



**REVISED GAUTENG ENTERPRISE
PROPELLER**

ANNUAL PERFORMANCE PLAN

for 2020/2021



GAUTENG PROVINCE
ECONOMIC DEVELOPMENT
REPUBLIC OF SOUTH AFRICA

Published by the Gauteng Enterprise Propeller

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The Annual Performance Plan for the Gauteng Enterprise Propeller is available on:

www.gep.co.za

EXECUTIVE AUTHORITY STATEMENT

The Gauteng Enterprise Propeller (GEP) Annual Performance Plan for the 2020-2021 planning period, is presented in terms of the Public Finance Management Act, 1999 (Act 1 of 1999 as amended by Act 29 of 1999) and in terms of the Revised Framework for Strategic Plans and Annual Performance Plans (DPME, 2019). This Annual Performance Plan reflects GEP's contribution towards building *"a Gauteng City Region that is seamlessly integrated, economically inclusive, socially cohesive, smart, environmentally sustainable, innovation-driven and globally competitive"*.

The Mandate of GEP advances the promotion of enterprises, mobilisation of resources to enhance integrated approach to small business development in the province whilst providing financial and non-financial support and facilitate investment in high impact businesses with a potential to transform the structure of the economy. The mandate is carried out to ensure the sustainability, growth and competitiveness of small enterprises as meaningful contributors to economic transformation and job creation in the Gauteng province.

As a priority of GGT2030, the 6th Administration advocates for the acceleration of economic growth, deepening integration for small enterprise support interventions and scaling up the productivity of these enterprises with the aim of resuscitating the ailing economy. The Gauteng provincial government has learned from the past that policies without purposeful action are unlikely to yield the desired impact when it comes to economic development initiatives that create decent employment and improve the plight of unemployed citizens (particularly the youth). However, the advent of the Covid-19 pandemic poses a serious threat to the economy as well as small businesses as engines of growth. Firstly, due to the spike in covid-19 infections, fiscus continues to be reduced to prioritise the lives of the people while balancing economic growth and compromising priority areas. Some critical sectors of the economy have been adversely affected due to the decline in demand while others have to be shut down to control the speed of the covid-19 pandemic. Globally, most countries are also experiencing major decline in economic growth and employment and some have resorted to borrowing from the international financial institutions while government debt to GDP is rising exponentially, limiting fiscal space. Most countries continue to be inward-looking and working on repositioning their economies; and this has a potential to reduce the demand for goods and services. These would have far-reaching implications on employment, economic growth, poverty and the rising inequalities.

While there is a growing expectation for the entity to unlock the economy, rescue the ailing businesses, the budget reduction, coupled with operational capacity to deliver due to the new guidelines (restricting operational capacity to 33%), the entity is unlikely to be able deliver on this Annual Performance Plan without the urgent adoption of a "business unusual approach" that enhances overall levels of efficiency and responsiveness. The unprecedented lockdown period has also necessitated urgent changes in the world of work (promotion of remote working using modern technologies) whilst reducing the traditional interactive relationships, especially with small and micro enterprises (start-up businesses).

The new GEP mandate encapsulating re-Industrialisation, creating sustainable and competitive businesses, increased productive capacity of small businesses and access to procurement opportunities is likely to be compromised by the rapid rise of the pandemic and spread across various sectors thus driving the entity towards exploring strategic collaborations to mobilise resources and pursue integrated programmes for the benefit of Gauteng's small enterprises.

On the other hand, small businesses are expected to adapt to new forms of doing business and technology due to risk exposure to covid-19. For GEP to be responsive, an Interventionist approach characterised by the reduction in development barriers and turn-around times is required. The current socio-economic environment would require new ways of doing things, transcending the orthodox approach to small business development.

The entity's 2020-2025 five-year strategy together with this revised Annual Performance Plan for 2020-2021 thus usher in a new chapter for the Gauteng Enterprise Propeller, that will see this Entity leapfrogging to a high-growth trajectory.

Ms. Morakane Mosupye (MEC)

Executive Authority

ACCOUNTING AUTHORITY STATEMENT

The new GEP strategy and this revised Annual Performance Plan for 2020-2021 provided the Entity with an opportunity to review its developmental agenda in line with the priorities of government as outlined in the National MTSF for 2019-2024 and Gauteng's plan of action – Growing Gauteng Together 2030 (GGT2030), which are underpinned by the pronouncements of the two State of the Nation and State of the Province Addresses of the 6th Administration.

The MEC's 2019 Budget Vote emphasised the reconfiguration and recapitalisation of the Gauteng Enterprise Propeller in order to give effect to the TMR strategy by placing emerging black industrial enterprises at the forefront of the Agency's programmes, thus transforming the face of the township economy. Part of the GEP strategic focus in response to the challenges faced by small enterprises is the elevation of the Entity to a provincial development finance institution that is capable of playing a resource-coordination role aimed at reindustrialising the Gauteng's economy. Fundamental to the change is the integration and coordination of all the small enterprises and co-operatives interventions across government departments, entities and other stakeholders to ensure that the Province is able to maximise the impact in relation to the township and solidarity economy.

The impact of covid-19 will, however, have far-reaching effects on the achievement of GEP mandate whilst increasing the failure or death rate of small businesses, job losses, economic decline and reduced fiscus. Whilst the entity is positioned as the center of enterprise development in the province, barriers across departments and lack of coordination continue to be the major hurdles facing the entity in realising and maximising the full potential of the province in supporting small businesses.

It is worth noting that the operating environment has been affected by the prevalence of covid-19 which has hit harder on the delivery model of GEP due to the reduction in the operational capacity whilst making it difficult for the traditional interactive approach to small businesses. Since most businesses are at a start up level, adapting to the new online platform has been proven to be difficult, especially during the lockdown period. New covid-19 infection cases also continue to disrupt business operations and affect the performance of the entity.

In intervening to the gloomy economic climate posed by the prevalence of the covid-19 pandemic, GEP has developed a response package targeting spazashops, small scale manufactures, informal businesses, salons and businesses in tourism; whilst scaling up support to high growth enterprises to ensure the creation of sustainable employment. In light of covid-19 impact on businesses, the entity has received proposal from non-complying or unregistered businesses from other sectors such as the creative and tourism industry. On the other hand, as part of business rescue plan, GEP provides the payment holiday for 6 to 9 months to businesses in good standing, depending on the dynamics of each business whilst rescheduling of loans for clients lying on overdue debt and handover; and moratorium on blacklisting defaulting active clients. The Youth Accelerator Program will assist in providing employment opportunities for the youth whilst also promoting youth-owned businesses.

Whilst the new GEP strategy intends to focus on industrialisation, increase revenue through partnerships, fostering provincial integration and coordination, the economic recession has reduced the capacity of partners, government departments, private sector and development finance institutions. On the other hand, the national government, through its debt relief program has prioritised the support of small businesses.

The entity is working closely with the provincial government to increase resources and support to small businesses. This also includes the SME Partnership Fund which intends to focus on the vulnerable businesses who do not have access to formal banking facilities and enable them to operate and pay staff during these difficult times. The fund will target very small businesses that are black owned; and focus on township based or township linked businesses supplying government with essential services. On the other hand, partnership with the Department of Small Business would assist small businesses to access economic relief interventions at a national level.

We acknowledge the continuous support of the Executive Authority in propelling the Entity towards realising its intended objectives; and recognise the importance of the planned remodelling and recapitalisation of GEP as such measures will sustain and stabilise the organisation, contribute towards developing its capacity, whilst increasing economic impact in the Province.

The GEP Board supports this revised Annual Performance Plan for the period 2020- 2021 and commits to ensuring the realisation of all planned key interventions that will provide much – needed relief to Gauteng's small enterprises in the midst of the Covid-19 pandemic and beyond.



Mr. Khehla Mthembu

Chairperson of the Board

ACCOUNTING OFFICER STATEMENT

The Gauteng Enterprise Propeller, is a Schedule 3C Provincial Entity established under the auspices of the Gauteng Department of Economic Development to ensure the development of *"Sustainable SMMEs and co-operatives propelled into the mainstream economy of Gauteng"*. This vision has thus driven GEP's continued commitment to propelling SMMEs and co-operatives from the periphery into mainstream economy, thus enhancing the role of small township enterprises in developing the key sectors of Gauteng's formal economy. In delivering on its new mandate, the Gauteng Enterprise Propeller has set the following vision for the new five-year term that lies ahead:

"Propelling entrepreneurs into sustainable enterprises that contribute meaningfully to Inclusive economic growth and job creation."

This vision is informed by the 6th Administration's call for the Agency to move towards stimulating and resuscitating the economy that is currently in distress through promoting the reindustrialisation of townships into productive hubs in accordance with the provincial Transformation, Modernisation and Re-industrialisation Strategy.

In line with the new GEP strategy, we are working hard to turn the Entity around, shift from a quantity-driven approach to a more sustainable, impact-driven organisation. The Reconfiguration of GEP would assist in strengthening the capacity of the Agency to focus on the high-growth path through reindustrialisation and partnerships with various partners. Reconfiguring the Agency will ensure that small businesses began to prosper, thrive and create decent employment. Given the limited resources at the Entity's disposal, collaboration between GEP and key stakeholders, such as provincial government departments, the private sector and DFIs, will be critical for implementing this strategy and the realisation of greater impact in the Province's economy. The GGT2030 will serve as a springboard for GEP in realising and unleashing the full potential of small businesses in the Province.

The Agency's strategic focus for the planning period ahead will ensure GEP becomes more proactive and responsive to the need for reindustrialising townships through the establishment of programmes aimed at supporting township-based industrialists. This will ensure that GEP takes its rightful place as the centre of coordination of all small enterprise support interventions in the Province, in collaboration with government, DFIs, institutions of higher learning and the private sector. At the centre of the New GEP, the Entity will focus on reindustrialisation and increased collaboration to enhance revenue generation.

Amongst the key considerations in respect of the reconfigured GEP, is the Agency's capitalisation model, improved lending policy and, critically, its debt management and collection strategy. Parallel to this will be the deployment of appropriately competent business mentors, who will be embedded in the companies that receive funding to ensure their business model is appropriate for their respective trading environments. This approach will not only ensure a higher propensity for repayment for loans that we invest in these companies, but also ensure a higher degree of small business success, economic growth and job creation.



Mr. Motlatjo Moholwa

Chief Executive Officer (Acting)

OFFICIAL SIGN-OFF

It is hereby certified that this revised 2020/21 Annual Performance Plan:

- 1) Was developed by the management team of the Gauteng Enterprise Propeller, under the guidance of the Board;
- 2) Takes into account all the relevant policies, legislation and other mandates for which the Gauteng Enterprise Propeller is responsible;
- 3) Accurately reflects the Outputs and Targets which the Gauteng Enterprise Propeller will endeavour to achieve over the 2020/21 financial year.



Mr. Vincent Mulaudzi
GM: Corporate Support
and Administration



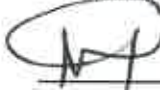
Mr. Mosabetsi Selokane
SM: Investment
Management (Acting)



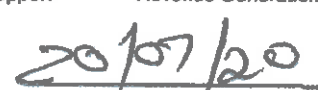
Ms. Fikile Mazibuko
SM: Regional Operations,
Enterprise Support



Ms. Crezelda Venter
SM: Stakeholder Management,
Revenue Generation (Acting)



Ms. Nomfanelo Genuka
Chief Financial Officer



Date



Ms. Vuyokazi Ntshoko
Head Official Responsible for Planning



Date



Mr. Motlatjo Moholwa
Chief Executive Officer (Acting)



Date



Mr. Khehla Mthembu
Chairperson of the Board

20/07/2020

Date

APPROVED BY:



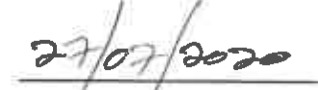
Ms. Pumla Nkomo
DED: Head of Department



Date



Ms. Morakane Mosupye (MEC)
Executive Authority



Date

ABBREVIATIONS AND ACRONYMS

4IR	4 th Industrial Revolution
APP	Annual Performance Plan
B-BBEE	Broad-Based Black Economic Empowerment
BER	Bureau for Economic Research
CBD	Central Business District
CIPC	Companies and Intellectual Property Commission
COVID-19	Corona Virus Disease 2019
DDM	District Development Model
DED	Department of Economic Development
DFI	Development Finance Institution
DPME	Department of Planning, Monitoring and Evaluation
DTI	Department of Trade and Industry
ESG	Environmental, Social and Governance
FY	Financial Year
GCR	Gauteng City Region
GDED	Gauteng Department of Economic Development
GDP	Gross Domestic Product
GEM	Gauteng Entrepreneurship Model
GEP	Gauteng Enterprise Propeller
GFCF	Gross Fixed Capital Formation
GGT2030	Growing Gauteng Together, Roadmap to 2030
GIBUS	Gauteng Informal Business Upliftment Strategy
GIIMP	Gauteng Integrated Infrastructure Master Plan
GPG	Gauteng Provincial Government
GSDF	Gauteng Spatial Development Framework
ICT	Information and Communication Technology
IDFC	Ithala Development Finance Corporation Limited
IM	Investment Management
IMF	International Monetary Fund
IT	Information Technology
MEC	Member of the Executive Council
MOOC	Massive Open Online Courses

MTEF	Medium-Term Expenditure Framework
MTSF	Medium-Term Strategic Framework
MV	Military Veteran
NDP	National Development Plan
PFMA	Public Finance Management Act
PRASA	Passenger Rail Agency of South Africa
PwD(s)	People With Disability/ies
Q	Quarter
QLFS	Quarterly Labour Force Survey
R&D	Research and Development
SA	South Africa
SADC	South African Development Community
SARB	South African Reserve Bank
SARS	South African Revenue Services
SCM	Supply Chain Management
SEDA	Small Enterprise Development Agency
SEZ	Special Economic Zone
SMME	Small, Medium and Micro Enterprise
SOC	State-Owned Company
SOE	State-Owned Enterprise/Entity
SONA	State of the Nation Address
SOPA	State of the Province Address
TER	Township Economy Revitalisation
TMR	Transformation, Modernisation and Re-Industrialisation
TVET	Technical and Vocational Education and Training
UN	United Nations
US/USA	United States of America
YES	Youth Employment Service

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PART A: OUR MANDATE

1. UPDATES TO RELEVANT LEGISLATIVE AND POLICY MANDATES

There are no updates to the legislative and policy mandates outlined in the 2020-2025 Strategic Plan, summarised as follows:



2. UPDATES TO INSTITUTIONAL POLICIES AND STRATEGIES

There are no updates to the institutional policies and strategies outlined in the 2020-2025 Strategic Plan, which was developed at the same time as this Annual Performance Plan. The Strategic Plan reflects as follows:

2.1. PRIORITIES OF THE 6TH ADMINISTRATION

The June 2019 State of the Nation Address (SONA) established the basis for institutional planning by introducing the seven priorities of the 6th Administration. As described in the previous section, MTSF 2019-2024 has been developed in line with these priorities.

The February 2020 SONA made it clear that South Africa continues to face the stark reality of slow economic growth bedevilled by constant energy shortages that have disrupted business and social activities. Although the economy continues to create jobs to a limited extent, the high unemployment rate remains a challenge and the majority of South Africans are carrying the burden of high unemployment, high living costs and are unable to escape poverty.

Key priorities of SONA that need to inform the focus of GEP's strategy include:

- 1) Implementation of the District Development Model (DDM) that is fundamentally changing government's approach to local development.
- 2) Fiscal and monetary policy measures will be introduced as a means to easing economic pressure on business and consumers.
- 3) State-owned entities (SOEs) will be repurposed to support growth and development as part of the economic reform measures.
- 4) A two-pronged approach will be adopted to address the youth unemployment crisis – (1) creating opportunities for employment, and (2) self-employment.
- 5) The Presidential Youth Employment Intervention will be implemented focusing on six priority areas:
 - a) **Pathways** will be created for youth to participate in the economy by building cutting-edge solutions to reach young people where they are, i.e. (online, on the phone and in person). Five prototypes will be launched in five provinces, that will be grown to a national network reaching 3 million people;
 - b) **Changes:** There will be fundamental changes in how young people are prepared for the future of work, providing shorter, more flexible courses in specific skills that employers require in fast-growing sectors need;
 - c) **Innovation:** Developing new and innovative ways to support youth entrepreneurship and self-employment;
 - d) **Youth Employment Service:** Scaling up the Youth Employment Service and working with TVET colleges and the private sector to ensure that more learners receive practical experience in the workplace to complete their training;
 - e) **Presidential Youth Service:** Establishing the first cohort of a Presidential Youth Service Programme that will unlock the agency of young people and provide opportunities for them to earn an income, while contributing to nation building;
 - f) **Set aside budget:** Leading a youth employment initiative, which will be funded by setting aside 1% of the budget to deal with the high levels of youth unemployment. This will be through top slicing from the budget, which will require that we all tighten our belts and redirect resources to address the national crisis of youth unemployment;

As part of this intervention, the National Youth Development Agency and the Department of Small Business Development will provide grant funding and business support to 1 000 young entrepreneurs.

- 6) 100 000 young entrepreneurs will be assisted over the next three years to access business skills training, funding and market facilitation.
- 7) "SheTradesZA" platform is being introduced to assist women-owned businesses to participate in global value chains and markets.
- 8) Over the next five years, the Industrial Development Corporation is targeting R10 billion of own and partner funding for women empowered businesses.
- 9) To create a larger market for small businesses, the plan is to designate 1 000 locally produced products that must be procured from SMMEs.
- 10) The Procurement Bill will soon be presented to Parliament, as part of government's efforts to empower black and emerging businesses and advance radical economic transformation.
- 11) The Clothing and Textiles Master Plan, which was signed last year, aims to create 121 000 new jobs in the retail clothing textile and footwear sector over the decade.

The July 2019 Gauteng State of the Province Address (SOPA) set the tone of the delivery agenda of the 6th Administration of the Gauteng Provincial Government (GPG), highlighting the following interventions related to the priority on economy, jobs and infrastructure:

- 1) More jobs can be created by small and medium-sized businesses if they get appropriate support from the whole of government.
- 2) Important lessons have been learnt from supporting township business through infrastructure development and access to markets through government procurement worth over R20 billion.
- 3) Forms of support to be intensified:
 - a) Target and enforce procurement from businesses in townships to the value of 30% of GPG's procurement budget;
 - b) Ensure all SMMEs and township businesses contracting with the GPG are paid within 15 days to boost their sustainability (e-Invoicing platform);
 - c) Continue to invest in infrastructure that supports clusters of township businesses to expand, access markets and prosper - Includes rejuvenating township industrial parks, agri-hubs and local produce markets;
 - d) Give township enterprises, SMMEs and co-operatives the opportunity to maintain and repair government facilities, equipment, furniture and infrastructure. Such SMMEs will employ and train young people in technical trades;
 - e) Reposition the Gauteng Enterprise Propeller to provide funding and business development support for the growth and sustainability of SMMEs and co-operatives;

- f) Set up a Joint Township Economy Development Fund with the private sector - in line with announcement by President Ramaphosa of establishment of Township Entrepreneurial Fund;
 - g) Provincial government to champion a new by-law model for a more developmental approach to regulation of township businesses - calling on support for the promulgation of the new Gauteng Township Economy Development Act, which will make it easier, affordable and quicker to register, open and operate a business in a township.
- 4) Inter-departmental and agency collaboration is required through off-take agreements with government departments and private sector:
- a) Facilitate the creation of 100 000 jobs in the construction sector;
 - b) Empower 50 emerging black firms as contractors and sub-contractors, including women and youth-owned businesses;
 - c) Revitalise regional economies, decaying CBDs, old towns and old townships;
 - d) Support the township economy and SMMEs in general;
 - e) Crowd-In private sector investment;
 - f) The Welfare-to-Work Programme will be upscaled from 30 000 to 100 000 young women, who will be empowered with skills that will enable them to graduate from social grants to work for themselves;
 - g) Position Gauteng as the 'Hub of Africa's Creative and Cultural Industries'. Gauteng Creative Industry Indaba in April 2019 developed comprehensive proposals on how to strengthen this important sector and unlock its dynamic potential role in job creation, social cohesion and nation-building;
 - h) Sports is big business and it has a huge impact on many sectors of our economy, including tourism and hospitality, manufacturing and the digital economy.

The July 2019 SOPA introduced the overarching plan of action of the Gauteng 6th Administration: **"Growing Gauteng Together: Our Roadmap to 2030" (GGT2030)**. GGT2030 reflects how the Gauteng City Region seeks to address the fundamental problems of inclusive growth and employment; poverty and hunger; education and healthcare; social justice and social cohesion; safety and security; gender equality and youth empowerment, urbanisation and migration; climate justice and the impact of the 4th Industrial Revolution.

The GGT2030 is fully aligned to the 2019-2024 MTSF and sets out the provincial political strategic framework for 2020-2025 as a building block to 2030 and makes specific commitments to implement the governing party's manifesto under the unique conditions of Gauteng. The Apex priorities of GGT2030 are consolidated into five-year Delivery Agreements for each Member of the Executive Council (MEC). Without exception, these priority commitments must be included in the short- and medium-term plans of GPG Institutions.

The February 2020 SOPA was delivered in terms of the seven priority areas of GGT2030. The Premier of Gauteng, Mr David Makhura, stressed that the first and foremost economic goal is to grow the economy in order to massively increase the number of new jobs, while sustaining existing jobs in Gauteng.

"Our number one goal is to create jobs" and the Province is ready to establish social compacts with each of the following ten high-growth sectors:

- 1) Energy, with a focus on new technologies and a diverse energy mix;
- 2) Transportation and logistics;
- 3) ICT, media and digital services – the digital economy;
- 4) Tourism and hospitality;
- 5) Agri-food and agribusiness, focusing on value chains;
- 6) Construction and Infrastructure;
- 7) Automotive, aerospace and defence;
- 8) Financial services;
- 9) Cultural and creative industries; and
- 10) Industrialisation of cannabis.

The Premier stated that these high-impact sectors will be implemented through partnerships with relevant national departments, state-owned enterprises (SOEs), development finance institutions and business leaders to develop detailed implementation plans for each of these ten high-growth sectors. Underpinning these critical sectors is the globally competitive infrastructure and logistics capabilities aimed at unleashing the potential of the ten high-growth sectors, create massive job opportunities and facilitate the entry of new SMMEs, township businesses and black industrialists into the mainstream of our economy.

The Premier emphasised that the Province continues to leverage on the public procurement policy decisively to promote youth employment, women empowerment and the growth of black businesses and township-based enterprises. Over the next five years, the Province will step up economic empowerment programmes in Gauteng by:

- 1) Spending R4 billion per annum in buying goods and services from 2 000 township enterprises;
- 2) Using our Infrastructure programme to support 50 black industrialists, enabling them to participate in the ten high-growth sectors of the Gauteng economy;
- 3) Supporting 50 emerging black farmers and 20 black agro-processors to help them turn their businesses into full-scale commercial agri-food enterprises;
- 4) Supporting 500 co-operatives in the care economy through an enabling policy framework that will enable government to buy uniforms, dignity packs and food packs for vulnerable households directly from co-operatives, instead of going through established businesses; and
- 5) The creation of 250 000 sustainable and decent jobs for young people.

Other key interventions of SOPA include the use of the provincial government's Infrastructure programme to promote industrialisation by buying building and construction materials made by transformed South African manufacturers, especially those located in Gauteng. As per the commitment the Province made in July 2019, the government will introduce the Township

Economy Development Bill in the Provincial Legislature in June 2020. This new law will nullify all bylaws that inhibit, frustrate and suppress the operations of SMMEs and informal businesses in our Province. This new law will create new conditions for SMMEs and township businesses to create wealth and employment as they grow and prosper.

2.2. GGT2030 – IMPLEMENTATION OF THE GCR VISION ALONG FIVE DEVELOPMENT CORRIDORS

GGT2030¹ defines the Vision of the Gauteng City Region (GCR) as:

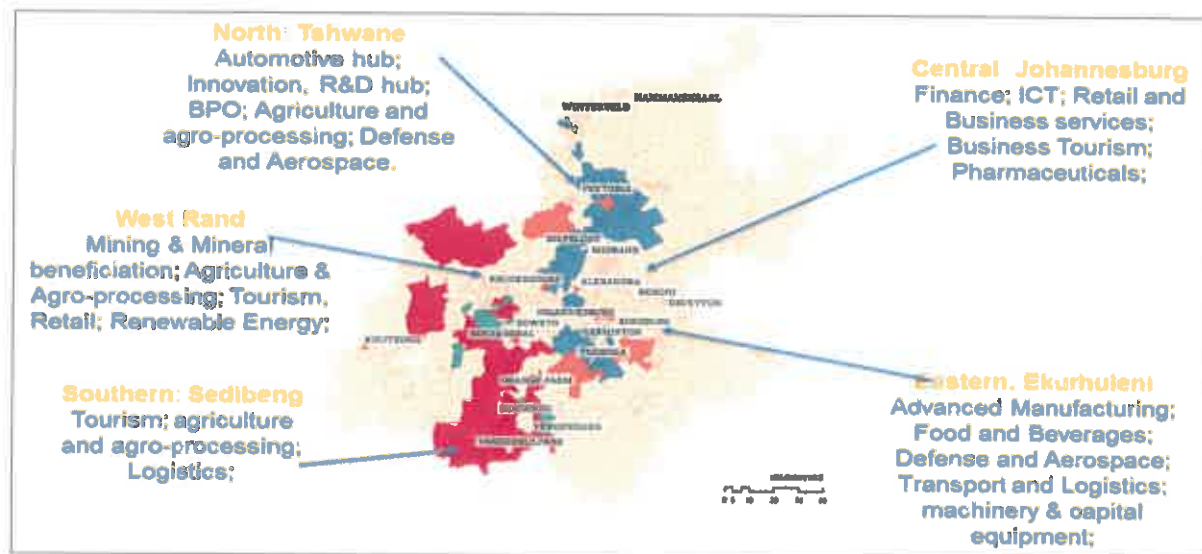
A smart, seamlessly integrated, socially cohesive, economically inclusive City Region at the cutting edge of new Africa's industrialisation:

- *with an innovation-driven, knowledge-based economy and sustainable industries – Africa's hub of the fourth industrial revolution and especially artificial intelligence;*
- *an accountable, responsive, transparent and clean government and an active citizenry.*

Through strategic public and private sector investment in five development corridors, Gauteng is building a globally competitive GCR, which is a multi-tier and mega Special Economic Zone. It is a catalyst for industrialisation of neighbouring provinces – Limpopo, North West, Mpumalanga and Free State through joint inter-provincial planning, Investments initiatives and infrastructure delivery.

This Vision of the “Gauteng we want by 2030” will be implemented along five development corridors that have distinct Industries and different comparative advantages:

Comparative advantages of the GCT development corridors



There is significant investment planned within each of these corridors, estimated at R89.9 billion, comprising a total of more than 8 000 economic and social infrastructure projects. GEP's role is to tap into the investment opportunities and to provide the necessary financial and non-financial support to small enterprises in order for them to be in a position to access the opportunities provided by the developments of each corridor. The comparative advantages of each corridor, and

¹ Growing Gauteng Together 2030, Final Draft

targeted developments, provides direction to the GEP in terms of the sectors to focus on, particularly as the GEP is being repositioned and remodelled to play a significant role in industrial development within the Province.

The plans for each corridor are summarised in the table below:²

Development corridor plans and priority developments

<p style="text-align: center;">Northern Corridor (Tshwane)</p> <p style="text-align: center;">Consolidate Tshwane's Position as The Capital of the Republic And the Hub of The Automotive Industry Manufacturing, Innovation, R&D, Aerospace And Defence Industries.</p> <p>Together with the private sector, government is unlocking more than R60 billion investment in key areas over the next decade. These include:</p> <ul style="list-style-type: none"> ▪ The Automotive SEZ ▪ Rosslyn Auto City ▪ Menlyn Maine development ▪ High-tech SEZ ▪ Consolidate and regenerate existing areas (CBD, Centurion and Silverton) ▪ Infrastructure investment to revitalise townships and create economic opportunities ▪ Expansion of the Innovation Hub, contribute towards the vision of building an innovation ecosystem in Gauteng.
<p style="text-align: center;">Central Corridor (Johannesburg)</p> <p style="text-align: center;">Consolidate Johannesburg's Position as Africa's Financial And Technological Nerve Centre And Pre-eminent Hub for Innovation, Research And Development</p> <ul style="list-style-type: none"> ▪ The pipeline of concrete projects includes major investments in Rosebank, Sandton, Midrand and Fourways ▪ The revitalisation of the Joburg inner-city ▪ The mega projects in the south from Soweto to Orange Farm ▪ Revitalisation of townships <p>Together with the private sector, more than R200 billion of private investments in Johannesburg is being unlocked.</p>
<p style="text-align: center;">Western Corridor (Westrand)</p> <p style="text-align: center;">Diversification of the West Rand economy anchored on mining to include tourism, agri-business and agro-processing</p> <p>Investing in the creation of new industries, new economic areas and new cities. The focus of the joint initiatives is around tourism, agriculture and agro-processing and renewable energy projects. This includes diversifying the West Rand economy away from reliance on mining to include bus manufacturing, agri-business and agro-processing, renewable energy and tourism. The pipeline of concrete projects includes:</p> <ul style="list-style-type: none"> ▪ The expansion of Busmark bus manufacturing plant

² Growing Gauteng Together 2030, Final Draft

- The Lanseria Airport expansion and the new Lanseria City Development
- The Agro-processing Mega Park and Logistics Hub on the N12 highway, and other private sector mega projects

These projects are adding over R25 billion worth of investment into the western corridor.

Southern Corridor (Sedibeng)

Revitalise the economy of Sedibeng, which has suffered significant de-industrialisation due to the collapse of the steel industry

Sedibeng's catalytic investment projects include:

- The Savannah City
- Vaal River City and the Vaal University Village precinct to include:
 - Cargo airport and logistics hub
 - The Vaal Special Economic Zone
 - AB InBev investment project
 - Vaal Marina development and logistics and mining investments in Lesedi
 - The Gauteng Highlands projects

Working with national government, the private sector, SOEs and universities to direct infrastructure initiatives and human capital development interventions towards the same vision.

Collectively, these projects will unlock over R20 billion investment into the Vaal economy.

Eastern Corridor (Ekurhuleni)

Build Ekurhuleni and OR Tambo International Airport Hub into Africa's largest Aerotropolis with advanced manufacturing and agro-processing capabilities, as well as globally competitive logistics capacity

Ekurhuleni's catalytic investment projects include:

- Tambo Springs Logistics Gateway
- The PRASA-Gibela rail manufacturing hub in Nigel
- The expansion of the Airport by Airports Company SA
- Industrial Development Zone for jewellery manufacturing
- Agro-processing and fuel-cell technology development
- The development and investment in the fuel-cell technology
- OR Tambo University of Science and Innovation
- Other major private sector developments taking place along R21 highway

Taken as a whole, these projects will unlock over R200 billion worth of investment.

2.3. GEP LINE OF SIGHT TO NATIONAL AND PROVINCIAL MEDIUM-TERM PRIORITIES

The table below reflects GEP's primary line of sight to the National Development Plan, Vision 2030; MTSF 2019-2024; GGT2030; and Gauteng Economic Cluster Priorities:

NDP, Vision 2030	MTSF 2019-2024	GGT2030	Gauteng Economic Cluster Priorities	GEP Response (Provincial Plan Commitments)
Chapter 3: Economy and employment	Priority 2: Economic transformation and job creation: Impact Statements: <ul style="list-style-type: none">Unemployment reduced to 20%-24% with 2 million new jobs, especially for youth;Economic growth of 2%-3%; andGrowth in levels of investment to 23% of GDP. Applicable Outcomes and Interventions: <ol style="list-style-type: none">More decent jobs created and sustained, with youth, women and persons with disabilities prioritised:<ul style="list-style-type: none">Create jobs through Job Summit commitments, Operation Phakisa and other public sector employment programmes.Investing for accelerated inclusive growth:<ul style="list-style-type: none">Improve the ease of doing business.Industrialisation, localisation and exports:<ul style="list-style-type: none">Support localisation and industrialisation through government procurement (on designated products and services).Reduce concentration, and monopolies and expanded small business sector:<ul style="list-style-type: none">Facilitate the increase in number of functional small	Priority 1: Economy, jobs and Infrastructure Outcome: A growing, labour-absorbing, inclusive, innovative, sustainable and globally competitive economy. Focus: 10 x high growth sectors. 1) Create decent employment through inclusive growth: <ul style="list-style-type: none">Increase investment in the economic development of townships, deteriorating areas and peri-urban areas;Adopt measures to improve youth employment levels, including working with the Youth Employment Service (YES) initiatives through Tshepo 1Milion;Offer support for women-led SMMEs and entrepreneurs and setting aside 40% of our procurement for women;Promote labour-absorbing industries e.g. the food economy; tourism; social economy/co-production and community works, care economy;Promote investment in new growth path sectors of the future: Green Economy, Knowledge Economy and Creative Industries;Establish agri-parks and processing facilities to support the agricultural value chain; 2) Create an efficient, competitive and responsive economic infrastructure network:	<p>The clarion call is to support enterprises, including black industrialists, and to save and create decent jobs in the core industries of manufacturing, agro-processing, mining and beneficiation, and tourism.</p> <p>Specify, to:</p> <ul style="list-style-type: none">Ensure DFIs pay more attention to employment creation, empowerment industrial diversification and development, small business and co-operatives.30% of Gauteng spend to be ring-fenced for township enterprises.Targeted financial support to township – based enterprises: aimed at improving their liquidity and sustainability.Localisation and product accreditation support to enhance formalisation, competitiveness and market readiness of township enterprises.Commit to upstream value capture in big-ticket spending areas of roads, housing and health.Also, collaboration in other sectors such as agriculture and agro-processing, climate and green economy, internet access and 4IR, tourism and informal economy.Multitier SEZ interventions - depressed regions and key SEZ sectors, e.g. automotive.Reduced concentration of monopolies in key sectors of the	<ol style="list-style-type: none">Remodelling of GEP to facilitate growth and sustainability of emerging black industrial enterprises (in high growth sectors)Investment attraction and access to funding through partnerships and an integrated DFI referral system.Provide support to enterprises through Resource mobilisation.Provide opportunities for small enterprises to access government procurement opportunities through off-take agreements.Provide non-financial support to township-based small enterprises in key sectors, including:<ul style="list-style-type: none">Construction and manufacturing;Clothing and textile, leather and footwear;Wholesale and retail sector.Non-financial support provided to township enterprises across all regions, at a spatial level, including the depressed regions.Financial support provided for small enterprises in the prioritised sectors, including manufacturing and agro-processing.Support provided to informal businesses to formalise.Support co-operatives to be investment ready.Implement the youth accelerator

NDP Vision 2030	MTSF 2019-2024	GGT2030	Gauteng Economic Cluster Priorities	GEP Response (Provincial Plan Commitments)
	<p>businesses with a focus on township economies and rural development (200 000 supported);</p> <ul style="list-style-type: none"> Strengthen development finance towards SMME development (50% of DFI financing to SMMEs); SMME development through incubation centres and digital hubs (270 established); Ensure inclusion of SMMEs in localisation and buy local campaigns; Explore the introduction of measures (such as tax breaks) for the first two years to support the establishment of new, small youth-owned start-ups (100,000 start-up youth business per annum - Job Summit Agreement). <p>5) Quality and quantum of investment to support growth and job creation improved:</p> <ul style="list-style-type: none"> Improve the quality and rate of Infrastructure Investment (R5 billion Infrastructure Fund). <p>6) Increased economic participation, ownership, access to resources, opportunities and wage equality for women, youth and persons with disabilities:</p> <ul style="list-style-type: none"> Minimum 40% target for Women, 30% for Youth and 7% for Persons with Disabilities. 	<ul style="list-style-type: none"> Invest in SEZ to grow an inclusive economy, supportive of high-growth sectors, namely, agro-processing, creative and cultural, high-tech sectors / knowledge / digital / gaming; Introduction of corridor-focused economic development to address Gauteng's regional economic inequalities and promote balanced development; Support local manufacturing by mandating the State to purchase 75% of goods and services from local producers, especially women and youth-led producers; Secure industrial financing for productive economic sectors, e.g. manufacturing competitiveness enhancement programme; Implement a cumulative incubation programme to provide skills and jobs in various sectors including furniture, artisans, chemical, pharmaceuticals, and mining. <p>3) Rigorously support the expansion and sustainability of SMMEs:</p> <ul style="list-style-type: none"> Launch the SMME fund to support the TER action plan; Address the domination of agriculture inputs by big business and the monopoly domination of agro-processing and food retail; Ensure that all SMMEs and township businesses contracting with the government are paid within 15 days; 	<p>economy – industrialisation, access to markets.</p> <p>Therefore, to re-model and reposition the GEP to play a greater role as a vehicle to deliver financial and non-financial support to emerging enterprises</p>	<p>programme across the five regions.</p> <p>11) Prioritise the provision of support to women-owned and persons with disabilities' enterprises.</p> <p>12) Implement procurement set-asides in line with MTSF targets – 40% women and 30% youth-owned businesses.</p>

NDP, Vision 2030	MTSF 2019-2024	GGT2030	Gauteng Economic Cluster Priorities	GEP Response (Provincial Plan Commitments)
		<ul style="list-style-type: none"> ▪ Empower a significant number of emerging black firms as contractors and subcontractors, including women and youth-owned. <p>4) Continue driving inclusive economic growth and meaningful economic opportunities for all, with specific focus on:</p> <ul style="list-style-type: none"> o SMMEs, co-operatives, township businesses, black-owned enterprises; and o Target groups (youth, women and persons with disabilities) – supported by incubation programmes, improved access to funding and grants, access to market initiatives. <p>5) Deliver on the priority actions related to agriculture, agro-processing and associated infrastructure:</p> <ul style="list-style-type: none"> ▪ Continued support for farmers across the various agricultural value chains. <p>6) Developing the Informal economy through inclusive growth.</p>		
Chapter 13: Building a capable and developmental State	<p>MTSF Priority 1: A capable, ethical and developmental State:</p> <p>Impact Statements:</p> <ul style="list-style-type: none"> ▪ Public value and trust; ▪ Active citizenry and partnerships in society. <p>Applicable Outcomes and Interventions:</p> <p>1) Improved governance and accountability:</p>	<p>Priority 5: Building a capable, ethical and developmental State</p> <p>Strategic Intent: Ensuring an accessible, responsive, ethical State that delivers.</p> <p>Primary Focus Areas:</p> <p>1) Building efficient, smart systems, processes, and points of access that provide seamlessly integrated services across the Province – with government functioning as 'one';</p>	As per MTSF and GGT2030	<p>Sound governance, stakeholder-oriented and high-performing organisation, including:</p> <ol style="list-style-type: none"> 1) Reconfiguration and recapitalisation of GEP. 2) Strategically aligned organisational structure – capacitated to implement strategy. 3) Achieving and maintaining a clean audit outcome. 4) Ensuring the financial sustainability of GEP.

NDP, Vision 2030	MTSF 2019-2024	GGT2030	Gauteng Economic Cluster Priorities	GEP Response (Provincial Plan Commitments)
	<ul style="list-style-type: none"> Strengthen the governance system of state-owned entities. <p>2) Functional, efficient and integrated government:</p> <ul style="list-style-type: none"> Enhance productivity and functionality of public sector institutions in supporting people-centred service delivery; Improve financial management capability in the public sector; Measures taken to reduce wasteful and fruitless expenditure, and irregular expenditure in the public sector. <p>3) Professional, meritocratic and ethical public administration:</p> <ul style="list-style-type: none"> Programme for building a professional public administration. <p>5) Mainstreaming of gender, youth and disability, empowerment and development institutionalised:</p> <ul style="list-style-type: none"> Implementation of Gender, Youth and Disability responsive planning, budgeting, interventions, policies and legislations. 	<p>2) Prioritising a professional, performance-driven public sector for all of Gauteng.</p> <p>3) Eliminating corruption;</p> <p>4) Improving oversight and accountability to optimise government delivery;</p> <p>5) Driving meaningful two-way engagement with communities, as the basis for good governance.</p>		<p>5) Improving customer satisfaction levels.</p> <p>6) Improving service delivery turnaround times.</p> <p>7) Improved systems and processes, based on 4IR / new technologies.</p> <p>8) Stringent consequence management.</p> <p>9) Employee performance management development.</p> <p>10) Develop alternative funding and partnership models.</p>

2.4. GEP FLAGSHIP PROGRAMMES / PROJECTS

GEP's programmatic response to the above priorities will be through a number of flagship programmes and ring-fenced projects, with ring-fenced budgets as follows:

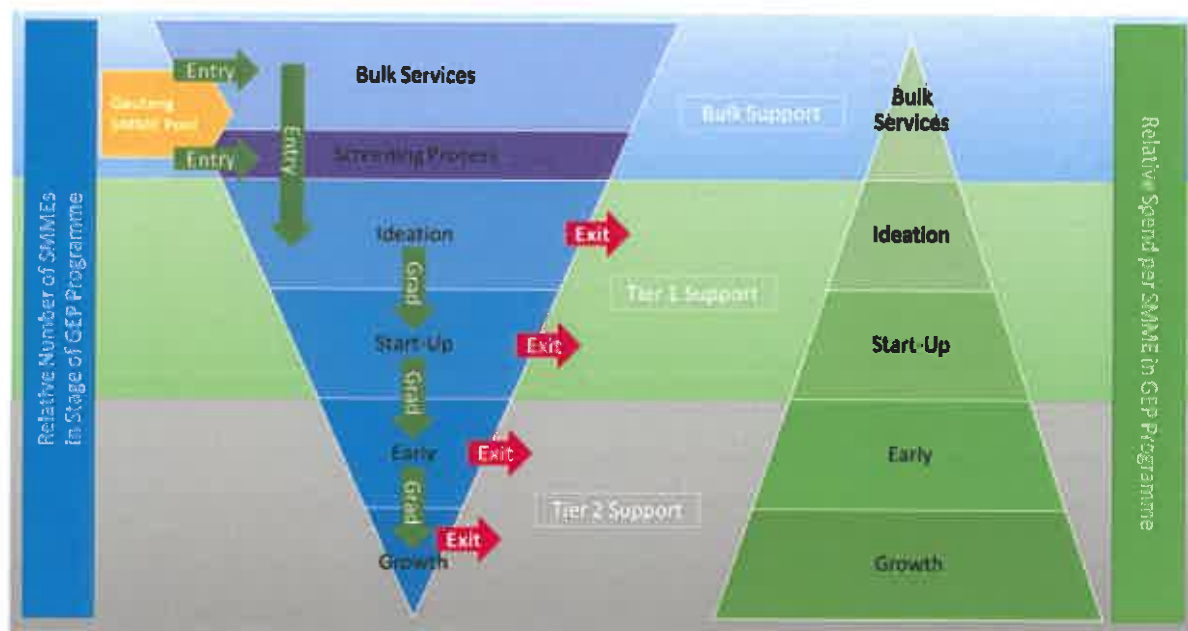
	2019/20 R'000	2020/21 R'000	2021/22 R'000
BASELINE ALLOCATION	245 771	231 351	246 838
RING-FENCED PROJECTS	95 918	70 068	73 925
Township Enterprise Revitalisation (TER)	44 775	47 462	50 072
Youth PMO	14 960	20 000	21 100
Brick Making	4 274	-	-
Spaza Shop	18 000	--	-
Pitching Booster	5 000	-	-
Clothing and Textile Hub	2 137	-	-
Wholesale and Retail	1 069	-	-
Furniture	3 245	-	-
Project Evaluation (M&E Requirements)	2 458	2 606	2 753
Budget reduced to cater for Life Esidimeni Compensation	(353)	-	-
Discretionary Allocation	150 206	161 283	172 913

2.5. GEM INFORMING THE GAUTENG ENTERPRISE PROPELLER STRATEGY FOCUS FOR 2020/21-2024/25

Introduced earlier, the GEM approach will assist in striking a balance between the well-to-do businesses and those that are still emerging and need further jump-starting. The model intends to address the challenges of small enterprises and co-operatives that are highly informal through the provision of compliance support, such as accreditation, product refinement, development of business plans and increased participation in the mainstream economy. The model also proposes for a single window of application for the development finance institutions. Central to this model is the referral approach of applications above the GEP threshold, and the integration of all the development finance institutions and government departments that play a critical role in small enterprise development support. The model will serve as both a clearing house (developmental) and focus on high-impact interventions.

For the Gauteng Province, the Model proposes that the programme outcomes should comprise a mix of both large-scale broad impact, as well as narrow, high-growth potential impact. It is necessary to position the support programme in two tiered levels that allow for the realisation of broader impact in the form of mass SMME development, while also allowing for the support of a select number of elite 'gazelles' that would create greater economic growth and job creation impact. The figure below reflects the structure of the support functions of the GEM.

Gauteng Entrepreneurship Model – structure of support functions



Drawing from the above figure, the Model postures that the Province play a holistic and coordination role in the development process for small enterprises in the Gauteng Province, through the following support elements:

- 1) **Bulk support elements:** In recognition of the large number of potential entrepreneurs and SMMEs that may require government support, the bulk support at this stage is focused on mass participation, allowing for maximum reach, and for the current "open-door" policy and function of entrepreneurship support to continue.
 - a) During this stage, the relative spend per business should be a minimal amount, and should be focussed on basic support elements around Informal business support and compliance aspects, such as CIPC and SARS registration and generic training;
 - b) Participation of SMMEs in this stage of support is also not based on any entry criteria, but is open to any entrepreneurs that approach DFIs for funding.
- 2) **Tier 1 support elements:** This stage of the SMME development process is made up of ideation and start-up phase businesses. These stages are the start of the entrepreneurial journey for any SMME, and are based on the development of the concept and concept validation (ideation), to activation of the business (start-up).
 - a) The critical thrust of this stage of the programme is to provide the support that creates an environment in which entrepreneurs are able to explore and test concepts. During the ideation stage, ideas should be tested and failure should be embraced, and risk-taking supported, as key learning experiences that allow entrepreneurs to gain the

knowledge, skills and capabilities that will equip them to identify business opportunities; to better turn such opportunities into viable enterprises, effectively manage business risks and obstacles, and better manage their businesses.

GEP will provide bulk support to ensure that SMMEs and co-operative meet the traditional funder requirements. Its main responsibility is to prepare SMMEs and co-operatives to graduate to the higher level characterised by market readiness and access to financial resources (higher thresholds). The table below depicts the SMMEs and co-operatives developmental growth paths, and will serve as a guide for GEP in providing targeted support to entrepreneurs, particularly in the pre-start-up (Ideation) and start-up phases.

Entrepreneurship growth path

Phase	Pre-Start-Up	Start-Up	Survival/Scale	Maturing	Long Haul
Characteristics	<ul style="list-style-type: none"> Idea development and business conceptualisation Research and planning 	<ul style="list-style-type: none"> Establishment of business and skilled team Reliant on knowledge and skills owner(s) Development of product offering and validation of market Product/service take-up and sales 	<ul style="list-style-type: none"> Business growing Expansion of staff complement Quality assurance becomes key Establishment of efficient systems Business become an attractive investment 	<ul style="list-style-type: none"> Business is well established Good growth and revenues Product diversification and expansion opportunities investigated Increase export sales 	<ul style="list-style-type: none"> Growth slows down Business needs to find new opportunities Founders sell or exit the business

Source, GEM, Gauteng Enterprise Propeller: 2018

In light of the above entrepreneurship pipeline, the Gauteng Province through GEM will focus on bringing the marginalised section of small enterprises into the mainstream economy. This will include identifying preparation, investment readiness support, concept preparation and improvement. GEP's focus will be on the provision of support to small businesses in the pre-start-up (Ideation) and start-up phases of entrepreneurship development, followed by a referral, monitoring and mentoring process for the growth, maturity and long haul phases.

3. UPDATES TO RELEVANT COURT RULINGS

There are no court ruling updates relating to GEP.

PART B: OUR STRATEGIC FOCUS

Informed by the Gauteng Enterprise Propeller Act (No. 5 of 2005), other instructing legislation and policy, and under the strategic theme of GGT2030, the 6th Administration of the Gauteng Provincial Government (GPG) has mandated the GEP to be positioned as the central hub (face) of entrepreneurship, small enterprise development and industrial development in the Gauteng Province.

Specifically, the GEP mandate is to:

- **Promote** entrepreneurship, **mobilise** resources and facilitate an **integrated** approach to entrepreneurial development and support within the Province;
- Provide financial and non-financial **support** for the **development**, growth and sustainability of small enterprises;
- Facilitate investment in high-impact business enterprises that **transform** the structure and competitiveness of industrial sectors in the Province.

The mandate is carried out to ensure the sustainability, growth and competitiveness of small enterprises as meaningful contributors to the overarching impact of the Gauteng Department of Economic Development, which is, ***"An inclusive and sustainable economic growth that stimulates jobs within the Gauteng City Region"***. The foundation of the mandate is a well-governed and high-performing organisation.

Visually, the mandate and impact may be reflected as follows:

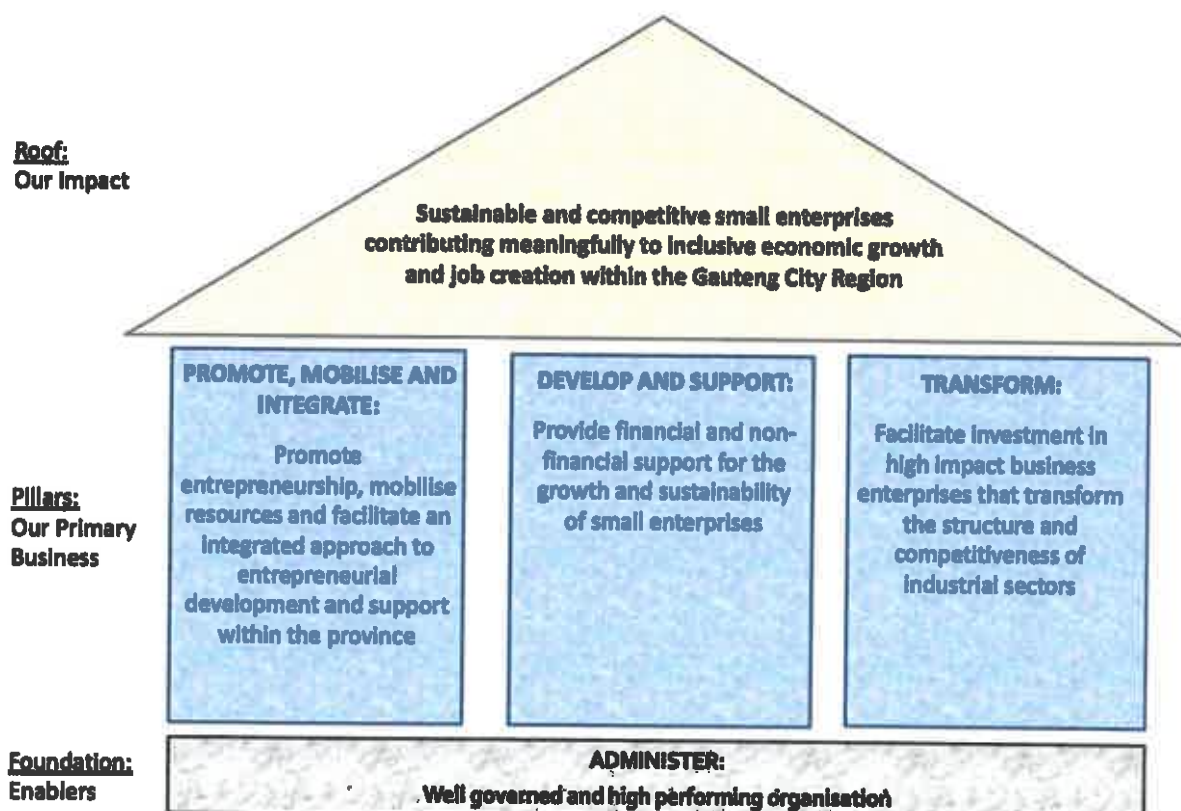


Figure 1: GEP Mandate and Impact

Aligned to this mandate understanding, the 2020/21–2024/25 Strategic Plan outlines the high-level strategic framework of GEP as follows:

VISION
Propelling entrepreneurs into sustainable enterprises that contribute meaningfully to inclusive economic growth and job creation.
MISSION
In achieving its vision, the Gauteng Enterprise Propeller defines its mission as: <ul style="list-style-type: none"> ➤ Promoting entrepreneurship, mobilising resources and facilitating an integrated approach to entrepreneurial development and support within the Province; ➤ Providing financial and non-financial support for the growth and sustainability of small enterprises; and ➤ Facilitating investment in high-impact business enterprises that transform the structure and competitiveness of industrial sectors. <p>The Mission is enabled by a well governed and high performing organisation.</p>

VALUES

In working towards the achievement of its vision and mission, the Gauteng Enterprise Propeller subscribes to the following internal values which are in line with the *Batho-Pele* principles:

Value	Description - What it means in practice
Motivation	Passion for excellence in delivering quality services to Gauteng entrepreneurs.
Ownership	Accountability, honesty and integrity displayed by management and employees in all stakeholder interactions.
Ubuntu	Compassion, respect and dignity to be central in collaborations with other institutions to make a meaningful impact in small businesses.
Diversity	Recognising that it takes people from different backgrounds to make an organisation succeed.
Ethical Leadership	Demonstrating ethical leadership consistently to ensure the organisation is managed according to the code of ethics and led effectively.
Dependable	Customer centricity, responsiveness and striving to provide excellent client experiences.

The values require targeted management focus to ensure they are visible and “lived”, and they are to be assessed as part of the performance management approach of the Gauteng Enterprise Propeller, under direction of the Board and the Chief Executive Officer.

GEP'S IMPACT STATEMENT

Sustainable and competitive enterprises contributing meaningfully to Inclusive economic growth and job creation within the Gauteng City Region

GEP'S OUTCOMES

Outcome 1: Resources mobilised for entrepreneurial development and industrial sector growth

Outcome 2: Township enterprises and enterprises owned by target groups accessing markets

(Black, women, youth, PwD and MV)

Outcome 3: Sustainable small enterprises that are creating jobs

Outcome 4: Black-owned industrial enterprises participating sustainably in high growth sectors

Outcome 5: Well-governed and high-performing organisation

4. UPDATED SITUATIONAL ANALYSIS

A comprehensive situational analysis, including a macro environment, PESTEL, SWOT and stakeholder analysis, as well as an organisational analysis, have been conducted and the findings are presented in the Strategic Plan for 2020/21–2024/25, to which this Annual Performance Plan is aligned.

The Strategic Plan reflects as follows.

4.1. EXTERNAL ENVIRONMENT ANALYSIS

4.1.1. MACRO SOCIO-ECONOMIC ENVIRONMENT

Global Economic Developments

Subsequent to downward revisions of the world economic forecasts by both the International Monetary Fund (IMF) and World Bank late last year, the IMF further downgraded the global economic growth to 2.9% in January 2020; 0.1 percentage point lower than the October 2019 estimate. Risks of further downward revisions remain high as COVID-19 (Coronavirus) continues to hammer economic activity and trade worldwide. Following a shaky performance in 2019, it is becoming increasingly likely that the global economy could suffer another year of uncertainty as the impact of the COVID-19 could push global GDP growth to the weakest pace since the global financial crisis. The virus is continuing to be a disruption in the world economy, at the back of prevention and containment measures that are currently being put in place across different countries. Cross-cutting adverse effects are likely to be seen in the tourism sector and commodity markets.



**COVID-19.....A
RISK**

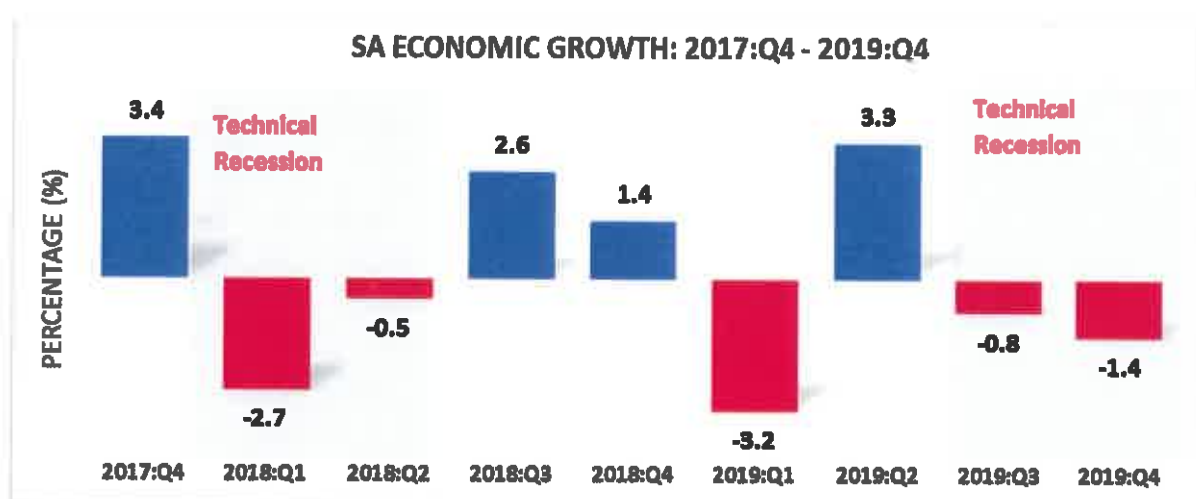


Among other key developments, China's factory activity contracted sharply in February 2020, with the official manufacturing Purchasing Managers Index hitting a historic low of 35.7 down from 50 index points in January. This has a direct negative bearing on the economy of South Africa since China is South Africa's important trading partner.

Domestic Developments

The South Africa's Gross Domestic Product (GDP) declined by 1.4% (y/y) in the fourth quarter of 2019, following a revised 0.8% contraction in the previous quarter (2019:Q3). This marked the second consecutive quarter of negative growth, pushing the SA economy into a technical recession. The local economy registered a meagre 0.2% improvement for 2019, compared to the 0.8% and 1.4% annual growth registered for 2017 and 2018, respectively. Unlike the rebound in economic activity recorded in the second quarter of 2019, the lacklustre performance for the fourth quarter of 2019 saw the domestic economy enter its second technical recession in two years and marked the third contraction in economic activity in a one year.

The sluggish outcome was attributed to a contraction in the three-broad sectors; particularly in the secondary sector. Performance in the secondary sector deteriorated by 2.6% owing to subdued activity across all sectors. The largest contraction of 5.9% was observed in construction activity, which was chiefly due to a protracted downturn in residential buildings, non-residential buildings and construction work during the period. Consequently, this was sector's sixth (6th) consecutive contraction. Notwithstanding, the FNB/BER Building Confidence Index improved in the fourth quarter of 2019 from 22 to 25 index points with the only concern being around the cost of building materials among respondents.



Data Source: Statistics South Africa

Utilities regressed by 4.0% due to the re-emergence of load shedding in October 2019 which adversely affected the income generating capabilities of many enterprises. Similarly, manufacturing activity decreased by 1.8%. The weak performance in manufacturing was attributed to low automotive and wood and paper industry production volumes. This was corroborated by lower average hours worked per factory worker in the South African Reserve Bank (SARB) leading Indicator for December 2019. Analysts were of the view that the impediments in key intermediate goods manufacturing economies could have acted as a linchpin for the rejuvenation of the dwindling manufacturing and mining sectors as established global value chains that depend on inputs from China came under growing strain on the back of trade talks between China and the US. Other hindrances could be evidenced by the uptick in Producer Price Inflation (PPI) since November 2019 which highly inflated by the PPI for electricity and water.

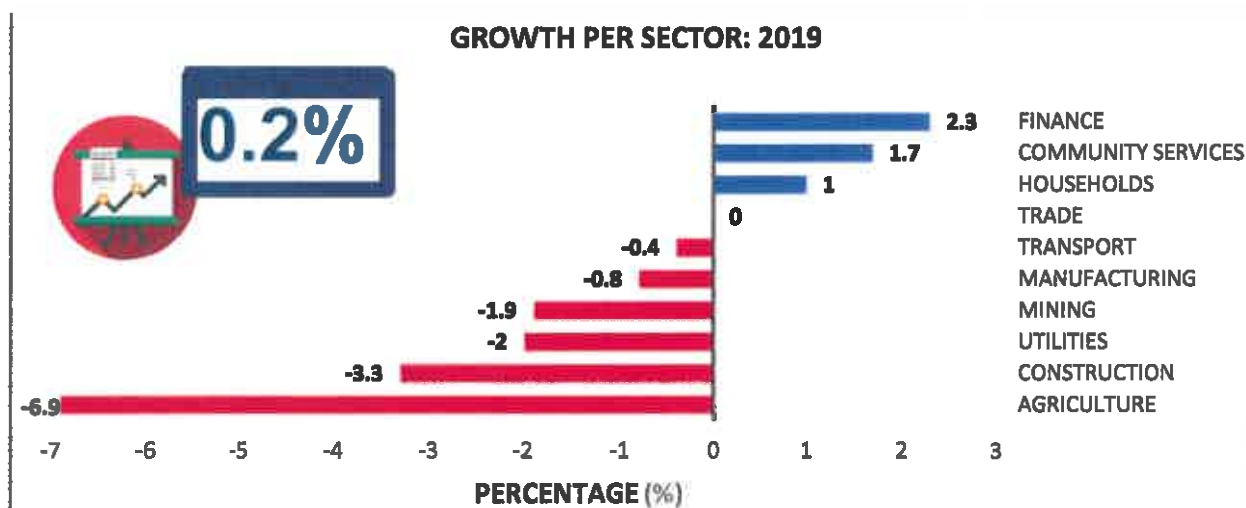
On the other hand, mining activity improved by 1.8% during the quarter with the increase credited to stellar performance in the Platinum Group Metals (PGMs) - this was likely due to increased demand for alternative suppliers in global value chains. Despite the expansion in mining activity, the primary sector recorded a 0.4% decline in production for the fourth quarter of 2019. This was appropriated to a 7.6% contraction – the largest decrease observed for the period and the fourth consecutive weakening – in agricultural activity due to a drop in yields of field crops and horticulture products. The depressed performance of the sector is mirrored in the protracted downturn in the AgBiz/IDC Agribusiness Confidence Index (ACI) following a devastating plunge in the first half of 2018 and consequent rebound of the sector (of 13.7%) in the third quarter of 2018. The ACI registered at 44 index-points for the last quarter of 2019.

The finance sector recorded the highest growth for the period, expanding by 2.7%. The growth was credited to increases in financial intermediation and auxiliary services which were possibly spurred by the rate cut in September 2019 and quantitative easing across several global central banks. However, the growth in the sector was eclipsed by sluggish figures for the transport (-7.2%), trade (-3.8%), households (-0.7%) and community services (0.4%) sectors, which resulted in the tertiary sector contracting by 1.0% over the quarter.

Given the seasonal effects in trade activity during the fourth quarter of each year, mainly owing to "Black Friday" and festive spending sprees, the dreary trade performance was unexpected. The decline in activity was chiefly due to lower wholesale and motor trade together with accommodation services, indicative of generally suppressed domestic demand. This is further supported by the drop-in sale of passenger vehicles, lower automotive export sales and the wholesale trade measure under the FNB/BER Business Confidence Index (BCI). According to FNB/BER, the BCI

wholesale confidence plunged from 42 index-points in the second quarter of 2019 to 28 index-points for the last quarter of 2019. This was largely due to anaemic demand for non-consumer goods. Likewise, this softer wholesale trade confidence reading could partially explain the sluggish figures in the manufacturing as non-consumer goods are generally used as input production for the sector.

The South African economy expanded moderately by 0.2% (y/y) in 2019. This was below the market consensus of between 0.3% and 0.4% growth. The increase was stifled by contraction in six (6) out of the ten (10) sectors namely; agriculture (-6.7%), construction (-3.3%), utilities (-2.0%), mining (-1.9%), manufacturing (-0.8%) and transport (-0.4%). Conversely, increased output was registered for finance (2.3%), community services (1.7%) and household (1.0%) activity; while trade activity remained flat at 0.0%.



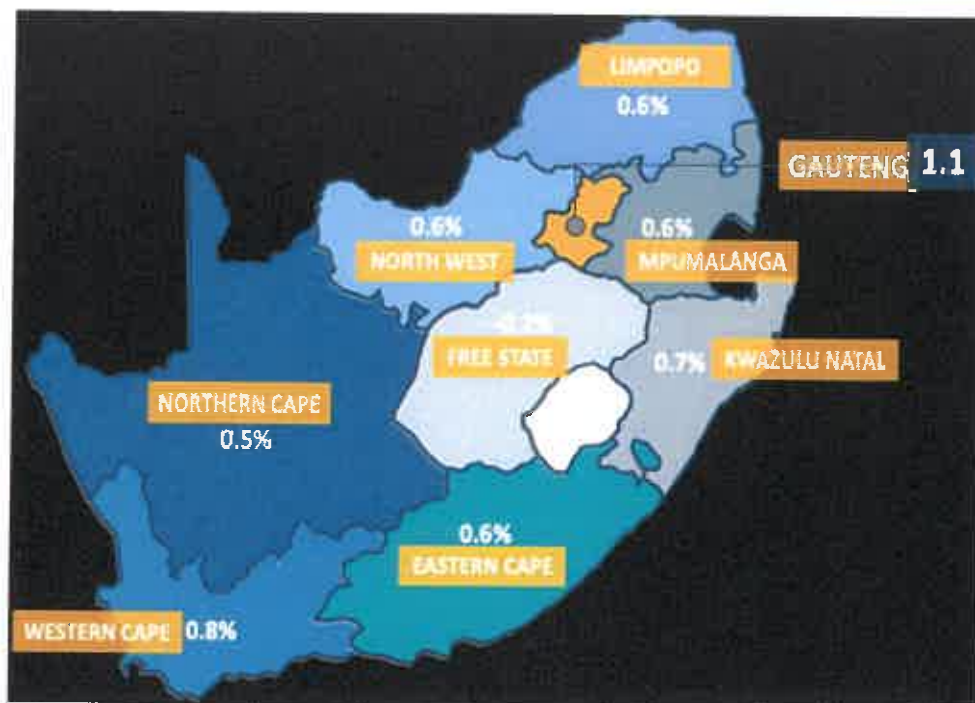
Data Source: Statistics South Africa

The flat growth in trade activity is corroborated by declines in expenditure sub-components such as goods and services exports (-2.5%), gross fixed capital formation (-0.9%) and the import of goods and services (-0.5%). Economic growth for the country remains on the downside in the near-to-medium term. Key deterrents to growth will stem from the uncertain energy supply, climate change and the exogenous effects of the Coronavirus outbreak on supply chains. However, the implementation of key pronouncements both the SONA and budget such as the tapering of the public wage bill, personal tax relief and the lag effects of rate cuts in 2019 could soften the hard landing expected for the economy for 2020.

Provincial Economic Growth Rates: 2018

Statistics South Africa released the province growth numbers for 2018. At the national level, South Africa registered moderate growth of 0.8% for 2018, which was a telling sign for a subdued economic growth figures at the provincial level. In 2018, the Gauteng economy led growth numbers, expanding 1.1% y/y. The Province was followed by Western Cape (0.8%) and Kwa-Zulu Natal (0.7%), whilst a contraction of 0.2% was registered in the Free State – likely due to the drought during the period.

ECONOMIC GROWTH PER PROVINCE | 2018

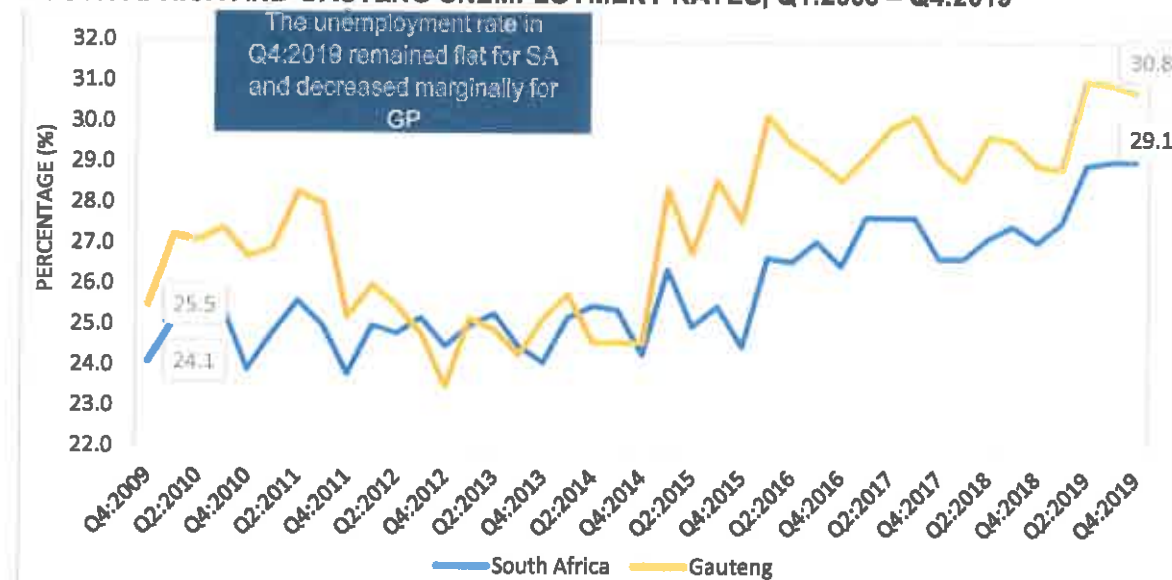


The uptick in Gauteng's economic performance in 2018 in comparison to 2017 (when the Province registered the second lowest growth rate) is likely attributed to the consistent performance of the finance sector in supporting growth as well as the positive implications of headquarter bias in the Province. Furthermore, Gauteng has a high concentration of activity in eight (8) of the ten (10) sectors – apart from mining and agriculture – which allows for a diversified economic profile and more potential to support growth. However, concerns about the production capacity of the manufacturing sector are exacerbated by structural bottlenecks as well as cost-push inflation and intermittent electricity supply.

Domestic Labour Market Developments: National

The latest unemployment figures released by Statistics South Africa (StatsSA) show that the country continues to grapple with high levels of joblessness. During the fourth quarter of 2019 (Q4:2019), the national unemployment rate remained flat compared to the third quarter of 2019. The national unemployment rate registered at 29.1% unchanged from the previous quarter (Q3:2019) reading. This marks the first time, since 2008, that the rate has not decreased in the fourth quarter, which is a telling sign of a struggling economy as the last quarter of the year is typically characterised by higher employment numbers as businesses prepare for the holiday season. On the other hand, the unemployment rate for Gauteng declined slightly by 0.2 percentage points to 30.8% from 31% in Q3:2019.

SOUTH AFRICA AND GAUTENG UNEMPLOYMENT RATES, Q1:2008 – Q4:2019



Data Source: Statistics South Africa, 2020

Quarterly, the unemployment rate at the national level remained unchanged despite the increase in the number of employed. Total employment increased by 45 000 to 16.4 million. Meanwhile, the aggregate labour force rose by 38 000 to 23.1 million and the number of unemployed persons decreased by 8 000 (to 6.7 million) compared to Q3 2019. The employment number was mainly underpinned by higher job numbers in the Community and social services (113 000), followed by Finance (76 000) and Transport (36 000) sectors. Meanwhile, declines in employment were recorded in Trade (-159 000), Manufacturing (-39 000) and Utilities (-14 000) during the same period.

Domestic Labour Market Developments: Gauteng

In view of the developments in Gauteng, the latest statistics show that the province's unemployment rate dipped slightly by 0.2 percentage point from 31% in Q3:2019 to 30.8% in Q4:2019. Employment numbers in the province increased by 38 000 quarter-on-quarter (q/q) to 5.1 million – the largest employment increase by province in the country. Meanwhile, the number of unemployed individuals remained flat at 2.27 million. In addition, the number of discouraged work-seekers increased by 29 000 over the quarter, further highlighting the challenges faced by those seeking and struggling to secure jobs. The job losses in the province over the quarter were largely driven by decreases in Trade and Construction, which both shed 16 000 jobs as well as Utilities (-13 000) and Agriculture (-11 000). Manufacturing was also among the job losers, with 3 000 job losses. On the other hand, job gaining sectors included Finance (41 000), Transport (19 000) and Mining (8 000). Compared to last year, Gauteng jobs lost were mainly due to job losses in Construction (-62 000), Finance (-35 000) and once more, Manufacturing (-13 000).

4.1.2. GAUTENG SOCIO-ECONOMIC ENVIRONMENT

“As the engine of South Africa's economy, Gauteng needs to do much more to contribute to President Ramaphosa's Initiatives on economic recovery, investment, industrialisation, youth employment and township economy. We must take a lead.”

Premier David Makhura (SOPA, July 2019)

Gauteng is located in the central north-eastern interior of the country. Covering 18,178km², the Province constitutes 1.4% of the total land area of South Africa, making it the smallest of South Africa's 9 provinces. Despite its size, Gauteng is home to 25% of South Africa's population, and generates just over a third of the country's gross domestic product, making it the nation's biggest provincial economy.³ Over the past five years, the Gauteng economy attracted R199 billion of foreign direct investment, and created 469 000 new jobs.⁴

Gauteng's economic footprint extends beyond its borders into the neighbouring provinces of the Free State, Mpumalanga and North West. The cities and towns of Rustenburg, Potchefstroom, Sasolburg, Secunda, Witbank and Middleburg are functionally connected to the Province to form a wider city region. Gauteng is the 26th largest city region in the world, and presents significant opportunities to drive growth for South Africa as a whole. Gauteng City Region economic assets rival other major international cities, with leading universities, a young and increasingly educated workforce, access to well-connected infrastructure networks and a democratic governance system. Fifteen Global 2000 company headquarters are based in Gauteng, which compares favourably with that of Shenzhen (12), Mexico City (12), Santiago (9), Istanbul (7) and Cape Town (6)⁵.

By virtue of its strategic position in the national and SADC economy, Gauteng is best placed to champion an inclusive and growing economy, one that is labour-absorbing and ecologically sustainable. The Province is resilient and, despite the tough global and national economic conditions, has maintained its position as the economic powerhouse of South Africa, contributing 34% to the economy.

4.1.3. MACRO-ECONOMIC IMPACT OF THE COVID-19 CRISIS

The above macro-economic analysis has been thrown into disarray by the COVID-19 crisis, which came to the fore at the tail end of developing this APP. While the full impact is yet to be determined, it is apparent that the South African economy is headed towards a deep recession during the period of this APP, and into the MTEF.

The COVID-19 crisis is viewed as the greatest economic calamity since the Great Depression. In the last two quarters of 2019, it became clear that South Africa was heading for a recession. The advent of the COVID-19 crisis compounded and exacerbated South Africa's economic woes. While the IMF estimates global economic growth to be at 2.9% this year, the Reserve Bank expects South Africa's GDP to contract by 6% compared to the 0.2% estimated prior to the widespread COVID-19.

Most of South Africa's trading partners have not exited the COVID-19 pandemic; the likelihood being that the focus of trading partners will first be inward, as it has been a trend with China and USA post the 2008 financial crisis. Following a shaky performance in 2019, it is becoming increasingly apparent that the global economy will suffer another year of uncertainty, as the impact of the COVID-19 in China (and across global economies) could push economic growth to its weakest pace since the 2009 global financial crisis. Data from China showed that industrial production for January and February 2020 plunged by 13.5% year-on-year (y/y), following an

³ Statistics South Africa, 2019

⁴ Gauteng SOPA, July 2019

⁵ Brookings Institute, *Profiling the Gauteng City Region's International Competitiveness and Connections*, November 2016

increase of 6.9% in December 2019. Lower income countries are already hard-hit by the spreading virus. The IMF recently announced that 81 nations have sought support from the IMF emergency fund programme.

To curb the effect of the COVID-19 outbreak on financial markets and domestic economies, monetary and fiscal authorities across several global economies announced aggressive measures to support both the household and business sectors through these economically trying times. The US Fed, Bank of England (BoE), Bank of Canada and Reserve Bank of New Zealand aggressively reduced their key policy interest rates following emergency meetings in mid-March. The South African Reserve Bank also revised interest rates downwards with 1 percentage point consecutively to increase consumer spending and provide relief. Given the drop in demand for goods and services due to global shutdown, most firms are already in distress, while others are considering retrenchment.

Given the channelling of resources to fight the COVID-19 pandemic and borrowing from international finance institutions, and the reduced fiscus, compounding the negative economic growth and the high Government Debt to GDP, South Africa will have limited policy options to intervene in the economy. On the other hand, the COVID-19 pandemic provides South Africa with an opportunity to strengthen its economic base, increase the local content and participation of small businesses in public procurement, stimulate economic growth in view of the reduced cheap imports penetration.

GEP's focus needs to be on providing small enterprises with business rescue and relief products and services in the form of grants, loans and other non-financial support services. This is discussed in detail under the Programme 3 performance plan in Part C of the APP.

4.1.4. SMALL ENTERPRISES DEVELOPMENT LANDSCAPE

The NDP ascribes a critical role to small enterprises in contributing to the growth of the South African economy, eliminating inequality and reducing poverty. All over the world it has been recognised that the small business sector plays an important, if not critical role, in the economic and social development of a country. This also applies to South Africa, where the small business sector has previously been neglected during much of the century, following the discovery of diamonds and gold and the establishment of a modern, capitalist economy with almost exclusive white control.

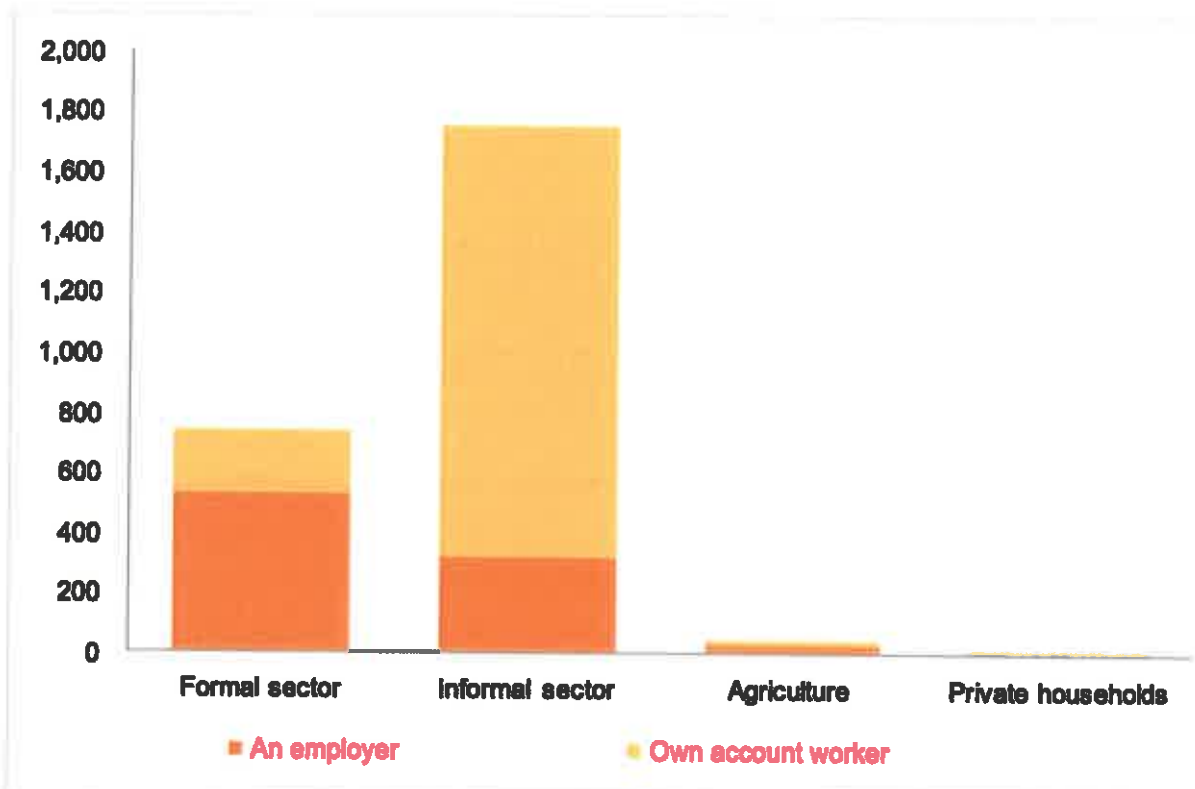
While the importance of large industrial, mining and other enterprises for the growth of the economy cannot be denied, there is ample evidence that the labour absorptive capacity of the small business sector is high, and the average capital cost per job created is usually lower than in big business, and its role in technical and other innovation is vital.

Globally over the last decade, it has become clear that big business and the formal economy is not able to create sufficient employment, and that SMMEs are key drivers of growth and job creation in better performing and more stable economies. This has been shown to be the case in Germany, India, Malaysia, the People's Republic of China and Taiwan, amongst others, in which small businesses represent over 95% of total businesses and employ between 60% and 85% of the total workforce. On the other hand, the contribution and participation of small business in the South African economy is far below its potential. SMMEs represent 98% of all businesses, but employ only 47% of the total workforce⁶.

⁶ <https://finances.worldbank.org/Other/MSME-Country-Indicators-2014/psn8-56xf/data>

In the first quarter of 2019, the share of SMMEs operating in the informal sector stood at 69%, with the share operating in the formal sector at 29%. Most SMME owners in the formal sector also employ other people, while the majority in the informal sector are own account workers.

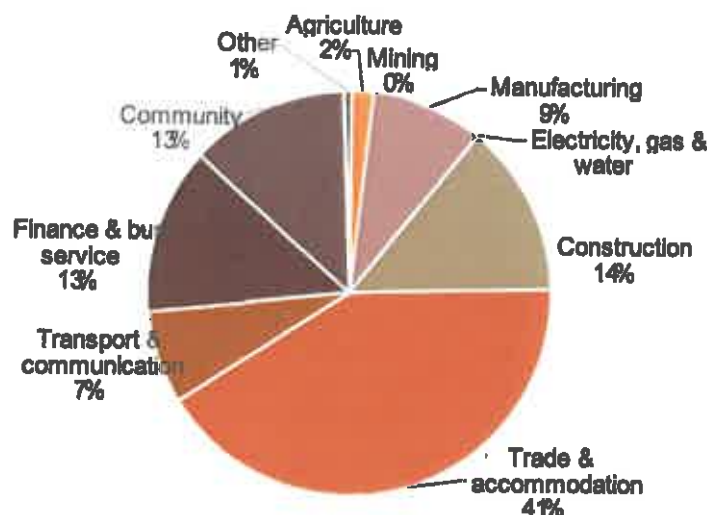
SMMEs by formal and informal sector (Q1, 2019)



Source: QLFS, Statistics South Africa

The number of SMMEs in South Africa continues to trend upwards (SEDA, 2019). The number of SMMEs increased by 4.4% to 2.55 million in quarter 1 of 2019, compared to 2.44 million at the same period in 2018 and 2.34 million in 2016. The more significant result from the latest survey (SEDA, 2019) is that the number of people employed in the SMME sector, excluding the owners, increased by 29% to 8 million. More than 85% of this increase came from the formal SMME formal sector (accounting for less than a third of the number of enterprises). Employment provided by SMMEs, including owners, increased to 10.8 million in 2019, accounting for 66% of economy-wide employment (16.5 million). The growth in the number of informal businesses has followed a similar trajectory, currently estimated at 1.7 million informal businesses in 2019.

Industry distribution of SMMEs In South Africa (Q1, 2019)



Source: QLFS, Statistics South Africa

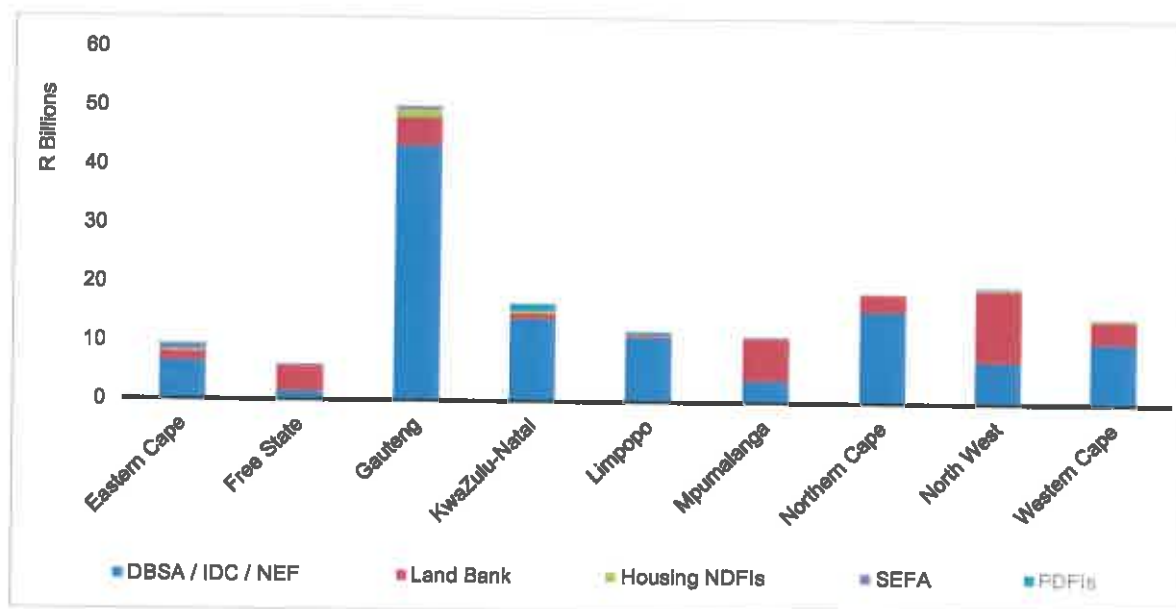
In the year up to 2019Q1, there was an increase in the number of SMMEs active in only six of the ten main economic sectors. The trade and accommodation sector gained the most (accounting for close to 90% of growth, i.e. 107 400 enterprises) followed by transport and communication (22%). The number of SMMEs also increased significantly in the construction, manufacturing and financial business sectors. In contrast, the number of SMMEs in the community services sector declined sharply, as well as in agriculture.

The share of SMMEs less than three years in business has gradually declined from 35% in 2008 to 26% in 2019, while the share of owners with lower than secondary schooling completed, has dropped from 61% to 51%. The share of owners in the unskilled occupational categories, decreased from 27% to 25% over the past ten years.

SMMEs in Gauteng increased from 847 329 in 2018 to 902 220, accounting for 35.4% of employment, which mirrors and aligns with Gauteng's contribution to national GDP contribution. This also implies that most small businesses are concentrated in Gauteng, which also constitutes the biggest proportion of jobs created in South Africa. GEP's contribution has been through the provision of financial and non-financial support to over 35 000 small businesses in the past term, including co-operatives, whilst also creating jobs and developing skills for the youth, through the Youth Accelerator Programme and the Pitching Booster Programme.

While there is a high concentration of SMMEs in the Province, available financial resources are unevenly spread, thus compromising SMME growth potential and economic growth. As illustrated by Figure 4 below, Gauteng has the highest concentration of DFI investment and financing assets. Over R40 billion of DFI funding is concentrated in the Province. However, it has been difficult to quantify their impact on SMME development, hence the need for an integrated approach across government and the DFIs.

Provincial concentration of DFI Investment and financing assets



Source: National Treasury – 2017

4.1.5. STATUS OF ENTREPRENEURSHIP IN GAUTENG

Drawn from the approved Gauteng Entrepreneurship Model (GEM)⁷, this section describes the status of the entrepreneurial landscape in Gauteng with respect to the profile and needs of small enterprises in the Province. The insights have been developed by analysing the GEP database of support beneficiaries, complemented by an SMME Survey conducted among a sample of known SMMEs in the Province.

The data reveals the following:

- 1) The majority of participating SMMEs indicated that they were in operation for more than five years, yet support agencies report significant failure rates and poor sustainability of small businesses in South Africa and the Province. Many of these entities do not reach maturity, as the business owners are concurrent job-seekers, or not adequately capacitated to run a business, or unable to overcome growing challenges.
- 2) While businesses may remain registered and operational businesses over prolonged periods of time, most businesses are micro to small and are characterised as survivalist enterprises. These SMMEs do not appear to be truly sustainable and impactful, as is reflected in the limited job creation and income generation impact. They also often do not have the capacity to deliver (on time, to specified requirements, and in large quantities) on larger contracts.
- 3) Businesses in the services and construction sectors are the dominant business types in the Province, with a significant share of businesses remaining informal/not registered. There is also limited business involvement in manufacturing, with many suppliers acting in wholesale capacity as middlemen to larger producers.

⁷ Gauteng Entrepreneurship Model Framework and Implementation Plan, Final Draft, October 2018 (Data Analysis and Insights attributed to Urban-Econ)

While entrepreneurs/ business owners may have the technical skills required in delivering a specific product or service, they often lack the basic business skills (business management, marketing, accounting, customer service, etc.) required for successful business development.

In developing the GEM, the functioning and execution of support programmes aimed at entrepreneurship development were reviewed, from which the following findings were derived:

- 1) The current focus of government support programmes is on businesses in the start-up phase, with limited support in the ideation (pre-start-up to introduce new ideas and products and test markets), or growth phases (to take businesses to maturity and increase reach and impact).
- 2) Government support programmes are lacking in its:
 - a) Focus on the quantity of businesses supported, rather than selecting "real entrepreneurs" with the potential to sustain and grow businesses (i.e. low entry threshold for support),
 - b) Provision of a generic product offering of ad-hoc support elements, rather than following an integrated development growth path and ongoing mentorship support with those businesses showing potential for growth. No graduation system or exit strategy is in place,
 - c) Limited monitoring/evaluation and aftercare of businesses supported, in order to determine impact and/or further support needs;
 - d) Priority groups/sectors in line with the economic base of specific regions and the policy direction of the Province are not specifically/sufficiently targeted.
- 3) There appears to be limited cooperation, networking and collaboration among government support agencies, as well as with other DFIs and the private sector, resulting in duplication, inefficiencies and such entities working in silos.
- 4) Systems are also not well integrated to identify businesses that are perpetually accessing grants from different agencies, without such interventions resulting in successful and sustainable businesses.

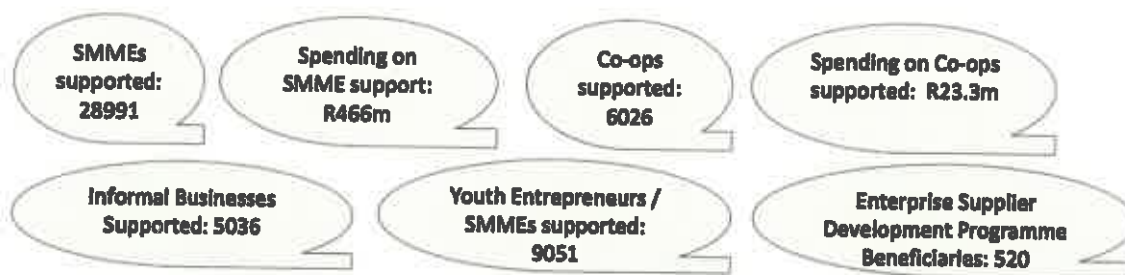
The above salient macro and sectoral environment trends and factors served to inform and provide context to the discussions on the GEP performance delivery environment and organisational environment reflected below.

4.2. INTERNAL ENVIRONMENT ANALYSIS

The GEP Board and management deliberated extensively on the internal/organisational environment and past performance considerations, which have bearing on the formulation of the 2020-2025 Strategic Plan and this 2020/21 Annual Performance Plan as is reflected in the sections below.

The figure and table below provides a summary at a glance of the performance of the GEP over the past term, 2014/15 to 2018/19.

GEP performance at a glance, 2014/15 to 2018/19



Financial Year	No. of SMME's Supported	Number of Co-ops Supported	Auditor General: Audit Opinion	Debt Collection
2014/15	8690	1269	Unqualified: Financial Audit- unqualified AOP - qualified	R10.1m
2015/16	8341	2631	Unqualified: Financial Audit- unqualified AOP - unqualified	R8.5m
2016/17	4702	1042	Clean: Financial Audit (no findings) & AOPO (no material findings)	R14. 6m
2017/18	4302	837	Clean: Financial Audit (no findings) & AOPO (no material findings)	R15.2m
2018/19	2956	247	Unqualified: Financial Audit-unqualified AOP-unqualified	R10.2m
Totals	28991	6026	-	R58.6m

Highlights of achievements Include:

- 1) GEP Strategy revision to align to TER and TMR Strategies (2015/16);
- 2) TER Strategy implementation through the GEP Community Fund, CAP and Township Business Renewal programmes;
- 3) Online System Introduced in 2017/18: Further system improvements planned for 2019/20 as part of second phase system updates;
- 4) Youth Accelerator Programme (solid results - to be remodelled to align with broader socio-economic challenges);
- 5) Pitching Booster Programme (solid results - to be remodelled to align with broader socio-economic challenges);
- 6) Co-operatives boot camps to enhance capacity of township co-operatives and improve investment readiness;
- 7) Gauteng Entrepreneurship Model endorsed by Province in Feb 2019;
 - a. Reposition of provincial entrepreneurship support to enhance collaboration and efficiency;
- 8) Introduction of digitized SMME support: Digital literacy (MOOC piloting across regions);
- 9) Impact Assessment conducted on IM and BDS programmes (currently focusing on action plans);

- 10) Development of interactive website (better quality information of programmes);
- 11) GEP strategic shift towards more sustainable programmes vs. a quantitative approach.

Medium term priorities for the organisation, which respond to the reconfiguration of the Agency include the following:

- 1) In line with GEM, GEP will invest in those with an entrepreneurial mind-set - those willing and able to put in the work and build equity in the business, including with own money (cradle to grave approach to ensure sustainability of supported enterprises);
- 2) GEP will embrace four elements - accountability in our value chain; transparency in all areas of our business; openness and institutional integrity. These are enablers for resources mobilisation;
- 3) Remodelling - development of business case for GEP to play with the industrial financing space. Development of an Industrial Financing Product to create and grow sustainable employment and stimulate economic growth in the Province;
- 4) Turnaround of GEP - resolve the burning issues around governance, policies, structure, debt collection, due diligence, etc.;
- 5) Review GEP product offerings in line with the provincial mandate and strategy;
- 6) Target high-impact projects with huge economic multipliers AND balance development with high-impact interventions, e.g. development of Industrial Finance Product, Project Finance and Innovation Fund (4IR related projects/initiatives);
- 7) Re-skilling and up-skilling of employees to meet the new challenges (becoming fit for purpose); and
- 8) Maintain organisational stability within GEP.

PART C: MEASURING OUR PERFORMANCE

The GEP Impact and Outcomes reflected in the 2020-25 Strategic Plan are unpacked into the Annual Performance Plan for 2020/21, in the sections below.

5. INSTITUTIONAL PROGRAMME PERFORMANCE INFORMATION

The GEP is constituted by the following programmes and aligned sub-programmes:

Programme N°	Programme Name	Sub-Programmes
Programme 1	Administration	<ul style="list-style-type: none"> Office of the Chief Executive Officer Office of the Chief Financial Officer Corporate Support and Administration
Programme 2	Investment Management	<ul style="list-style-type: none"> Loan Management
Programme 3	Enterprise Support	<ul style="list-style-type: none"> Business Development Support Regional Operations
Programme 4 (New, dependent on GEP repositioning)	Resources Mobilisation and Industrial Financing	<ul style="list-style-type: none"> Resources Mobilisation and Strategic Partnerships

5.1. PROGRAMME 1: ADMINISTRATION

5.1.1. PROGRAMME PURPOSE

The purpose of Programme 1: Administration is to provide strategic leadership and transversal support services required by the GEP's core functional programmes and to ensure the successful implementation of the Entity's mandate through sustainable and integrated support and services.

5.1.2. PROGRAMME OUTCOMES, OUTPUTS, OUTPUT INDICATORS AND TARGETS

In contributing towards the GEP's desired impact of:

"Sustainable and competitive enterprises contributing meaningfully to inclusive economic growth and job creation within the Gauteng City Region"

the Administration Programme delivers against the following Outcome reflected in the Strategic Plan:

Outcome 2: Township enterprises and enterprises owned by target groups accessing markets (black, women, youth, PwD and MV); and

Outcome 5: Well-governed and high-performing organisation

The 2020/21 performance plan of Programme 1 is reflected in the log frame tables below:

Programme 1 - Administration: Outcomes, Outputs Indicators and Annual Targets:

OUTCOME	OUTPUTS	OUTPUT INDICATORS	AUDITED ACTUAL PERFORMANCE				ESTIMATED PERFORMANCE	MEDIUM-TERM TARGETS		
			2016/17	2017/18	2018/19	2019/20		2020/21	2021/22	2022/23
2. Township enterprises and enterprises owned by target groups accessing markets (black, women, youth, PwD and MV)	2.1. GEP procurement set-aside to benefit target groups	2.1.1. Percentage procurement spend to the collective of township enterprises and enterprises owned by women, youth and persons with disabilities	-	-	-	New Indicator		30%	30%	30%
	2.2. GEP procurement set-aside to benefit women	2.1.2 Percentage procurement spend to service providers that are majority owned by women	-	-	-	New Indicator		40%	40%	40%
5: Well-governed and high-performing organisation	5.1. Audit Action Plans	5.1.1. Percentage implementation of prior year audit action plans	-	-	-	New Indicator		70%	75%	80%
	5.2. Stakeholder satisfaction survey	5.2.1. Stakeholder satisfaction rating	-	-	-	New Indicator		Establish baseline	-	10% Improvement on baseline

Programme 1 - Administration: Indicators, Annual and Quarterly Targets:

OUTPUT INDICATORS	RESPONSIBILITY	2020/21 ANNUAL TARGET	QUARTERLY TARGETS			
			Q1 Apr - Jun 2020	Q2 Jul - Sep 2020	Q3 Oct - Dec 2020	Q4 Jan - Mar 2021
2.1.1. Percentage procurement spend to the collective of township enterprises and enterprises owned by women, youth and persons with disabilities	Supply Chain Management	30%	30%	30%	30%	30%
2.1.2 Percentage procurement spend to service providers that are majority owned by women	Supply Chain Management	40%	-	40%	40%	40%
5.1.1. Percentage implementation of prior year audit action plans	Risk and Audit	70%	-	-	-	70%
5.2.1. Stakeholder satisfaction rating	Marketing and Communication	Establish baseline	-	-	-	Establish baseline

5.1.3. PROGRAMME 1 – ADMINISTRATION: EXPLANATION OF PLANNED PERFORMANCE OVER THE MEDIUM-TERM PERIOD

The Administration Programme aligns with the MTSF 2019-2024 and GGT2030 priorities of **building a capable, ethical and developmental State**. The Programme is vital to ensuring the GEP is able to meet the expectations of the 6th Provincial Administration for the Entity is to be positioned as Gauteng's DFI and centre (face) of entrepreneurial development in the Province. There are many elements to this mandate, including the need to reconfigure and capacitate the organisation to fulfil the role, to improve business processes and systems, to strengthen the governance framework and to ensure the GEP is adequately capitalised to support high-impact enterprise development programmes, including within high employment industrial sectors.

It is within this context that the main priority of the Administration Programme over the short to medium-term is to work closely with the Shareholder to finalise the business case for the reconfiguration and recapitalisation of the GEP. To drive and support the reconfiguration, a number of work streams have been established, as follows:

- 1) Remodelling of GEP/Strengthening GEP Business Model;
- 2) Recapitalisation of GEP;
- 3) Review of the Governance Framework for GEP;
- 4) Strengthening of Credit Granting Policy/Review of GEP's Financing Model;
- 5) Improvement of the debt management and collection strategies/Improved debt collection efficiency;
- 6) Strengthening of revenue generation and stakeholder/partnership strategy;
- 7) Review of GEP programmes and products in line with GEM;
- 8) Develop a high-performance organisation/Organisational culture/Employee-employer relations/Reputational damage.

Each work stream has a team leader with a support team, tasked to develop a comprehensive action plan reflecting short and medium-term priorities to be implemented as a parallel process to the development and implementation of the five-year strategy.

Notwithstanding the above, the immediate priority of the Administration Programme is to enable the Agency to attain a clean audit outcome by meeting the three conditions of a clean audit, namely, unqualified audit opinion on the audit of financial statements, and zero findings on the audit of performance information and non-compliance with legislation. This will be pursued by ensuring the prior year external and internal audit action plans are implemented. A baseline stakeholder satisfaction rating will be determined by conducting a satisfaction survey by the end of the financial year.

Focus will also be given to ensuring the employment equity targets are achieved and that GEP implements the GGT2030 priority on procurements set-asides, particularly to ensure that women, youth and people with disabilities benefit from GEP procurement spend.

5.1.4. PROGRAMME 1 – ADMINISTRATION: RESOURCE CONSIDERATIONS

Expenditure Estimates:

Programme 1: Administration (R'000)	Audited outcome			Adjusted appropriation	Medium-term expenditure estimate		
	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23
Administration	109,607	84,879	86,710	86,716	99,295	105,942	109,118
Total payments and estimates	109,607	84,879	86,710	86,716	99,295	105,942	109,118

Expenditure Estimates:

Programme 1: Administration (R'000)	Audited outcome			Adjusted appropriation	Medium-term expenditure estimate		
	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23
Economic classification							
Office of the CEO	8,231	14,240	15,009	15,909	18,312	19,537	20,123
Office of the CFO	5,366	9,283	9,784	10,371	18,890	20,155	20,759
Corporate Support and Administration	12,719	22,115	23,419	24,319	22,470	23,974	24,693
Goods and services	83,291	39,241	38,498	36,117	39,623	42,276	43,543
Total payments and estimates	109,607	84,879	86,710	86,716	99,295	105,942	109,118

Expenditure Estimates by Economic Classification:

Programme 1: Administration (R'000)	Audited outcome			Adjusted appropriation	Medium-term expenditure estimate		
	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23
Economic classification							
Current payments	-	-	-	-	-	-	-
Compensation of employees	26,316	45,638	48,212	50,599	59,672	83,866	85,575
Goods and services	83,291	39,241	38,498	36,117	39,623	22,276	43,543
Total	109,607	84,879	86,710	86,716	99,295	105,942	109,118

Resources' contribution to achieving the outputs:

The budget allocation for Programme 1 decreased by 23%, from R109 million in 2016/17 Financial Year (FY) to R84 million in 2017/18 FY. There was a slight increase from R84 million in 2017/18 FY to R86 million in 2018/19 FY. In the financial year 2019/20 FY the budget is showing a stagnation at R86 million as compared to the prior year 2018/19 FY.

From 2019/20 Programme 1 budget increases by 15% from R86 million to R99 million in 2020/21 FY. From 2020/21 FY the budget further increases by 7% from R99 million to R106 million and then shows a slight increase into 2021/22 by 6% from R106 million to R109 million.

The budget continues to be strained over MTEF with the implementation of the budget cuts. Included in this programme is GEP's Project Evaluation Programme, which is a monitoring and evaluation requirement in keeping with the DPME directive for entities to allocate funds for the evaluation of their programmes.

For personnel related expenditure, the allocated budget in the 2020/21 financial period will amount to R50 million for Programme 1, increasing to R59 million in the following year and R63 million in 2021/22 as well as R65 million in 2022/23. The increase is due to an estimated 6% cost of living adjustment for staff. The allocation for Goods and Services is mostly for the leases and implementation of IT contracts including provision for the procurement of day-to-day operations of the organisation.

5.2. PROGRAMME 2: INVESTMENT MANAGEMENT

5.2.1. PROGRAMME PURPOSE

The purpose of Programme 2: Investment Management (IM), is to ensure the optimal deployment of available loan funding to support the development, growth and sustainability of qualifying small enterprises. The Programme is tasked to manage the loan book effectively through the approval of loans, disbursement of approved loans and timeous loan recoveries.

5.2.2. PROGRAMME OUTCOMES, OUTPUTS, OUTPUT INDICATORS AND TARGETS

In contributing towards the GEP's desired impact of:

"Sustainable and competitive enterprises contributing meaningfully to inclusive economic growth and job creation within the Gauteng City Region"

the Investment Management Programme delivers against the following Outcome reflected in the Strategic Plan:

Outcome 3: Sustainable small enterprises that are creating jobs

The Investment Management Programme covers the following sub-programme and functions:

Sub-Programme	Functions
Loan Management	Funding of all small enterprises, including co-operatives and informal businesses

The 2020/21 performance plan of Programme 2 is reflected in the log frame tables below:

Programme 2 – Investment Management: Outcomes, Outputs Indicators and Annual Targets:

OUTCOME	OUTPUTS	OUTPUT INDICATORS	AUDITED ACTUAL PERFORMANCE			ESTIMATED PERFORMANCE	MEDIUM-TERM TARGETS		
			2016/17	2017/18	2018/19		2020/21	2021/22	2022/23
3. Sustainable small enterprises that are creating jobs	3.1. Financial products and services for small enterprises	3.1.1. Number of small enterprises provided with financial support through the provision of loans (approval)	New Indicator	24	10	50	50	55	60
		3.1.2. Percentage of approved loans disbursed (On total approved loan book)	-	-	-	New indicator	70%	75%	80%

Programme 2 - Investment Management: Indicators, Annual and Quarterly Targets:

OUTPUT INDICATORS	RESPONSIBILITY	2020/21 ANNUAL TARGET	QUARTERLY TARGETS			
			Q1 Apr - Jun 2020	Q2 Jul - Sep 2020	Q3 Oct - Dec 2020	Q4 Jan - Mar 2021
Number of small enterprises provided with financial support through the provision of loans (approval)	Investment Management	50	-	15	20	15
Percentage of approved loans disbursed (on total approved loan book)	Office of the Chief Financial Officer	70%	60%	70%	70%	70%

5.2.3. PROGRAMME 2 – INVESTMENT MANAGEMENT: EXPLANATION OF PLANNED PERFORMANCE OVER THE MEDIUM-TERM PERIOD

The contribution of the Investment Management Programme is to MTSF 2019-2024 Priority 2: Economic transformation and job creation; and GGT2030 Priority 1: Economy, jobs and infrastructure. The Programme is pivotal to government's priority of supporting small enterprises, particularly those that are township-based, to become sustainable and meaningful participants in the economy, thus creating sustainable jobs.

Effectively managing the loan book through loan approvals, timeous disbursements and high rates of loan recoveries is an important element of the implementation of the Gauteng Entrepreneurship Model (GEM). By integrating financial support with the non-financial support mechanisms of the Enterprise Support Programme, the GEP is able to work towards achieving the outcome on increasing the number of sustainable small enterprises, as reflected in the Strategic Plan.

Key priorities include:

- 1) Optimising the available capital by providing loans to a fewer number of small enterprises with high potential for growth and job creation.
- 2) Ensuring that loans approved are disbursed timeously.
- 3) Improving debt collection and pushing up the targets for loans recoveries. Inherently, this means improving the due diligence processes.
- 4) Ensuring that priority is given to funding small enterprises owned by women, youth and people with disabilities, towards an allocation of 30% to women, 30% to youth and 5% to people with disabilities.

5.2.4. PROGRAMME 2 – INVESTMENT MANAGEMENT: RESOURCE CONSIDERATIONS

Expenditure Estimates:

Programme 2: Investment Management (R'000)	Audited outcome			Adjusted appropriation	Medium-term expenditure estimate		
	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23
Investment Management	30,531	42,269	36,787	33,510	30,851	32,916	33,903
Total payments and estimates	30,531	42,269	36,787	33,510	30,851	32,916	33,903

Expenditure Estimates by Economic Classification:

Programme 2: Investment Management (R'000)	Audited outcome			Adjusted appropriation	Medium-term expenditure estimate		
	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23
Economic classification							
Current payments	-	-	-	-	-	-	-
Compensation of employees	5,531	12,469	13,467	14,410	10,656	11,370	11,710
Goods and services	25,000	29,800	23,320	19,100	20,195	21,547	22,193
Total	30,531	42,269	36,787	33,510	30,851	32,916	33,903

Resources' contribution to achieving the outputs:

Investment Management Programme's budget allocation decrease from R33.5 million to R30,8 million in 2020/2021. Investment Management will ramp up the spending of the allocated budget by improving turnaround times for approval and disbursement of loans in the 2020/2021 financial year.

5.3. PROGRAMME 3: REGIONAL OPERATIONS AND ENTERPRISE SUPPORT**5.3.1. PROGRAMME PURPOSE**

The purpose of Programme 3: Regional Operations and Enterprise Support is to provide tailor-made, non-financial and grant funding support for the development and growth of small enterprises through the Gauteng Entrepreneurship Model (GEM) stages of Ideation, start-up and early growth. Furthermore, through a referral system to ensure investment ready small enterprises receive the required financial support through GEP loans or through loans provided by other DFIs or co-funders.

The Programme is responsible for handholding supported businesses in the growth, mature and decline stages through the use of business monitors and mentors, and to intervene timeously to support sustainability and mitigate business failure.

5.3.2. PROGRAMME OUTCOMES, OUTPUTS, OUTPUT INDICATORS AND TARGETS

In contributing towards the GEP's desired impact of:

"Sustainable and competitive enterprises contributing meaningfully to inclusive economic growth and job creation within the Gauteng City Region"

the Enterprise Support Programme delivers against the following Outcome reflected in the Strategic Plan:

Outcome 3: Sustainable small enterprises that are creating jobs

The Regional Operations and Enterprise Support Programme covers the following sub-programme and functions:

Sub-Programme	Functions
Regional Operations (regional) and Enterprise Support (central, head office)	<ul style="list-style-type: none"> ▪ Mentoring; ▪ Post-investment support and aftercare; ▪ Business Incubation; ▪ Product development; ▪ Facilitation of grant funding for qualifying small enterprises; ▪ CIPC registrations; and ▪ Informal traders support.

The 2020/21 performance plan of Programme 3 is then reflected in the log frame tables below:

Programme 3 – Regional Operations and Enterprise Support: Outcomes, Outputs Indicators and Annual Targets:

OUTCOME	OUTPUTS	OUTPUT INDICATORS	AUDITED ACTUAL PERFORMANCE				ESTIMATED PERFORMANCE	MEDIUM-TERM TARGETS		
			2016/17	2017/18	2018/19	2019/20		2020/21	2021/22	2022/23
3. Increased number of supported small enterprises that are sustainable and creating jobs	3.2. Non-financial products and services for small enterprises	3.2.1. Number of small enterprises supported non-financially (including Hair Salons and Spaza shops)	3,061	2,147	4,812	2,350	1325	2,975	3,250	
		3.2.2. Number of youth benefitted from the Youth Accelerator Programme	-	1,710	747	450	500	650	700	
		3.2.3. Number of small enterprises supported through non-financial interventions in the priority districts of West Rand and Sedibeng		New indicator	35	200	250		250	
		3.2.4. Number of informal businesses supported non-financially	679	700	1585	1,000	1,200	1,500	1500	
		3.2.5. Number of Construction and Tourism small enterprises supported non-financially	-	41	189	125	200	200	200	
		3.2.6. Number of manufacturing small enterprises supported non-financially		106	137	125	250	250	250	

OUTCOME	OUTPUTS	OUTPUT INDICATORS	AUDITED ACTUAL PERFORMANCE			ESTIMATED PERFORMANCE	MEDIUM-TERM TARGETS		
			2016/17	2017/18	2018/19		2020/21	2021/22	2022/23
		3.2.7 Number of small enterprises provided with non-financial support through mentorship and incubation (including furniture and artisan trades)	-	-	-	-	80	35	35
	3.3. Grant funding for small enterprises (Community Fund, Township Business Renewal Programme and Co-operative Assistance Programme)	3.3.1. Number of small enterprises provided with grant funding	899	755	402	500	1,825	620	650

Programme 3 – Regional Operations and Enterprise Support: Indicators, Annual and Quarterly Targets:

OUTPUT INDICATORS	RESPONSIBILITY	2020/21 ANNUAL TARGET	QUARTERLY TARGETS			
			Q1 Apr - Jun 2020	Q2 Jul - Sep 2020	Q3 Oct - Dec 2020	Q4 Jan - Mar 2021
3.2.1. Number of small enterprises supported non-financially (Including Hair Salons and Spaza shops)	Regional Operations	1,325	550	300	300	175
3.2.2. Number of youth benefitted from the Youth Accelerator Programme	Business Development Support	500	100	100	150	150

OUTPUT INDICATORS	RESPONSIBILITY	2020/21 ANNUAL TARGET	QUARTERLY TARGETS			
			Q1 Apr - Jun 2020	Q2 Jul - Sep 2020	Q3 Oct - Dec 2020	Q4 Jan - Mar 2021
3.2.3. Number of small enterprises supported through non-financial interventions in the priority districts of West Rand and Sedibeng	Regional Operations	250	30	100	100	20
3.2.4. Number of informal businesses supported non-financially	Regional Operations	1,200	200	250	550	200
3.2.5 Number of Construction and Tourism small enterprises supported non-financially	Regional Operations	200	-	50	75	75
3.2.6 Number of manufacturing small enterprises supported non-financially	Regional Operations	250	-	50	100	100
3.2.7 Number of small enterprises provided with non-financial support through mentorship and incubation (including furniture and artisan trades)	Business Development Support	80	-	5	35	40
3.3.1. Number of small enterprises provided with grant funding	Regional Operations	1,825	100	600	600	525

5.3.3. PROGRAMME 3 – REGIONAL OPERATIONS AND ENTERPRISE SUPPORT: EXPLANATION OF PLANNED PERFORMANCE OVER THE MEDIUM-TERM PERIOD

The contribution of the Regional Operations and Enterprise Support Programme is to MTSF 2019-2024 Priority 2: Economic transformation and job creation; and GGT2030 Priority 1: Economy, jobs and infrastructure.

The short to medium term focus is on:

- 1) Implementation of the Gauteng Entrepreneurship Model (GEM) and ensuring an integrated approach, with the Investment Management Programme, in working towards the outcome of ensuring the sustainability of small enterprises, as reflected in the Strategic Plan.
 - a) This includes providing grants for the early start-up phases, based on the following thresholds (which may be adjusted as informed by COVID-19 dynamics):
 - The start-up Community Fund (R1 000 – R9 000);
 - The Co-operative Assistance Programme (R15 000); and
 - The Township Business Renewal Programme (R20 000).
- 2) Refining the non-financial support products to be implemented in support of the priorities of the 6th Administration.
- 3) Continued focus on the Youth Accelerator Programme, worth R14.9 million, and prioritising support for enterprises in the depressed regions as per GGT2030.

Responding to COVID-19:

Further to the above, provincial and local governments, and government agencies, have been called upon to **re-focus** their programs, **reprioritize** their budgets and change the way they operate to effectively respond to the challenges posed by the COVID-19 economic crisis, and to also not lose sight of the deep structural problems that afflict South African society. The approach should take the form of development from below - targeting micro, very small (businesses with R0-10m turnover and employing 1-50 employees and small medium businesses (targeting businesses with a turnover of R10m to R50m employing 50-250 employees in the townships and non-townships (short to medium), and a focus on the high growth industries (medium to long-term).

To ensure effective mechanisms are in place to support Gauteng's small enterprises impacted by the COVID-19 pandemic, GEP is working with the Department of Small Business Development and other key national and provincial stakeholders to access resources allocated for supporting small businesses such as Gauteng spaza shops and the informal business sector. GEP will play a critical role in preparing a pipeline of small businesses that can access funding and business development support interventions. In addition to the APP deliverables for 2020/21, the entity has budgeted just over R10 million for targeted support to spaza shops, informal businesses, salons and small scale manufacturers and beneficiaries across the Gauteng City Region are envisaged to be supported as follows:

- 325 existing spaza shops supported through the provision of grant support;
- 125 existing hair salons supported with working capital;
- 250 existing small-scale manufacturers supported to produce goods;

- 50 existing SMMEs in tourism to be supported; and
- 125 informal traders to benefit from GEP relief support.

The entity will also be focusing on the provision of debt relief interventions to assist distressed small businesses and leveraging on strategic partnerships will be critical for scaling up the COVID-19 relief beneficiaries as reflected above, thus enhancing the overall provincial impact.

5.3.4. PROGRAMME 3 – REGIONAL OPERATIONS AND ENTERPRISE SUPPORT: RESOURCE CONSIDERATIONS

Expenditure Estimates:

Programme 3: Regional Operations and Enterprise Support (R'000)	Audited outcome			Adjusted appropriation	Medium-term expenditure estimate		
	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23
108 607	117 782	109 192	125 545	131 349	101,204	107,979	111,216
108 607	117 782	109 192	125 545	131 349	101,204	107,979	111,216

Expenditure Estimates by Economic Classification:

Programme 3: Regional Operations and Enterprise Support (R'000)	Audited outcome			Adjusted appropriation	Medium-term expenditure estimate		
	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23
Economic classification							
Current payments	-	-	-	-	-	-	-
Compensation of employees	60 580	44 293	47 836	51 185	52,837	56,374	58,064
Goods and services	38 000	73 489	61 356	74 360	48,367	51,605	53,152
Total	98 580	117 782	109 192	125 545	101,204	107,979	111,216

Resources' contribution to achieving the outputs

Programme 3 (which is a combination of the former GEP Enterprise Support and Regional Operations Programmes per the 2014-2019 strategy) has a budget that increased from R96 million to R117 million which translates to 22% increase. In 2018/19 budgets decreases from R117 million in 2017/18 to R109 million in 2018/19 financial year. In 2019/20, the budget increases from R109 million to R125 million and reduced to R101 million in the year 2020/21. In the 2021/22 the budget increased to R107 million and further increased to R111 in the year 2022/23.

The budget allocation supports a range of non-financial support projects aimed at developing and supporting SMME's and co-operatives and ensuring they are provided with access to market opportunities, including the Youth Accelerator Programme and targeted support for small enterprises in key sectors. The budget allocation also cater for the rollout of targets relating to supporting township manufacturers and small enterprises in the construction industry.

The budget includes the implementation of Gauteng's Township Economic Revitalisation projects, which are aimed at enhancing reindustrialisation through the development of black-owned enterprises. These programmes seek to increase the number of SMMEs and co-operatives actively participating in the Gauteng's mainstream economy, and identified priority economic sectors.

5.4. PROGRAMME 4: RESOURCE MOBILISATION AND INDUSTRIAL FINANCING

5.4.1. PROGRAMME PURPOSE

The purpose of Programme 4: Resources mobilisation and industrial financing is to actively promote entrepreneurship in the Province, to mobilise resources through strategic partnerships and to facilitate an integrated approach among DFIs and other role-players to entrepreneurial development and support within the Province. The Programme is also aimed at supporting the industrial development drive of the Province by facilitating investment in high-impact business enterprises that dilute monopolies and stimulate high rates of employment.

5.4.2. PROGRAMME OUTCOMES, OUTPUTS, OUTPUT INDICATORS AND TARGETS

In contributing towards the GEP's desired impact of:

"Sustainable and competitive enterprises contributing meaningfully to inclusive economic growth and job creation within the Gauteng City Region"

the Resources Mobilisation and Industrial Financing Programme delivers against the following Outcomes reflected in the Strategic Plan:

Outcome 1: Resources mobilised for entrepreneurial development and industrial sector growth;

Outcome 2: Township enterprises and enterprises owned by target groups accessing markets; and

Outcome 4: Black-owned industrial enterprises participating sustainably in high growth sectors

The Resources Mobilisation and Industrial Financing Programme covers the following sub-programme and functions:

Sub-Programme	Functions
Stakeholder Management and Resources Mobilisation	<ul style="list-style-type: none"> ▪ Resources mobilisation ▪ Stakeholder management ▪ Industrial financing

Programme 4 is new, and is reliant on the repositioning and recapitalisation of the GEP to play a more significant role in high-growth sectors through support for emerging black industrial enterprises. As the repositioning process is not yet concluded, for 2020/21, the performance information is limited to the current function of stakeholder management and resources mobilisation. Once the GEP has been reconfigured, industrial financing indicators will be included in future APPs to support the relevant outcomes of the Strategic Plan.

The 2020/21 performance plan of Programme 4 is then reflected in the log frame tables below:

Programme 4 – Resources Mobilisation and Industrial Financing: Outcomes, Outputs Indicators and Annual Targets:

OUTCOME	OUTPUTS	OUTPUT INDICATORS	AUDITED ACTUAL PERFORMANCE				ESTIMATED PERFORMANCE	MEDIUM-TERM TARGETS		
			2016/17	2017/18	2018/19	2019/20		2020/21	2021/22	2022/23
1. Resources mobilised for entrepreneurial development and industrial sector growth	1.1. Resource mobilisation partnerships secured	1.1.1. Number of resource mobilisation partnerships secured	-	-	New Indicator	10	8	12	16	
2. Township enterprises and enterprises owned by target groups accessing markets (black, women, youth, PwD and MV)	2.2. Small enterprises linked to public sector and private sector procurement	2.2.1. Number of small enterprises supported through off-take agreements with GPG sector departments and the private sector	-	-	-	New Indicator	100	300	500	

Programme 4 – Resources Mobilisation and Industrial Financing: Indicators, Annual and Quarterly Targets:

OUTPUT INDICATORS	RESPONSIBILITY	2020/21 ANNUAL TARGET	QUARTERLY TARGETS			
			Q1 Apr - Jun 2020	Q2 Jul - Sep 2020	Q3 Oct - Dec 2020	Q4 Jan - Mar 2021
1.1.1. Number of resource mobilisation partnerships secured	Stakeholder Management and Resources Mobilisation	8	0	3	3	2
2.2.1. Number of small enterprises supported through off-take agreements with GPG sector departments and the private sector	Stakeholder Management and Resources Mobilisation	100	-	-	-	100

5.4.3. PROGRAMME 4 – RESOURCES MOBILISATION AND INDUSTRIAL FINANCING: EXPLANATION OF PLANNED PERFORMANCE OVER THE MEDIUM-TERM PERIOD

The Resources Mobilisation and Industrial Financing Programme is newly established to give effect to the directive of the 6th Administration that GEP be repositioned as the centre (face) of entrepreneurship in Gauteng, by ensuring an integrated approach among DFIs and other strategic partners in the Province.

The focus of the Programme is, therefore, on mobilising resources and building partnerships with co-funders and other delivery partners to significantly upscale the levels and extent of support, both financial and non-financial, provided to small enterprises in Gauteng. This includes to support the procurement set-asides target of 30% by ensuring GPG departments have available to them a pipeline of capable township-based enterprises to contract with. The Programme is, therefore, committed to upstream value capture in big-ticket spending areas of roads, housing, health and rural development by concluding off-take agreements with sector departments.

The focus of the Programme is on establishing a pipeline of fundable enterprises, concluding agreements with other DFIs and co-funders and developing GO TO market strategies that match small enterprises with funders. Thus, providing an integrated service for small enterprises and DFIs in the Province.

The Programme is further committed to sourcing the necessary financial support for the development and growth of black Industrial enterprises. While GEP's focus will largely be on emerging black Industrial enterprises, the organisation will work with other strategic partners and DFIs (e.g. the DTI) to secure support for larger black Industrial enterprises as well. Underpinning this Programme is the establishment of the SMME Partnership Fund by the DED, with the support of the GEP.

5.4.4. *PROGRAMME 4 – RESOURCES MOBILISATION AND INDUSTRIAL FINANCING: RESOURCE CONSIDERATIONS

Programme 4 – budget allocation will be informed by outcomes of reconfiguration and recapitalisation processes.

Expenditure Estimates:

Programme 4: Resources Mobilisation and Industrial Financing (R'000)	Audited outcome			Adjusted appropriation	Medium-term expenditure estimate		
	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23
Industrial Financing Programme	-	-	-	-	-	R200m	R150m
Total payments and estimates	-	-	-	-	-	R200m	R150m

Expenditure Estimates by Economic Classification:

Programme 4: Resources Mobilisation and Industrial Financing (R'000)	Audited outcome			Adjusted appropriation	Medium-term expenditure estimate		
	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23
Economic classification							
Compensation of employees	-	-	-	-	-	-	-
Goods and services	-	-	-	-	-	-	-
Total	-	-	-	-	-	-	-

Programme 4 is a new programme aimed at ensuring GEP participation in the Industrial financing space in support of the TMR Programme. The budgetary requirements for this programme are to be informed by outcomes of reconfiguration and recapitalisation processes.

6. UPDATED KEY RISKS

Outcome	Key Risk	Risk Mitigation/Opportunities
1. Resources mobilised for entrepreneurial development and Industrial sector growth	<ul style="list-style-type: none"> Negative association risks with mobilised partners. Reputational risk impact on GEP's brand for attraction of potential partners. Limited human resource and legal capacity for resource mobilisation and management. 	<ul style="list-style-type: none"> Vetting of and risk assessment of potential partners. Clean audit opinion, brand survey, governance assessment, stakeholder management interventions. Skills audit, recruitment of the panel of service (asset/fund managers).
2. Township enterprises and enterprises owned by target groups accessing markets (black, women, youth, PwD and MV).	<ul style="list-style-type: none"> Change of government policy of empowerment Inability to maximise on procurement opportunities and policy. 	<ul style="list-style-type: none"> Identification and securing of off-take agreements with other government agencies and private sector.
3. Sustainable small enterprises that are creating jobs	<ul style="list-style-type: none"> Limited capital for business finance (financial, non-financial, Industrial support). Investing in or funding of businesses in poorly performing economic sectors. 	<ul style="list-style-type: none"> Shareholder recapitalisation of GEP and capital risk-sharing with partners for funding of (financial, non-financial, Industrial support). Enhanced due diligence supported by Industry research to Inform economic outlook and

Outcome	Key Risk	Risk Mitigation/Opportunities
	<ul style="list-style-type: none"> ▪ Non-investment in new economic sectors. ▪ Non-application of the ESG (Environment, Social Inclusivity and Governance) Model in business finance (financial, non-financial, industrial support). ▪ Poorly defined and implementation of the pre-investment and post-investment strategy. ▪ Non-application of GEM model for formalisation and sustainability of businesses. ▪ Limited due diligence and definition of business processes. 	<p>performance. Investment into business expansions of performing and existing business (receipt of dividends).</p> <ul style="list-style-type: none"> ▪ Funding of feasibility studies for new economic sectors with a view of bringing in new players ▪ Development and implementation of the ESG matrix, as part of enhanced due diligence, including sourcing of ESG. ▪ Benchmark, develop and implement the enhanced pre-investment and post-investment strategy (panel of mentors). ▪ Development and implementation of a non-financial support strategy aligned to GEM. ▪ Automation of the enhanced due diligence business processes, re-skilling and recruitment of suitable investment managers(financial, non-financial, industrial support).
4. Black-owned Industrial enterprises participating sustainably in high growth sectors	<ul style="list-style-type: none"> ▪ Non-identification of the monopolies and lack of penetration strategy. 	<ul style="list-style-type: none"> ▪ Targeted black empowerment industrial financing through capital risk sharing aligned to ESG Model (emphasis on financial and social returns to GEP). ▪ Research and identify high financial and social return, labour intensive industrial monopolies for equity investment.
5. Well-governed and high-performing organisation.	<ul style="list-style-type: none"> ▪ Poor organisational and employee productivity. ▪ Poor governance (internal controls, compliance, risk management and governance). ▪ Low organisational and employee productivity due to coronavirus lockdown (i.e. 36 days and level 4 lockdown), thus negatively affecting the rolling-out of APP targets, adequacy and spending of budgets and 	<ul style="list-style-type: none"> ▪ Defined employee and organisational performance targets for contracting purposes, defined remuneration philosophy (short and long-term incentives), embedding and practice of GEP values for improved organisational culture. ▪ A Board-supported business continuity plan in place and being costed for implementation ▪ Explore purchase of all tools of trade and upgrading of data allowance for all staff, including

Outcome	Key Risk	Risk Mitigation/Opportunities
	<p>execution of operational plans and governance activities</p> <ul style="list-style-type: none"> Limited availability of tools of trade for on-site and virtual employees (such as data allocation, laptops and ICT applications, vehicle) Limited budget availability for both financial and non-financial support, including special Shareholder/mandated projects Limited communication with both internal and external stakeholders in relation to the coronavirus effects 	<p>Installation of required ICT applications</p> <ul style="list-style-type: none"> Leveraging on Strategic Partnerships in government (e.g. Dept. of Small Business Development) and private sector to mobilise resources and facilitate integrated responses to support distressed small enterprises across the Province; Crisis communication plan will be developed and rolled-out in order to inform all stakeholders about active GEP operations

The detailed Gauteng Enterprise Propeller Risk Register is reviewed monthly by Exco, and quarterly at each meeting of the Audit, Risk and Governance Committee and the GEP Board.

7. PUBLIC ENTITIES

The Gauteng Enterprise Propeller does not have any Public Entities.

8. INFRASTRUCTURE PROJECTS

Not applicable to the Enterprise Propeller.

9. PUBLIC / PRIVATE PARTNERSHIPS

Not applicable to the Gauteng Enterprise Propeller at this stage.

PART D: TECHNICAL INDICATOR DESCRIPTIONS

10. PROGRAMME 1: ADMINISTRATION

Indicator Title	2.1.1. Percentage procurement spend to the collective of township enterprises and enterprises owned by women, youth and persons with disabilities
Definition	The total combined Rand value of GEP procurement spend on township enterprises and enterprises that are majority owned by women, youth and persons with disabilities as a percentage of the total GEP procurement spend on all service providers regardless of B-BBEE or target group status.
Source of data	SCM quarterly reports.
Method of Calculation / Assessment	Combined sum of the Rand value of GEP procurement spend on township enterprises and enterprises that are majority owned by women, youth and persons with disabilities divided by the total Rand value of procurement spend on all service providers (regardless of B-BBEE status) over the same cumulative (year-to-date) period, expressed as a percentage.
Means of verification	Verify the supporting data of the reported results (e.g B-BBEE certificates and other supporting documents, such as affidavits to confirm targeted group status).
Assumptions	None
Disaggregation of Beneficiaries (where applicable)	As per Indicator
Spatial Transformation (where applicable)	n/a
Calculation Type	Cumulative (year-to-date)
Reporting Cycle	Quarterly
Desired Performance	<u>Higher than targeted performance is desirable:</u> 30% procurement spend to the collective of township enterprises and enterprises that are majority owned or controlled by women, youth, persons with disabilities and military veterans.
Indicator Responsibility	CFO / SCM

Indicator Title	2.1.2. Percentage procurement spend to service providers that are majority owned by women
Definition	The total combined Rand value of GEP procurement set-aside spend on township enterprises and enterprises that are majority owned by women, as a percentage of the total 30% GEP procurement spend on the collective of township enterprises and enterprises owned by women, youth and persons with disabilities.
Source of data	SCM quarterly reports.
Method of Calculation / Assessment	Combined sum of the Rand value of GEP procurement spend on township enterprises and enterprises that are majority owned by women divided by the total Rand value of procurement spend on all service providers (regardless of B-BBEE status) over the same cumulative (year-to-date) period, expressed as a percentage.
Means of verification	Verify the supporting data of the reported results (e.g B-BBEE certificates and other supporting documents, such as affidavits to confirm targeted group status).
Assumptions	None
Disaggregation of Beneficiaries (where applicable)	As per indicator
Spatial Transformation (where applicable)	n/a
Calculation Type	Cumulative (year-to-date)
Reporting Cycle	Quarterly
Desired Performance	<u>Higher than targeted performance is desirable:</u> 40% procurement spend to the collective of township enterprises and enterprises that are majority owned or controlled by women, youth, persons with disabilities and military veterans.
Indicator Responsibility	CFO / SCM

Indicator Title	5.1.1. Percentage Implementation of Prior Year Audit Action Plans
Definition	The indicator measures the percentage of prior-year audit action plan corrective actions implemented during the financial year.
Source of data	GEP Internal and External Audit Log Reports.
Method of Calculation / Assessment	Simple count of the number of mitigation actions implemented as a percentage of the total number of audit findings for the prior year.
Means of verification	GEP Internal and External Audit Log Reports.
Assumptions	Unqualified audit opinion received with material findings.
Disaggregation of Beneficiaries (where applicable)	n/a
Spatial Transformation (where applicable)	n/a
Calculation Type	Cumulative
Reporting Cycle	Annually
Desired Performance	70% material audit action plans implemented by the end of the financial year (Annexure A of the Management Report)
Indicator Responsibility	Risk and Audit

Indicator Title	5.2.1. Stakeholder satisfaction rating
Definition	The indicator measures the level of satisfaction of stakeholder based on interaction with GEP and various touch points.
Source of data	Stakeholder Satisfaction Survey Report
Method of Calculation / Assessment	Simple measure of satisfaction levels as reported by external stakeholders (e.g. supported small enterprises, strategic partners). T The number of participants in the survey and converted into percentage (%)
Means of verification	Online Questionnaires distributed to all GEP partners and supported beneficiaries.
Assumptions	Participation of external stakeholders (Each interaction will be measured against the measuring criteria).
Disaggregation of Beneficiaries (where applicable)	n/a
Spatial Transformation (where applicable)	Stakeholders across all GCR corridors
Calculation Type	Non-cumulative
Reporting Cycle	Annually
Desired Performance	Establish baseline
Indicator Responsibility	Marketing and communications

11. PROGRAMME 2: INVESTMENT MANAGEMENT

Indicator Title	3.1.1. Number of small enterprises provided with financial support through the provision of loans (approval).
Definition	The indicator measures the number of small enterprises granted funding through loans.
Source of data	Internal assessment of GEP quarterly performance reports and loan approval lists.
Method of Calculation / Assessment	A simple count of the number of small enterprises granted funding through loans (approvals).
Means of verification	1) GEP Loan Approval List; and 2) GEP performance reports.
Assumptions	Qualifying applications through the GEP online system.
Disaggregation of Beneficiaries (where applicable)	30% women and 30% youth beneficiaries.
Spatial Transformation (where applicable)	Across all Gauteng regions.
Calculation Type	Non-cumulative
Reporting Cycle	Quarterly
Desired Performance	<u>Higher than targeted performance is desirable:</u> Approval of loans for 50 small enterprises.
Indicator Responsibility	Investment Management

Indicator Title	3.1.2. Percentage of approved loans disbursed (on total approved loan book).
Definition	The indicator measures the number of small enterprises granted funding through loans, which such loans having been disbursed by GEP.
Source of data	Internal assessment of GEP quarterly performance reports, loan approval lists and payment confirmations.
Method of Calculation / Assessment	Total number of small enterprises with disbursed loans divided by the total number of loan approvals, calculated as a percentage.
Means of verification	1) GEP Loan Approval List; and 2) GEP performance reports.
Assumptions	Qualifying applications through the GEP online system.
Disaggregation of Beneficiaries (where applicable)	30% women and 30% youth beneficiaries.
Spatial Transformation (where applicable)	Across all Gauteng regions.
Calculation Type	Non-cumulative
Reporting Cycle	Quarterly
Desired Performance	<u>Higher than targeted performance is desirable:</u> 70% percent of approved loans disbursed (on total approved loan book).
Indicator Responsibility	Investment Management

12. PROGRAMME 3 : REGIONAL OPERATIONS AND ENTERPRISE SUPPORT

Indicator Title	3.2.1. Number of small enterprises supported non-financially (Including Hair Salons and Spaza shops)
Definition	The indicator measures the number of small enterprises granted support through non-financial GEP interventions.
Source of data	GEP Performance reports / Project reports/ Attendance registers, etc.
Method of Calculation / Assessment	Simple count of the number of small enterprises provided with non-financial support.
Means of verification	▪ Regional performance and / or Project reports with supporting documents/attendance registers/ accreditation certificates, etc.

Indicator Title	3.2.1. Number of small enterprises supported non-financially (Including Hair Salons and Spaza shops)
Assumptions	Positive responses by beneficiaries.
Disaggregation of Beneficiaries (where applicable)	<ul style="list-style-type: none"> ▪ 30% youth ▪ 30% women
Spatial Transformation (where applicable)	Across all Gauteng regions.
Calculation Type	Non-cumulative
Reporting Cycle	Quarterly
Desired Performance	<p><u>Higher than targeted performance is desirable</u></p> <p>1 325 small enterprises supported non-financially in 2020/21.</p> <p>325 spaza shops are targeted as part of GEP Covid-19 relief support.</p>
Indicator Responsibility	Regional Operations

Indicator Title	3.2.2. Number of youth benefitted from the Youth Accelerator Programme.
Definition	To measure the number of youth benefiting from the Youth Accelerator Programme supported through training, placement and other support interventions.
Source of data	Internal assessment of GEP performance reports.
Method of Calculation / Assessment	Simple count of the number of youth benefiting from the Youth Accelerator Programme.
Means of verification	Performance / Project reports with supporting documents (attendance registers, confirmation of placements, accreditation certificates, etc.).
Assumptions	Positive responses by sector participants and beneficiaries.
Disaggregation of Beneficiaries (where applicable)	<ul style="list-style-type: none"> ▪ 100% youth ▪ 50% women
Spatial Transformation (where applicable)	Across all Gauteng regions.
Calculation Type	Non-cumulative
Reporting Cycle	Quarterly

Indicator Title	3.2.2. Number of youth benefitted from the Youth Accelerator Programme.
Desired Performance	<u>Higher than targeted performance is desirable</u> 500 youth benefitting from the Youth Accelerator Programme in 2020/21.
Indicator Responsibility	Business Development Support

Indicator Title	3.2.3. Number of small enterprises supported through non-financial interventions in the priority districts of West Rand and Sedibeng.
Definition	To measure the number of small enterprises supported non-financially (i.e. through training, mentorship, marketing support, equipment, etc.) in the West Rand and Sedibeng regions.
Source of data	Performance reports / Project reports/ Attendance registers, etc.
Method of Calculation / Assessment	Simple count of the number of West Rand and Sedibeng small enterprises provided with non-financial support.
Means of verification	Performance reports with supporting documents (attendance registers, accreditation certificates, etc.).
Assumptions	Positive responses by beneficiaries.
Disaggregation of Beneficiaries (where applicable)	<ul style="list-style-type: none"> ▪ 30% youth ▪ 30% women
Spatial Transformation (where applicable)	West Rand and Sedibeng.
Calculation Type	Non-cumulative
Reporting Cycle	Quarterly
Desired Performance	<u>Higher than targeted performance is desirable</u> 250 West Rand and Sedibeng small enterprises supported non-financially in 2020/21.
Indicator Responsibility	Business Development Support

Indicator Title	3.2.4. Number of Informal businesses supported non-financially
Definition	The indicator measures the number of Informal businesses granted non-financial support in support of the Gauteng Informal Business Upliftment Strategy.
Source of data	GEP Performance reports / Project reports/ Attendance registers, etc.
Method of Calculation / Assessment	Simple count of the number of Informal businesses granted non-financial support.
Means of verification	Project reports with supporting documents / attendance registers / registration certificates, etc.
Assumptions	Positive responses by beneficiaries.
Disaggregation of Beneficiaries (where applicable)	<ul style="list-style-type: none"> ▪ 30% youth ▪ 30% women
Spatial Transformation (where applicable)	Across all Gauteng regions.
Calculation Type	Non-cumulative
Reporting Cycle	Quarterly
Desired Performance	<u>Higher than targeted performance is desirable</u> 1 200 Informal businesses supported non-financially in 2020/21.
Indicator Responsibility	Business Development Support

Indicator Title	3.2.5. Number of construction and tourism small enterprises supported non-financially
Definition	The indicator measures the number of small enterprises granted support through non-financial GEP interventions.
Source of data	GEP Performance reports / Project reports/ Attendance registers, etc.
Method of Calculation / Assessment	Simple count of the number of construction and tourism small enterprises provided with non-financial support. These may include new market entrants supported to formalise or meet CIDB requirements and those exposed to opportunities in Construction and Tourism and / or supported to meet compliance and accreditation requirements.
Means of verification	<ul style="list-style-type: none"> ▪ Regional performance reports and / or Project reports with supporting documents: attendance registers/ accreditation certificates, etc.
Assumptions	Positive responses by beneficiaries.

Indicator Title	3.2.5. Number of construction and tourism small enterprises supported non-financially
Disaggregation of Beneficiaries (where applicable)	<ul style="list-style-type: none"> ▪ 30% youth ▪ 30% women
Spatial Transformation (where applicable)	Across all Gauteng regions.
Calculation Type	Non-cumulative
Reporting Cycle	Quarterly
Desired Performance	<u>Higher than targeted performance is desirable</u> 200 construction and tourism small enterprises supported non-financially in 2020/21.
Indicator Responsibility	Regional Operations

Indicator Title	3.2.6. Number of manufacturing small enterprises supported non-financially
Definition	The indicator measures the number of small enterprises granted support through non-financial GEP interventions.
Source of data	GEP Performance reports / Project reports/ Attendance registers, etc.
Method of Calculation / Assessment	Simple count of the number of manufacturing small enterprises provided with non-financial support. These may include new market entrants supported to formalise and those exposed to opportunities in Manufacturing and / or supported to meet compliance and accreditation requirements.
Means of verification	<ul style="list-style-type: none"> ▪ Performance report and / or Project reports with supporting documents: attendance registers/ accreditation certificates, etc.
Assumptions	Positive responses by beneficiaries.
Disaggregation of Beneficiaries (where applicable)	<ul style="list-style-type: none"> ▪ 30% youth ▪ 30% women
Spatial Transformation (where applicable)	Across all Gauteng regions.
Calculation Type	Non-cumulative
Reporting Cycle	Quarterly
Desired Performance	<u>Higher than targeted performance is desirable</u>

Indicator Title	3.2.6. Number of manufacturing small enterprises supported non-financially
	250 manufacturing small enterprises supported non-financially in 2020/21.
Indicator Responsibility	Regional Operations

Indicator Title	3.2.7. Number of small enterprises provided with non-financial support through mentorship and incubation (including furniture and artisan trades)
Definition	The indicator measures the number of small enterprises granted non-financial support through mentorship and incubation.
Source of data	GEP Performance reports / Project reports / Attendance Registers
Method of Calculation / Assessment	Simple count of the number of small enterprises provided with non-financial support through mentorship and incubation
Means of verification	<ul style="list-style-type: none"> Project reports with supporting documents/attendance registers/ accreditation certificates, etc.
Assumptions	Positive responses by beneficiaries.
Disaggregation of Beneficiaries (where applicable)	<ul style="list-style-type: none"> 30% youth 30% women
Spatial Transformation (where applicable)	Across all Gauteng regions.
Calculation Type	Non-cumulative
Reporting Cycle	Quarterly
Desired Performance	<p><u>Higher than targeted performance is desirable</u></p> <p>80 small enterprises supported non-financially through mentorship and incubation in 2020/21. Beneficiaries are to include those supported through GEPs Furniture Incubation and Pitching Mentorship Programmes which are envisaged to be 30 and 50 respectively.</p>
Indicator Responsibility	Business Development Support

Indicator Title	3.3.1. Number of small enterprises provided with grant funding (Community Fund, Township Business Renewal Programme and Co-operative Assistance Programme).
Definition	To provide regionally targeted and tailored grant funding to small enterprises, with a view to propel them into the mainstream economy and revitalise township economies.
Source of data	GEP Performance Reports / Project reports/ Attendance registers, etc.
Method of Calculation / Assessment	Simple count of the number of small enterprises provided with grant funding.
Means of verification	<ul style="list-style-type: none"> ▪ Project scope of work / Approval Report. ▪ GEP Performance reports. ▪ Confirmation of payment.
Assumptions	Positive responses by beneficiaries. An effective COVID-19 response.
Disaggregation of Beneficiaries (where applicable)	<ul style="list-style-type: none"> ▪ 40% youth ▪ 50% women
Spatial Transformation (where applicable)	Across all Gauteng regions.
Calculation Type	Non-cumulative
Reporting Cycle	Quarterly
Desired Performance	<u>Higher than targeted performance is desirable</u> 1 825 small enterprises provided with grant funding in 2020/21.
Indicator Responsibility	Business Development Support

13. PROGRAMME 4: RESOURCE MOBILISATION AND INDUSTRIAL FINANCING

Indicator Title	1.1.1. Number of resource mobilisation partnerships secured.
Definition	To measure the number of partnerships secured through GEP resource mobilisation efforts, per annum.
Source of data	Resource mobilisation/ GEP Performance and/or project reports.
Method of Calculation / Assessment	Simple count of the number of resource mobilisation partnerships secured
Means of verification	Written confirmation of public and/or private sector partnership agreements secured in 2020/21 outlining support interventions to be provided to small enterprises.
Assumptions	Positive responses by identified strategic partners.
Disaggregation of Beneficiaries (where applicable)	Not applicable.
Spatial Transformation (where applicable)	Across all Gauteng regions.
Calculation Type	Non-cumulative
Reporting Cycle	Quarterly
Desired Performance	<u>Higher than targeted performance is desirable</u> 8 partnerships secured through GEP resource mobilisation efforts in 2020/21.
Indicator Responsibility	Resource Mobilisation and Strategic Partnerships.

Indicator Title	2.2.1. Number of small enterprises supported through off-take agreements with GPG sector departments and the private sector.
Definition	To measure the number of small enterprises benefiting from off-take agreements concluded with GPG departments and the private sector.
Source of data	Resource mobilisation reports.
Method of Calculation / Assessment	Simple count of the number of small enterprises benefiting from off-take agreements.
Means of verification	<ul style="list-style-type: none"> ▪ GEP Performance / Resource mobilisation reports; ▪ Signed off-take agreements; and/or ▪ Purchase orders issued to GEP-supported small enterprises
Assumptions	Strategic partnerships with provincial government departments in place.
Disaggregation of Beneficiaries (where applicable)	Not applicable.
Spatial Transformation (where applicable)	Not applicable.
Calculation Type	Cumulative (year-to-date)
Reporting Cycle	Quarterly
Desired Performance	<u>Higher than targeted performance is desirable</u> 100
Indicator Responsibility	Resource Mobilisation and Strategic Partnerships.

ANNEXURES TO THE ANNUAL PERFORMANCE PLAN

ANNEXURE A: AMENDMENTS TO THE STRATEGIC PLAN

Not applicable for 2020/21, as the first year of the 2020/21–2024/25 Strategic Plan.

ANNEXURE B: CONDITIONAL GRANTS

Not applicable to the Gauteng Enterprise Propeller.

ANNEXURE C: CONSOLIDATED INDICATORS

Not applicable to the Gauteng Enterprise Propeller.

ANNEXURE D: DISTRICT DEVELOPMENT MODEL

Not applicable to the Gauteng Enterprise Propeller.