 m from GEP Sourced Developm		Screening, Selecting & Registration of Youth	100 First Intake of Youth	500 Final Intake of Youth Participants

Strategic Objective	Measurable Objectives	Indicator / Performance Standards	Baseline 2013/14	Annual Target 2014/15	Annual Target MTEF Period 2015/16	Annual Target MTEF Period 2016/2017	Annual Budget 2014/15	Quarterly targets			
								1 <sup>st</sup>	2 <sup>nd</sup>	3 <sup>rd</sup>	4 <sup>th</sup>
	Program	& development programme and YESDP					ent Funds		Participants		for FY
	Develop business skills and facilitate access to micro finance for businesses owned by PWD	Number of PWD entrepreneurs supported	250 PWD entrepreneurs supported	250 PWD Entrepreneurs	250 PWD Entrepreneurs	250 PWD Entrepreneurs	R2.5m	-	100	175	250
1.4	To provide strategic directions and support to create conducive environment for business incubation and cooperatives support	Number of cooperatives and SMMEs incubated in 11 sectors	517	280 cooperatives assisted to participate in Incubator programs	280 cooperatives assisted to participate in Incubator programs	280 cooperative s assisted to participate in Incubator programs	R2.25m	Planning and Programm ing of cooperati ves Incubator programs	Screening & Selection of cooperatives to participate in Incubator programs	280 cooperatives participating in Incubator programs	280 cooperatives assisted to participate in Incubator programs
		Number of small & emerging businesses incubated in the 5 Revitalised Industrial Parks	NEW	75 small & emerging businesses incubated in the 5 Revitalised Industrial Parks	75 small & emerging businesses incubated in the 5 Revitalised Industrial Parks	75 small & emerging businesses incubated in the 5 Revitalised Industrial Parks	R1.75m	Planning and Preparatio ns including planning for revitalisati on of	Screening & Selection of Beneficiaries	Development of Tailor made interventions	75 small & emerging businesses incubated in the 5 Revitalised Industrial Parks

Strategic Objective	Measurable Objectives	Indicator / Performance Standards	Baseline 2013/14	Annual Target 2014/15	Annual Target MTEF Period 2015/16	Annual Target MTEF Period 2016/2017	Annual Budget 2014/15	Quarterly targets			
								1 <sup>st</sup>	2 <sup>nd</sup>	3 <sup>rd</sup>	4 <sup>th</sup>
1.5								parks			
		Number of Township Entrepreneur Hubs established for SMME's & Coops in 11 Sectors	Hubs Approved by Board	5 incubators/Hubs	30 incubators/Hubs	50 incubators/Hub	R1.2m	Identification and Needs Analysis	Scoping, Costing and Development of Plans	Project Implementation	5 Hubs Established
		Number of Waste Recycling Cooperative Centres Established & Functioning effectively in each township	Best Practice & Benchmarking Study Tour	5 Waste Coop Centres	10 Waste Coop Centres	20 Waste Coop Centres	R1.2m	Identification and Needs Analysis	Scoping, Costing and Development of Plans	Project Implementation	5 Waste Coop Centres
	Cooperative Training	Number of cooperatives members trained	150 Coop members trained	200 Co-op's trained	250 Co-op's trained	250 Co-op's trained	R1m	-	100 Co-op's trained	200 Co-op's trained	Mentoring, Monitoring and Evaluation



Strategic Objective	Measurable Objectives	Indicator / Performance Standards	Baseline 2013/14	Annual Target 2014/15	Annual Target MTEF Period 2015/16	Annual Target MTEF Period 2016/2017	Annual Budget 2014/15	Quarterly targets			
								1 <sup>st</sup>	2 <sup>nd</sup>	3 <sup>rd</sup>	4 <sup>th</sup>
		Number of New & Existing GTA Supported Township based cooperatives	NEW	20 New & Existing GTA supported Township Based Co-op's	20 New & Existing GTA supported Township Based Co-op's	50 New & Existing GTA supported Township Based Co-op's	R250k	Planning & Programme Development	Screening & selection of Beneficiaries	20 New & Existing GTA supported Township Based Co-op's	Mentoring, Monitoring and Evaluation
	Create market access opportunities through exhibitions and similar platforms	Number of co-operatives participating in exhibitions	40 co-ops	40 co-ops assisted	40 co-ops assisted	50 co-ops assisted	R1.2 m		10 cooperatives	40 coops	Monitoring and evaluation
		Number of Township co-operatives participating in exhibitions	NEW	50 co-ops participating	100 co-ops participating	200 co-ops participating	R650k	Planning and Preparations	50 Cooperatives participants	Develop support interventions for participants	Implementation of Support interventions for participants

Strategic Objective	Measurable Objectives	Indicator / Performance Standards	Baseline 2013/14	Annual Target 2014/15	Annual Target MTEF Period 2015/16	Annual Target MTEF Period 2016/2017	Annual Budget 2014/15	Quarterly targets			
								1 <sup>st</sup>	2 <sup>nd</sup>	3 <sup>rd</sup>	4 <sup>th</sup>
To develop business within key growth sectors	To develop Businesses within the Tooling Manufacturing sector	Number of Tooling SMME's Incubated over a 3-5yr period	10	15 businesses assisted	15 businesses assisted	15 businesses assisted	R3.5m	0	5 businesses	10 businesses	15 businesses
	Training and Development of people in the Automotive sector.	Number of people trained in the auto mechanical repairs & Artisans trained in auto body repairs	Incubator Identified & Approved by Board	900 people for Mechanical Training 60 people for Auto Body Training	900 people for Mechanical Training 60 people for Auto Body Training	900 people for Mechanical Training 60 people for Auto Body Training	R2.5m from GEP Development Fund	Identification screening & Selection of Beneficiaries	Set Up of Hub & Finalisation of SLA's	Trainees Allocated & Implementation Commences	960: 900 people for Mechanical Training 60 people for Auto Body Training
		Number of ICT SMME's/Coops Participating in Incubator Support Programme	Incubator Identified & Approved by Board	100 ICT SMME's/Coops Participating in Incubator support programme	120 ICT SMME's/Coops Participating in Incubator support programme	150 ICT SMME's/Coops Participating in Incubator support programme	R2.5m from GEP Sourced Development Funding	Development of Incubator Framework and Model	Set Up of Incubators & Finalisation of SLA's	Beneficiary SMME's/Coops Allocated & Implementation Commences	100 SMME's/Coops Participating

Strategic Objective	Measurable Objectives	Indicator / Performance Standards	Baseline 2013/14	Annual Target 2014/15	Annual Target MTEF Period 2015/16	Annual Target MTEF Period 2016/2017	Annual Budget 2014/15	Quarterly targets			
								1 <sup>st</sup>	2 <sup>nd</sup>	3 <sup>rd</sup>	4 <sup>th</sup>
		Number of Film & Related Industries SMME's /Coops Participating in Incubator Support Programme	Incubator Identified & Approved by Board	60 SMME's/Coops Participating in Incubator support programme	100 SMME's/Coops Participating in Incubator support programme	120 SMME's/Coops Participating in Incubator support programme	R2.5m from GEP Sourced Development Funding	Development of Incubator Framework and Model	Set Up of Incubators & Finalisation of SLA's	Beneficiary SMME's/Coops Allocated & Implementation Commences	60 SMME's/Coops Participating
		Number of Infrastructure & Related Industries SMME's /Coops Participating in Incubator Support Programme	Incubator Identified & Approved by Board	100 Infrastructure related SMME's/Coops Participating in Incubator support programme	1000 Infrastructure related SMME's/Coops Participating in Incubator support programme	1200 Infrastructure related SMME's/Coops Participating in Incubator support programme	R2.5m from GEP Sourced Development Funding	Development of Incubator Framework and Model	Set Up of Incubators & Finalisation of SLA's	Beneficiary SMME's/Coops Allocated & Implementation Commences	100 SMME's/Coops Participating
		Number of furniture Making SMME's /Coops Participating in Incubator Support Programme	1	6 Furniture Making SMME's/Coops Participating in Incubator support programme	6 Furniture Making SMME's/Coops Participating in Incubator support programme	6 Furniture Making SMME's/Coops Participating in Incubator support programme	R18 m from GEP Sourced Development Funding	Development of Incubator Framework and Model	Set Up of Incubators & Finalisation of SLA's	Beneficiary SMME's/Coops Allocated & Implementation Commences	6 Furniture Making SMME's/Coops Participating



Strategic Objective	Measurable Objectives	Indicator / Performance Standards	Baseline 2013/14	Annual Target 2014/15	Annual Target MTEF Period 2015/16	Annual Target MTEF Period 2016/2017	Annual Budget 2014/15	Quarterly targets			
								1 <sup>st</sup>	2 <sup>nd</sup>	3 <sup>rd</sup>	4 <sup>th</sup>
1.6	Provide effective and efficient after care support Services	Number of SMMEs monitored and assessed by Post Investment	150 SMMEs	160 Clients	170 Clients	180 Clients	R1.5	Planning and Preparations for deal flow	100 Clients	120 Clients	160 Clients
		Facilitate, implement and manage the tailor made interventions		145 Clients	153 Clients	162 Clients		Planning and Preparations	Client assessment & Needs Analysis towards development of interventions	Development of Tailor-made interventions	145 Clients Benefiting from Tailor-made interventions
1.7	Provide Quality Non-Financial Support and Training Services to SMMEs and Co-operatives in Gauteng	Number of Township Enterprise Hubs Established in Gauteng's Oldest Townships <sup>2</sup>	NEW	Develop 5 Enterprise Hubs in Oldest townships	Establish Operating Model and Implement 11 sector programmes	Develop and Implement Exit Plans for Incubates	R4.5 m	Identification of sites	Needs Analysis, Planning and Costing	Scope and commence establishment	5 Hubs established in Oldest Townships

• <sup>2</sup> Pimville over 100yrs, Alex 102yrs, Thembisa over 100 years, Sharpville 71 years, Kliptown 104 years

Strategic Objective	Measurable Objectives	Indicator / Performance Standards	Baseline 2013/14	Annual Target 2014/15	Annual Target MTEF Period 2015/16	Annual Target MTEF Period 2016/2017	Annual Budget 2014/15	Quarterly targets			
								1 <sup>st</sup>	2 <sup>nd</sup>	3 <sup>rd</sup>	4 <sup>th</sup>
	Maintain, Enhance and sustain newly developed Township Hubs	Number of Newly Developed Township hubs Maintained, & sustained & enhanced	1 Newly Developed (Mohlale ng Hub)	1 Hub	5Hubs	10 Hubs	DED Committed To Fund the hub for 3 years	Manage the hub	Report on hub needs and develop interventions	Implement Interventions	Maintain, Monitor, Evaluate and effect continuous improvements
	Increased number of SMMEs benefiting from GEP Financial and Non-Financial Interventions	Number of Existing & New SMME's Developed in 11 Sectors business benefiting Non-Financially	NEW	1260 Existing Businesses 540 New Businesses	1386 Existing Businesses 1800 New Businesses	1524 Existing Businesses 2000 New Businesses	R3m	Identification screening & Selection of Beneficiaries	Project evaluation, due diligence and approval	1800 business Beneficiaries allocated	1800: 1260 Existing Businesses 540 New Businesses Monitoring, Evaluation, Mentorship and Programme support.
	Increased assistance struggling township businesses through the Township Business Renewal programme	Number of Township Businesses supported through the Township Business Renewal Funding Scheme	150 businesses	200 businesses From Funding Scheme	250 businesses	300 businesses	R8m	Identification screening & Selection of Beneficiaries	Project evaluation, due diligence and approval	200 business Beneficiaries allocated	Monitoring, Evaluation, Mentorship and Programme support as per GEP TBR Programme



Strategic Objective	Measurable Objectives	Indicator / Performance Standards	Baseline 2013/14	Annual Target 2014/15	Annual Target MTEF Period		Annual Budget 2014/15	Quarterly targets			
					2015/16	2016/2017		1 <sup>st</sup>	2 <sup>nd</sup>	3 <sup>rd</sup>	4 <sup>th</sup>
					648 jobs	712 jobs		154 jobs	308 jobs	462 jobs	617 jobs
	Jobs sustained or created through BDS Interventions to SMMEs	Number of Jobs Sustained or Created through BDS Interventions	588 jobs	617 jobs			-				
1.8 To provide focussed support to Co-operatives.	Increased number of cooperatives assisted by GEP	Number of Existing & New Co-ops Developed in the 11 identified sectors Assisted Financially	60 co-ops	70 Existing co-ops 70 New Co-ops	140 co-ops	110 co-ops	R1.65 m	Develop Programme	Screening & Selection of Beneficiaries	70 Coops Implement First Intake	140 Coops Implement 2 <sup>nd</sup> Intake; Mentor, Monitor and support
		Number of Existing & New Co-ops Developed in the 11 identified sectors Assisted Non-Financially	50 co-ops	210 Existing co-ops 90 New co-ops	130 co-ops	150 co-ops	R1.2 m	Develop Programme	Screening & Selection of Beneficiaries	150 Coops: 105 Implement First Intake 45co-ops	300 Coops: Implement 2 <sup>nd</sup> Intake; Mentor, Monitor and support
		Number of small holder farmers supported	12 farmers	5 small holder farmers	5 small holder farmers	5 small holder farmers	R10m GEP Sourced Mafisa Development Fund	Identification of Land and Project Beneficiaries	Land Access & Approvals	Screening & Selection of Beneficiaries	5 small holder farmers support Implemented
	Promotion and support of entrepreneurs hip to target groups	Number of Township Co-ops assisted from the target groups	30% of all interventions to Women-owned Co-ops	30% of 2081 Women-owned Co-ops & SMME's benefiting from all interventions	30% of 2150 Women-owned Co-ops & SMME's benefiting from all interventions	30% of 2250 Women-owned Co-ops & SMME's benefiting from all	-	Development of Support Programme	Screening & Selection of Beneficiaries	Develop Tailor-made Interventions and Workshops with Beneficiaries	625 Coops & SMME's Monitored, Mentored and continue implementation of Interventions



Strategic Objective	Measurable Objectives	Indicator / Performance Standards	Baseline 2013/14	Annual Target 2014/15	Annual Target MTEF Period 2015/16	Annual Target MTEF Period 2016/2017	Annual Budget 2014/15	Quarterly targets			
								1 <sup>st</sup>	2 <sup>nd</sup>	3 <sup>rd</sup>	4 <sup>th</sup>
						interventions					
			20% of all interventions to Youth-owned SMME's & Co-ops	20% of 2081 Youth-owned Co-ops & SMME's benefiting from all interventions	20% of 2150 Youth-owned Co-ops & SMME's benefiting from all interventions	20% of 2250 Youth-owned Co-ops & SMME's benefiting from all interventions	-	Development of Support Programme	Screening & Selection of Beneficiaries	Develop Tailor-made Interventions and Workshops with Beneficiaries	416 SMME's & Coops Monitored, Mentored and continue implementation of Interventions
			3% of PWD-owned Co-ops & SMME's benefiting from all interventions	4% of 2081 PWD-owned Co-ops & SMME's benefiting from all interventions	4% of 2150 PWD-owned Co-ops & SMME's benefiting from all interventions	4% of 2250 PWD-owned Co-ops & SMME's benefiting from all interventions	-	Development of Support Programme	Screening & Selection of Beneficiaries	Develop Tailor-made Interventions and Workshops with Beneficiaries	83 SMME's & Coops Monitored, Mentored and continue implementation of Interventions
	Jobs sustained through BDS & CAP Interventions to Co-ops	Number of jobs sustained	200 jobs	575 jobs	640 jobs	705 jobs	-	143 jobs	287 jobs	431 jobs	575 jobs

Strategic Objective	Measurable Objectives	Indicator / Performance Standards	Baseline 2013/14	Annual Target 2014/15	Annual Target MTEF Period 2015/16	Annual Target MTEF Period 2016/2017	Annual Budget 2014/15	Quarterly targets			
								1 <sup>st</sup>	2 <sup>nd</sup>	3 <sup>rd</sup>	4 <sup>th</sup>
1.9 Support for start-ups, survivalists, and Informal Businesses	Start-Up Businesses assisted through GEP Community Fund	Number of Start-Up Businesses Assisted	115 Businesses	230 Businesses	345 Businesses	380 Businesses	R2.1 m	77 Businesses	154 Businesses	230 Businesses	230 Businesses
	Increase the capacity of Informal Traders in readiness for the formal economy	Number of Informal Traders Trained	250 Informal Traders	375 Township Informal Traders	400 Township Informal Traders	440 Township Informal Traders	R350 k	80 Township Informal Traders	197 Township Informal Traders	295 Township Informal Traders	375 Township Informal Traders
	Facilitate the formalisation of Informal businesses through CIPC Registration and other Compliance Interventions	Number of Informal Traders assisted towards formalisation	50 Informal Traders	50 Informal Traders	100 Informal Traders	110 Informal Traders	R15k	5 Informal Traders	20 Informal Traders	40 Informal Traders	50 Informal Traders
1.10 To improve the quality of the loan book	Recovery on debtors invoiced	% recovery of invoices	75% invoices recovered	70% invoices recovered	85% invoices recovered	90% invoices recovered	R400k	35% Debt Recovery	45% Debt Recovery	50% Debt Recovery	70% debt Recovery
1.11 To Facilitate Business Sustainability	Reduce invoices owed to Businesses	Number of Business Invoices Discounted	NEW	100 Business Invoices	200 Business Invoices	400 Business Invoices	R100m GEP to Source Development Funding	Development of the Concept	Conclude Partnership Agreements	Assessment of Pilot Invoices	Discount 100 Invoices